

A background image of a man with glasses and a beard, smiling, overlaid with a blue semi-transparent filter. The background is composed of large, overlapping, curved shapes in various colors: blue, green, yellow, orange, and brown.

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Annual Financial Report

FROM JANUARY 1st TO
DECEMBER 31st 2021
ACCORDING TO ARTICLE 4
OF L. 3556/2007

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I. Representation of the Members of the Board of Directors

(according to article 4, par. 2 of L. 3556/2007)

The members of the Board of Directors of ORGANIZATION OF FOOTBALL PROGNOSTICS S.A., of parent company (the “Company”):

1. Kamil Ziegler, Chairman,
2. Jan Karas, Board Member and Chief Executive Officer,
3. Pavel Mucha, Board Member and Chief Financial Officer

notify and certify that as far as we know:

- a) the attached Financial Statements (consolidated and separate) of the Group of OPAP S.A. (the “Group”) for the period 01.01.2021 to 31.12.2021, which have been prepared in accordance with the applicable International Financial Reporting Standards, provide a true and fair view of the assets and liabilities, the equity and the results of the Group and the Company, as defined on paragraphs 3 to 6 of article 4 of the L. 3556/30.4.2007 and from authorization decisions by the Board of Directors of the Hellenic Capital Market Commission.
- b) the Board of Directors’ report provides a true and fair view of the financial position and the performance of the Group and the Company, including a description of the main risks and uncertainties, as defined in paragraph 3 to 6 of article 4 of the L. 3556/30.4.2007 and from authorization decisions by the Board of Directors of the Hellenic Capital Market Commission.

Athens, 22 March 2022

Chairman

**Board Member and Chief
Executive Officer**

**Board Member and Chief
Financial Officer**

Kamil Ziegler

Jan Karas

Pavel Mucha

II. Board of Directors' Report for the period 1.1.2021 - 31.12.2021

(according to article 4 of L. 3556/2007)

The report of the Board of Directors of the Company concerns the year 2021 and was prepared in accordance with the articles 150-154 of L.4548/2018. According to the article 4 of Law 3556/2007 and the Hellenic Capital Market Commission Decision 8/754/14.04.2016 article 2 and the Company's Articles of Association, we submit you for the period 01.01.2021 to 31.12.2021, the annual Board of Directors report, which includes the audited Consolidated and Separate Financial Statements, the notes to the Financial Statements and the audit report by the certified auditor.

The report describes the financial results of the Group for the period 01.01.2021 to 31.12.2021, as well as the significant events which took place in 2021 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 Group, the corporate governance, the dividend policy, the number and the nominal value of shares and finally, the material transactions with the Company's and the Group's related parties are also mentioned.

1. Financial progress and performances of year 2021

Financial Performance

The basic Group financials are presented below:

(Amounts in thousands of euro)	01.01- 31.12.2021	01.01- 31.12.2020 Restated (*)	Δ %
Revenue (GGR)	1,538,843	1,129,783	36.2%
GGR contribution and other levies and duties	(494,986)	(392,518)	26.1%
Net gaming revenue (NGR)	1,043,857	737,265	41.6%
Profit before interest, tax, depreciation and amortization (EBITDA)	550,296	260,715	111.1%
Profit before tax	357,265	216,407	65.1%
Profit for the period	260,872	199,107	31.0%
Net increase/(decrease) in cash and cash equivalents			
Net cash inflow from operating activities	493,381	186,388	164.7%
Net cash outflow from investing activities	(39,096)	(78,507)	(50.2%)
Net cash outflow from financing activities	(100,797)	(234,823)	(57.1%)

(*) The comparative amounts have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 and finalization of the purchase price allocation on the acquisition of STOIXIMAN LTD (see Note 3.23 of the Annual Financial Statements).

Group's results for the year 2021 were impacted by the full consolidation of STOIXIMAN LTD following the acquisition of control from 01.12.2020. In the comparative period, up to November 2020 STOIXIMAN LTD was accounted for as an associate company while from 01.12.2020 onwards has been fully consolidated to OPAP Group.

Given the substantial contribution of STOIXIMAN LTD, the consolidated figures of the current period are not comparable to the previous period ones.

The following table includes a comparison of the Group's results excluding the contribution of STOIXIMAN LTD for both periods. The financials excluding STOIXIMAN LTD were calculated by deducting, per line item, the contribution of STOIXIMAN LTD from the consolidated results. The share of profit of associate for the comparative period was also excluded.

(Amounts in thousands of euro)	01.01-31.12.2021 excluding STOIXIMAN LTD	01.01-31.12.2020 excluding STOIXIMAN LTD Restated (*)	Δ %
Revenue (GGR)	1,164,034	1,089,596	6.8%
GGR contribution and other levies and duties	(363,881)	(376,733)	(3.4%)
Net gaming revenue (NGR)	800,152	712,863	12.2%
Profit before interest, tax, depreciation and amortization (EBITDA)	478,671	238,163	101.0%
Profit before tax	297,594	194,782	52.8%
Profit for the period	221,245	181,362	22.0%
Net increase/(decrease) in cash and cash equivalents			
Net cash inflow from operating activities	446,887	168,440	165.3%
Net cash inflow/(outflow) from investing activities	(34,122)	(78,562)	(56.6%)
Net cash outflow from financing activities	(96,690)	(234,823)	(58.8%)

(*) The comparative amounts have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 (see Note 3.23 of the Annual Financial Statements).

The basic Company financials are presented below:

(Amounts in thousands of euro)	01.01-31.12.2021	01.01-31.12.2020 Restated (*)	Δ %
Revenue (GGR)	985,327	930,219	5.9%
GGR contribution and other levies and duties	(298,148)	(311,640)	(4.3%)
Net gaming revenue (NGR)	687,179	618,579	11.1%
Profit before interest, tax, depreciation and amortization (EBITDA)	479,959	246,941	94.4%
Profit before tax	335,288	129,652	158.6%
Profit for the period	264,961	101,370	161.4%
Net increase/(decrease) in cash and cash equivalents			
Net cash inflow from operating activities	415,379	147,410	181.8%
Net cash outflow from investing activities	(153)	(92,453)	(99.8%)
Net cash outflow from financing activities	(85,629)	(225,763)	(62.1%)

(*) The comparative amounts have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 (see Note 3.23 of the Annual Financial Statements).

2. Significant events during the year 2021 and their effect on the Financial Statements

Online betting – OPAP SPORTS LTD

On 01.01.2021, OPAP SPORTS LTD was granted a Class “B” license from the National Betting Authority of Cyprus and now can provide electronic (online) betting services. The provision of such services is temporarily suspended.

Request for Arbitration of HELLENIC LOTTERIES S.A.

HELLENIC LOTTERIES S.A. has formally contested its obligation to pay the € 50,000 th. Minimum Annual Fee provided for in Clause 11.2 of the Concession Agreement for financial years 2020 and 2021 due to the adverse impact that the Greek Government coronavirus (COVID-19) measures had on the company's operations.

Specifically, HELLENIC LOTTERIES S.A. is proposing that Minimum Annual Fee for 2020 amounts to € 12,279 th. to the Hellenic Republic, which is an amount representing 30% of the annual GGR. This amount has already been remitted by HELLENIC LOTTERIES S.A. to the Hellenic Republic, pursuant to the Concession Agreement. A respective formal contestation has been made for the fiscal year 2021 as well (see below). HELLENIC LOTTERIES S.A. has formally taken the position vis-à-vis the Hellenic Republic, supported by advice by external counsel, that no additional amount is due to reach the € 50,000 th. Minimum Annual Fee provided for in Clause 11.2 of the Concession Agreement, given the impact of pandemic-related restrictions imposed by the State during the years 2020 and 2021 on the operation of HELLENIC LOTTERIES S.A.. This position is based on the Force Majeure clause of the Concession Agreement and applicable provisions of Greek law regarding impossibility of performance and unforeseeable changes in circumstances. For these reasons HELLENIC LOTTERIES S.A. has filed a Request for Arbitration against the Hellenic Republic and the Hellenic Asset Development Fund under the LCIA Arbitration Rules, pursuant to Clause 32 of the Concession Agreement, as well as its Statement of Claim dated 02.12.2021. HELLENIC LOTTERIES S.A.'s principal claim seeks declarations that the Minimum Annual Fee is not due for the part of the years 2020 and 2021 that the pandemic-related restrictions, imposed by the State on the operation of HELLENIC LOTTERIES S.A., and also an extension of the term of the Concession Agreement or a refund of part of the upfront € 190,000 th. Financial Consideration (both to be fully quantified at a later stage but are not less than 17.6 months/€ 28,400 th. respectively according to the Statement of Claim submitted by HELLENIC LOTTERIES S.A. on 02.12.2021). This matter is currently pending before the competent tribunal, which has exclusive jurisdiction to pronounce in a final and binding manner. On prudential grounds, however, HELLENIC LOTTERIES S.A. formed a provision, notably in the light of collateral undertakings per Clause 26.03 of the Concession Agreement..

Dividends

Dividend distribution for the year 2020

The 21st Annual Ordinary Shareholders General Meeting, held on 17.06.2021, approved a gross dividend of € 0.55 per share for the fiscal year 2020. The total approved gross dividend amounted to € 186,778 th.. The distribution was subject to the five-year dividend reinvestment program as approved by the Ordinary General Meeting of the Shareholders of the Company, dated 22.05.2019, resulting in the issuance of 9,729,566 new common, registered, voting shares, of nominal value of € 0.30 equivalent to € 108,387 th. of the total gross dividend amount declared.

Interim dividend for the fiscal year 2021

The Company's Board of Directors decided during its meeting on 07.09.2021 to distribute a gross amount of € 34,933 th. or € 0.10 per share as interim dividend for the fiscal year 2021. The distribution was subject to the five-year dividend reinvestment program as approved by the Ordinary General Meeting of the Shareholders of the Company, dated 22.05.2019, resulting in the issuance of 1,700,334 new common, registered, voting shares, of nominal value of € 0.30 equivalent to € 22,444 th. of the total gross interim dividend amount declared.

Financing

Issuance of bond loan of TORA DIRECT SINGLE MEMBER S.A.

TORA DIRECT SINGLE MEMBER S.A., according to the meeting of its Board of Directors dated 26.03.2021, resolved on the issuance of a common bond loan of € 11,000 th., divided to 11,000 bonds of € 1,000 each. OPAP S.A. subscribed for the whole amount of € 11,000 th.. The bond loan was repaid during fiscal year 2021.

Repayment and issuance of bond loan of OPAP S.A.

The Company, on 29.09.2021, repaid a bond loan of € 100,000 th. through refinancing by issuing a new bond loan of € 200,000 th. with a maturity date on 29.09.2024 which may be extended for 2 years. Up to 31.12.2021, only € 100,000 th. of the total bond loan was drawn down.

Provision and amendment of loans from OPAP CYPRUS LTD to OPAP S.A.

On 07.10.2021, OPAP S.A. collected € 10,000 th. from OPAP CYPRUS LTD as a result of a new loan agreement of € 10,000 th. with a maturity date on 07.10.2022 that both parties signed on 05.10.2021.

Additionally, on 07.10.2021 OPAP CYPRUS LTD and OPAP S.A. signed an amendment agreement of a loan of € 20,000 th. by extending the maturity date for one year, i.e. up to 07.10.2022.

Early repayment of HORSE RACES SINGLE MEMBER S.A. bond loans

On 13.10.2021, HORSE RACES SINGLE MEMBER S.A. repaid earlier and without extra cost three bond loans subscribed by OPAP S.A. and OPAP INVESTMENT LTD of total amount of € 35,000 th. clearing all its long and short-term borrowings.

Repayment and issuance of bond loan of HELLENIC LOTTERIES S.A.

On 27.10.2021, HELLENIC LOTTERIES S.A. repaid a bond loan of € 50,000 th. through refinancing by issuing a new bond loan of € 50,000 th. with maturity date on 27.10.2024 which may be extended for 2 years.

Repayment and issuance of bond loan of OPAP S.A.

The Company, on 12.11.2021, repaid a bond loan of € 300,000 th. through refinancing by issuing a new bond loan of € 300,000 th. payable in installments up to May 2027.

Online betting and Online Casino Games & Poker

Following the publication of Law 4635/2019 regarding the licensing and operating of certain online games of chance in Greece namely Online Betting (including virtual games) and Other Online Games (online casino-type games and Poker conducted live or with the use of a random number generator), on 26.02.2020, Hellenic Gaming Commission (the “HGC”) invited all the transitional licensed gaming operators (including OPAP S.A. and STOIXIMAN LTD) to submit their applications for the granting of Type 1 License (Online Betting) and/or Type 2 License (Other Online Games) until 31.03.2020. The License Fee for the Type 1 License was set at € 3.000 th. and for the Type 2 License was set at € 2.000 th.. The duration of each license is for seven (7) years and can be renewed.

Before the lapse of the above-mentioned deadline, each company submitted two separate applications to HGC for the awarding of both licenses. Then, on 05.08.2020 the new Online Regulation was published (Ministerial Decision no. 79835 EX 2020/24.07.2020), which contains an extensive set of regulatory, supervisory and control provisions aimed at ensuring the highest possible level of compliance with the requirements of the Law and the rules of responsible gaming for all licensed online games of chance providers in Greece.

A Type 1 License and a Type 2 License were granted to OPAP S.A. on 25.05.2021 and to STOIXIMAN LTD on 28.05.2021. The Go-Live took place on 10.08.2021 and 05.08.2021, respectively.

Corporate Governance

In view of the provisions of L. 4706/2020 on corporate governance, coming into force as of 17.07.2021, and the issuance of the New Hellenic Corporate Governance Code by the Hellenic Council of Corporate Governance (ESED) in June 2021, the Company implemented a structured action plan in order to comply with the legal requirements and adopted best practices so as to maintain high governance standards.

Process and schedule for the conclusion of the Concession Agreement of OPAP CYPRUS LTD

After the approval of the Codes of Practice of OPAP CYPRUS LTD by the National Betting Authority and the Minister of Finance, the Coordinating Committee, by virtue of its letter dated on 20.07.2021, sent to OPAP CYPRUS LTD, according to the provision of art. 5(c) Law 52(I), a draft contract (Concession Agreement) to be concluded by the parties. The negotiations of the draft Concession Agreement between OPAP CYPRUS LTD and the Coordinating Committee, which commenced on 16.09.2021, have reached a mature stage, and following their completion the Concession Agreement shall be submitted to the Council of Ministers for approval and then shall be signed by both parties. In accordance with Law 52(I) the Intergovernmental Agreement of 2003 shall be terminated upon the entry into force of the above Concession Agreement.

Share capital increase of OPAP S.A.

By virtue of the decision of the 21th Annual Ordinary Shareholders General Meeting, held on 17.06.2021, it was agreed the share capital of the Company would be increased for an amount up to € 7,800 th. upon issuance of up to 26,000,000 new ordinary, registered, voting shares, for the implementation of the dividend reinvestment program.

The share capital increase was partially subscribed resulting in a final share capital increase of € 2,919 th. through the issuance of 9,729,566 new ordinary, registered, voting shares of nominal value of € 0.30 each. As a result thereof, the share capital of the Company amounted to € 105,347 th., divided to 351,155,953 shares, of nominal value of € 0.30 each. As the issue price of the Company's new shares amounted to € 11.14, the total above par value of the new shares, amounting to € 105,468 th., was transferred to the account "Share premium".

Additionally, a share capital increase that was decided on 07.09.2021 by the Board of Directors of the Company was partially subscribed resulting at a final share capital increase of € 510 th. through the issuance of 1,700,334 new, common, registered, voting shares of nominal value of € 0.30 each. As a result thereof, the share capital of the Company amounted to € 105,857 th., divided to 352,856,287 shares, of nominal value of € 0.30 each. As the issue price of the Company's new shares amounted to € 13.20, the total above par value of the new shares, amounting to € 21,934 th., was transferred to the account "Share premium".

Admission of new common shares to trading

On 03.08.2021, 9,729,566 new ordinary, registered, voting shares were admitted to trading on Athens Stock Exchange as a result of the reinvestment of the dividend for the financial year 2020 by 2,788 beneficiaries at an issue price of € 11.14.

Additionally, on 10.11.2021 1,700,334 new, common, registered, voting shares were admitted to trading on Athens Stock Exchange as a result of the reinvestment of the interim dividend of the financial year 2021 by 2,110 beneficiaries at an issue price of € 13.20.

Share capital increase of HORSE RACES SINGLE MEMBER S.A.

On 06.10.2021 the extraordinary General Meeting of HORSE RACES SINGLE MEMBER S.A. approved a share capital increase by € 40,000 th. through the issuance of 4,000,000 new ordinary shares of nominal value of € 10.00 each. The share capital increase was paid up on 12.10.2021.

Nominal share capital decrease of HORSE RACES SINGLE MEMBER S.A.

The extraordinary General Meeting of HORSE RACES SINGLE MEMBER S.A. held on 06.10.2021 approved a nominal share capital decrease by € 71,972 th. through decreasing the nominal value of the ordinary shares by € 9.95 via capitalizing accumulated losses of total amount of € 71,972 th.. The new nominal value of the ordinary shares amounts to € 0.05 each.

Nominal share capital decrease of TORA WALLET SINGE MEMBER S.A.

The extraordinary General Meeting of TORA WALLET SINGE MEMBER S.A. held on 10.11.2021 approved a nominal share capital decrease by € 9,840 th. through decreasing the nominal value of the ordinary shares by € 0.82 via capitalizing accumulated losses equally. The new nominal value of the ordinary shares amounts to € 0.18 each.

Transfer of STOIXIMAN business (Greek and Cypriot operations) to a new legal entity

By virtue of a capital contribution agreement dated 04.08.2021, the Stoiximan Business (i.e. Kaizen Gaming International Limited's business operations in Greece and Cyprus) was transferred on 05.08.2021, by means of a gratuitous capital contribution, to the newly established Maltese entity under the name STOIXIMAN LTD, which has been duly licensed by the competent Regulatory Authorities of Greece and Cyprus. and in which OPAP holds a combined (direct and indirect) stake of 84,49%.

Coronavirus (COVID-19) impact

Since the coronavirus (COVID-19) outbreak, OPAP has been closely monitoring and adopting all necessary measures in order to protect customers, employees and partners and also, to assure its business activities continuity in Greece and Cyprus, safeguarding the ramp-up of the business along with the gradual ease of the limitations.

In Greece, the OPAP's retail network remained closed since the beginning of 2021 up until 12.04.2021 when the OPAP stores resumed operations and street vendors also restarted the distribution of HELLENIC LOTTERIES S.A. products (Scratch & Passive lotteries) as of the same date.

Moreover, on 24.05.2021 the VLTs operations restarted in OPAP stores and PLAY stores resumed operations, while the horseracing facility in Markopoulo Park reopened on 17.05.2021. Finally, OPAP stores in Cyprus remained closed with local lockdowns in total for 41 days. Despite the fact that both the revenues

and the profitability of the OPAP Group were notably affected by the aforementioned retail network suspension, the overall financial performance was supported by the significant growth of online gaming along with the increased contribution of STOIXIMAN LTD.

Following stores' re-opening post lockdown lifting, all retail activities operate continuously albeit with in place restrictions varying from time to time.

3. Main risks and uncertainties

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

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

On a macroeconomic level, the in-place restrictions to tackle the coronavirus (COVID-19) pandemic, the geopolitical tension in Europe and the inflationary pressures driven by energy prices, impose some caution for the short-term economic outlook in Europe as well as in Greece. However, globally, there is gradual relaxation to the coronavirus (COVID-19) restrictions as the crucial immunity level has been achieved. Moreover, Greece's early repayment of the Greek Loan Facility to IMF signals some confidence to the financial markets, reflecting the successful implementation of reform commitments. Additionally, positive prospects are reinforced by the funds of the EU Resilience and Recovery Fund that are expected to foster economic growth through structural investments.

The Group's activity is significantly affected by the disposable income and private consumption, which in turn are affected by the current economic conditions in Greece, such as the GDP, unemployment, inflation and taxation levels. 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 our 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 Group, whilst respecting obligations coming from valid concession agreements.

Modifications of the Greek regulatory framework, drive evolving challenges for the Group and may have a substantial impact, due to the restrictions of betting activities or the increase of compliance costs.

OPAP consistently complies with regulatory standards, while understands and addresses changing regulatory requirements in an efficient and effective manner. Additionally, a potential inability on the Group's part to comply with the regulatory and legal framework, as in force from time to time, could have a negative impact on the Group'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 Group's business activities.

OPAP participates in the public consultations of laws and regulations proposals and drafts, related to the business activities of the Group which are submitted by the competent authorities (Hellenic Gaming Commission, Ministry of Finance etc). Furthermore, OPAP 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 Group'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 Group'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 Group and the Company or the value of financial instruments held. The management of market risk consists in the effort of the Group and the Company to control their exposure to acceptable limits.

Currency risk

Currency risk is the risk that the fair values of the cash flows of a financial instrument fluctuate due to foreign currency changes. Group operates in Greece and Cyprus, and there are not any 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, subsequently, there is no substantial foreign exchange risk. Additionally, the vast majority of Group's cost base is, either proportional to our revenues (i.e. payout to winners, agents commission, vendors revenue-based fees') or to transactions with domestic companies (i.e. IT, marketing).

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rates. The Group is exposed to interest rate risk due to the unhedged portion of its outstanding debt. The existing debt facilities, as of 31.12.2021, stand at € 1,046,638 th. and € 1,024,193 th. for the Group and the Company, respectively.

On 31.12.2021, the floating-rate loans of the Group which are exposed to interest rate risk are € 400,154 th. of debt or 38% of total debt. The remaining € 646,484 th. (62% of total debt) are fixed rate borrowings.

Part of the risk, specifically € 97,820 th. or the 24% of the floating rate borrowing, is hedged via an interest rate swap. The Group follows all market developments and acts in a timely manner when needed.

Capital Management

The primary objective of the Group and 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 Group maintains a solid capital structure as depicted in the Net Debt/EBITDA ratio of 0.4x as of 31.12.2021. In addition, it retains an efficient cash conversion cycle thus optimizing the operating cash required in order to secure its daily operations, while diversifying its cash reserves so as to achieve flexible working capital management.

The Group manages the capital structure and makes the necessary adjustments to conform to changes in business and economic environment in which they operate. The Group and the Company in order to optimize the capital structure, may adjust the dividend paid to shareholders, return capital to shareholders or issue new shares.

Credit risk

The Group's exposure to credit risk arises from its operating activities and more specifically on the collection process of its franchise-like model of operation. The above mentioned process leaves the Group exposed to the risk of financial loss if one of its counterparties fails to meet its financial obligations. The carrying value of financial assets at each reporting date is the maximum credit risk to which the Group is exposed. In order to mitigate the aforementioned risk, OPAP 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.

Impairment of financial assets

The Group and the Company have the following types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Loans to third parties
- Short-term & long-term investments
- Guarantee deposits
- Other financial assets.

While cash and cash equivalents are also subject to the impairment under IFRS 9, the identified impairment loss was not significant due to the fact that the cash and cash equivalents of the Group and the Company are held at reputable European financial institutions.

The Group 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 Group expects to receive. All cash inflows in delay are discounted.

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

Liquidity risk

The Group manages liquidity risk by performing a detailed forecasting analysis of the inflows and outflows of the Group 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 Group's loan portfolio
- Operating Expenses
- Capital Expenditure
- Extraordinary inflows and outflows

The Group 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 Group 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.

Risk of additional charges for OPAP CYPRUS LTD

In October 2017, the Attorney General delivered to the Auditor General and following his request, an opinion by which OPAP CYPRUS LTD supposedly does not pay to the Republic of Cyprus the amounts due under the 2003 Bilateral Intergovernmental Agreement between the Hellenic Republic and the Republic of Cyprus by making a new interpretation of the Intergovernmental Agreement, totally different from the interpretation given by the Republic of Cyprus throughout the duration of the Intergovernmental Agreement since 2003. The General Accountant of the Republic of Cyprus, who is authorized under the Bilateral Treaty to audit the accounts of OPAP CYPRUS LTD, took a different position from the Attorney General supporting the way OPAP CYPRUS LTD calculated its contributions to the Republic of Cyprus. No claim has been made to-date against OPAP CYPRUS LTD and OPAP S.A. is convinced that the interpretation of the Attorney General is unfounded.

New draft law for licensing of games of chance in Cyprus

OPAP CYPRUS LTD currently operates in Cyprus on the basis of the 2003 Bilateral Agreement (“BA”) between the Republic of Cyprus and the Hellenic Republic. However, according to a new law 52(I) 2018, the 2003 BA will be terminated upon the entry into force of a new Concession Agreement to be signed with OPAP CYPRUS LTD.

The Law 52(I) 2018 entitled “The Law on Specific Games of Chance of 2018” was published in the Government Gazette on 13.06.2018. According to said Law, the Coordinating Committee carried out due diligence and recommended OPAP CYPRUS as the suitable operator. On 06.11.2019 the Council of Ministers validated OPAP CYPRUS as the suitable operator to be granted with an exclusive license to operate and offer specific games of chance, in particular games falling into one of the following categories: (a) numeric lotteries, which refer to correctly predicting random numbers which are chosen by a draw using a gaming system; and (b) games based on correctly predicting a combination of the results of sports events with variable odds.

The Codes of Practice of OPAP CYPRUS have been approved by the National Betting Authority and the Minister of Finance. Following the approval of all Codes of Practice the Coordinating Committee prepared a draft contract (Concession Agreement) and invited OPAP Cyprus to negotiate the contract. As of today, the negotiations between the parties are still ongoing, whereas following their completion the Concession Agreement shall be signed by both parties and submitted to the Ministerial Council for approval upon which the 2003 BA will be terminated.

Coronavirus (COVID-19) potential effects

The outbreak of coronavirus (COVID-19) has affected business and economic activity around the world, including Greece and Cyprus. The rapid evolution of the virus and the subsequent Governments’ interventions along with the related restrictions have resulted in the suspension of the Company’s and the

Group's retail operations and significantly impacted the Group's financial results and operational performance in the current reporting period since OPAP's business is heavily weighted towards retail. In Greece, OPAP's retail network remained closed since the beginning of the year up until 12.04.2021 when the OPAP stores resumed operations and street vendors restarted the distribution of HELLENIC LOTTERIES SA products (Scratch & Passive lotteries) as of the same date. Moreover, on 24.05.2021 the VLTs operations restarted while, the horseracing facility in Markopoulo Park reopened on 17.05.2021. Finally, OPAP stores in Cyprus remained closed with local lockdowns for a total of 41 days. Despite the fact that both, the revenues and the profitability of the OPAP Group were notably affected by the aforementioned retail network suspension, the overall financial performance was supported by the significant growth of online games along with the increased contribution of STOIXIMAN LTD. Following the stores' re-opening after the lifting of the lockdown, all retail activities operated continuously albeit with in place restrictions varying from time to time. It is noted though, that having reached crucial immunity levels alongside the decreased mortality of the latest Omicron variant, likewise other countries around the globe, Greece is gradually easing restrictions as well.

In this environment, OPAP proceeded with the implementation of a set of decisive actions following Government guidelines in response to coronavirus (COVID-19) to proactively protect its employees and support its network while at the same time assuring its business continuation. The Group Management implemented work from home for employees. At the same time, business trips were limited to those absolutely necessary and trainings and meetings were carried out remotely. Moreover, the cleaning and disinfection of the facilities, as well as the guidance of the human resources in the field of personal hygiene was intensified.

On top of the above mentioned actions, the Group has considered the impact of coronavirus (COVID-19) on the measurement of non-financial and financial assets and the related disclosures. In measurement of non-financial assets, the Group used adjusted cash flows projections based on the revised financial budgets to calculate the Value in Use (VIU), ie. the recoverable amount of the cash generating units. The impairment testing resulted in an impairment of € 4,315 th. in the license of HELLENIC LOTTERIES S.A. and impairments of the investments in HELLENIC LOTTERIES S.A., HORSE RACES SINGLE MEMBER S.A. and TORA WALLET SINGLE MEMBER S.A. of € 65,098 th., € 32,206 th. and € 231 th. respectively by OPAP INVESTMENT LTD. No impairment arose from our testing of goodwill and Right-of-use assets. Management also reassessed the recoverability of cash and cash equivalents, trade and other receivables, including intergroup receivables, taking into account the future economic conditions and proceeded recording respective impairments where considered those assets are not fully recoverable.

Management is closely monitoring the developments around the coronavirus (COVID-19) and is constantly assessing its implications on the Group's performance. It is also taking pre-emptive actions to ensure the health and safety of its employees and partners, as well as the continuity of its business as mentioned

above. Having strong cash reserves, the Management expects that the Group will be enabled to meet the financing costs and working capital needs, and its ability to continue as a going concern will not be affected.

4. Company's strategy and Group's future prospects

With customer centric mindset we continue to be committed to our vision to deliver the best-in-class entertainment in safe and responsible way, generate sustainable value to all stakeholders and give back to society. Our Fast Forward Strategy moves us ahead in 2022 and sets clear direction for ensuring OPAP's long-term success with focus in the following six areas:



Put Customer at the center

We put customer at the center of our focus, applying customer centric mindset in everything we do. Changes are driven by the customers, so we need to affirm that we understand them well before anything else, since better customer understanding will lead to better gaming entertainment across all our channels. Customers orientation includes the collection of the right data of online, VLTs and retail activities, so as to get closer to our customer and achieve to understand well who they are and what they want. The customer

approach is being completed with the implementation of these deep customer insights and their reflection in our actions, along with the measurement of the impact on performance and customer satisfaction. This experience will be reflected through delivering the following attributes which are tightly connected with our Brand:

more of social interaction through sharing experiences with others, more fun, content and entertainment by offering an experience that goes beyond bet placement, more of personalized experience by making the experience personal and by growing loyalty, more of digitalization through the enhancement of digital customer journeys both in retail and online, more of safety and responsibility by ensuring safe environment and promoting responsible gaming.

Furthermore, we keep in mind the key new customer trends we need to embrace, as well as search for more when designing and executing the plans for all our customer segments: smartphones as part of ourselves, play across retail and online channels with digital setting new standards for experience, smaller customers' expectations and dreams on the back of financial struggle, rewards expected by the customers who are becoming more and more demanding.

Enhance and strengthen our BRAND

OPAP and the individual game brands, which constantly evolve, are our strong asset and we aim to continue keeping them relevant to our customers, as well as expand them into the digital world to address new audiences. Our goal is to further strengthen the emotional bond with the brand and focus on building entertainment, along with expanding our brand identity in the digital world across all touchpoints that the customer interacts: TV, online, shop, communication, public relations, social networks, even friends. The key attributes we intend to keep developing are the following:

- a. **Fun and social:** we target to establish and strengthen the positioning of our stores and our online as the entertainment destination, as well as redefine and deliver our new digital brand identity.
- b. **Engaging:** we focus on Digital and Social Media to deliver personalized content and communication to engage with a multigenerational consumer base.
- c. **Rewarding:** we enhance loyalty to reward every interaction with us and further strengthen a positive emotional connection between customer and the company.
- d. **Responsibility:** we expect to be a responsible corporate citizen, help our customers enjoy the fun of gaming safely and always in compliance with the regulations.

We continue focusing on existing customers, employees and partners, as well as further embrace younger audiences and women as an opportunity for growth. 360 CSR campaigns, communication activities fully reflecting our commitment to Responsible Gaming, as well as more emphasis in promoting our successful sponsoring activities consist our priorities. In this context, we envision our brand tone of voice to be conversational, a great story-teller, contextual, personalized and fun!

Become top tier Online player

Our ambition is to boost our online world presence, become top tier online player and turn our online into the second strong pillar of our business. With the hard work of our high performing team our online priorities and key levers of growth are represented through the following areas:

- Product proposition: Enhance our exclusive lottery offering with many OPAP games, while improving our competitiveness of Betting & Casino offering
- Brand and communication: Keep building strong awareness of OPAP's online and its values through any means possible
- Operational excellence: Constantly strive for the best possible customer experience across all customer touchpoints all times
- Customer insights and CRM: Efficient CRM that will allow us to deliver the right offer at the right time leveraging Artificial Intelligence, while keeping relentless focus on activity and development of players
- High-performing frontends: Superior high-performance packaging with key focus on mobile.
Entertainment: Explore opportunities beyond existing games portfolio like social networking, community, virtual reality, casual games, infotainment or personalization

Key enablers for all the above will be **i)** technology, choosing the right vendors and technology setup (in house/outsource) for agile delivery and operational excellence, and **ii)** regulatory, cooperating with relevant authorities on regulatory matters, ensuring equal market conditions and enabling implementation of our "tomorrow". More specifically, our key commercial priorities for 2022 in Online will be:

- Leverage the new Casino frontends and OPAP Live Casino Studio for further growth
- New Casino Games vertical offering traditional content with innovative UX, UI and gamification focused on "beginners"
- Start of implementation of the new Sports Betting platform to deliver better and faster live betting early 2023
- Strengthen our position as the best Virtual games hub on the market targeting millennial customer with largest variety and 24/7 non-stop action
- Launch gamified loyalty scheme that rewards customers activity and interactions with special focus to VIPs
- Develop Lottery online entertainment destination focused on casual & social players with new dedicated mobile app

Maintain our strong position in the Retail World

Our aim is to maintain our strong position in retail and explore opportunities for growth through further upgrade of gaming entertainment experiences and enhancement of digital customer journeys. We will further evolve the local entertainment destination experience with paperless and cashless customer journey, more social experiences with a new digital layer on top of this. Our focus will be on the following three Unique Selling Propositions towards a step change in digital:

- Digital customer journey: enhancement of store digital ecosystem, seamless digital transactions and experiences complementing the traditional ones
- Games portfolio: leverage of the power of our unique portfolio of games & services with variety of options for all customer segments
- Entertaining and social experience: immersive audiovisual experience with infotainment & gamification features, live events and local community interactions

In specific, our key commercial priorities for 2022 will be as follows:

- Introduce OPAPSTORE app, new fully digital instore betting experience on customer device
- Continue Smart deanonymization of the customer base with the enhanced Loyalty scheme to drive data monetization with smart CRM ecosystem
- Major refresh & optimization of our VLT estate
- Game portfolio enhancements (Powerspin combo, Lotto game rejuvenation, Laiko remodeling, Scratch gifting, new Kino features, etc.)
- New community & gamifications features, content and improved value in Pame Stoixima proposition
- Revamping “new normal” entertainment with more in-store content, events and social interactions

Explore technology

Technology continues to support our mission comprising an important enabler to deliver better customer solutions and improve our productivity and efficiency. In four key strategic areas technology will further evolve:

- **Gaming:** replacement or introduction of platforms and systems in the Gaming domain (Sportsbook platform, Horse Racing platform) – Internal development for gaming modules
- **Digital:** for players and retailers new digital assets development & optimization for Brand, Retail & Online – for our people digital workspace evolution and adoption supported by Digital Ambassador
- **CRM & Analytics:** salesforce CRM evolution in marketing and customer service, advanced data analytics with data governance, cloud DW & AI/ML, fully redesigned experience for OPAP Rewards on optimized infrastructure

- **Operational Excellence:** raise customer and agent experience via improvements in monitoring systems & operating procedures, store infrastructure and datacenters upgrades (Equipment & Telecoms)

Engage our People

We move forward in building the agile modern organization, transforming mindset, culture and way of work, with the help of our new leadership model acting as our navigator for all people behaviors and actions. Engaging our people through inspiring leadership and vision underline the following key priorities:

- **Talent development** to build new skills and capabilities leveraging the OPAP Academy eLearning Hub
- **Leadership development** supported by 360 feedback
- **HR business partners** and Internal communication revamp
- **Enable fairness and career advancement** recognizing both managerial and technical expertise

Our agents and business partners are also our people and an integral part of our company and culture. Along with the six key areas of our strategy, we continue to strengthen and leverage our #1 Position in Corporate Responsibility, which consists integral part of our DNA, positioning OPAP as the CSR leader in Greece. Our commitment to sustainable growth and ESG principles is recognized by the investment community and leading institutions.

Specifically, going through Environment, Social and Governance we identify the following guidelines:

- **Environment** – mitigating our impact: conscious of environmental issues, we all in OPAP work systematically towards minimizing our potential negative footprint
- **Social** – supporting our employees and the community: OPAP creates a working environment that aligns People's needs with company's ambitions. Our Corporate Responsibility strategy aims to cater significant social needs and create a better future for youth. The key pillars of our CSR strategy are: health, employment, sports, sensitive social groups and social aid.
- **Governance:** robust, transparent and fair Corporate Governance framework – fair, reliable and safe gaming experience to all our customers, through our Responsible Gaming Strategy.

5. Related Parties significant transactions

The amounts of expenses and income undertaken in 2021, and the balances of payables and receivables as at 31.12.2021 for the Group and the Company which arising from the transactions between related parties are presented in the following tables:

Company's transactions with related parties (eliminated for consolidation purposes)

Company	Expenses	Income	Assets' Purchase	Payables	Receivables
(Amounts in thousands euro)					
OPAP SPORTS LTD	-	1,000	-	-	-
OPAP CYPRUS LTD	784	25,529	-	31,474	13,873
HELLENIC LOTTERIES S.A.	-	3,796	-	13	4,202
HORSE RACES SINGLE MEMBER S.A.	-	750	-	10	270
TORA DIRECT SINGLE MEMBER S.A.	252	430	-	186	3,655
TORA WALLET SINGLE MEMBER S.A.	654	195	-	311	620
NEUROSOFT S.A.	<u>7,563</u>	-	<u>148</u>	<u>1,788</u>	<u>33</u>
Total	9,254	31,701	148	33,782	22,653

Additionally, the Company has granted total corporate guarantees of € 104,375 th. in favor of HELLENIC LOTTERIES S.A.. From this amount, € 41,750 th. is a corporate guarantee for the loan of HELLENIC LOTTERIES S.A. from Alpha bank and € 62,625 th. is a guarantee to HRADF. Additionally, the Company has granted corporate guarantees of € 1,100 in favor of OPAP SPORTS LTD and € 1,000 in favor of NEUROSOFT S.A.. Finally, the Company intends to provide financial support to any of its subsidiaries, if it is deemed necessary.

Group's companies transactions with related companies (not eliminated for consolidation purposes)

	Expenses	Assets' Purchase	Payables	Receivables
(Amounts in thousands euro)				
Other related parties	47,568	567	9,979	3,495

Transaction and balances with Board of Directors members and management personnel

(Amounts in thousands euro)		GROUP	COMPANY
Category	Description	01.01-31.12.2021	01.01-31.12.2021
MANAGEMENT PERSONNEL	Salaries	3,641	3,641
	Other compensations	20	20
	Cost of social insurance	<u>195</u>	<u>195</u>
Total		3,855	3,855

(Amounts in thousands euro)		GROUP	COMPANY
Category	Description	01.01- 31.12.2021	01.01- 31.12.2021
BOARD OF DIRECTORS	Salaries	837	364
	Cost of social insurance	<u>90</u>	<u>63</u>
Total		927	428

(Amounts in thousands euro)		GROUP	COMPANY
Liabilities from Bod' compensation & remuneration		31.12.2021	31.12.2021
BoD and key management personnel		<u>170</u>	<u>169</u>
Total		170	169

It is mentioned that for the preparation of the consolidated financial statements, the transactions and balances with the subsidiaries have been eliminated.

6. Corporate Governance Statement

Chairman's Statement on Corporate Governance

The Company has adopted and applies the Hellenic Corporate Governance Code (HCGC) issued by the Hellenic Council of Corporate Governance (ESED) in June 2021 (herein the "Code") which replaced the initial version of the Code issued in 2013 and was adopted by the Company in 2014. The Board takes seriously its responsibility for effective corporate governance and delivery of long-term shareholder and interested parties reward and its decisions are taken in light of these considerations. I am pleased to report to you directly on OPAP's governance activities.

OPAP and Governance

The Board strongly believes that implementing and maintaining high governance standards underpin our business objectives and our drive to create and maximize shareholder value whilst managing the business effectively, responsibly and with integrity, so that we demonstrate accountability and maintain the trust of all our stakeholders. We are constantly seeking to develop our practices and governance framework to ensure that compliance, transparency and good governance permeate through the Group at all levels.

Following the issuance of the Law 4706/2020 the Company has implemented a structured action plan in order to complete the transformation and improve the governance system with the aim of a continuous achievement of sustainable surplus value for all stakeholders. The purpose of the Company is to continuously comply with the legal and regulatory framework which applies to listed companies, to implement best and effective corporate governance practices and to strengthen shareholders' trust to the Company.

In addition to compliance with the applicable legal and regulatory framework, the Board wishes to ensure that high ethical standards are reflected in business behavior and culture through OPAP's Group Code of Conduct, which was approved by the BoD in 2015 and is periodically reviewed and amended, ensuring alignment with strategic Company targets and standards. The updated Code establishes a structured framework applicable to OPAP S.A. and its subsidiaries and proves that OPAP is a transparent organization acting in accordance with the principles and rules of the Code of Conduct, as well as its legal and regulatory obligations.

The revised Internal Rules and Regulations of the Company, approved by the Board of Directors in February 2021, aim at regulating the organization and functioning of the Company to secure:

- a) business integrity;
- b) transparency of business activity;
- c) control over management and how management decisions are made;
- d) compliance with the legal and regulatory framework and the obligations deriving from the Concession Agreement.

The Internal Rules and Regulations are publicly available at the Company's website <https://investors.opap.gr/en/governance/internal-rules-and-regulations>

Further, the Company regularly updates its Articles of Association and the Company's Policies and Processes to constantly comply with the applicable legal framework. The Company has established a structured framework of policies, processes, principles and roles to ensure that OPAP S.A. and its subsidiaries comply with the applicable legal, regulatory and contractual framework and take preventive measures to limit possible risks before they materialize.

In this respect, OPAP S.A. issued its Fit and Proper Policy which was approved by the Annual General Meeting of Shareholders on 17/06/2021. The Fit and Proper policy sets out:

- (i) the core principles of the process for the selection, appointment, re-appointment and succession planning of members of the BoD;
- (ii) the applicable internal procedure for the assessment of the suitability of BoD directors, including the internal function responsible for providing support for the assessment;
- (iii) the criteria to be used in the suitability assessment of the BoD and the BoD members (suitability criteria) and how such an assessment should be documented;
- (iv) the diversity policy for members of the BoD and the target for the underrepresented gender in the BoD; and
- (v) the guidelines for the induction and ongoing development of members of the BoD.

The Fit and Proper Policy addresses the issues of individual and collective suitability as required by the Corporate Governance Law 4706/2020 and Circular no 60 of Hellenic Capital Market Commission.

The Fit and Proper Policy is available on the Company's website (https://investors.opap.gr/en/governance/codes-and-policies/fit_and_proper_policy).

Further, OPAP S.A. applies a Whistleblowing Complaints Policy, under the responsibility of the OPAP Group Chief Legal, Regulatory and Compliance Officer, which applies in case of violation of the Code of Conduct or other serious violation of the applicable framework, by which employees can and should report to the Company valid allegations of known or suspected alleged improper activities.

Furthermore, the Company has established an Audit Committee, which is a BoD Committee and which, among other things, monitors the effectiveness and adequacy of the risk management framework, the policies and systems of the Company and the Group. It also monitors the effectiveness of the system which monitors compliance with the laws and regulations and the results of ad-hoc investigations and follows up on disciplinary measures of non-compliance complaints.

Having implemented as a Team our Company's 2020 Vision, we have announced and begin to achieve new goals by ensuring that our new FAST FORWARD strategy keeps us ahead and sets clear direction for ensuring OPAP's long term success with focus on our Customers, our Brand, the Online and Retail gaming, exploration of Technology potentials and our People. In the interest of continuous monitoring of the

implementation of strategy, the Company CEO regularly updates the Board about the progress of Fast Forward Strategy and provides annually an overall assessment. The Fast Forward Strategy key achievements, as well as the opportunities for improvement in 2022 have been presented to the Board of Directors and were effectively communicated to all employees.

Composition of the Board

The composition of the Board remains an issue to which I and the rest of the Board give our full attention. We remain mindful of the new legal provisions and it is our aim to comply with them without compromising the culture that drives the success of our business. In this context we have strengthened gender diversity and the number of independent members of the Board of Directors. The above initiatives have complemented our previous choices regarding the distinction of the role of the Chairman from that of the Chief Executive Officer and the appointment of two non-executive Vice-Chairmen.

Risk Assessment and Management

The Board monitors the level of risk through the Group's major risk assessment process and remaining committed to building on and improving our understanding of the key risks facing the Group and its business operations has adopted a relevant framework of reference.

Board Evaluation

In accordance with new Internal Rules and Regulations, the Board of Directors performs its evaluation internally on a yearly basis. Details in respect to the annual evaluation for 2021 is available in section B.3.

Diversity

OPAP S.A. is an equal opportunities employer who 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. OPAP S.A. established policies and processes in order to ensure that the Company's senior management roles, in particular, are open to fresh thinking and must include personnel from different global backgrounds who bring new ideas to the table. It is OPAP's policy to make 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 policy is also made in the Code of Conduct of OPAP Group which is accessible in the Company site <https://investors.opap.gr/~media/Files/O/Opap-IR/documents/code-of-conduct/english/code-of-conduct.pdf>

Further, the updated Diversity Policy forms part of the Fit and Proper Policy adopted by the Company. OPAP S.A. Diversity Policy provides the framework by which the Company and its subsidiaries actively manage and encourage inclusion and diversity. It aims at creating a safe, respectful and inclusive place to work which shall provide an essential foundation for OPAP people to successfully contribute to meeting the Company's objectives, enhance the Company's global reputation and achieve sustainable business results. The Diversity Policy is accessible in the Company site https://investors.opap.gr/~media/Files/O/Opap-IR/Fit%20and%20Proper%20Policy2021_eng.pdf

As at 31 December 2021:

- The Company complies with the quantitative target for the representation of the underrepresented gender in the BoD set by Corporate Governance Law (i.e. 25% of the total members of the BoD, fraction is rounded down to the previous integer) and its Diversity Policy.
- More specifically, the Board of Directors consists of men and three women, while Greek BOD members represent 38,46% and non-Greeks represent 61,54%.
- During 2021 our % of women in managerial positions (Manager level +) was 31,5%. This has been increased by 2,5% compared to 28,6% during 2020. Our target for 2021 was to exceed 30%, which was achieved. For 2022 we believe that a further increase to 32,5-33,0% is feasible, should the circumstances allow it.
- Regarding our Top Executives (Chairman, CEO, Chiefs) the percentage of women reached the percentage of 16,67% in 2021. Greek Top Executives represent 66,67% and non- Greeks are 33,33%.

The Company's Board of Directors has not only achieved gender and nationality diversity but also educational, professional and age diversity to ensure variety of views and experiences, to facilitate independent opinions and sound decision making with the BoD.

The Board has instructed me to confirm that, notwithstanding the explanations / disclosures in the respective chapter of Corporate Governance Statement, each Director's independence of thought and actions is assured and all decisions were taken to promote OPAP's success as a whole.

Statement of Compliance with the Code

The Corporate Governance Statement on the following pages contains a summary of the Company's governance arrangements and the regulatory assurances required under the current legal and regulatory framework. Except as explained in the respective chapter, the Company states that it complies with the current legal requirements and additional Special Practices of the Code throughout the year ended 31 December 2021.

Athens, 22 March 2022

Kamil Ziegler, Chairman of the BoD

Corporate Governance Statement

The Company prepares this Corporate Governance Statement (herein the "Statement") since its shares are traded in the main market of Athens Exchange. This Statement, which is prepared in accordance with Law 4548/2018 "Reform of the Law of Sociétés Anonymes", as in force (hereinafter the "Law"), article 18 of Law 4706/2020 and in line with the requirements and the guidance provided in the Hellenic Corporate Governance Code, sets out how the Company has applied the main principles of the Code throughout the year ended 31 December 2021 and at the date of this Statement.

A: Leadership

A.1: THE ROLE OF THE BOARD

The Board of Directors is the supreme administrative body of the Company that mainly formulates the Company's strategy and growth policy, while supervising and controlling its management and administration of corporate affairs and the pursue of its corporate purpose.

The Board of Directors is competent to decide on every issue concerning the Company's assets management, administration, representation and its operations in general, taking all appropriate measures and decisions that assist the Company in achieving its objectives. Those issues which, according to the provisions of the law or the Articles of Association, fall within the exclusive competence of the General Meeting shall be outside the competence of the Board of Directors. The Board of Directors ensures the integrity of financial statements, of financial reporting and the effectiveness of the systems of internal controls, risk management and of compliance process of the Company.

Further, the BoD shall specifically have the authority to decide on the issuance of any kind of bonds, with the exception of those that by law fall under the exclusive competence of the General Meeting of shareholders. The Board of Directors can also decide on the issuance of bonds convertible into shares following decision of the General Meeting of the shareholders and the provision of authorization to the Board of Directors in accordance with the provisions of applicable law.

The schedule of 2021 matters for the Board's decision included the following:

- Significant business projects
- Participations and capital expenditure projects
- Approval, as appropriate of annual budgets, business plans, organizational structure advertising and sponsorships program
- Approval of Financial Statements and shareholders communication
- Resolutions regarding the financial position, bank lending, etc.
- Regulatory compliance issues and related policies
- Significant transactions with related parties
- Review and approval, as appropriate, of recommendations from the Committees of the Board

- Protection of legal interests of the Company
- Other matters.

Meetings

Board meetings are structured to allow open discussion. The Board meets regularly, in principle once per month (with physical presence, by telephone, teleconference or videoconference, or combination thereof) and calls additional meetings or takes written resolutions without holding a meeting, to consider matters in its competence whenever deemed necessary. In 2021, there were twelve Board meetings (plus twelve additional resolutions via rotation). There were eight Audit Committee meetings (plus seven additional resolutions via rotation) and six Remuneration and Nomination Committee meetings (plus five additional resolutions via rotation).

The table below sets out the attendance by individual Directors at scheduled Board and Committee meetings during 2021 and provides information on the number of shares held by each Board member.

BoD member name	Position	BoD Presence	BoD Representation	Audit Committee Presence	Remuneration & Nomination Committee - Presence	Number of Company shares
Kamil Ziegler	Executive Chairman	12	-	-	-	24,664
Jan Karas	Member – Executive, Chief Executive Officer	12	-	-	-	54,540
Spyridon Fokas	A' Vice-Chairman – Non-Executive	12	-	-	4	∅
Pavel Saroch	B' Vice-Chairman – Non-Executive	9	3	-	6	1,054,437
Pavel Mucha	Member – Executive, CFO	12	-	-	-	∅
Katarína Kohlmaier	Member – Non-Executive	8	4	-	-	3,253
Robert Chvátal	Member – Non-Executive	12	-	-	4	∅
Christos Kopelouzos	Member – Non-Executive	10	2	-	-	∅
Stylios Kostopoulos	Member – Non-Executive	10	2	-	-	∅
Rudolf Jurcik	Member – Independent Non-Executive	12	-	8	-	44,871
Nikolaos Iatrou	Member – Independent Non-Executive	12	-	-	2 ⁵	∅
Nicole Conrad ³	Member – Independent Non-Executive	7	-	6 ⁴	2 ⁵	∅
Vasiliki Karagianni ³	Member – Independent Non-Executive	7	-	6 ⁴	-	∅
Igor Rusek ²	Member – Independent Non-Executive	5	-	2	-	N/A
Dimitrakis Potamitis ²	Member – Independent Non-Executive	5	-	2	-	N/A

Notes:

1. In the year 2021, twelve (12) BoD decisions were taken unanimously via rotation.
2. Messrs. Dimitrakis Potamitis & Igor Rusek were BoD Members until 17.06.2021.
3. Mmes Nicole Conrad & Vasiliki Karagianni are BoD members since 17.06.2021 and were elected in replacement of resigned Messrs. Dimitrakis Potamitis & Igor Rusek.
4. Mmes Nicole Conrad & Vasiliki Karagianni were elected members of the Audit Committee on 17.06.2021.
5. Mme Nicole Conrad and Mr. Nikolaos Iatrou were elected members of the Remuneration and Nomination Committee on 17.06.2021.

Directors' Insurance and Indemnities

The Directors receive remuneration as per the relevant provision in the Company's Articles of Association and the approved Remuneration Policy. Each individual, who is an executive of the Company and/or of any company within OPAP at any time on or after October 2013, benefits from a deed poll of indemnity in respect of the costs of defending claims against him or her and third-party liabilities. Additionally, Directors' and Officers' liability insurance cover was maintained throughout the year at the Company's expense.

A.2: THE CHAIRMAN ROLE

There is a clear division of responsibilities between the Executive Chairman and the CEO in the Company's Articles of Association and the Internal Rules and Regulations.

The Chairman presides over meetings of the Board of Directors, organizes and directs its work, and reports on it to the ordinary Shareholders Assembly Meeting.

The Chairman's competences are indicatively outlined below:

- 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
- Encouraging dialogue between the Company and its Shareholders and other stakeholders, and facilitating the Board's understanding of Shareholders' and other stakeholders' concerns
- Overseeing the induction, information and support provided to directors; and
- Leading the annual performance evaluation of the Board
- Determining the items of and structure 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 assist debate and 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
- Where a pertinent resolution of the BoD is issued, he may also represent and bind the Company.

The Non-Executive Vice-Chairmen stand in for the Chairman of the Board of Directors in his non-executive duties, when the latter is absent or unable to attend. The CEO stands in for the Chairman in his executive duties.

A.3: THE CEO ROLE

The CEO is vested with all powers necessary to act in all circumstances on behalf of the Company. He exercises these powers within the limits of the corporate purpose, in accordance with the rules set forth by the law and the Articles of Association of the Company, and subject to the relevant resolutions of the Shareholder Assembly and the Board of Directors.

The CEO, per his role, is also in charge administratively and operationally of all Company departments (with the exception of the Internal Audit Team which is supervised only administratively by the CEO, and the Corporate Secretariat Team which is administratively and operationally supervised by the Chairman of the Board), directs their work, makes the necessary decisions within the context of the current legal and regulatory framework governing the Company's operations, the Articles of Association, the Internal Rule and Regulation, the approved projects and budgets, Board decisions as well as the Business and Strategic Plan.

The CEO's competences indicatively include:

- Supervising Company business and financial policy
- Monitoring and assuming responsibility for the Company's financial results and profitability
- Monitoring internal organization and taking appropriate measures to promote and make good use of the staff; proposing that the BoD approves the drafting of new regulations, organizational charts
- Approving staff recruitment, as appropriate
- Defining, in cooperation with the BoD and the Senior Management, the strategic targets of the Company
- Setting the targets and the Key Performance Indicators, and monitoring the performance of the Company's Management
- Having the power to delegate the day-to-day management of the business of the Company, either to Deputy Chief Executive Officer or to each of the Officers of the Senior Management, acting individually, jointly or as sub-committee
- Having the power to acquire and dispose of businesses and to approve unbudgeted capital expenditure projects, subject, in each case, to a limit per transaction defined by the BoD;
- Having the power to represent and bind the Company against third parties for the signing of payment orders, bank checks, payment of salaries, insurance contributions, payment of taxes and fees of any nature to the State; and
- Having the power to represent the Company judicially and extrajudicially, and to sign every document from or addressed to the Company, to instruct advisers and to instigate legal

proceedings on behalf of the Company in respect of matters for which no further collective Board authority is required by the law or the Articles of Association

- In general, the CEO checks the day-to-day operations of the Company and supervises how each Team performs its tasks

The Chairman of the Board of Directors or the Deputy Managing Director (Deputy CEO), stand in for the Managing Director (CEO) when the latter is absent or unable to attend.

A.4: COMPOSITION OF THE BOARD

During the reporting financial year, the Board of Directors consisted of ten non-executive members of which four were independent, and three executive members.

Specifically, since 01.01.2021 and on the date of this Statement, three executive members participate in the Board of Directors, namely Mr. Kamil Ziegler, Executive Chairman, Jan Karas, CEO and Pavel Mucha, Chief Financial Officer (CFO).

A.5: EXECUTIVE DIRECTORS

The executive members of the Board, among others, are responsible for the implementation of the strategy determined by the Board and consult with non-executive members of the Board at regular intervals regarding the appropriateness of the strategy implemented. In addition, in situations of crisis or risk, as well as when it is required by the circumstances to take measures that are reasonably expected to significantly affect the Company, indicatively when decisions are to be made regarding the development of the business or the risks assumed, which are expected to affect the financial situation of the Company, the executive members immediately inform the Board in writing, either jointly or separately, reporting on their assessments and proposals.

A.6: NON-EXECUTIVE DIRECTORS

Non-executive members of the BoD, including the independent non-executive members who are elected by the General Meeting of Shareholders, 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. Non-executive members do not perform executive or managerial duties, but contribute by helping the BoD as follows:

- Constructively challenging and helping in developing strategy proposals, expressing views on the proposals submitted by the executive members, based on existing information
- If necessary, submitting reports individually or jointly, separately from the BoD reports, to the Shareholders' Assembly Meetings

- When appointed by the BoD, participating in BoD Committees or any other working group or ad hoc committees formed from time to time, and performing the duties assigned to them in such committees
- Providing international and operational experience, and knowledge and understanding of global financial issues, the sectors in which OPAP operates and challenges it faces.

A7: INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive members are elected by the General Meeting of Shareholders or appointed by the Board in case of replacement of a resigned independent member. They are not less than 1/3 of the total number of Board members and, in any case, they are not less than 2, while fractions round to the closest integer. During the reference year and until the date of this Statement, the BoD of the Company consists of 4 independent non-executive members, all satisfying the independence criteria set forth in article 9 of Law 4706/2020.

In order for a non-executive member to be considered as independent, the criteria set out in the applicable legislation and depicted in the Internal Rules and Regulations of the Company, must be met during his election and throughout his term of office.

The CVs of the members of the Board of Directors and the Corporate Secretary who serve on the date of this Statement are available in section B.5.

B: Effectiveness

B.1: COMMITMENT

All Non-Executive Directors confirm that they are able to allocate sufficient time to meet the expectations of the role and the requirement to disclose any actual or potential conflicts of interest.

B.2: INFORMATION AND SUPPORT

All members of the Board receive timely reports on items arising at meetings of the Board to enable due consideration of the items in advance of 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 Company Secretary and a procedure exists for Directors to take independent professional advice at the Company's expense in respect of their duties.

Company Secretary

The Corporate Secretary ensures that the correct Board procedures are 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 said capacity.

B.3: EVALUATION

Performance Evaluation

The Board maintains an ongoing review of its procedures and its effectiveness and those of its Committees throughout the year. The Board of Directors is performing on a yearly basis a self-assessment of the effective fulfilment of its tasks, in line with the legislative requirements and the provisions of the Fit & Proper Policy. The performance of each committee is assessed by the committee itself and the results are shared with the Board of Directors. The Company has established a process with both qualitative and quantitative criteria for the assessment of the performance of the Board of Directors and its committees. The process is chaired by the Chairman of the Board of Directors in cooperation with the Remuneration and Nomination Committee, with the exception of the evaluation of the Chairman's performance which is chaired by the Remuneration and Nomination Committee. The evaluation process includes:

- evaluation of collective suitability of the performance of the Board of Directors in accordance with the Fit and Proper Policy and the criteria set therein
- individual evaluations of each member, including the Chief Executive Officer and the Chairman
- succession plan of the members of the Board of Directors

The evaluation process is carried out in the form of questionnaires. The results of the evaluation of the Board of Directors are assessed by the Remuneration and Nomination Committee and communicated and discussed by the Board of Directors.

The annual self-evaluation of the Board of Directors and its Committees for 2021 was concluded and the results were discussed by the Board of Directors at its meeting of 03.03.2022. All ratings calculated for each self-assessment exercise (BoD, Audit Committee and Remuneration & Nomination Committee) are close to excellent and confirm the Board's and Committees' collective suitability.

The main areas for improvement, indicated through the annual self-assessment process, were the difficulties in attendance the BoD meetings in person due to Covid and the lack of a more elaborated succession planning for key Board members. RemNoCo will examine thoroughly the main areas for improvement, especially the succession planning for key Board members and submit its recommendations for actions to the BoD, ensuring that the composition of the Board is commensurate to the Company's strategy and in accordance with the Company's Fit & Proper policy.

B.4: DIRECTORS' RE-ELECTION

In accordance with Articles of Association of the Company, all the Directors are subject to election by shareholders at intervals of four years. Such term of office shall be extended ipso jure until the election of new directors from the next ordinary General Meeting of shareholders in accordance with the more specific provisions of the Articles of Association. The members of the Board of Directors are unconditionally re-

eligible and may be freely removed. Members of the Board of Directors are removed by the General Meeting of shareholders. The General Meeting may replace any of the members of the Board of Directors even before their term of office expires.

The current Board of Directors was elected for four (4) years, and its term of office expires on 25.04.2022. According to article 11 of the Company's Articles of Association (AoA) such term of office is extended ipso jure until the election of new directors from the next Ordinary Shareholders' General Meeting, in accordance with the more specific provisions of paragraphs 1, 2 and 3 of the same article.

B.5: CURRICULA VITAE OF THE BOARD OF DIRECTORS MEMBERS

Kamil Ziegler

Executive Chairman

Mr. Kamil Ziegler is the Executive Chairman of OPAP S.A.

Born in Ceska Lipa in the Czech Republic. In 1984 Mr. Ziegler graduated from the University of Economics, Faculty of Trade, in Prague. In 1996 he graduated from the Southern Graduate School of Banking at the Southern Methodist University in Dallas, Texas. He began his professional career at the State Bank of Czechoslovakia where he served in different managerial positions: he worked as an Executive Director for Finance at Komerční banka, Prague, and then as a deputy CEO and Board member at Czech Savings Bank. Thereafter, he was appointed Chairman of the Board and CEO in the Czech state-owned Consolidation Bank. After that he served as Chairman of the Board and CEO in Raiffeisenbank Czech Republic. He also held the position of Executive Director for Finance and Board Member in the PPF Group. His last executive appointment was as the CEO and proxy holder in SAZKA A.S., the largest Czech lottery organisation, where he is currently serving as a Board member. Mr. Ziegler has been also a member of the Board of Directors and member of Supervisory Boards of many companies in the Czech Republic, Netherlands, Cyprus and Austria.

Jan Karas

Chief Executive Officer, Executive Member

Jan Karas was appointed OPAP's Chief Executive Officer (CEO) and executive member of the Board Directors in December 2020, after successfully serving the company for nearly seven years, from various senior roles. He joined OPAP in January 2014 and during his tenure with the company, he has led the operations, development and modernization of the company's retail and indirect sales networks, overseeing activities related to sales, retail marketing, customer and partner support. Moreover, he has also been in charge of the operation and management of OPAP's gaming and non-gaming commercial activities, across all retail and online channels, and contributed significantly to OPAP's initiatives and response to the coronavirus (COVID-19) pandemic.

Overall, Jan has a proven track record in delivering strong business results, as well as broad professional experience in developing solid commercial strategies and implementing successful retail and sales development programs. Before joining OPAP, he held several high-ranking positions in Marketing, Sales and Product Development in the Telecommunications sector, in the Czech Republic and Germany.

Throughout his career, Jan has been focused on pursuing and following a customer-centric mindset, promoting positive change and developing high-performing and cross-functional teams.

Spyridon Fokas

A' Vice-Chairman, Non-Executive Member

Born in Piraeus, where he completed his high school studies in Ionidios Exemplary High School.

In 1977 Mr. Fokas graduated from the Law School of the National and Kapodistrian University of Athens, whilst during 1977-1978 he undertook post-graduate studies in shipping law at the University College London.

As an Attorney-At-Law Mr. Fokas has been a member of the Piraeus Bar Association since 1980 and practices law specializing in the sectors of maritime and corporate law.

He is a member of the Hellenic Union of Maritime Law and a member of the Hellenic Association of Maritime Lawyers. Mr. Fokas is also a member of the General Council of Hellenic Federation of Enterprises (SEV) as well as of Greek Jockey Club (FEE).

Pavel Šároch

B' Vice Chairman, Non-Executive Member

Mr. Šároch graduated from the University of Economics, Prague. Having specialized in investment banking and economic management of corporations since 1995, he has served in management positions with securities trading firms such as Ballmaier & Schultz CZ and Prague Securities. From 1999 to 2001, he was Member of the Board of Directors at I.F.B., which focuses on organizational and economic consultancy, management of private investment projects. In 2001, he was appointed Deputy Chairman of the Supervisory Board of ATLANTIK finanční trhy and subsequently became a member of the company's Board of Directors.

Mr. Šároch is a member of the Boards of Directors of the parent company of KKCG investment group KKCG AG and of individual holding companies that belong to the Group. In KKCG a.s. he represents the position of the Chief Investment Officer.

Moreover, he is a member of the board of directors of SAZKA Group a.s. and its subsidiaries.

Pavel Mucha**CFO, Executive Member**

Mr. Pavel Mucha has officially assumed his role as Chief Financial Officer at OPAP, on 1 October 2019. Prior to OPAP he had 26 years of professional experience. Having graduated from University of Economics and Business in Prague in 1992, he started his career as tax consultant (Price Waterhouse), and later he held various finance and CFO positions in pharmaceutical (Wyeth Whitehall in Czech and Slovakia) and FMCG companies (Rothmans/BAT in the UK, Cyprus and Czech and in Stock Spirits Group in Czech and Slovakia). Before joining OPAP he held the position of Chief Financial Officer at Sazka, the national lottery operator of the Czech Republic, which is a member of SAZKA Group.

Katarina Kohlmayer**Non-Executive Member**

Mrs. Kohlmayer had been a senior investment banker with experience in corporate finance, reporting & accounting, international M&A, equity & debt capital markets and bank financing transactions. Her previous professional roles include managing director's positions in London & Moscow, at Morgan Stanley and VTB Capital. As of 2014, she serves as Board Director and CFO at KKCG, one of the largest Czech-led private investment group, active in 4 main investment areas: lotteries & gaming, oil & gas & chemicals, technology and real estate. During her professional career, she has specialized in M&A transactions and capital markets in Central and Eastern European countries, Russia and CIS.

Mrs. Kohlmayer has masters' degree from University of Economics in Bratislava and MBA from Harvard University.

Robert Chvátal**Non-Executive Member**

Born in 1968, Mr. Chvátal graduated from Prague School of Economics studying Business Administration. He began his professional career in 1991 with Procter & Gamble and Benckiser before spending 15 years in mobile telecommunications as Chief Marketing Officer for T-Mobile Czech, and later as CEO of T-Mobile Slovakia and T-Mobile Austria.

Since 2013, he joined lottery sector by being appointed the CEO and a member of the BoD of Sazka a.s., which, following a turnaround, has become one of the fastest growing lottery companies globally.

In 2017 Mr. Chvátal was appointed as CEO of SAZKA Group, while since the same year he serves as an OPAP Board Director. Mr. Chvátal has also been elected since 2015 as the 1st Vice-President of the European Lotteries and Executive Committee member of Eurojackpot – pan European jackpot scheme.

Christos Kopelouzos**Non Executive Member**

Born in Athens, Mr. Kopelouzos is currently the CEO of Copelouzos Group with business activities in the area of Natural Gas, Renewable Energy, Electricity Production and Trading, Real Estate, Concessions, Airports and Gaming. In 2002 he completed his studies at the City University/City Business School in the field of Investment & Financial Risk Management.

Stylianos Kostopoulos**Non-Executive Member**

Mr. Kostopoulos completed his high school studies in Anatolia College of Thessaloniki and graduated from Aristotle University of Thessaloniki, Faculty of Positive Sciences, holding a Bachelor's Degree in Applied Mathematics. Since 1989, he has held numerous managerial positions in the Financial and Banking sector, mostly in BNP Paribas and Omega/Proton Bank, being responsible for Wealth Management, Corporate & Investment Banking, Credit Analysis, Loan Administration and Customer Services.

Since 2006, he has joined Aegean Oil, heading the Family Office of the Founders and being BOD member, CFO, Financial Advisor and Treasurer in various companies. In parallel, since 2013, he has served as Member of the BoD of SAZKA DELTA VCIC and its affiliates.

Rudolf Jurcik**Independent Non-Executive Member**

Born in Prague, Czech Republic, Mr. Jurcik is a French citizen. He is married and has two children. Mr. Jurcik studied Ancient and Oriental Languages as well as History at Charles IV University in Prague. He is currently the Owner and Executive Director of the Prestige Oblige, Private Management & Consultants FZ LLC in Dubai. Previously, he served as the CEO of MAF Hospitality (Property) in Dubai and as President of the Oberoi International Group in New Delhi. He has also worked as a Special Advisor to the CEO of Air France Group in Paris and as Managing Director of Forte/Meridien Hotels in Paris.

Additionally, Mr. Jurcik has served as a Senior Vice President of Meridien, based in Athens. He has also worked as a French foreign trade Advisor and as a COO of the Casino Royal Evian in France.

Nikolaos Iatrou**Independent Non-Executive Member**

Mr. Iatrou with studies in Management & Organizational Behavior has extensive experience in financial services. In 1991 he co-founded Hellenic Securities S.A. that 11 years later was acquired by Marfin S.A. Up until 2005 he was holding the positions of Chairman and Managing Director of Marfin Hellenic Securities S.A. as well as several other managerial positions within MARFIN BANK. In 2007 he founded SILK Capital Partners, a boutique Corporate Finance firm, mainly active in debt restructuring as well as in M&A and

business development. Since 2015 he is BoD member and was also a member of the investment committee of NBG PANGEA REIC. He is a member of the Hellenic Olympic Committee and Mentor in ENDEAVOR Greece.

Prof. Dr Nicole Conrad-Forker

Independent Non-Executive Member

Prof. Conrad-Forker is an Attorney at Law. She has experience in audit and corporate governance related issues as a professor, advisor and project leader. She holds a Doctorate from the Faculty of Economics of the University of Kassel, Germany. She has strong business acumen and deep understanding of financial / accounting related issues, while her legal perspective is an added value resulting to a 'holistic' approach of corporate governance aspects. Her professional experience includes being Board Member and Partner at ATAG Attorneys Ltd., Basel; Foreign Trade Advisor to the Kassel/Marburg Chamber of Commerce and Industry; Professor at Economic Faculty at Mainz University and ZHAW School of Management and Law in Zurich and Representative of the City of Zurich as majority shareholder on the Board of Directors of a Swiss energy supply company.

Vasiliki Karagianni

Independent Non-Executive Member

Ms. Karagianni is an experienced banking professional with expertise in wholesale banking, credit risk management and monitoring, business transformation and restructuring. She studied Economics at the Higher Industrial School of Thessaloniki before embarking upon a career in the banking sector. Having held managerial positions at various Greek banks (Ergasias Bank, Central Bank of Greece, Bank of Macedonia Thrace, EFG Eurobank-Ergasias, Geniki Bank,) and senior consultant roles at a host of firms, she is experienced and knowledgeable in financial statement reviews, accounting principles and audit reporting. Her latest position was with Arivia SA where she held the role of Executive Vice President and Member of the Board of Directors.

Since June 2021, she has also been a member of the Board of Directors and Chairwoman of the Audit Committee of ELGEKA SA.

Marie Emmanouil, LL.M

Corporate Secretary

Marie Emmanouil is an experienced lawyer specialized in Corporate and Company Law and Corporate Governance. Prior to joining Opap she worked as Lawyer in Tsibanoulis & Partners Law Firm and the Legal Department of Lavipharm SA, she was Director of Legal and Corporate Affairs, Investment and International Banking at Piraeus Bank as well as Legal Counsel, Compliance & AML Officer and Corporate Secretary at

Trastor REIC. She holds a Bachelor's Degree from University of Athens Law School and LL.M. (master's degree) with distinction from the University of Kent, UK.

C: Accountability

C.1: FINANCIAL AND BUSINESS REPORTING

The Board is responsible for the integrity of OPAP's consolidated and the Company's Financial Statements and recognizes its responsibility to present a fair, balanced and understandable assessment of OPAP's position and prospects.

The Board is satisfied that the Financial Statements and reports to regulators present a fair, balanced and understandable assessment of OPAP's position and prospects.

To assist with financial reporting and the preparation of separate and consolidated Financial Statements, the Finance Team has in place a series of accounting and treasury policies, practices and controls which are designed to ensure the identification and communication of changes in accounting standards, and reconciliation of core financial systems. The function consists of consolidation and financial accounting teams, and technical support which comprises of Senior Managers of Finance Team that review external technical developments and accounting policy issues.

Throughout the year OPAP has had in place an ongoing process for evaluating the financial reporting process and the preparation of consolidated accounts. The basis for the preparation of consolidated accounts is as set out on page 125 under Accounting Policies.

Following the Audit Committee recommendation, the Board agrees an engagement letter with the Auditors in respect of the full year audit and half-year review and the Auditors' statement on their work and reporting responsibilities.

Information on OPAP's business model and strategy for generating and preserving longer-term growth and delivering on the Company's stated objectives is set out in the Business Strategy section of the Annual Report on page 22.

An extra step involving an additional review of the Annual Report was added to the approval process of financial statements so that the full Board, acting together, could confirm that the Annual Report was fair, balanced and understandable.

Furthermore, an analysis of the remuneration paid by OPAP Group to auditors for the offering of audit and other services is included on page 210 of the Annual Report.

All information provided for in article 10 (1) (c), (d), (f), (h) and (i) of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, is included in the Annual Report and the Company's Articles of Association, to which we refer.

C.2: SYSTEM OF INTERNAL CONTROLS

The Board of Directors has the responsibility for establishing and maintaining an effective System of Internal Controls, that is a set of processes with the objective of controlling the operations of OPAP and its significant subsidiaries in a manner which provides reasonable assurance that:

- Data and information published either internally or externally is accurate, reliable and timely
- The actions of directors, officers, and employees are in compliance with the organization's policies, standards, plans and processes, and all relevant laws and regulations
- The organization's resources (including its people, systems, data/information bases, and customer goodwill) are adequately protected
- Resources are acquired economically and employed profitably; quality business processes and continuous improvement are emphasized
- The organization's plans, programs, goals, and objectives are achieved

In this respect OPAP issued a policy and process of Assessment of System of Internal Controls.

The Control Environment consists of all the organization structures, policies and processes that provide the basis for the development of an effective and adequate System of Internal Controls.

The Board has established a risk and internal control structure designed to manage the achievement of business objectives. It has overall responsibility for OPAP's system of internal control and for the effectiveness of such system

The mission of Internal Audit Team is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. The Internal Audit Team helps OPAP Group accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

The Internal Audit Team reports functionally to the Audit Committee of OPAP Board of Directors and administratively to the CEO. The Head of the Internal Audit Function is a person with sufficient qualifications and experience and is appointed by OPAP Board of Directors.

The Internal Audit Team is administratively independent from other OPAP Teams and is staffed by personnel that:

- is exclusively, full time employed, without having executive or operational duties relating with any other activity of OPAP or the Group and

- is not member of the Board or a Director who has other responsibilities than those of Internal Audit or relatives of the above up to the second degree by blood or by marriage.

Internal Audit Team operates and organizes its works and responsibilities based on a risk-based audit plan that is annually approved by the Audit Committee. The subsidiaries HELLENIC LOTTERIES S.A. and TORA WALLET SINGLE MEMBER S.A. have respectively established a structured Internal Audit Unit.

OPAP's control environment is supported by the principles of Business Conduct which are included in the OPAP Group Code of Conduct and a range of ISO policies and procedures on corporate, social and environmental responsibility and information security. Other key elements within the internal control structure are summarized as follows:

- **The Board and Management** – the Board approves the strategy and performs an advisory and supervisory role, with the day-to-day management of the Company being undertaken by the CEO supported by the Deputy CEO and the Senior Management. The CEO and other Executives have clearly communicated OPAP's vision, strategy, operating model, values and business objectives across the Group and constantly monitor their progress
- **Organizational Structure** – The new structure of the Senior Management, as depicted in the new organizational chart, is structured in a way to best serve the FAST FORWARD strategy. Throughout the organization, the achievement of business objectives and the establishment of appropriate risk management and internal control systems and processes are embedded in the responsibilities of managers of business teams
- **Budgeting** – there is an annual planning process whereby operating budgets (opex and capex) for the following financial year are prepared and reviewed by the Board. Long-term business plans are also prepared and reviewed by the Board on an annual basis
- **Management Reporting** – there is a comprehensive system of management reporting. The financial performance of operating units and OPAP as a whole are monitored against budget on a monthly basis and are updated by periodic forecasts
- **Risk Management** – as part of the ongoing risk management and control process, the BoD has established a risk management function and approved a risk management framework which describes the fundamental principles for their management and defines a methodology for the assessment and management of risks in OPAP, while determining the acceptable level of risk in the Company. Furthermore, the Audit Committee and the relevant stakeholders are informed of those significant risks which might impact on the achievement of corporate objectives and of the agreed control improvement actions by management. A summary of the most significant risks faced by OPAP is included in the Business Strategy section on page 22 and details of OPAP's uncertainties and principal risks are set out on pages 15 to 21.

- **Business Units' Controls** – each business unit maintains a system of control and risk management which is appropriate to its own business environment. Such controls must be in accordance with Group policies and include management authorization processes, to ensure that all commitments on behalf of OPAP are entered into only after appropriate approval.
- **Compliance Controls** – OPAP maintains a compliance program that aims to demonstrate that the Company has the organizational structure, adequate people, resources, policies, processes in place and technology to contribute to risk management and compliance enforcement. The Company is responsible for the monitoring of compliance of the Company and the OPAP Network with the applicable legal and regulatory framework and takes appropriate corrective measures, if necessary. In this respect OPAP established a Compliance Policy which set the overarching principles and commitment to action so as to achieve compliance and a set of processes regarding compliance framework monitoring, compliance risk assessments and annual Compliance BoD Report. OPAP has successfully completed in 2021 the audit of ISO 19600 Compliance Management System, with zero non-conformities raised.

The Company monitors compliance with the principles of responsible gaming, with the Games Regulations and with the international security standards of Games (WLA/EL-SCS/ISO 27001), takes action to combat illegal gambling, conducts annual reviews specifically for the subsidiary company HELLENIC LOTTERIES S.A. and for the certification of compliance with other ISO systems. The Code of Conduct of OPAP Group establishes a policy for whistleblowing complaints, through which any violation of the Code of Conduct can be reported to the Chief Legal, Regulatory and Compliance Officer by formal written or verbal complaint or anonymously. Chief Legal, Regulatory and Compliance Officer provides the Audit Committee with regular updates on the compliance controls of the Group and recommendations for continuous improvement.

- **Monitoring** – the effectiveness of the system of internal control and risk management is monitored regularly through a combination of management review, self-assessment, independent review through quality assurance, environment, health & safety and regulatory audits, as well as independent internal and external audit. The results of internal and external audit reviews are reported to and considered by the Audit Committee, and actions are taken to address any significant control matters identified. The Audit Committee also approves annual internal and external audit plans and is responsible for performing the ongoing review of the system of internal control and risk management on behalf of the Board.
- **Conflicts of Interests** - In accordance with the updated Internal Rules and Regulations, a revised conflict / potential conflict of interest process applies. Conflict of interests is a situation in which a Board Member or one of his or her family members has or may have a personal or financial interest that compromises or could compromise the Board Member's independence of judgment in

exercising his or her responsibilities to OPAP. The process identifies, avoids and deals with conflicts of interest between the interests of the company and those of its Board of Directors.

The Board reviews the appropriateness and effectiveness of the system of internal control and risk management throughout the financial year and up to the date of approval of the Annual Report and confirms that the financial statements have been satisfactorily completed.

Report of the Audit Committee

C.3: AUDIT COMMITTEE AND AUDITORS

The Audit Committee of OPAP S.A. Group (hereinafter the “AC” or the “Committee”) presents the Committee’s Activity Report for the year 2021.

The Committee is governed by its Charter which was approved by the AC and the Board of Directors of OPAP S.A. on 14/10/2020 and is currently publicly available on the Company’s site, as per the provisions of Law 4449/2017 (art. 44 par. 1, indent h), as amended by art. 74 par. 4 of Law 4706/2020 on Corporate Governance of Sociétés Anonymes. The Charter is reviewed annually in order to incorporate the requirements set forth in laws and regulations. The Charter guides the Committee in terms of its objective and its responsibilities assigned by the Board of Directors.

The key activities of the Committee during 2021 are set out below.

AC Composition

The Audit Committee is comprised of three independent, non-executive Board Members, according to the following table:

Name	Position at the AC	Type
Prof. Dr Nicole Conrad-Forker	Chairwoman since 17.06.2021	Independent Non-Executive Board Member
Vasiliki Karagianni	Member since 17.06.2021	Independent Non-Executive Board Member
Rudolf Jurcik	Member	Independent Non-Executive Board Member
<i>Dimitris Potamitis</i>	<i>Chairman until 17.06.2021</i>	<i>Independent Non-Executive Board Member</i>
<i>Igor Rusek</i>	<i>Member until 17.06.2021</i>	<i>Independent Non-Executive Board Member</i>

By virtue of resolution of the Annual General Meeting of Shareholders dated 17/06/2021, following recommendation by the Board of Directors, the current Audit Committee is a Board of Directors Committee, comprising three (3) Independent Non-executive Board members. The tenure of the audit committee members was resolved to be equal to their tenure as members of the Board of Directors, i.e. until 25.04.2022 and, if the case be, shall be extended ipso jure until the election of new directors from the subsequent Annual General Meeting of shareholders in accordance with the provisions of article 11 of the Company’s Articles of Association.

All members are qualified and possess the required expertise for such positions, meeting the requirements of Law 4449/2017. All members have business acumen and financial / accounting experience.

Audit Committee Meetings

The Committee met eight (8) times in 2021, while seven (7) additional resolutions were unanimously approved via per rotation signing of minutes, as per the provisions of par. 9.6 of the Audit Committee Charter. Before every AC meeting an agenda is prepared including all items for discussion. The agenda is communicated to each member at least two working days before the meeting. The Minutes of the AC meetings are kept by a lawyer, member of Corporate Secretariat.

The following persons are regularly invited to attend the AC meetings:

- Chairman of the Board
- Chief Executive Officer
- Chief Financial Officer
- Internal Audit Team Director
- External auditors
- Top Management Team members and Managers/Directors of Company's departments

The areas covered and the main items discussed during the AC meetings held within 2021 are summarized below:

Financial Statements

1. Reviewed the annual Standalone and Consolidated Financial Statements for the year ended December 31st, 2020 and further recommended their approval by the Board of Directors;
2. Reviewed the semiannual Standalone and Consolidated Financial Statements as of June 30th, 2021 and further recommended their approval by the Board of Directors;
3. Reviewed the quarterly unaudited financial information/Interim Management Statements as of 31.03.2021 and 30.09.2021 and further recommended their approval by the Board of Directors;

External Audit

1. Approval of OPAP audit fees for the period 1/1-31/12/2020;
2. Review of non-audit services (NAS)
3. Proposal for the election of Auditing Company for the statutory audit of the Company's Standalone and Consolidated Financial Statements for the FY 2021 and for the issuance of the annual tax report

Internal Audit

1. Reviewed the reports issued by the Company's Internal Audit Team and submitted quarterly reports to the Board of Directors on the risks arising from them and suggestions for improvement, the agreed actions, if any, or the acceptance of the risks
2. Reviewed the list of long outstanding findings identified by the Internal Audit Team, informed the Board of Directors accordingly and recommended corrective actions
3. Reported to the Board of Directors all-important matters' pertaining to the Company's System of Internal Controls
4. Held meetings with the Company's Directors and Top Management members
5. Approved Internal Audit Risk Based Plan 2021
6. Reviewed OPAP IA 2020 KPI's and Annual Report
7. Participated in OPAP IA Self-Assessment (part of the evaluation of the System of Internal Controls)
8. Reviewed System of Internal Controls (SIC) evaluation policy and procedure
9. Reviewed and approved the Internal Audit Processes
10. Reviewed and submitted the Internal Audit Charter to the Board of Directors for approval
11. Examined the IA strategic priorities for 2021-2025

Audit Committee function

1. Approved of the Audit Committee Activity Report for the year ended 31.12.2020 and Audit Committee's self-assessment
2. Adopted the Audit Committee Plan 2021

Under the provision of the Audit Committee Charter (par. 9.5 & 9.11) the Committee reports at least annually to the Board of Directors the Committee's composition, responsibilities and how the Committee has fully discharged all of its responsibilities for the period being reported. The present annual report covers the period 01.01.2021 to 31.12.2021.

Corporate Sustainable Development Policy

The Audit Committee is informed of the impact of the Company's activities on the environment and the wider community based on non-financial factors related to the environment, social responsibility and governance (Environmental, Social, Governance "ESG"), which are economically significant for the Company and the collective interests of key stakeholders, such as employees, customers, suppliers, local communities and other important stakeholders. In accordance with the provisions of the Code, the Company adopts and implements a policy on sustainable development and the most material issues identified in early 2022 are

listed in section *H: Non-financial report – Sustainable development* of the present Statement (pages 66-81). The AC has been informed accordingly and acknowledges the significance of all issues for OPAP's sustainable development.

Conclusion

The Audit Committee believes that fulfilled its duties and responsibilities as specified in the updated Audit Committee Charter.

On behalf of the Audit Committee,

Prof. Dr Nicole Conrad-Forker
Chairwoman

D: Remuneration

D.1: THE LEVEL AND COMPONENTS OF REMUNERATION

The Company's compensation plan is performance-driven and designed to promote OPAP's innovative and entrepreneurial culture. Since OPAP privatization, the Board set out to create a truly multinational Company and, as a result of this approach, people of various nationalities, skills and professional backgrounds cooperate in every sector in which OPAP operates.

The level and components of remuneration across OPAP is designed to facilitate global mobility and diversity. Salary ranges are based on domestic and sectorial benchmarking and OPAP's annual cash bonus structure, whereas long-term incentives and other benefits are offered.

Details on the Company's remuneration policy and the Board of Directors' compensation arrangements are set out below:

The Remuneration and Nomination Committee, is responsible for deciding on the benefits that encourage good customer service, are fair to all our employees and are aligned with the interests of all of our shareholders.

Our management team is multinational and adaptable and thus the main principles of our philosophy regarding remuneration are the following:

- Transparency
- Alignment of interests between shareholders and management
- Alignment of interests between employees and management
- Attraction and retention of the right people
- Performance-based remuneration

Remuneration regime

- Bonus schemes were adopted that build incentives via specific KPIs. Established criteria include quantitative benchmarking based on the overall Company performance, taking into account key profitability metrics
- Qualitative criteria also apply, focusing on managerial skills, training & development of the working teams, project deliveries, external communication etc.

It is worth mentioning that bonuses and other variable remuneration arrangements is common practice for companies listed in the FTSE100 index. Research shows that 99% of executives working in index FTSE100 companies at the Senior Management level and above has a ratio of variable to fixed remuneration in excess of 1:1, whereas that is not the case in our Company, where such levels is possible for very limited number of positions (currently only Chairman and CEO).

The Remuneration Policy of the Company applies to the remuneration of all members of the Board of Directors. It is designed to reflect fairness in the context of pay conditions to all employees and align Board remuneration with the interests of our shareholders. The objective of the Remuneration Policy is therefore to meet market practice, to serve the Company's strategic vision, its shareholders, clients and wider stakeholders.

The revised remuneration policy was approved by the shareholders of the Company at the 2021 Annual General Meeting.

Long-term incentive scheme

The Board of Directors, following a recommendation of the Company's Remuneration and Nomination Committee, decided on the 09.06.2020 the enactment of a new long term incentive scheme for the years 2020 to 2022 with distribution of part of the Company's net profits to Executive Members of the Board of Directors and other Key Management Personnel of the Company. The program's duration is 3 years, for the period 2020-2022. The targets relate to a. the profitability (adjusted Earnings Before Interest Taxes Depreciation and Amortization (EBITDA) for the 3-year period mentioned above and b. the total shareholders return measured by increase of Company's share price in the Athens Exchange. Finally, the scheme defines that the maximum amount to be distributed to up to 35 beneficiaries is up to 0.6% of achieved EBITDA target based on cumulative yearly plans for period 2020 – 2022.

This remuneration framework seeks to create long-term corporate value by confirming that the incentive structure strikes a balance between the long-term and short-term performance of Board members as well as promoting meritocracy, so that the Company attracts talents which will effectively manage it.

BOARD MEMBERS' REMUNERATION REPORT

The Company, in compliance with its legal obligations, will submit the Remuneration Report of 2021 for discussion at the Annual Ordinary General Meeting of 2022, ensuring that the Report is prepared and published in accordance with the requirements of the applicable law. In particular, the Remuneration and Nomination Committee prepares a clear and comprehensible remuneration report, which contains a comprehensive overview of remuneration for the last financial year, with the minimum content specified by Law 4548/2018.

The remuneration report for the last financial year is submitted to the regular General Assembly for discussion as a separate item on the agenda. The shareholders' vote on the remuneration report is advisory. The Board of Directors should explain in the next remuneration report how the above result of the vote was taken into account at the regular General Assembly.

D.2: REMUNERATION & NOMINATION COMMITTEE

The Remuneration and Nomination Committee is governed by its Charter which was approved by the Board of Directors on 16/07/2021. The Charter guides the Committee in terms of its objective and its responsibilities assigned by the Board of Directors.

Dr. Nicole Conrad, Independent Non-Executive Member of the Board chairs the Remuneration Committee which consist of 3 non-executive members of the Board, in majority Independent (Pavel Saroch, Non-Executive Member and B' Vice Chairman of the Board of Directors, Nicole Conrad and Nikolaos Iatrou, both Independent Non-Executive members of the Board of Directors), in full compliance with the requirements of Law 4706/2020.

The recommendations and reports of the Remuneration Committee are submitted to the Board for approval.

During 2021, the Remuneration and Nomination Committee addressed issues and submitted recommendations to the Board in respect of both areas of remit of the combined committee. The main issues addressed are summarized below:

- Reviewed and amended its Charter
- Submitted proposals to the Board of Directors on the remuneration of persons falling under the scope of the remuneration policy
- Introduced proposals to the Board of Directors regarding the remuneration policy submitted for approval before the General Meeting
- Reviewed the information included in the final draft of the annual remuneration report and submitted recommendation to the Board of Directors prior to the submission of the report to the General Meeting for advisory vote
- Reviewed succession plans of Board members and executive officers to maintain an appropriate balance of skills, experience, expertise and diversity in the management of the Company, and provided recommendations to the Board accordingly, assessed candidates and nominated new members for the Board.

E: Relations with Shareholders

E.1: RELATIONS WITH SHAREHOLDERS

The Board is committed so as the Company to effectively communicate with its Shareholders. The Executive Directors and executives from the Investor Relations team meet regularly with shareholders, institutional investors and financial analysts to discuss matters relating to the Company's business strategy and current performance. The Chairman, the CEO and the CFO receive by the Investor Relations Team monthly and annual updates on share price developments, major buyers and sellers of shares, peer group analysis, investors' views and analysts' reports on the industry and on the Company specifically. Feedback on presentations and roadshow meetings with institutional investors is presented to the Executive Directors of the BoD and any other specifically interested Non-Executive directors. The investor relations program includes:

- Formal presentations of full year and half year results and quarterly interim management statements
- Regular meetings between institutional investors and senior management to ensure that the investor community receives a balanced and complete view of OPAP's performance, the issues faced by OPAP and any issues of concern to the investors
- Response to enquiries from institutional and from retail Shareholders through the Company's investor relations team and
- A section dedicated to Shareholders on the Company's website

In 2021 Investor Relations Team issued the Investor Relations Policy which constitutes an integral part of the updated Internal Rules and Regulations of the Company.

Overall, the Investor Relations Division's main responsibilities are to:

- Develop strategies & implement Investor Relation initiatives to target & attract investors and increase shareholders value
- Enable effective two-way communication between OPAP and financial community; OPAP's Investor Relations Team promotes dialogue with its shareholders and investors as an essential aspect of corporate value. The objective is to help various stakeholders of the capital markets to be able to form timely a true and fair picture of the Company's financial position and to support fair valuation of the Company
- Communicate Market Feedback to Management
- Perform its duties to the highest investor relations standards, so as to enhance investors' and analysts' understanding and stimulate interest in the Company aiming to build investor loyalty

In 2021, due to coronavirus (COVID-19) pandemic, the majority of investors meetings were conducted virtually, with the Company participating in seven international investor events and roadshows related to either Gaming, Emerging Markets and/or Greece - South Eastern Europe. The frequency, duration and location of roadshow activity as well as the level of participation is determined at the beginning of the year.

The Investor Relation Team is fully dedicated to communicate with the investors community, while the senior management including Chairman, CEO, CFO and key directors, are available to discuss governance and strategy with major Shareholders and Institutional Investors should such a dialogue is needed.

E.2: THE ANNUAL GENERAL MEETING

The AGM provides all Shareholders with an opportunity to vote on the resolutions put to them. The AGM is used as the main opportunity for the Directors to meet directly with private investors. It is attended by the Directors and all Shareholders present are given the opportunity to ask questions to the Chairman, the Chairs of Board Committees and the Board.

The Company makes available to the public all information related to the AGM in a way as to ensure easy and equal access for all. More specifically, the Company posts timely on its website the invitation of the General Assembly as well as the information and documentation required by the legal framework and finally, informs about the minority rights of the shareholders.

The Company's Articles of Association explicitly define the competences of the General Meeting and the way it is convened, as well as the issues of standard and exceptional quorum and majority. On voting, each share has one vote. The results of the poll are released to the Stock Exchange and published on the Company's website immediately after the AGM. During the last years, a quorum of more than 70% was achieved.

F. Senior Management

Odysseas Christoforou

Deputy CEO

Odysseas Christoforou holds a Degree in Political Science from the Panteion University and a MSc in Public Relations & Communication from the Ulster University, Belfast. He began his career at accounting firm Arthur Andersen and later became Marketing General Manager at Ernst & Young and worked as Communication General Manager at Emporiki Bank and the Bank of Cyprus.

From 2008 to 2014 he served as General Manager at the Bank of Greece where he was primarily in charge of the supervision and coordination of administrative units for providing liquidity to Greek banks via the Eurosystem as well as communication with relevant institutions abroad.

He has been at OPAP since 2014, initially holding the position of Chief Corporate Communications Officer. Since 1 July 2019, Odysseas Christoforou is OPAP Deputy CEO. As part of his duties, he covers the areas of Corporate & Commercial Communication, Compliance and Regulatory Affairs, Corporate Affairs, Media Relations, Sponsorships and Corporate Social Responsibility.

Nancy Verra

Chief Legal, Regulatory and Compliance Officer

Anastasia (Nancy) Verra is the Chief Legal, Regulatory and Compliance Officer of OPAP Group, which she joined in 2015. She holds a BA from the Law School of the National and Kapodistrian University of Athens, an LL.M. in International Economic Law from the University of Warwick, as well as a PhD in Law from the University of London, having been granted a doctoral scholarship. She has been a member of the Athens Bar Association since 2000 and is qualified to practice before the Supreme Court and the Council of State. Nancy boasts more than 20 years of professional experience in senior positions requiring increased level of responsibility, with companies listed in the ATHEX (OTE-COSMOTE-PIRAEUS BANK), having successfully handled top litigation, legal and regulatory cases. She has also served as a BoD member in ERGOSE S.A. and the National Regulatory Authority for Railways, as well as a Legal Counsel for the 'Green Fund' and the Minister of Communications of Bulgaria.

James Curwen

Chief Online Officer (as of 19/04/2021)

James joined the OPAP Team in April 2021 to assume the position of Chief Online Officer. Before joining, throughout his 30 years in the industry both in online and land-based, he held a number of executive positions in prestigious companies in the UK and Overseas including William Hill, Superbet, Ladbrokes and

The Ritz Casino. Being widely recognized as an industry influencer, awarded by EGR and Gaming Intelligence, he brings a wealth of online experience into the company.

Argiris Diamantis

Chief Technology Officer

Argyris joined OPAP family in June 2020 and he was appointed as Chief Technology Officer on the 1st of July 2020.

Prior to this role, Argyris was the CTO of Intracom Holdings, responsible for driving Technology Strategy and the representation of the company in Technology and Innovation Forums.

Argyris has worked for many years in Technology, with leading positions in Gaming and Telecommunications. He previously was the Group CTO of Intralot, and the CIO of Vodafone and Hellas On Line. He started his professional career as a Software Developer working for Ericsson development centers in Germany, Spain and Ireland.

He holds a Master of Science Degree (MSc.) in Electrical Engineering and a Bachelor of Science Degree (BSc.) in Electrical and Computer Engineering from Northeastern University in Boston, USA, as well as an Executive MBA Degree from Athens University of Economics and Business.

Mary Nikolaidou

Acting Chief People Officer

Mary Nikolaidou carries over 40 years of valuable experience in Human Resources under her role as strategic HR professional with extensive knowledge in multiple business sectors. Characterized by her strong leadership and management skills aligning HR vision and strategy to support business goals. Recognized as team builder in diverse work forces and developer of trusted partnerships with key executives and management leaders to drive HR initiatives and achieve business results. Proven strong negotiation skills with Unions and working committees and ability to achieve organization transformation in diverse working environments.

It is characteristic that she undertook the successful management of human resources in large organizations during their transformation from public to private sector.

Prior to joining OPAP SA in 2013, Mary had assumed relevant roles in:

- EMPORIKI BANK – CREDIT AGRICOLE GROUP 2009 – 2013
Emporiki Bank S.A. Group Human Resources Head – 4,850 employees
- GROUPAMA PHOENIX 2007 – 2009
Human Resources Head – 655 employees / Member of the Executive Committee
- PHOENIX – METROLIFE EMPORIKI S.A. 2004 -2007
Human Resources Head Greece – 655 employees / Member of the Company's Board
- AMERICAN EXPRESS BANK Ltd 1995-2003

Human Resources Head Greece – 360 employees / AMEX European Employee Forum

- ATHENS LABORATORY OF BUSINESS ADMINISTRATION (ALBA) - 1994
Project Manager
- CONTROL DATA GREECE INC (Computer Hardware / Software & IT Education) 1983-1991
Human Resources & Administration Manager Greece – 485 employees
- SCHLUMBERGER TECHNICAL SERVICES IN (Oil Field) 1977 - 1982
Personnel Manager for Law 89 Offices – 275 employees
- TITAN CEMENT S.A. 1972 - 1976
Personnel Assistant

Matthaios Matthaiou

Chief Operations Officer (as of 01/01/2022)

Operations Director (until 31/12/2021)

Matthaios Matthaiou joined OPAP in 2015, as Network Development Director. Since then, he has held various leadership roles in the company's sales operations. In 2021, he was appointed Chief Operations Officer. He has worked in Greece and abroad, holding senior roles, locally and internationally, in Shell, the Boston Consulting Group and Hellenic Petroleum. His professional background covers sales, operations and strategy. During his career, he has led cross-functional teams, delivering impactful transformational projects. He is a graduate of the Athens University of Economics & Business and holds an MBA from the Warwick Business School (UK).

Fotis Zisimopoulos

Chief Product Officer (as of 01/01/2022)

Product Director (until 31/12/2021)

Fotis Zisimopoulos has been with OPAP since June 2014 and currently serves as Chief Product Officer. He is also a member of the Board of Directors of Hellenic Lotteries and OPAP Cyprus. He began his career in 2001 and has held senior management positions in the fields of consumer and product marketing, in Greek and multinational companies, such as Sara Lee and Forthnet. Over the years, he has led the development and management of new products and services, as well as new markets, guided by consumer trends. He is a graduate of Marketing and Business Research from the Athens University of Economics and Business and holds an MBA from the same university.

Yiannis Rokkas**Chief Marketing Officer (as of 01/01/2022)****Marketing Communications, Media & Sponsorship Director (until 31/12/2021)**

Yannis Rokkas is the Chief Marketing Officer of OPAP Group. He joined OPAP in 2019, as Marketing, Media and Sponsorships Director with a view to developing the commercial communication strategy, as well as to strengthening OPAP brand name and products. He boasts more than 20 years of professional experience in Greece and abroad in senior positions requiring increased level of responsibility. Before joining OPAP, he was the Deputy General Manager of Marketing, Customer Experience and Loyalty of Piraeus Bank Group, assuming overall responsibility for marketing programs, communication, and customer experience. He also served as Director of Deposits and Investments Division, as Director of Consumer Loans Division for Piraeus Bank Group and as Board Member of the Center of Sustainable Entrepreneurship "Excelixi S.A.". He started his professional career at Young and Rubicam in New York and he served, inter alia, as a General Manager in Solid Communications. Yannis Rokkas holds a B.Sc. in International Business and Marketing from Marquette University (USA) and a M.A in Global Marketing Communication and Advertising from Emerson College, Boston.

In accordance with article 18, par. 3 of L. 4706/2020, there follows a table with the number of shares held also by the Senior Management members of the Company.

Senior Management	Role	Number of Shares
Odysseas Christoforou	Deputy CEO	6,000
Nancy Verra	Chief Legal, Regulatory and Compliance Officer	∅
James Curwen	Chief Online Officer	∅
Argiris Diamantis	Chief Technology Officer	∅
Mary Nikolaidou	Acting Chief People Officer	∅
Matthaios Matthaïou	Chief Operations Officer	1,334
Fotis Zisimopoulos	Chief Product Officer	∅
Yiannis Rokkas	Chief Marketing Officer	550

G: Explanation on Deviations from Special Practices of the Code

The Board recognizes that the objective of the Code is to facilitate management's delivery of business success in a transparent and responsible manner. The Code does not impose a rigid set of rules and with its 'Comply or Explain' approach provides the possibility for the Company to carefully assess its specific circumstances and select the suitable rules with transparency and with the aim of effective and high-quality good governance. The Board provides an explanation for the following areas of the Codes Special Practices ('Comply or Explain' principle):

- The Remuneration and Nomination Committee, which is responsible for the individual evaluation of the executive board members, consists of non-executive members in majority independent. When the evaluation results of the performance of the executive members are discussed at Board level, the non-executive members of the Board of Directors convene together with the executive members, however, at these meetings, the executive members abstain from discussion and voting. This deviation is assessed as low risk, taking into account that any risk is mitigated by the fact that the evaluation process of the performance and the suitability of the BoD members is specific and transparent and is primarily performed by the Remuneration and Nomination Committee. (Clause 1.13. of the Corporate Governance Code).
- The Board of Directors recorded its principles of operation, which have been unceasingly applied in practice, by establishing its Charter, which describes the manner in which it meets and takes decisions and the procedures it follows and the documents they submit, taking into account the Articles of Association and the mandatory provisions of the law. The BoD Charter was approved by the BoD in March 2022. (Clause 1.15 of Corporate Governance Code)
- According to clause 8.2 of Law 4706/2020, in case the Board of Directors appoints an executive Chairman, it obligatorily appoints a Vice-Chairman from the non-executive members. Although an executive Chairman is appointed, the Company fully complies with the Law as it has appointed two non-executive Vice-Chairmen. Despite the fact that the Company has not appointed one of the independent non-executive members as Vice-Chairman, nor a Senior Independent Director, the Board composition is deemed satisfactory, commensurate to the Company business and needs. Both non-executive Vice-Chairmen are appointed based on their individual professional and personal qualities, their profound experience and knowledge of the market in which the company operates, they are able to constructively challenge the executive members propositions and provide strong safeguards of independence of mind and judgement. (Clause 2.2.1 of the Corporate Governance Code)
- The Chairwoman of the Remuneration and Nomination Committee Mrs. Nicole Conrad-Forker is an independent non-executive member of the BoD. The Chair of the Committee was appointed in

17.06.2021, following her election as Independent Non-Executive Board Member and has experience in corporate governance related issues both in theoretical and practical approach as a professor, advisor and project leader. When the Chairwoman was appointed, the Corporate Governance Code had not been issued yet, therefore the criterion of having served the Remuneration and Nomination Committee as a member for at least one year was not known at that point. Mrs. Nicole Conrad-Forker is a valuable member of the Committee as her legal perspective is an added value resulting to a 'holistic' approach of corporate governance aspects and the responsibilities and operations of the Remuneration and Nomination Committee (Clause 2.4.7 of the Corporate Governance Code)

- Executive members of the Board of Directors contracts do not include provisions that the Board may require a refund of all, or part of the bonus awarded, on the basis of breach of contractual terms or incorrect financial statements of previous years or incorrect financial data used for the calculation of this bonus. Instead, the Company has established and applies targeted control mechanisms to ensure integrity of financial information. Financial Statements (consolidated and separate) of the OPAP Group are being prepared in accordance with the applicable International Financial Reporting Standards and provide a true and fair view of the assets and liabilities, the equity and the results of the Group and the Company, as per provisions of applicable framework, the Company's Articles of Association and decisions of the Hellenic Capital Market Commission. The financial statements process controls, implemented by the Company, are regularly audited by the Internal Audit team and external auditors. Bonuses are calculated based on audited financial statements and final award and payment are subject to the approval of General Meeting of Shareholders upon recommendation by the Remuneration and Nomination Committee. (Clause 2.4.14 of the Corporate Governance Code)
- Main professional commitments of Board Members are included in the CV of each Board Member. In consideration of transparency, Board Members fully disclose before their appointment and regularly by way of submission of an individual Special Declaration, other professional commitments / activities, controlling interests or directorships (either as executive or non-executive members) in other companies. The Special Declaration is submitted regularly, twice a year, following the end of the preceding semester and refers to that semester, or, extraordinarily, on an ad hoc basis. Additionally, Board Members are alert to disclose any actual or potential conflict of interest that may arise during their tenure. (Clause 4.5 of the Corporate Governance Code).

H: Non-financial report – Sustainable development

We believe that corporate growth goes side by side with social growth and prosperity, a principle we have followed throughout the years of our operation in Greece.

We adopt a holistic approach to Corporate Responsibility, where the accountability for responsible operation lies within each department and each employee, without being the sole responsibility of a specific department. Nevertheless, managing responsible operational issues requires the creation of appropriate organizational structures.

Our Corporate Responsibility agenda is driven by the CEO, while at organizational level the Deputy CEO is responsible for identifying the strategic risks, setting standards and targets and reviewing the Company's Corporate Responsibility performance.

At the operational level, the Director of the Corporate Responsibility and Public Relations Team, is responsible for cooperating with other departments in order to appropriately allocate responsibilities and disseminate policies and practices. The Director works closely with the Quality Management Systems Team, in order to ensure that policies for Quality, Compliance, Environment and Energy, and Health and Safety are aligned with International Management System standards (ISO9001, ISO19600, ISO14001, ISO50001 and ISO45001).

Furthermore, we have appointed specific executives, responsible for key issues such as Compliance, who coordinate and implement relevant programs and activities.

Within this context, it is of paramount importance for OPAP to conduct a systematic and regular dialogue with Stakeholders, defined as anyone who influences or is influenced by our operations, throughout our value chain and across our operations. Through our engagement with our stakeholders, we utilize a range of interaction methods to understand their main issues of interest to respond to their needs and expectations, in an effort to improve ourselves, both in the short and long term.

To learn more about our Corporate Responsibility management, system of internal controls and stakeholder engagement please visit our 2021 Annual Integrated Report.

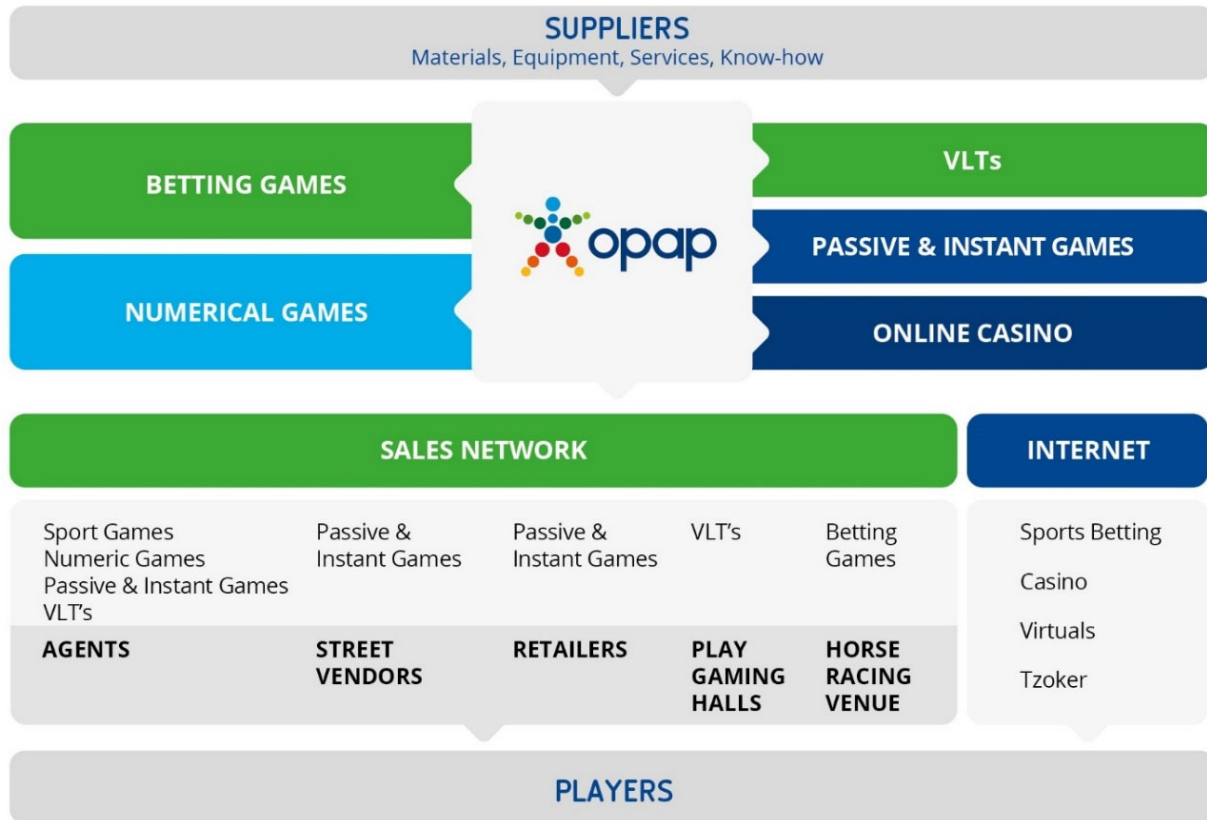
Our business

We offer numerical and betting games. Betting games have the final amount of winning revenues fixed and made known at the time of betting, while in numerical games, all bets of a particular type are collected and then the yield is calculated by distributing the concentrated bets to the winners.

All OPAP products and services are available through our sales network, which includes OPAP stores, PLAY stores (for the exclusive offer of PLAY Game Machines - VLTs), Street Vendors and the independent Points of Sale for Hellenic Lotteries S.A. products (Passive Lotteries and SCRATCH), as well as the Horseracing venue in Markopoulo (Markopoulo Park).

To deliver our products and services, aside from our own operations, we utilize resources from our suppliers (materials, equipment, services and know-how), which are used to organize, operate and sustain our games of chance.

Especially for PAME STOIXIMA, TZOKER, Virtuals, Casino games, and STOIXIMAN, players can also place their bets through specially designed online platforms.



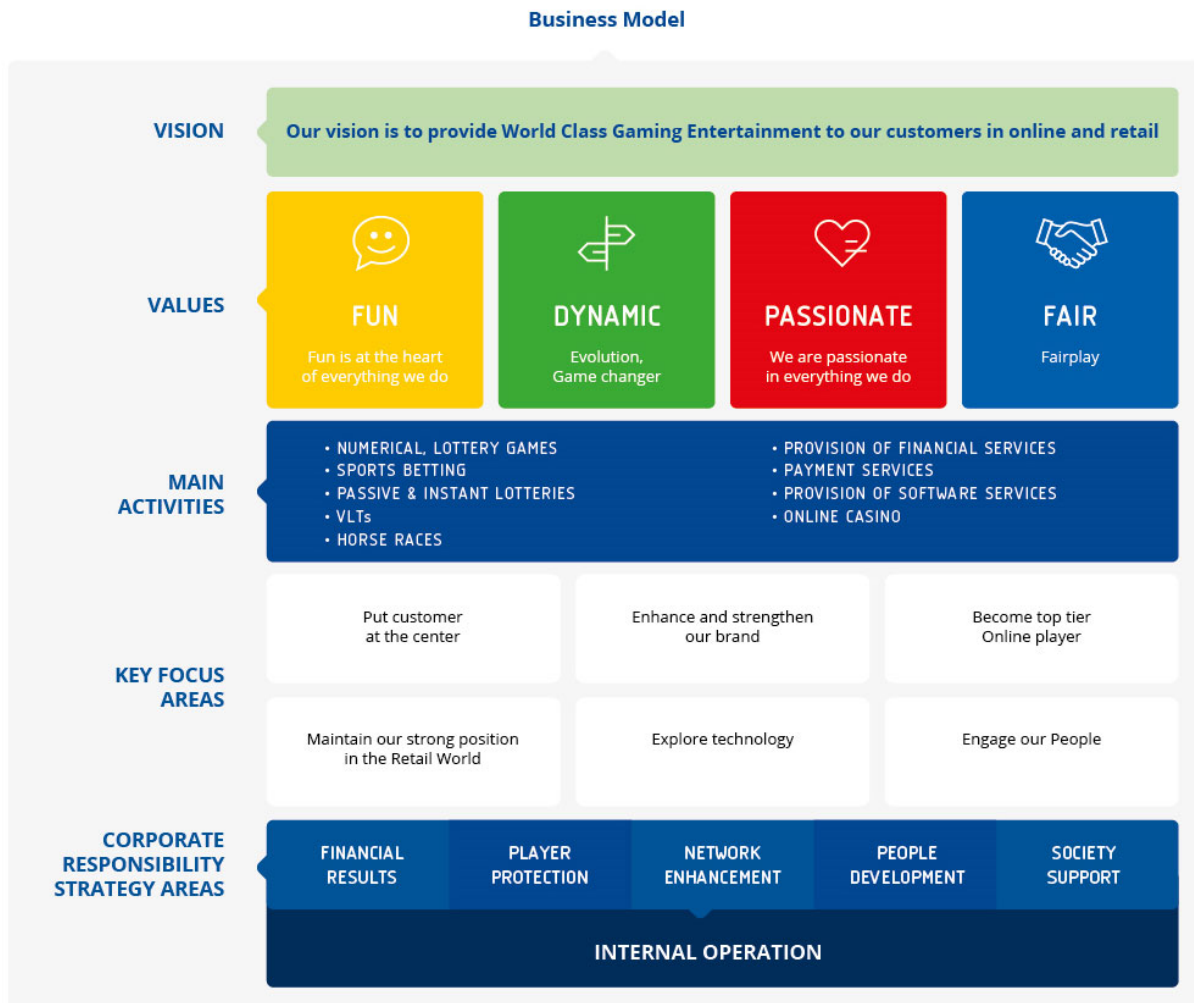
Our business model

Our business model lays out the key decision-making foundations that govern our actions and initiatives in order to achieve our business goals, delivering top-quality products and services, fostering employee training and development, maintaining strong communication channels with our agents and suppliers and fulfilling our corporate responsibility mandate.

Our vision to provide World Class Gaming Entertainment to our customers in online and retail continues and ensures the Company’s growth, expansion of operations and profit generation. The foundation of our vision is underpinned by our 4 core values (Fun, Dynamic, Passionate and Fair). These values sustain our work-friendly working environment and motivate our employees throughout the Group.

We have established a set of 6 key strategy areas that will help us generate, capture and sustain value for the Company and all our stakeholders, both in the short and long- term, and at the same time safeguard OPAP’s future success.

We operate under the World Lottery Associations (WLA), aligning with applicable responsible gaming standards, and strive to transform our business excellence into social contribution through an integrated corporate responsibility strategy, as visualized in the model presented below.



Our Corporate Responsibility Strategy

We have built our corporate responsibility strategy around 6 areas, as outlined below.

Internal Operation

Our objective

We aim to operate in a responsible manner by embedding responsibility into our business, and at the same time, improve our competitiveness and create value for all our stakeholders.

Our approach

We have established a series of codes, policies and procedures, in the framework of our corporate governance, in compliance with the regulatory framework in which we operate and in the context of our Integrated Management System. The following are among the policies applied:

- Hellenic Code of Corporate Governance (adopted by the Company)
- Code of Conduct
- Internal Rules and Regulations
- Fit and Proper Policy
- Anti-Money Laundering and Counter Terrorist Financing Policy
- Policy on Responsible Gaming
- Procurement Policy
- Environmental and Energy Policy
- Quality Policy
- Compliance Policy
- Health and Safety Policy
- Social Accountability Policy
- Determination and Evaluation of Environmental Aspects
- Health and Safety Risk Identification and Evaluation
- Policy on CSR Strategy
- Policy on CSR Report Development
- Sustainability Policy
- Investor Relations Policy
- Framework and Policy on Information Assets Security

Our corporate governance practices have been developed in line with the Hellenic Corporate Governance Code issued in June 2021 by the Hellenic Council of Corporate Governance (ESED). More information is provided in the Corporate Governance Statement.

Our Code of Conduct outlines the main principles and behavioral rules, as well as provides guidance to all stakeholders (i.e. Board of Directors, Chief Officers, managers and employees) on issues that may arise within OPAP. All employees are obliged to adhere to the Code of Conduct's principles and if they suspect that they are not followed, employees and the Board of Directors/Chief Officers can report their concerns to their immediate manager and/or to the Group Chief Legal Regulatory and Compliance Officer respectively, through the established Whistleblowing Complaints Policy.

In addition, we have established a System of Internal Controls based on best international practices, designed to provide reasonable assurance on the efficiency and effectiveness of the work, the reliability and completeness of the financial and management reporting, as well as the compliance with the applicable legal and regulatory framework.

We have developed a systematic enterprise risk management approach, based on which, we identify, measure and prioritize key risks that may affect the achievement of our strategic objectives, on an annual basis. Further we have established a risk management function and approved a risk management framework. The Board monitors the level of risk through the Group's major risk assessment process.

OPAP has developed a Policy on the 'Prevention of the use of gaming products for the purpose of money laundering and terrorism financing' (Anti Money Laundering - AML Policy) for OPAP S.A. and Hellenic Lotteries S.A., which applies to all employees, agents and salesmen of OPAP products, in order to comply with the Hellenic Gaming Commission's Decision no. 554/5/15.04.2021 and legislative framework, as currently in force. We conduct regular AML audits to our network, in order to ensure their compliance with the Policy and the requirements of the regulatory framework. Furthermore, we conduct full AML background checks to all new candidates that have expressed interest to join our network.

It should be noted that our Code of Conduct also outlines that fraud, bribery and corruption in all forms are illegal and unacceptable. Stakeholders of OPAP Group should immediately report any concerns of fraud, bribery and corruption in accordance with the Whistleblowing Complaints Policy.

We are committed to pursuing operational effectiveness, customer satisfaction and continuous improvement, as well as maintaining our environmental and social responsibility. This is achieved through the effective implementation of an Integrated Management System for Quality, Environmental and Energy and Health and Safety management, certified according to:

- ISO 9001 Quality Management System, certified by Lloyd's Register.
- ISO19600 Compliance Management System, certified by Lloyd's Register.
- ISO 50001 Energy Management System, certified by Bureau Veritas
- ISO 45001 Occupational Health and Safety System, certified by Bureau Veritas

Financial Results

Our objective

We seek to align our continuous support to society with healthy and sustainable financial results, in order to facilitate a long-term sustainable business. Therefore, we built our long-term corporate strategy in a transparent way that satisfies the needs of shareholders and the investment community, creates value for all stakeholder groups, contributes to the country's development and economic sustainability, while at the same time strengthens our presence in the gaming industry.

Our approach

As part of being transparent in our financial reporting process, we disclose significant transactions within OPAP Group of Companies and the related parties (as defined by IAS 24).

We are committed to utilizing the positive value generated by our business to benefit different stakeholders impacted by our operations. Therefore, through our turnover we ensure that we return significant financial

resources back to society, to our players (through payout to lottery and betting winners), our network (through a commission-based agents' agreement), our shareholders (through dividends), our suppliers (through purchases), our employees (through wages, benefits and insurance payments), providers of capital (through interest paid for loans), the Hellenic Republic (through its participation in Gross Gaming Revenue, corporate taxes and other taxes and duties) and investments.

Player Protection

Our objective

We understand that the responsible management of our business is imperative, due to the possible risks and consequences that might arise from excessive participation in games of chance. Therefore, we seek to establish an environment, in which a fair, reliable and safe gaming experience is provided to those who choose to use the products and services offered by our Company, for their own entertainment.

Our approach

Through our Code of Conduct and the Commercial Communication Policy included in the Responsible Gaming Policy, we ensure that all our advertisements and commercial communication announcements a) are legal, fair and truthful, b) comply with the relevant regulatory framework and c) respect the principles of Responsible Gaming. All commercial communication activities are being approved by the competent regulatory body (Hellenic Gaming Commission-HGC and the three-member Committee of art. 28, para. 3A of L. 4002/2011) and additionally are decent, fair to participants, do not cause disrepute, respect participants' personal data and conform to the current regulatory framework and the corporate policies in force.

Moreover, in order to ensure that our communications are responsible, we fully comply with Hellenic Ministry of Finance's Decision no. 79292 ΕΞ 2020 "Establishment of Gaming Regulation on Commercial Gaming Communication" (GG B/5.8.2020) as currently in force, which defines the principles for gaming operators' communications, promotion, marketing and advertising activities and, generally, every aspect of commercial communication.

We have established an internal and external mechanism for advice on ethical and responsible player behavior, as well as for the reporting of illegal gaming sites, which endanger the industry's reputation and players' wellbeing. Our Responsible Gaming Framework which reflects the one adopted by the World Lottery Association, consists of activities that aim to ensure responsible and sustainable growth, protect the general public and especially vulnerable social groups from excessive gaming, as well as prevent minors from any participation in games of chance.



Recognizing our Responsible Gaming principles, two international associations have rewarded us with the highest distinctions globally for our commitment in protecting consumers and ensuring a safe environment for our players. In particular, for the second time consecutively, OPAP has been awarded the “Level 4” Responsible Gaming Certificate from the World Lottery Association (WLA), for the consistent application of responsible gaming principles throughout its activities. This certification is the highest distinction of its kind globally. In addition, the European State Lotteries and Toto Association/ European Lotteries (EL) awarded us with the Statement of Alignment with the EL Responsible Gaming Standards for our true dedication to consistently build Responsible Gaming principles in our strategy and operation.

OPAP was awarded with these two top-level certifications, which are valid until 2024, after a thorough evaluation process by a team of independent experts. These distinctions highlight OPAP's practical commitment to the principles of Responsible Gaming, recognizing our integrated strategy in this area, which focuses on creating a safe environment for our customers, protecting minors, implementing best practices and education of the public, amongst others.

We inform, educate and engage with our employees about Responsible Gaming, in order to ensure their compliance with the respective principles and rules as defined by our policies and practices.

The credibility of our draw processes is the cornerstone of our reliability and the single most important driver of trust in our relationship with our players. We therefore place a proportionate importance on these processes in order to ensure that our draw processes are perceived as being indisputably credible and

objective by all our customers. OPAP is in line with the Draw Regulation (Joint Ministerial Decision no. 7905/27.02.2009 GG B' 430/10.03.2009), which describes in detail all procedures that must be followed during the draws, as well as all the necessary corrective actions to apply in case of malfunction.

The issue of personal data privacy is particularly important for serving the users of our products and services. For this reason, we have in place a Data Protection Office and a Data Protection Officer, , to ensure compliance with the applicable framework. We have adopted several new policies and procedures and revised all our privacy notices to ensure full transparency of our processing activities. We have implemented the appropriate technical and organizational measures. In addition, we conduct risk assessments and audits, on a regular basis, to identify and prioritize information security vulnerabilities and define appropriate risk treatment plans.

Finally, as part of our actions to improve our customer service, we continuously monitor our customer related performance through appropriate surveys.

Network Enhancement

Our objective

Recognizing that we operate in a highly challenging economic environment, we dedicate our efforts to the development of our sales network and the creation of more job openings. Our aim is to make our customers a top priority and provide our partners the necessary resources to improve at every level our network operations, in order to help them unlock the full potential of their stores.

Our approach

Our distribution network is one of the largest exclusive commercial networks in Greece, through which we offer our games and services. In total, 3,628 OPAP Stores, 373 PLAY Stores, 10,139 independent Points of Sale and 1,924 street vendors that distribute SCRATCH tickets and Passive Lotteries comprise OPAP's network in Greece. In Cyprus, 200 OPAP Stores in total offer our games.

As part of our commitment to continuously invest and develop our network, we monitor each partner's performance on a daily basis, while suggesting actions and initiatives to enhance our offerings. In the meantime, we provide incentives for the achievement of our common goals through reward and recognition programs

The guidance of our partners is primarily undertaken by our dedicated team of Area Managers, which is always by our partners, aiming to provide comprehensive support and to help them maximize their stores' performance.

Following our efforts to establish a line of direct communication, we have created and are constantly evolving the "opapnet", "opapnet|play" and "opapnet|laheia" B2B portals for our partners in OPAP Stores, PLAY Stores and the Indirect Points of Sale of Hellenic Lotteries S.A. respectively. In addition, aiming to inform our network in a timely manner and to daily support them through a wide range of tools, we have

also developed the respective “opapnet” mobile application (app), which offers direct and remote access via smartphones or tablets to our network’s news and updates, any time and wherever they are.

Moreover, we provide our partners with various training sessions through our Sales Training Team. It should be noted that, if deemed necessary, our Stores’ and Hellenic Lotteries S.A. Points of Sales employees can also participate in training programs for our games’ rules, responsible gaming, as well as for standard operational procedures and policies.

Our partners are obliged to comply with the framework aiming to protect “Greek society from addiction to games of chance, minors and consumers”. Non-compliance with the principles and rules of responsible operation constitutes a reason to impose sanctions (ranging from warning to termination of agency agreements). We monitor responsible operation of our partners (in OPAP and PLAY Stores as well as in the Hellenic Lotteries S.A. Points of Sale) and we make sure that they comply with OPAP’s principles and rules. Through OPAP’s Responsible Gaming training program, our partners and their employees are able to identify players’ problematic behavior, in order to provide advice on how to mitigate the consequences of excessive gaming and refer them to treatment providers. In this respect we have also introduced the role of the “Responsible Gaming Ambassador”.

Committed to ensure proper compliance with the Responsible Gaming rules and principles, we monitor our partners’ compliance according to the basic rules of Responsible Gaming through on-site inspection visits. In case a partner is found as non-compliant to its obligations in the above areas, OPAP reserves the right to impose sanctions and even terminate their agreement.

People Development

Our objective

Our People are at the heart of everything we do, bringing value and contributing to the success of our long-term strategic objectives, which lead us towards our Vision. We are committed to create a unique experience for all OPAP People; one that reflects our high performing culture and our values. We focus on being a great place to work by placing our People at the center of our strategy.

Our approach

Aiming to foster OPAP Group's rapid development, business efficiency and customer service excellence, the Group welcomes talents and recruits outstanding professionals who will become part of our team.

We appreciate our People’s dedication to OPAP and we systematically work to ensure that all employees are able to achieve a healthy work-life balance. As part of our commitment, we have launched the supportive OPAP Employee Assistance Program for our People and family members in collaboration with a specialized and experienced provider.

At the same time, by investing in the training and development of all employees through constant training courses, we safeguard the further developing and strengthening of talent to guarantee the achievement of

our strategic objectives. In 2015, we launched the Opapacademy; an umbrella of all OPAP Group's training and development activities through which we design our training programs.

Health and safety of our People is of the outmost importance, as it is a non-negotiable prerequisite for the successful operation of our business. In this context, we have developed an Occupational Health and Safety Policy demonstrating our commitment in shaping a preventive culture regarding health and safety at work. The Policy has been communicated to all employees and outlines our activities to continuously improve our workplace. Additionally, we implement a Health and Safety Management System certified according to ISO45001 standard for Occupational Health and Safety.

We have integrated fairness within our core values, as we believe it represents a fundamental requirement in establishing a positive work environment which facilitates a performance driven culture. Consequently, in our Code of Conduct we articulate our policy against discrimination based on race, gender, marital status, political beliefs, religion, origin, sexual orientation, age and disabilities, regarding work issues, such as recruitment and selection, salaries, promotions and career development. Further we established a new Diversity Policy which is annexed to the Fit and Proper Policy. We strictly follow the internationally recognized human rights, as described within the UN Universal Declaration of Human Rights and the ten Principles of the UN Global Compact, while at the same time all our employees are covered by the Greek National Collective Bargaining Agreement.

In February of 2021, a new collective labor agreement was signed for one year for the period from 01.01.2021 to 31.12.2021. The new CLA covers all employees of OPAP S.A. (excluding lawyers, directors, freelance workers paid via invoice, trainees, etc.). The main provisions of the agreement include basic salary, allowances, annual leave, etc. Respectively, the additional cost for 2021 amounted to € 103,000.

Society Support

Our objective

We believe that our role in society transcends our business activities and we have the responsibility to support social growth and prosperity. Thus, we are committed to support and benefit different stakeholders and underprivileged social groups, facilitate our supply chain's growth and responsible operation, as well as safeguard the environment and reduce our potential impact on climate change and resource use.

Our approach

Within the context of OPAP's integrated societal support strategy, we focus on large-scale initiatives in three main areas, namely Health, Sports and Employment. At the same time, we do not neglect to support sensitive social groups and communities, responding to ad hoc needs of our society as well as responding to emergency situations (e.g., wildfires, earthquakes etc.).

Driven by our objective to support entrepreneurship and enhance our overall positive impact on the Greek economy, we implemented the "OPAP Forward" program under the pillar of Employment. This program is designed to offer a unique opportunity to fast growing Small Medium Businesses by offering them

specialized services (e.g., strategic guidance, training, access to investors etc.) to help them unleash their full potential, generate new jobs and contribute to their further development. OPAP collaborates with the global non-profit organization Endeavor, to ensure the program's effective implementation. Endeavor supports the most promising companies worldwide helping them capitalize on their potential through a unique network of seasoned business leaders. With Endeavor's support, the selected companies will be able to grow faster, create jobs and contribute to the growth of the economy. The program supports 59 Small and Medium Businesses, across Greece. The "OPAP Forward" curriculum has helped the participating companies create 2,260 new direct working positions and support 20,249 new indirect job positions through the establishment of new collaborations, while at the same time increase their total turnover by € 242 million.

As part of our efforts to upgrade medical infrastructure, we continue the renovations of "Aghia Sophia" and "Panagioti and Aglaias Kyriakou" Children's Hospitals. Our ambitious project is in full development and following its completion the two specialized Hospitals will be able to service the needs of children from all over Greece in a top-level environment. In 2021, both Hospital buildings had 85% of their renovation completed. More specifically, OPAP delivered the Intensive Care Unit for Infants on the 5th and 6th floor of the "Panagioti and Aglaias Kyriakou" Children Hospital and the Urology-Plastic Surgery Unit on the 1st floor of the "Aghia Sophia" Children Hospital.

Having set as a priority to build solid foundations and create value for future generations, we continued the 'Sports Academies' program for the fourth year, to instil the values of fair play and teamwork in children. Overall, 178 amateur football and basketball academies participate in the initiative.

We fully acknowledge that our suppliers' activities and actions can influence our own responsible operation and therefore we strive to build a sustainable supply chain. We interact with our suppliers in a transparent and objective manner and offer equal opportunities to all. We utilize our outreach and size to support the local economy in the areas we operate, by collaborating with local suppliers and purchasing locally produced products and supplies.

We are conscious of global environmental issues and work systematically towards minimizing our potential negative impact throughout our operations, by complying with current environmental legislation and relevant provisions, as well as conducting all necessary environmental impact assessments. As part of our certified Environmental Management System according to ISO14001:2015, we apply appropriate practices to manage our operations in a way that prevents environmental pollution, regarding both our own operations, as well as our main suppliers' operations, through specific provisions in RFPs, awards and contracts. Furthermore, as of November 2018, we implement an Energy Management System certified according to ISO50001, that enables us to effectively monitor our climate change impact (energy consumption from electricity, heating and fuel oil), complying with the legal obligations on energy management set out by law no. 4342/2015.

Identifying the most material issues for our sustainable operation

OPAP is continuously informed about the global economic, environmental and social issues that are surrounding the business community and strives to ensure that these global issues are taken into consideration during the development of our sustainability strategy. As the largest gaming Company in Greece, we acknowledge the sheer size of our business operations and the subsequent impacts it can incur on the economy, the environment and society. Therefore, we identify the material issues that are most material for our sustainable development and our stakeholders. In early 2021, we identified and prioritized these issues through a 4 phase methodology, as follows:

Phase 1: Sustainability Context

Potential material issues were identified by evaluating OPAP's operation and strategy, the guidelines of international and domestic sustainability frameworks, future trends and current global industrial practices.

Through this process, we identified the following 19 material issues:

- | | |
|--|---|
| 1. Societal Support | 11. Responsible Procurement |
| 2. Responsible Gaming | 12. Energy Management and Carbon Emissions |
| 3. Network Support | 13. Waste and Water Management |
| 4. Customer Satisfaction | 14. Corporate Governance |
| 5. Human Rights and Diversity | 15. Business Ethics and Compliance |
| 6. Employee Engagement and Development | 16. Risk Management and Business Continuity |
| 7. Employee Health, Safety and Wellbeing | 17. Anti-Money Laundering |
| 8. Technology Innovation | 18. Illegal Gambling |
| 9. Cyber and Data Security | 19. Financial Performance |
| 10. Draw Credibility | |

Phase 2: Materiality Analysis by OPAP Management

OPAP's Senior Management prioritized the issues by taking into consideration their impact on OPAP's operations, as well as the impact that OPAP's actions on these issues have in the overall economy, society and environment.

Phase 3: Stakeholder Engagement

To assess stakeholders' expectations and interests, we created an online questionnaire and invited all stakeholder groups to participate.

Phase 4: Prioritization

By analyzing the outcomes of each phase, we identified the issues that are prioritized as most significant for both OPAP's Senior Management and our stakeholders.

It should be noted that we acknowledge all 19 issues as important for our sustainable development.

Response to coronavirus (COVID-19) pandemic

During 2021, the coronavirus (COVID-19) pandemic brought several challenges, which OPAP had to manage both proactively and reactively, to deal with the consequences of the pandemic.

In 2021, OPAP's commercial network was forced to cease operations for an almost double number of days compared to 2020. Additionally, varying restrictive measures and healthcare rules were in force throughout the year and across different parts of the country, even OPAP's retail network was operating. Besides, OPAP's operations also had to adapt to a series of measures, including rules for the use and control of coronavirus (COVID-19) vaccination/ recovery certifications, remote working policies etc.

Throughout 2021, OPAP closely monitored and adopted all necessary coronavirus (COVID-19) measures, remaining committed to protecting the health and safety of its customers, employees, and partners, as well as to safeguarding the continuity of its business activities in Greece and Cyprus. At the same time, OPAP undertook various initiatives to safeguard its financial position and ensure a quick ramp-up of its business upon the loosening or lifting of coronavirus (COVID-19) restrictions.

Business continuity and product initiatives

Leveraging the learnings deriving from coronavirus (COVID-19) related developments in 2020, OPAP implemented a specific business continuity plan, with the aim to minimize the impact of extraordinary developments, such as the suspension of its commercial network's operations or the imposition of strict restrictive measures upon reopening.

In such extraordinary periods, the company's gaming activities continued to operate online, offering an extended range of products (sports betting, Tzoker online, virtual games, and online casino). At the same time, the full range of Stoiximan's products was available through the company's own platforms. It is noted that OPAP's online activities delivered significant growth throughout the year, while Stoiximan also had an increased contribution to the Group's performance. Online growth was at large supported by a continued focus on CRM and promotional activities.

At the same time, OPAP promoted the development of a comprehensive commercial plan, with a view towards the reopening of its stores' network. OPAP's commercial plan detailed several initiatives, which aimed to attract customers, through new product, promotion, and communication/ advertising activities. Among other things, the company introduced a new loyalty scheme for its retail network, delivered new promos, features and variants for popular retail games – including Pame Stoixima, Virtuals, Powerspin, and Scratch.

Moreover, OPAP continued following a prudent financial management approach, focusing on maintaining its strong financial position and detecting opportunities for cost savings and enhancing its available liquidity, among others.

Support measures of our network

Following up on the support measures implemented in 2020, OPAP once more promoted initiatives for the financial, commercial, and operational support of its partners' network across Greece. The measures were discussed with the institutional bodies representing OPAP's partners and were designed based on a targeted and tailor-made approach, considering their proposals.

Among other things, the support measures taken in 2021 included a comprehensive and long-term plan for the repayment of obligations (in monthly installments), financial support for the payment of telecommunication bills, financial facilitations to cover operating expenses, etc. As mentioned above, a comprehensive commercial plan was also leveraged to support the recovery of OPAP's retail network.

Additionally, OPAP continuously supported and informed its partners on the coronavirus (COVID-19) measures that were effective for its retail network at any given time, via a dedicated monitoring and communication mechanism. Moreover, OPAP deployed an information and consulting mechanism to assist its partners in making use of the State's support measures for businesses and employees, as announced in 2021.

Initiatives for the support of the employees

In 2021, OPAP remained focused on protecting its employees' health, safety, and well-being, through a series of measures and dedicated policies.

The company fully complied with the mandatory decisions and guidelines on remote working and leveraged the teleworking scheme that was successfully launched in 2020. In fact, during periods of major coronavirus (COVID-19) outbreaks, OPAP decided to transition a higher percentage of its staff to remote working status than was required by the applicable national legislation, in order to better safeguard their health and safety. In this context, in 2021, OPAP did not suspend employment contracts for any of its employees, despite the relevant provisions of legislations promoted by the State for the support of businesses affected by the pandemic.

Besides, the company implemented actions for its employees' health and safety. Among other things, these included the development and the provision of specific instructions and informational material on the pandemic via internal channels (e.g. intranet, internal digital signage system, yammer, etc.), the collaboration with diagnostic centers for coronavirus (COVID-19) tests etc.

Finally, OPAP focused as well on the personal development and wellbeing of its employees through additional initiatives, such as the expansion of its e-learning platform.

Initiatives for the support of the national healthcare system

Aiming to further contribute to the national effort for combatting the pandemic and enhance the work of the country's hospital units, OPAP offered immediate support to the competent authorities. Some of the actions implemented include:

- Continued the renovation of pediatric hospitals: OPAP continued to support “Panagioti and Aglaia Kyriakou” and “Agia Sofia” hospitals.
- Healthcare supplies for elderly people: OPAP provided hundreds of thousands of gloves and protective masks to the Athens Nursing Home for elderly people to help them respond to emergencies.
- OPAP Forward: OPAP provided support to the businesses of the program, which contributed to the restriction of the coronavirus spread.

Our results in 2021

A representative sample of key results for 2021 is displayed below, which are part of the overall Corporate Responsibility results presented within the Integrated Report (financial and non-financial data), which will be issued by OPAP in 2022.

Indicator	GROUP	COMPANY
Internal Operation		
Court convictions for corruption or bribery against OPAP or its employees (number)	0	0
Monetary value of fines or penalties (i.e. even if appealed) for noncompliance with laws and regulations regarding incidents of corruption and bribery (€)	0	0
Player Protection		
Employees informed about Responsible Gaming (%)	100% ¹	100%
Agents informed about Responsible Gaming (%)	100%	100%
Network Enhancement		
OPAP Stores (number)	3,828	3,628
Gaming Halls (number)	373	373
Additional POS (points of sale) and street vendors for Hellenic Lotteries products (number)	12,063	0
People Development		
Employees (number)	1,612	1,127
Full-time employees (%)	98%	100%
Indefinite time contract employees (%)	98%	99%
Women in overall workforce (%)	36%	43%
Fatalities (number)	0	0
Grievances regarding human rights (including child, forced and compulsory labor), which were filed through formal grievance mechanisms (number)	0	0
Society Support		
Societal support activities (number)	572	364
Societal support spending (million €)	15.1	14.5

Indicator	GROUP	COMPANY
Significant suppliers ² with contractual clauses on sustainability issues (e.g. labor practices, environmental issues, impacts on society, human rights such as child, forced and compulsory labor) (%)	49%	62%
Electricity consumption (MWh)	4,818	2,527 ³
Water consumption (m ³)	66,597	4,240 ³
Paper consumption (tn)	8	6 ⁴

¹ Data refer to employees from all the companies with gaming activities, i.e. OPAP S.A., HELLENIC LOTTERIES S.A., OPAP CYPRUS LTD, OPAP SPORTS LTD, STOIXIMAN LTD and HORSE RACES S.A.

² Significant suppliers refer to suppliers whose annual contract fees exceed € 50,000.

³ Data refer to the companies OPAP S.A., HELLENIC LOTTERIES S.A., TORA DIRECT SINGLE MEMBER S.A. and TORA WALLET SINGLE MEMBER S.A.

⁴ Data refer to the companies OPAP S.A. and HELLENIC LOTTERIES S.A.

7. Dividend policy – Distribution of net profit

In relation to dividend distribution for the fiscal year 2021, the Company's Management, after taking into consideration the Company's performance, its prospects and its investment plans, proposes the distribution of dividend of € 0.60 per share before withholding taxes (according to the applicable tax legislation) versus € 0.55 per share for the year 2020.

It should be noted that the meeting of the Company's Board of Directors, held on 07.09.2021, approved the distribution of € 0.10 per share as interim dividend for the fiscal year 2021.

Based on the aforementioned information, total dividend for the 2 comparable periods before applicable withholding taxes, will be as follows:

	2021	2020
Interim dividend	0.1000	0.0000
Special dividend	0.0000	1.0000
Final dividend	<u>0.5000</u>	<u>0.5500</u>
Total dividend	0.6000	1.5500

8. Number and par value of shares

All the shares issued by the Company are common shares.

The Board of Directors, as its meeting dated 03.08.2021 decided to issue 9,729,566 new common, registered, voting shares of nominal value of € 0.30 each. Additionally, the Board of Directors, as its meeting dated 07.09.2021 decided to issue 1,700,334 new common, registered, voting shares of nominal value of € 0.30 each. Consequently, the total authorized number of common shares was 352,856,287 on 31.12.2021 (341,426,387 on 31.12.2020) with a par value of € 0.30 per share (€ 0.30 in 2020).

All issued shares are fully paid.

9. EU Taxonomy regulation

The Taxonomy regulation (EU Taxonomy Regulation, (EU) 2020/852) is a key component of the European Commission's 'Action Plan: Financing Sustainable Growth' of March 2018. It represents an important step in the EU's pursuit of the goals of the Paris Agreement, according to which climate neutrality is to be achieved by 2050. One of the objectives of the Finance Action Plan is to redirect capital flows towards a more sustainable economy. Such a shift of capital flows has to be underpinned by a shared understanding of what 'sustainable' means. Therefore, the EU Taxonomy provides for a unified classification system of activities that can be considered 'sustainable'.

The scope of the Taxonomy Regulation includes inter alia undertakings which are subject to the obligation to publish non-financial statements pursuant Art.19a or 29a of the Accounting Directive 2013/34/EU. These undertakings are to provide investors with a basis for their investment decision by disclosing information on how and to what extent the undertaking's activities are associated with environmentally sustainable

economic activities (Art.8 of the Taxonomy Regulation). The aim is to increase transparency in order to help prevent greenwashing and enlarge the space for green finance.

The following disclosures are provided for the purposes of the simplified reporting requirements in accordance with the Art.10 (2) of the Art.8 Delegated Deed (Delegated Regulation (EU) 2021/2178).

We have examined all Taxonomy-eligible economic activities listed in the Climate Delegated Act based on our activities as a Group that mainly provides gaming entertainment services. The Climate Delegated Act focuses on those economic activities and sectors that have the greatest potential to achieve the objective of climate change mitigation, i.e. the need to avoid producing greenhouse gas emissions, to reduce such emissions or to increase greenhouse gas. After a thorough review involving all relevant divisions and functions, we concluded that our core economic activities are not covered by the Climate Delegated Act and consequently are Taxonomy-non-eligible.

The European Commission identifies three Key Performance Indicators (KPIs) to be disclosed regarding the proportion of the Taxonomy Eligible activities of the Group to its total activities:

- Turnover KPI (Gross Gaming Revenue (GGR))
- Operating Expenses KPI and
- Capital Expenditure KPI

As our economic activities as a Group that mainly provides gaming entertainment services are not covered by the Climate Delegated Act, the share of the Taxonomy-eligible economic activities according to the Art. 8 of the Regulation for Taxonomy and the Art. 10 (2) of the Art. 8 of the Delegated Act in our total turnover is 0% and - consequently - the related capital and operating expenditure are also 0%.

Information relating to the calculation of the KPIs:

Turnover (Gross Gaming Revenue (GGR)): the percentage of the Taxonomy-eligible economic activities on the total annual Gross Gaming Revenue (GGR) has been calculated as part of the Gross Gaming Revenue (GGR) associated with the Taxonomy-eligible economic activities (numerator), to the total consolidated Gross Gaming Revenue (GGR) (denominator).

Operating Expenses: the quotient of the operating expenses related to the Taxonomy-eligible economic activities (numerator) to the total operating expenses (denominator) on a consolidated basis. The total operating expenses of the Group are presented as "Operating expenses" in the Consolidated Income Statement.

Capital Expenditure: the capital expenditure defined as Taxonomy-eligible economic activities (numerator) to the total capital expenditure (denominator). The total capital expenditure consists of the additions to intangible assets, property, plant and equipment, right-of-use assets and investment property during the financial year, before depreciation and amortization, impairment and any measurements, including any resulting remeasurement and impairment. The total capital expenditure is the sum of the "Additions" line in Notes 6, 7, 8 and 9 of the financial statements.

More information relating to the accounting policies applied are included in Note 3 of the financial statements.

10. Other

Branches

The Group owns a total of four branches that operate as OPAP agencies offering customers all the products and services of OPAP S.A., HELLENIC LOTTERIES S.A., HORSE RACES SINGLE MEMBER S.A., TORA DIRECT SINGLE MEMBER S.A. and TORA WALLET SINGLE MEMBER S.A. . Three of the branches are owned by the Company and are located in:

1. 108 Athens Avenue, Athens, which operates as a model store,
2. 5 St. George Patriarchiko of Pylea, Thessaloniki.
3. 46-48 Kifisou Avenue, Peristeri, Athens

and the fourth is a branch of HORSE RACES SINGLE MEMBER S.A. and is located in Markopoulo, Attica.

Research and development

Two companies of the Group, NEUROSOFT S.A. and TORA WALLET SINGLE MEMBER S.A. spend on research and development in order to produce software and other technology products, either for own use or for sale to third parties.

11. Subsequent events after the end of fiscal year 2021 and until the announcement of the annual financial report

Bond loans prepayment

On 05.01.2022, the Company proceeded to a partial repayment of € 100,000 th. of its bond loan of total nominal amount € 300,000 th., without extra cost.

On 23.02.2022, HELLENIC LOTTERIES S.A. proceeded to a partial repayment of total nominal amount € 10,000 th. of its bond loan of € 50,000 th., without extra cost.

Final dividend for the fiscal year 2021

The Company's Board of Directors decided during its meeting on 22.03.2021 to distribute a gross amount of € 211,714 th. or € 0.60 per share as final dividend for the fiscal year 2021 with € 0.10 per share having already paid as interim dividend in November 2021.

In addition to the dividend distribution, Capital return to Shareholders of € 0.90 per share will be proposed to AGM. Consequently, the total shareholders remuneration including the dividend will amount to € 1.50 per share.

Ukraine - Russia war effect

The recent geopolitical events in Ukraine, the military actions from Russia and the subsequent response from European Union and European countries as well as the United States in the form of economic sanctions affecting global energy markets and economic developments in general. There is no exposure of the Group both in Russia as well as in Ukraine, resulting to no direct effect from latest developments. Any effect is only indirect, related to the high energy cost and inflationary pressures along with subsequent negative affect on our customers' disposable income. The Group is following developments around the crisis in Ukraine and is planning accordingly.

12. Alternative Performance Indicators (API)

The Group presents certain Alternative Performance Indicators besides IFRSs arising from its financial statements, particularly the indicator "Net Debt/Earnings before interest, taxes, depreciation and amortization (EBITDA)". The indicators which are defined and calculated in detail below, are widely used in order to present the Group's profits in relation to its debt and how viable servicing its debt is. The Alternative Performance Indicators should not be considered as a substitute for other figures and have been calculated in accordance with the provisions of IFRS.

(Amounts in thousands of euro)	01.01-31.12.2021	01.01-31.12.2020 Restated (*)	Δ %
Profit before interest, tax, depreciation and amortization (EBITDA) / Revenue (GGR)	35.8%	23.1%	55.0%
Profit attributable to owners of the Company / Revenue (GGR)	16.9%	18.2%	(7.2%)
Profit before interest, tax, depreciation and amortization (EBITDA) / Net gaming revenue (NGR)	52.7%	35.4%	49.1%
Profit attributable to owners of the Company / Net gaming revenue (NGR)	24.9%	27.8%	(10.7%)
Net debt	233,651	587,107	(60.2%)
Total debt / Total equity	115.6%	140.4%	(17.6%)
Net debt / Profit before interest, tax, depreciation and amortization (EBITDA) last twelve months	0.4	2.3	(81.1%)

(*) The comparative amounts have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 and finalization of the purchase price allocation on the acquisition of STOIXIMAN LTD (see Note 3.23 of the Annual Financial Statements).

Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA) as a % of GGR

Calculated as the ratio of earnings before tax, depreciation, amortization and impairment (EBITDA) over GGR in the year.

Profit attributable to owners of the Company as a % of GGR

Calculated as the ratio of net profit for the year over GGR for the year.

Earnings before interest, taxes, depreciation and amortization (EBITDA) as a % of NGR

Calculated as the ratio of Earnings before tax, depreciation and amortization (EBITDA) over NGR in the period.

Profit attributable to owners of the Company as a % of NGR

Calculated as the ratio of net profit for the year over NGR for the period.

Net Debt

Calculated as the sum of short-term and long-term borrowings plus short-term and long-term lease liabilities at the end of the year/period minus the "Cash and cash equivalents", "Long-term investments" and "Short-term investment" balances at the end of the year.

Total Debt / Equity

Calculated as the ratio of the sum of short-term and long-term borrowings plus short-term and long-term lease liabilities at the end of the year over equity at the end of the year.

Net Debt / Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)

Calculated as the ratio of Net Debt (see above) over earnings before interest, tax, amortization and impairment in the last twelve months.

ANNEX

EXPLANATORY REPORT TO THE ORDINARY GENERAL MEETING OF OPAP S.A. SHAREHOLDERS PURSUANT TO ARTICLE 4 PAR. 7-8 OF LAW 3556/2007

The present explanatory report of the Company's Board of Directors to the Ordinary General Meeting of OPAP S.A. Shareholders consists of detailed information pursuant to the provisions of art. 4, par. 7 and 8 of L. 3556/2007.

1. Company's Share Capital Structure

The Company's Share Capital mounts up to the sum of one hundred five million eight hundred fifty six thousand eight hundred eighty six euro and ten cents (€ 105,856,886.10), divided into three hundred fifty two million eight hundred fifty six thousand two hundred eighty seven (352,856,287) nominal common and outstanding voting shares, with nominal value of thirty cents of euro (€ 0.30) each.

Within fiscal year 2021:

The Company's Share Capital, following the resolution of the Board of Directors of the Company dated 30.07.2021, was increased by two million nine hundred eighteen thousand eight hundred sixty nine euro and eighty cents (€ 2,918,869.80), upon issuance nine million seven hundred twenty nine thousand five hundred sixty six (9,729,566) new common, registered, voting shares, of nominal value of 0.30 euro (€ 0.30) each, as a result of the reinvestment program of the dividend of the fiscal year 2020.

The Company's Share Capital, following the resolution of the Board of Directors of the Company dated 08.11.2021, was increased by five hundred ten thousand one hundred euro and twenty cents (€ 510,100.20), upon issuance one million seven hundred thousand three hundred thirty four (1,700,334) new common, registered, voting shares, of nominal value of 0.30 euro (€ 0.30) each, as a result of the reinvestment program of the interim dividend of the financial year 2021.

All shares are admitted to trading at the Athens Stock Exchange Market.

The rights of the Shareholders of OPAP S.A. which stem from the Company's share are equivalent to the percentage of their equity investment in the paid-up share capital.

Each share provides all rights and obligations required by the Law and the Statutes and more specifically:

- Participation and voting right to the General Meeting of OPAP S.A.
- The right of being entitled to receive dividend out of annual profits or out of Company liquidation, as well as the right on the Company's assets in the event of liquidation. Every shareholder listed in the Company's share register at the ex-dividend date is entitled to a dividend. The date and the way of the collection of the dividend's distribution are announced by the Company through the Media, pursuant to L. 3556/2007 and the relevant decisions of the Exchange Commission. Within five (5) years starting

from the year when distribution is approved by the General Meeting, the right of the collection of the dividend is lapsed and the amount not collected is prescribed to the Hellenic Public Sector.

- The right of pre-emption to any share capital increase of the Company holding cash and the assumption of new shares.
- The General Meeting of the Company's Shareholders retains all the functions and authorities during the Company's liquidation (pursuant to article 46 of its Statutes). The liability of the Company's shareholders is limited to the nominal value of shares held.
- The right to receive copies of Financial Statements and reports of the auditors and the Board of Directors.

2. Restrictions on the transfer of shares of the Company

According to the Law, the Company transfers its shares and this transfer is not subject to restrictions by the Statute.

3. Significant direct and indirect holdings according the provisions of Law 3556/2007

The shareholders (natural persons or legal entities) that according to their notification made up until 31.12.2021 hold directly or indirectly a percentage of shares of more of 5% of its total shares with the respective voting rights, are listed below:

Name	Percentage
Sazka Delta Hellenic Holdings Limited	33.0%
Sazka Group a.s.	14.2%
Free Float	52.8%

4. Shareholders of any shares with special auditing rights

There are no shares offering to the shareholders special auditing rights in the Company.

5. Restrictions of voting rights

According to the provisions of the Company's Statutes, there are no restrictions on shareholders voting rights.

6. Agreements of shareholders, acknowledged by the Company, involving restrictions on transfer of shares or exercising of voting rights

The Company does not acknowledge the existence of agreements among its shareholders which conclude to restrictions on transfer of shares or exercising of voting rights.

7. Regulations concerning appointment or replacement of members of the Board of Directors and amendment of the Statutes

The regulations of the Company's statutes regarding the appointment and replacement of BoD members and the modification of provisions of Statutes do not differentiate from the ones provided in L. 4548/2018.

8. Competence of the Board of Directors or some of its members regarding issue of new shares or purchase of own shares

According to the Article 8 of the Company's Statutes, upon decision of the General Assembly, which is subject to publicity of Article 13 of L. 4548/2018, the Board of Directors can be given the right, upon the Board's decision taken by, at least, a majority of two third (2/3) of its members, to increase the share capital partially or totally by issuing new shares, up to the amount of the paid-up capital the date that the Board of Directors was granted the authority in question. The Board of Directors' authority can be renewed by the General Assembly for a period of time that will not exceed the six-year period for each renewal. No such decision has been made by the General Assembly of the Shareholders.

According to the same article of the Statutes, upon decision of the General Assembly, a program of shares disposal can be established for the members of the Board of Directors and the Company's personnel, as well as for the associated companies, in the form of optional right of shares acquisition, with the terms and conditions of Article 26 of L. 4548/2018. No such decision has been made by the General Assembly of the Shareholders.

According to the provisions of Articles 48-52 of L. 4548/2018, the companies listed on the Athens Exchange may acquire own shares, upon decision of the General Assembly of their shareholders, which provides the terms and the conditions of provided acquisitions and, in particular, the maximum number of shares that can be acquired and the duration of this approval. Their acquisition takes place under the Board of Directors responsibility, under the conditions mentioned in the law. No controversy provision exists in the Company's Statutes. The Annual Ordinary General Assembly of the Company's Shareholders that was held on 17.06.2021 decided and set the details for the acquisition by the Company of treasury shares, through the Athens Exchange, up to a percentage of 5% of the total paid up share capital of the Company, namely up to 17,071,319 shares. The acquisition of treasury shares shall be made provided that on a case by case basis are considered to be at the Company's own benefit, preferential to other available investment options and as long as the Company's cash flow allows for such acquisitions and for the scopes and uses allowed by the law, in accordance with the specific stipulations of articles 49 and 50 of Law 4548/2018, as in force today, and in connection to the provisions of Regulation (EU) No 596/2014 of the European Parliament and of the Council, on market abuse and of its supplementing Commission Delegated Regulation (EU) 2016/1052, with regard to regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures. The proposed program for the acquisition of treasury shares shall be completed

within twenty four months as from the date of the decision of the General Assembly, namely the latest by 16.06.2023, and will be implemented at a maximum acquisition price of € 17.00 per share and a minimum acquisition price equal to the nominal value price of each share, i.e. € 0.30 per share. The Company holds as of 31.12.2021 1,829,624 treasury shares that were acquired during 2015, 2016, 2017 and 2018.

9. Important agreements signed by the Company, that are put into force, modified or expire in case of change of Company control following a public offering and the results of these agreements

There are no agreements that are put into force, modified or expire in case of change of Company control following a public offering.

10. Each agreement signed among the Company and the members of the Board of Directors or its personnel, which provides for compensation in the event of resignation or dismissals without just cause or termination of service or employment due to public offering

The Company has not entered into any agreements with the members of the Board of Directors or its personnel to compensate these persons, in case they are forced to resign or dismissed unfairly or their services or employment are terminated due to public offer for the acquisition of its shares.

Athens, 22 March 2022

Kamil Ziegler

Jan Karas

Chairman

**Board Member and Chief
Executive Officer**

III. Annual Financial Statements

The attached Financial Statements as at 31.12.2021 of the Group and the Company were approved by the Board of Directors of OPAP S.A. on 22.03.2022 and are posted at the Company's website www.opap.gr as well as in the website of Athens Stock Exchange. The attached Financial Statements will remain at the disposal of investors at least five years from the date of their announcement.

It is noted that the published attached financial information arise from the Financial Statements, which aim to provide the reader with a general information about the financial status and results of the Group and the Company but they do not present a comprehensive view of the financial position and results of financial performance and cash flows of the Company and the Group, in accordance with the International Financial Reporting Standards (IFRS).

The auditors of the consolidated and separate Financial Statements of OPAP S.A. for the years ended on 31.12.2021 and 31.12.2020 is the auditing firm PricewaterhouseCoopers S.A..



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 the original Greek language financial statements, the Greek language financial statements will prevail.

Independent auditor's report

To the Shareholders of ORGANIZATION OF FOOTBALL PROGNOSTICS S.A.

Report on the audit of the separate and consolidated financial statements

Our opinion

We have audited the accompanying separate and consolidated financial statements of ORGANIZATION OF FOOTBALL PROGNOSTICS S.A. (the "Company" and "Group") which comprise of the separate and consolidated statement of financial position as of 31 December 2021, the separate and consolidated income statement and statement of other comprehensive income, the separate and consolidated statement of changes in equity and the separate and consolidated cash flow statement for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the separate and consolidated financial position of the Company and the Group as of 31 December 2021, their separate and consolidated financial performance and their separate and consolidated 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 separate and consolidated 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.



Emphasis of matter

We draw your attention to note 3.23 of the separate and consolidated financial statements, which describes that comparative figures for the year ended 31 December 2020 have been restated due to the finalisation of the purchase price allocation on the STOIXIMAN LTD acquisition and the change in accounting policy for the recognition of employee pension obligations under IAS 19 “Employee benefits”. As a result of the finalisation of the purchase price allocation on the STOIXIMAN LTD acquisition, the Group recognised additional intangible assets for the acquired brand and customer relationships, that were not previously recognized. In accordance with IFRS 3 “Business Combinations”, the restatement of the relevant figures was applied retrospectively to the consolidated Financial Statements for the year ended 31 December 2020. Our opinion is not qualified in respect of this matter.

Independence

During our audit we remained independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (the “IESBA Code”) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Company and its subsidiaries, in the period from 1 January 2021 to 31 December 2021 during the year ended as at 31 December 2021, are disclosed in Note 46 to the separate and consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<i>Revenue Recognition Based on Complex Information Systems – Gross Gaming Revenue (Note 3.4. Revenue recognition, accounting for Payout to the winners and other Operating Income) (Separate and Consolidated Financial Statements)</i> At 31 December 2021, Gross Gaming Revenue amounted to €1.54 bn for the Group and €0.99 bn for the Company.	We evaluated the design and tested the operating effectiveness of the Group’s IT controls in relation to the IT systems supporting significant revenue streams. This included IT controls related to user access, program development and change management and IT operations for key layers of underlying infrastructure (i.e. application, operating system, database) for the IT systems in scope of our



<p>The Group and the Company operate in a regulated environment and have a variety of gaming revenue streams across its operations.</p> <p>The Group gaming revenue processes are highly dependent on complex and interconnected Information Technology (IT) systems (managed in house and by third party service providers) for calculating, processing and recording of a significant daily volume of gaming revenue related transactions using differing and specialised revenue recognition criteria.</p> <p>In addition, the accuracy and completeness of the revenue amounts recognized are highly reliant on IT controls and the effective operation of automated processes and controls (i.e. calculations, reconciliations) implemented and operated by the Group and its service providers.</p> <p>We focused on this area due to the nature, complexity and the extensive use of the (IT) systems and data relevant to recognition of gaming revenue.</p> <p>Our audit approach also relies on the effectiveness of controls over IT systems, automated processes and system generated information,</p>	<p>audit.</p> <p>We tested the system generated information (i.e. data and reports), and other relevant IT dependent or automated controls (i.e. interfaces, calculations, reconciliations).</p> <p>We evaluated the design and tested the operating effectiveness of relevant gaming revenue business process controls, and also performed analytical, and other substantive procedures as part of our audit.</p> <p>Where in scope IT systems are managed by external service providers, we obtained and evaluated the respective assurance reports issued by the auditors of the service providers and tested relevant complementary controls, where applicable.</p> <p>Based on the audit procedures we performed, we did not identify any significant exceptions or findings in relation to the recognition of gross gaming revenue during the year.</p>
<p><i>Impairment assessment of Intangible assets and Goodwill</i> <i>(Note 2.2 Important accounting decisions, estimations and assumptions, 3.11 Impairment of non-financial assets, Note 6 Intangible assets and Note 10 Goodwill)</i> <i>(Separate and Consolidated Financial Statements)</i></p> <p>At 31 December 2021, intangible assets amount to €1.13 bn for the Group and €0.80 bn for the Company and are presented at cost less accumulated depreciation and any impairment. Management tests annually, whether there are impairment indicators in non-financial assets.</p> <p>At 31 December 2021, goodwill amounts to € 324.69 mln and is measured at cost less any accumulated impairment losses. Goodwill is tested annually for impairment.</p> <p>As a result of the deterioration of the macroeconomic environment due to the impact of COVID - 19, the Group proceeded with an</p>	<p>We evaluated management's overall impairment testing process, including the process for identifying indicators for impairment, preparation of impairment testing models as well as their review and approval.</p> <p>The key assumptions assessed per case included the revenue growth rates, margin trends and discount rates.</p> <p>We discussed extensively with management, the suitability of the impairment model and reasonableness of the assumptions and, with the support of our valuation specialists, we performed the following procedures:</p> <ul style="list-style-type: none"> ● Benchmarking key assumptions in management's valuation models with market trends and assumptions made in the prior year. ● Testing the mathematical accuracy of the cash flow models and agreeing relevant

impairment assessment of the recoverable amount for the cash generating units (“CGUs”) that were significantly affected and reported losses as a result of the impact of COVID – 19. Based on the indicators that the carrying amount exceeds the recoverable amount, an impairment assessment has been performed for the following three cash generating units (“CGUs”), namely: ooperations of instant and passive lotteries, horse races and video lottery terminals (“VLTs”).

For goodwill impairment test purposes, an assessment has been performed on the goodwill arising on the following four CGUs: Stoiximan Ltd, Neurosoft SA, OPAP Sports Ltd and Tora Direct Single Member S.A.

Management determines the recoverable amount of each cash-generating unit as the greater of its value in use and its fair value less costs to sell.

The calculations for the impairment tests on intangible assets use cash flow projections based on financial budgets approved by management covering a one-year period and cash projections for the remaining period of the respective concession right.

The calculations for the impairment tests on goodwill use cash flow projections based on financial budgets approved by management covering a one-year period and cash projections for four additional years.

This is a key audit matter for our audit given that management, in determining the recoverable amount exercised judgement in calculating the future cash flows, (e.g. expectations on market development, and discount rates applied to future cash flow forecast). Details on the assumptions used are included in *Note 6 “Intangible assets”* and in *Note 10 “Goodwill”*.

In the year ended 31 December 2021, an impairment charge was recognized with respect to the intangible assets relating to the operations of instant and passive lotteries of €4.3 mln.

data to approved business plans.

- Assessing the reliability of management’s forecast through a review of actual performance against previous forecasts.
- Assessing the sensitivity of impairment tests to changes in significant assumptions

We validated the appropriateness of the related disclosures included in the Notes to the financial statements.

Based on our procedures, we consider management’s key assumptions to be within a reasonable range.



<p><i>Impairment assessment of investments in subsidiaries (Note 2.2 Important accounting decisions estimations and assumptions and Note 11 Investment in subsidiaries) (Separate Financial Statements)</i></p> <p>At 31 December 2021 the Company had investments in subsidiaries of € 425.4mln. These investments are accounted for at cost adjusted for any impairment. They are tested for impairment when indications exist that their carrying value may not be recoverable.</p> <p>As a result of the deterioration of the macroeconomic environment due to the impact of COVID - 19, the Parent Company proceeded with an impairment assessment of the recoverable amount for the cash generating units (“CGUs”) that were significantly affected and reported losses as a result of the impact of COVID – 19</p> <p>The recoverable amount of the investments in subsidiaries is determined on value in use calculations, which requires the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a one-year period and cash projections for four additional years.</p> <p>This is a key audit matter for our audit given that management, in determining the recoverable amount exercised judgement in calculating the future cash flows, (e.g. expectations on market development, and discount rates applied to future cash flow forecast.)</p>	<p>We evaluated management’s overall impairment testing process, including the process for identifying indicators for impairment, preparation of impairment testing models as well as their review and approval.</p> <p>The key assumptions assessed per case included the revenue growth rates, margin trends and discount rates.</p> <p>We discussed extensively with management the suitability of the impairment model and reasonableness of the assumptions and, with the support of our valuation specialists, we performed the following procedures:</p> <ul style="list-style-type: none"> ● Benchmarking key assumptions in management’s valuation model with market trends and assumptions made in the prior year. ● Testing the mathematical accuracy of the cash flow models and agreeing relevant data to approved business plans. ● Assessing the reliability of management’s forecast through a review of actual performance against previous forecasts. ● Assessing the sensitivity of impairment tests to changes in significant assumptions. <p>We validated the appropriateness of the related disclosures included in the Notes to the financial statements.</p> <p>Based on our procedures, we consider management’s key assumptions to be within a reasonable range.</p>
<p><i>Impact of COVID-19 (Note 2.1 Basis of Preparation, Note 45. Financial instruments and financial risk factors) (Separate and Consolidated Financial Statements)</i></p> <p>The Company and the Group prepare its financial statements using the going concern basis of accounting.</p> <p>We focused on the appropriateness of the going concern basis of accounting given the impact that the</p>	<p>In assessing the appropriateness of the going concern basis of accounting used in preparing the financial statements, we:</p> <ul style="list-style-type: none"> ● Obtained Management’s assessment of the impact of COVID-19 on its future cashflows, including their analysis of future liquidity requirements. We discussed with Management the key assumptions made and assessed their plans to mitigate potential liquidity shortfalls.



outbreak of COVID-19 has on the Company's and Group's operations and financial position.

As explained in the Board of Directors Report, the COVID-19 pandemic and the measures taken to reduce the spread of the virus have created significant uncertainty in the markets in which the Group operates, which in turn had an impact on the sales and profitability of the Group.

The ability of the Group to continue operating as a going concern is dependent on Management's ability to maintain liquidity in order to meet its current financing and operating obligations.

Management has also considered the impact of COVID-19 on the Company's and Group's future operating results and specifically the cashflows. The outbreak of COVID-19 and the related restrictions that were adopted by the Government has resulted in the suspension of the Company's and Group's gaming store operations for part of the year 2021. A continuation of the Covid-19 pandemic, may further negatively impact future cash inflows.

Management performed sensitivity analysis over their cash flow forecasts to factor in the impact of extended restrictions of gaming operations stemming from COVID-19 and also considered the impact on the local and global economy.

Management's assessment of the going concern basis of accounting is based on cash flow projections which are dependent on significant management judgement and can be influenced by management bias.

- Obtained evidence over Management's underlying cash flow projections by evaluating these against relevant external and internal sources as deemed necessary. We compared revenues and cost assumptions against historical information including assessing the probability of achieving assumed cost reductions.
- Checked the mathematical accuracy of Management's cash flow forecasts.
- Performed independent sensitivity analysis to assess the impact of changes in the key assumptions underlying the cash flow forecast such as a further suspension of operations beyond Management's assessment.
- We evaluated Management's conclusion that there are no material uncertainties with respect to going concern.
- We evaluated the existing available liquidity and access to additional funding from approved credit lines.
- Reviewed the adequacy and appropriateness of Management's going concern and other relevant disclosures in the financial statements.

Following the performance of the above procedures, we consider that Management's use of the going concern basis of accounting is appropriate.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Statements of the Members of the Board of Directors and 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 separate and consolidated 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 separate and consolidated 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 separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018 and the Corporate Governance Statement required by article 152 of Law 4548/2018 has been prepared.

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 2021 is consistent with the separate and consolidated financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150,151,153 and 154 of Law 4548/2018,
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 152 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and Group and their 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 and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

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

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated 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 separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the Board of Directors is responsible for assessing the Company's and Group'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 and Group or to cease operations, or has no realistic alternative but to do so.

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



Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated 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 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 separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated 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 and Group'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 and Group'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 separate and consolidated 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 and Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.



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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company.

2. Appointment

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 22 May 2019. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 3 years.

3. Operating Regulation

"The Company has an Operating Regulation in accordance with the content provided by the provisions of article 14 of Law 4706/2020".

4. Assurance Report on the European Single Electronic Format

We have examined the digital files of ORGANIZATION OF FOOTBALL PROGNOSTICS S.A. (hereinafter referred to as the "Company and Group"), which were compiled in accordance with the European Single Electronic Format (ESEF) defined by the Commission Delegated Regulation (EU) 2019/815, as amended by Regulation (EU) 2020/1989 (hereinafter "ESEF Regulation"), and which include the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML format "213800M4NRGFJCI34834-2021-12-31-en.zip", as well as the provided XBRL file "213800M4NRGFJCI34834-2021-12-31-en.zip" with the appropriate marking up, on the aforementioned consolidated financial statements.



Regulatory framework

The digital files of the European Single Electronic Format are compiled in accordance with ESEF Regulation and 2020 / C 379/01 Interpretative Communication of the European Commission of 10 November 2020, as provided by Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter "ESEF Regulatory Framework").

In summary, this Framework includes the following requirements:

- All annual financial reports should be prepared in XHTML format.
- For consolidated financial statements in accordance with International Financial Reporting Standards, the financial information stated in the Income Statement, Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows should be marked-up with XBRL 'tags', according to the ESEF Taxonomy, as in force. The technical specifications for ESEF, including the relevant classification, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework are suitable criteria for formulating a reasonable assurance conclusion.

Responsibilities of the management and those charged with governance

The management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company and the Group, for the year ended December 31, 2021, in accordance with the requirements set by the ESEF Regulatory Framework, as well as for those internal controls that management determines as necessary, to enable the compilation of digital files free of material error due to either fraud or error.

Auditor's responsibilities

Our responsibility is to plan and carry out this assurance work, in accordance with no. 214/4 / 11.02.2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines in relation to the work and the assurance report of the Certified Public Accountants on the European Single Electronic Format (ESEF) of issuers with securities listed on a regulated market in Greece" as issued by the Board of Certified Auditors on 14/02/2022 (hereinafter "ESEF Guidelines"), providing reasonable assurance that the separate and consolidated financial statements of the Company and the Group prepared by the management in accordance with ESEF comply in all material respects with the current ESEF Regulatory Framework.

Our work was carried out in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standard Board for Accountants (IESBA Code), which has been transposed into Greek Law and in addition we have fulfilled the ethical responsibilities of independence, according to Law 4449/2017 and the Regulation (EU) 537/2014.



The assurance work we conducted is limited to the procedures provided by the ESEF Guidelines and was carried out in accordance with International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information". Reasonable assurance is a high level of assurance, but it is not a guarantee that this work will always detect a material misstatement regarding non-compliance with the requirements of the ESEF Regulation.

Conclusion

Based on the procedures performed and the evidence obtained, we conclude that the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML file format "213800M4NRGFJCI34834-2021-12-31-en.zip", as well as the provided XBRL file "213800M4NRGFJCI34834-2021-12-31-en.zip" with the appropriate marking up, on the aforementioned consolidated financial statements have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.



PricewaterhouseCoopers S.A.
Certified Auditors – Accountants
268, Kifissias Avenue
152 32 Halandri
SOEL Reg. 113

Athens, 22 March 2022

The Certified Auditor Accountant

Konstantinos Michalatos
SOEL Reg. No 17701

1. Statement of Financial Position

Amounts in thousands of euro	Notes	GROUP		COMPANY	
		31.12.2021	31.12.2020 Restated (*)	31.12.2021	31.12.2020 Restated (*)
ASSETS					
Non - current assets					
Intangible assets	6	1,133,295	1,236,054	801,942	874,308
Property, plant and equipment	7	70,383	85,623	68,101	82,813
Right-of-use assets	8	35,222	41,864	21,002	26,155
Investment properties	9	1,521	1,606	1,521	1,606
Goodwill	10	342,688	342,811	-	-
Investments in subsidiaries	11	-	-	425,412	425,412
Investments in associates	12	8,156	8,599	-	-
Trade receivables	16	2,078	7,249	2,078	7,249
Other non - current assets	13	71,093	47,117	72,822	55,334
Deferred tax assets	14	<u>30,544</u>	<u>35,436</u>	-	-
Total non - current assets		1,694,980	1,806,360	1,392,877	1,472,878
Current assets					
Inventories	15	4,682	6,169	2,689	4,011
Trade receivables	16	90,881	68,480	49,216	26,846
Current income tax assets	14	5	2,359	-	-
Other current assets	17	47,955	40,618	31,049	38,370
Cash and cash equivalents	18	860,361	506,873	609,088	279,491
Short – term investments	18	<u>3,633</u>	<u>4,629</u>	-	-
Total current assets		1,007,517	629,128	692,042	348,718
Total Assets		2,702,497	2,435,488	2,084,919	1,821,596
EQUITY & LIABILITIES					
Equity					
Share capital	19	105,857	102,428	105,857	102,428
Share premium	19	346,228	218,826	346,228	218,826
Reserves	20	35,450	33,329	34,174	32,075
Treasury shares	21	(14,497)	(14,497)	(14,497)	(14,497)
Retained earnings		<u>437,822</u>	<u>401,498</u>	<u>343,260</u>	<u>301,214</u>
Equity attributable to owners of the Company		910,860	741,584	815,022	640,045
Non-controlling interests	22	<u>38,513</u>	<u>41,126</u>	-	-
Total equity		949,372	782,710	815,022	640,045
Non-current liabilities					
Borrowings	23	991,673	1,007,830	941,517	957,440
Lease liabilities	8	43,507	50,112	16,989	22,011
Deferred tax liability	14	127,176	116,799	40,317	25,394
Employee benefit plans	24	4,058	1,986	3,955	1,855
Provisions	25	9,520	10,214	9,517	10,212
Other non-current liabilities	26	<u>5,724</u>	<u>99,776</u>	<u>1,453</u>	<u>2,748</u>
Total non-current liabilities		1,181,656	1,286,717	1,013,747	1,019,660
Current liabilities					
Borrowings	23	54,965	33,036	82,677	52,692
Lease liabilities	8	7,500	7,631	5,365	5,068
Trade payables	27	168,186	149,444	62,560	52,400
Current income tax liabilities	14	60,658	27,755	49,079	13,119
Other current liabilities	28	<u>280,160</u>	<u>148,194</u>	<u>56,470</u>	<u>38,611</u>
Total current liabilities		571,469	366,061	256,151	161,890
Total liabilities		1,753,125	1,652,778	1,269,897	1,181,550
Total Equity & Liabilities		2,702,497	2,435,488	2,084,919	1,821,596

(*) The comparative amounts of the Statement of Financial Position have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 and finalization of the purchase price allocation on the acquisition of STOIXIMAN LTD (see Note 3.23).

The attached notes on pages 111 to 212 form an integral part of Financial Statements.

2. Income Statement

Amounts in thousands of euro	Notes	GROUP		COMPANY	
		01.01-31.12.2021	01.01-31.12.2020 Restated (*)	01.01-31.12.2021	01.01-31.12.2020 Restated (*)
Revenue (GGR)		1,538,843	1,129,783	985,327	930,219
GGR contribution and other levies and duties	30	<u>(494,986)</u>	<u>(392,518)</u>	<u>(298,148)</u>	<u>(311,640)</u>
Net gaming revenue (NGR)		1,043,857	737,265	687,179	618,579
Agents' commissions	31	(277,862)	(255,869)	(228,891)	(212,529)
Other direct costs	32	(160,157)	(70,542)	(69,137)	(57,232)
Other operating income	33	123,735	123,811	50,610	58,545
Other operating income related to the extension of the concession of the exclusive right 2020-2030	34	217,373	42,465	217,373	42,465
Other operating cost	35	(74,415)	(77,610)	(1,016)	(1,559)
Share of profit/(loss) of associates	12	<u>(443)</u>	<u>18,296</u>	-	-
		872,087	517,816	656,118	448,270
Operating expenses		<u>(321,791)</u>	<u>(257,101)</u>	<u>(176,159)</u>	<u>(201,329)</u>
Payroll expenses	36	(76,263)	(78,381)	(62,263)	(64,431)
Marketing expenses	37	(90,636)	(54,853)	(46,691)	(39,677)
Other operating expenses	38	(154,392)	(102,413)	(76,347)	(82,692)
Net impairment losses on financial assets	45	<u>(501)</u>	<u>(21,455)</u>	<u>9,143</u>	<u>(14,529)</u>
Profit before interest, tax, depreciation and amortization (EBITDA)		550,296	260,715	479,959	246,941
Gain from remeasurement of previously held equity interest	10	-	142,666	-	-
Depreciation, amortization and impairment	6,7,8,9,10	<u>(149,467)</u>	<u>(153,520)</u>	<u>(110,961)</u>	<u>(92,356)</u>
Results from operating activities		400,829	249,861	368,998	154,585
Finance income	39	2,288	10,286	1,629	9,527
Finance costs	39	(45,852)	(43,740)	(39,339)	(39,959)
Dividend income	40	-	-	<u>4,000</u>	<u>5,500</u>
Profit before income tax		357,265	216,407	335,288	129,652
Income tax expense	41	<u>(96,393)</u>	<u>(17,300)</u>	<u>(70,327)</u>	<u>(28,282)</u>
Profit for the period		260,872	199,107	264,961	101,370
Profit is attributable to:					
Owners of the Company		259,427	205,167	264,961	101,370
Non-controlling interests	22	<u>1,445</u>	<u>(6,059)</u>	-	-
Profit after tax		260,872	199,107	264,961	101,370
Basic and diluted earnings per share in €	42	0.7544	0.6137	0.7705	0.3032

(*) The comparative amounts of the Income Statement have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 and finalization of the purchase price allocation on the acquisition of STOIXIMAN LTD (see Note 3.23).

The attached notes on pages 111 to 212 form an integral part of Financial Statements.

3. Statement of Comprehensive Income

Amounts in thousands of euro	Notes	GROUP		COMPANY	
		01.01-31.12.2021	01.01-31.12.2020 Restated (*)	01.01-31.12.2021	01.01-31.12.2020 Restated (*)
Profit for the year		260,872	199,107	264,961	101,370
Other comprehensive income - items that will not be reclassified to profit or loss					
Actuarial gains/(losses)	24	24	(14)	(29)	(11)
Related tax	14, 41	(5)	3	6	3
Total items that will not be reclassified to profit or loss		18	(11)	(22)	(8)
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss					
Loss from valuation of hedging derivatives		1,296	(224)	1,296	(224)
Related tax	14, 41	(340)	54	(340)	54
Exchange differences on translation of foreign operations		1	(4)	-	-
Total items that may be reclassified to profit or loss		956	(175)	956	(171)
Other comprehensive loss for the period, net of tax		975	(186)	933	(179)
Total comprehensive income for the period		261,846	198,921	265,894	101,192
Total comprehensive income is attributable to:					
Owners of the Company		260,393	204,982	265,894	101,192
Non-controlling interests	22	1,453	(6,061)	-	-
Total comprehensive income, net of tax		261,846	198,921	265,894	101,192

(*) The comparative amounts of the Statement of Comprehensive Income have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 and finalization of the purchase price allocation on the acquisition of STOIXIMAN LTD (see Note 3.23).

The attached notes on pages 111 to 212 form an integral part of Financial Statements

4. Statement of Changes in Equity

4.1. Consolidated Statement of Changes in Equity

Amounts in thousands of euro	Attributable to owners of the Company						Non-controlling interests Restated (*)	Total equity
	Share capital	Share premium	Reserves	Treasury shares	Retained earnings Restated (*)	Total		
Balance at 1 January 2020	96,487	24,294	31,522	(14,497)	615,982	753,787	18,104	771,892
Change in accounting policy of IAS 19	-	-	-	-	2,091	2,091	47	2,138
Balance at 1 January 2020 (Restated (*))	96,487	24,294	31,522	(14,497)	618,074	755,879	18,151	774,030
Profit/(Loss) for the period	-	-	-	-	205,167	205,167	(6,059)	199,107
Other comprehensive loss	-	-	(174)	-	(11)	(185)	(1)	(186)
Total comprehensive income/(loss) for the period	-	-	(174)	-	205,155	204,982	(6,061)	198,921
Transactions with owners of the Company								
Share capital increase	5,941	194,532	-	-	-	200,473	-	200,473
Share capital increase expenses	-	-	-	-	(93)	(93)	-	(93)
Statutory reserve (Note 20)	-	-	1,980	-	(1,980)	-	-	-
Dividends provided for or paid	-	-	-	-	(419,657)	(419,657)	-	(419,657)
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	-	29,036	29,036
Total transactions with owners of the Company	5,941	194,532	1,980	-	(421,730)	(219,277)	29,036	(190,241)
Balance at 31 December 2020 (Restated (*))	102,428	218,826	33,329	(14,497)	401,498	741,584	41,126	782,710
Balance at 1 January 2021	102,428	218,826	33,329	(14,497)	401,498	741,584	41,126	782,710
Profit/(Loss) for the period	-	-	-	-	259,427	259,427	1,445	260,872
Other comprehensive income	-	-	956	-	10	966	8	975
Total comprehensive income/(loss) for the period	-	-	956	-	259,437	260,393	1,453	261,846
Transactions with owners of the Company								
Share capital increase (Note 19)	3,429	127,402	-	-	-	130,831	-	130,831
Share capital increase expenses	-	-	-	-	(238)	(238)	-	(238)
Statutory reserve (Note 20)	-	-	1,165	-	(1,165)	-	-	-
Dividends provided for or paid (Notes 22 & 29)	-	-	-	-	(221,711)	(221,711)	(4,067)	(225,778)
Total transactions with owners of the Company	3,429	127,402	1,165	-	(223,114)	(91,117)	(4,067)	(95,184)
Balance at 31 December 2021	105,857	346,228	35,450	(14,497)	437,822	910,860	38,513	949,372

(*) The comparative amounts of the Consolidated Statement of Changes in Equity have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 and finalization of the purchase price allocation on the acquisition of STOIXIMAN LTD (see Note 3.23).

The attached notes on pages 111 to 212 form an integral part of Financial Statements.

4.2. Separate Statement of Changes in Equity

Amounts in thousands of euro	Share capital	Share premium	Reserves	Treasury shares	Retained earnings	Total equity
Balance at 1 January 2020	96,487	24,294	30,266	(14,497)	620,030	756,579
Change in accounting policy of IAS 19	-	-	-	-	<u>1,524</u>	<u>1,524</u>
Balance at 1 January 2020 (Restated (*))	96,487	24,294	30,266	(14,497)	621,554	758,103
Profit for the period	-	-	-	-	101,370	101,370
Other comprehensive loss	-	-	(171)	-	(8)	(179)
Total comprehensive income/(loss) for the period	-	-	(171)	-	101,362	101,192
Share capital increase	5,941	194,532	-	-	-	200,473
Share capital increase expenses	-	-	-	-	(65)	(65)
Statutory reserve (Note 20)	-	-	1,980	-	(1,980)	-
Dividends provided for or paid	-	-	-	-	<u>(419,657)</u>	<u>(419,657)</u>
Balance at 31 December 2020 (Restated (*))	102,428	218,826	32,075	(14,497)	301,214	640,045
Balance at 1 January 2021	102,428	218,826	32,075	(14,497)	301,214	640,045
Profit for the period	-	-	-	-	264,961	264,961
Other comprehensive income/(loss)	-	-	956	-	(22)	933
Total comprehensive income/(loss) for the period	-	-	956	-	264,938	265,894
Share capital increase (Note 19)	3,429	127,402	-	-	-	130,831
Share capital increase expenses	-	-	-	-	(38)	(38)
Statutory reserve (Note 20)	-	-	1,143	-	(1,143)	-
Dividends provided for or paid (Note 29)	-	-	-	-	<u>(221,711)</u>	<u>(221,711)</u>
Balance at 31 December 2021	105,857	346,228	34,174	(14,497)	343,260	815,022

(*) The comparative amounts of the Separate Statement of Changes in Equity have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 (see Note 3.23).

The attached notes on pages 111 to 212 form an integral part of Financial Statements.

5. Cash Flow Statement

Amounts in thousands of euro	Notes	GROUP		COMPANY	
		01.01-31.12.2021	01.01-31.12.2020 Restated (*)	01.01-31.12.2021	01.01-31.12.2020 Restated (*)
OPERATING ACTIVITIES					
Profit before income tax		357,265	216,407	335,288	129,652
Adjustments for:					
Depreciation & amortization	6,7,8,9	144,804	116,687	110,961	91,896
Net finance costs	39	43,564	33,454	37,711	30,432
Employee benefit plans		2,173	532	2,130	494
Loss allowance for trade receivables	16	(1,262)	5,383	(906)	2,044
Write-off of trade receivables	45	1,764	691	1,764	628
Other provisions	28	(616)	5,359	(616)	5,359
Provision for obsolete inventories		195	552	195	-
Impairment losses on PPE, intangible assets, Right-of-use assets & goodwill	6,7,8,10	4,663	36,833	-	460
Dividend income	40	-	-	(4,000)	(5,500)
Impairment of investment in subsidiaries		-	-	-	5,500
Gain from disposal of subsidiary		(395)	-	-	(8,336)
Loss allowance/(Reversal of loss allowance) of other current & non-current assets		-	15,399	(10,000)	11,857
Gain from remeasurement of previously held equity interest		-	(142,666)	-	-
Share of (profit)/loss of associates	12	443	(18,296)	-	-
Profit from the sale of PPE and intangible assets		(16)	29	(18)	(4)
Rent concessions	8	(3,690)	(1,988)	(2,761)	(995)
Total		548,891	268,376	469,746	263,489
Changes in Working capital					
(Increase) / decrease in inventories		1,292	241	1,128	(1,266)
(Increase) / decrease in receivables		(53,132)	37,938	(35,211)	1,367
Increase / (decrease) in payables (except banks)		72,955	(72,971)	27,942	(76,960)
Total		570,006	233,584	463,605	186,630
Interest paid		(30,542)	(35,051)	(28,441)	(32,500)
Income taxes paid		(46,084)	(12,146)	(19,785)	(6,720)
Net cash inflow from operating activities		493,381	186,388	415,379	147,410
INVESTING ACTIVITIES					
Proceeds from sale of tangible & intangible assets		18	7	18	7
Payment for acquisition of subsidiary		(19,007)	(154,735)	-	-
Repayment of loans by third parties		3,426	18,185	2,436	1,135
Repayment of loans by subsidiaries		-	-	31,250	9,500
Proceeds from sale of subsidiary		802	-	-	-
Share capital increase of subsidiaries		-	-	-	(70,000)
Loans granted to third parties		(1,553)	(2,317)	(1,553)	(2,317)
Loans granted to Group companies		-	-	(16,000)	(24,500)
Increase of cash due to acquisition of STOIXIMAN LTD		-	64,562	-	-
Purchase of intangible assets	6	(20,377)	(10,011)	(14,720)	(6,782)
Purchase of property, plant and equipment & investment property	7, 9	(3,839)	(8,868)	(3,368)	(8,221)
Dividends received		-	6,799	1,000	7,500
Interest received		439	2,586	784	1,225
Net change in short-term & long-term investments		997	5,285	-	-
Net cash outflow from investing activities		(39,096)	(78,507)	(153)	(92,453)
FINANCING ACTIVITIES					
Proceeds from borrowings	23	452,101	501,500	410,000	500,000
Repayment of borrowings	23	(450,273)	(508,094)	(400,002)	(500,002)
Transaction costs related to borrowings		(1,350)	(5,485)	(1,200)	(5,485)
Share capital increase expenses		(238)	(93)	(38)	(65)
Payment of lease liabilities	8	(5,935)	(8,068)	(3,354)	(5,476)
Dividends paid to Company's shareholders		(91,035)	(214,735)	(91,035)	(214,735)
Dividends paid to non-controlling interests	22	(4,067)	-	-	-
Receipt of repayable state cash advance		-	151	-	-
Net cash outflow from financing activities		(100,797)	(234,823)	(85,629)	(225,763)
Net increase/(decrease) in cash and cash equivalents		353,488	(126,943)	329,597	(170,806)
Cash and cash equivalents at the beginning of the period		506,873	633,815	279,491	450,297
Cash and cash equivalents at the end of the period		860,361	506,873	609,088	279,491

(*) The comparative amounts of the Cash Flow Statement have been adjusted due to the change in accounting policy for retirement benefit obligations under IAS 19 and finalization of the purchase price allocation on the acquisition of STOIXIMAN LTD (see Note 3.23).

The attached notes on pages 111 to 212 form an integral part of Financial Statements.

Notes on the Financial Statements

1. Information about the Company and the Group

1.1. General information

OPAP S.A. (the 'Company' or 'OPAP') was established as a private legal entity in 1958. It was reorganized as a société anonyme in 1999 domiciled in Greece and its accounting as such began in 2000. OPAP's registered office and principal place of business is 112 Athinon Avenue, 104 42 Athens, Greece. OPAP's shares are listed in the Athens Stock Exchange.

The ultimate beneficiary of OPAP S.A. is the VALEA FOUNDATION, while since October 2016 the OPAP Group is fully consolidated by Sazka Group which, as at 31.12.2021 holds 47.20% interest in OPAP.

The Group, beyond the parent Company, includes the companies which OPAP S.A. controls directly or indirectly (refer to Note 4).

The Financial Statements for the year that ended on 31.12.2021 (including the comparatives for the year that ended on 31.12.2020) were approved by the Board of Directors on 22.03.2022 and are subject to approval by the Shareholders' General Assembly Meeting.

1.2. Nature of operations

On 13.10.2000, the Company acquired from the Hellenic Republic the 20-year exclusive right to conduct, manage, organise and operate by any appropriate means or measures provided by modern technology certain numerical lottery and sports betting games (and any variations of these games) and for which the Company paid € 322,817 th.. The Company also acquired the exclusive right to operate and manage any new sports betting games in Greece as well as a right of first refusal to operate any new games permitted by Law. The number of games was progressively increased over time and includes at present 13 games. The Company's exclusive right was subsequently extended by a period of 10 years, i.e., until 12.10.2030.

Therefore, the Company currently holds the exclusive right to conduct, manage, organise and operate by any appropriate means seven numerical lottery games (JOKER, LOTTO, PROTO, EXTRA 5, SUPER 3, KINO & POWERSPIN), three sports and other betting games (PROPO, PROPOGOAL and STOIXIMA [which includes MONITOR GAMES and GO LUCKY]), two new lottery games (BINGO and SUPER 4) and "Prognostika Agonon Basket", "Prognostika Agonon Omadikon Athlimaton" (these last four games have not been launched yet). The above numerical lotteries and sports betting games are also operated in Cyprus through the Company's subsidiaries, OPAP CYPRUS LTD and OPAP SPORTS LTD, respectively.

OPAP CYPRUS LTD

OPAP CYPRUS LTD is governed by Law 34 (III)/2003 that ratifies the agreement between the Greek Republic and the Government of the Republic of Cyprus, for the terms of organization, operation, conduct and management of games conducted by OPAP S.A. as well as the "Taxation of profits from games of OPAP S.A. and by the State Lottery Act of 2012".

OPAP SPORTS LTD

OPAP SPORTS LTD is a holder of a Class "A" and Class "B" licenses from the National Betting Authority of Cyprus and its principal activity is to operate in the field of fixed odds betting through its authorised representatives of Class A recipients and through electronic (online) activities.

VLTs License

In November 2011, according to the Ar. 39 of Law 4002/2011, OPAP S.A was granted permission to install and operate 35,000 Video Lottery Terminals ('VLT machines') within the Greek territory. The duration of the license was set at 10 years and the total price paid by OPAP S.A. amounted to € 560,000 th..

In November 2017, according to an amendment of the above law published in Government Gazette issue number 176, the number of VLT machines was limited to 25,000 while the duration of the license was extended from 10 to 18 years starting from the commencement of the commercial operation of the first VLT machine. Under the terms of the applicable law, OPAP S.A. was obliged to put all VLT machines into commercial operation until 31 December 2019.

HELLENIC LOTTERIES S.A.

HELLENIC LOTTERIES S.A., 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. should pay to 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); however such amount is not to be less than € 30,000 th. in the first year of operation and € 50,000 th. on per year for each of the following 11 years (for a total of € 580,000 th. for the duration of the Lottery Concession).

HORSE RACES SINGLE MEMBER S.A.

HORSE RACES SINGLE MEMBER S.A was established on 22.12.2014. Its purpose of business is the exercise of the 20-year exclusive right to organize and conduct terrestrial and online mutual horseracing betting in Greece, according to the terms and conditions of the 24.04.2015 Concession Agreement with the Hellenic Republic Asset Development Fund ('HRDF'), the general legislative and regulatory framework, as well as the

general regulatory framework. The total cost of the aforementioned exclusive right amounted to € 40,501 th..

Online betting and Online Casino Games & Poker

Following the publication of Law 4635/2019 regarding the licensing and operating of certain online games of chance in Greece namely Online Betting (including virtual games) and Other Online Games (online casino-type games and Poker conducted live or with the use of a random number generator), on 26.02.2020, Hellenic Gaming Commission (the “HGC”) invited all the transitional licensed gaming operators (including OPAP S.A. and STOIXIMAN LTD) to submit their applications for the granting of a Type 1 License (Online Betting) and/or a Type 2 License (Other Online Games) until 31.03.2020. The License Fee for the Type 1 License was set at € 3.000 th. and for the Type 2 License was set at € 2.000 th.. The duration of each license is for seven (7) years and can be renewed.

Before the lapse of the above-mentioned deadline, OPAP S.A. and STOIXIMAN LTD submitted two separate applications to HGC for the awarding of both licenses. Subsequently, on 05.08.2020 the new Online Regulation was published (Ministerial Decision no. 79835 EX 2020/24.07.2020), which contains an extensive set of regulatory, supervisory and control provisions aimed at ensuring the highest possible level of compliance with the requirements of the Law and the rules of responsible gaming for all licensed online games of chance providers in Greece.

A Type 1 License and a Type 2 License was granted to OPAP S.A. on 25.05.2021 and the same licenses were also granted to STOIXIMAN LTD on 28.05.2021. The Go-Live took place on 10.08.2021 and 05.08.2021, respectively.

Additionally, STOIXIMAN LTD on 31.01.2021 was granted a Class “B” license from the National Betting Authority of Cyprus to provide electronic (online) betting services. Until that date, online betting services were provided by STOIXIMAN business (Greek and Cypriot operations).

Other Group Operations

TORA DIRECT SINGLE MEMBER S.A.

On 19.11.2014, OPAP INVESTMENT LTD, a wholly owned subsidiary of OPAP S.A., acquired 90% of the share capital of TORA DIRECT SINGLE MEMBER S.A (ex PAYZONE HELLAS S.A.) and on 24.08.2015 proceeded to the acquisition of the remaining non-controlling 10% for a total consideration of € 9,135 th.. TORA DIRECT SINGLE MEMBER S.A. provides transaction services via electronic means, intangible talk time selling services as well as bill payments services.

TORA WALLET SINGLE MEMBER S.A.

TORA WALLET SINGLE MEMBER S.A. was established on 01.09.2016 by a wholly owned subsidiary of OPAP S.A. and its principal activity is the provision of electronic money services and payment services.

The licencing procedure got completed on 12.02.2018 and this development marks the official commencement of its activities.

NEUROSOFT S.A.

NEUROSOFT S.A. is a software company specializing in the design, production, adaptation and maintenance of integrated information systems and is listed on the over-the-counter ('OTC') market on the Milan Stock Exchange.

On 02.08.2017 the acquisition of an additional shareholding equal to 28.19% of the share capital in NEUROSOFT S.A. by OPAP INVESTMENT LTD (a wholly owned subsidiary of OPAP S.A.) was completed, raising the total participation of OPAP Group to NEUROSOFT S.A. to 67.72% of its share capital.

Distribution Network

OPAP Group activities are offered through a wide online and land-based sales' network. Within Greece, there are 16,064 points of sales, out of which 373 relate to PLAY Gaming Halls, for the distribution of OPAP S.A., HELLENIC LOTTERIES S.A. and HORSE RACES SINGLE MEMBER S.A. products. Scratch tickets and passive lotteries (products of HELLENIC LOTTERIES S.A.), apart from agents, are also distributed through street vendors, mini-markets and wholesalers. In Cyprus, there are 200 shops, consisting of OPAP CYPRUS LTD and OPAP SPORTS LTD shops.

Three-Member Supervisory Committee of OPAP S.A. (art. 28 par.3A, L.4002/2011)

The Three member Supervisory Committee of OPAP S.A., which is provided for by Article 28 par.3A of Law 4002/2011, is established by decision of the Hellenic Gaming Committee ('HGC'), for a 3-year term. One of its members is among HGC's appointed members and the other two members are selected in accordance with the conditions, requirements and procedures provided for in the Regulation on the Conduct and Control of Games. The Three-member Supervisory Committee attends OPAP's board meetings, supervises and ensures OPAP's and its agents' compliance with the applicable legislation and with OPAP's contractual obligations towards the Greek State. The Three member Supervisory Committee specifically monitors the Company to ensure: compliance with the terms of the legislative framework of the gaming market, the Gaming Regulation and HGC's regulative decisions as well as with the terms of the Concession Agreement dated 15.12.2000 for the exclusive right to conduct, manage, organise and operate the games specified therein, as in force, and of the Agreement dated 04.11.2011 for the installation and operation of VLT gaming machines, as in force, consumers' protection against addiction and crime related to games of chance, the protection of minors and other vulnerable groups, the reliability of the games and the payment to players of their winnings, the protection of personal data and the payment of the taxes and contributions due to the Greek State. OPAP's Board of Directors and any persons duly authorized, prior to the adoption of any decision, make available to the Three member Supervisory Committee any draft recommendations,

decisions or other documents relevant to the Committee's responsibilities. OPAP S.A. is obliged to refrain from adopting any decision for which the Three member Supervisory Committee has raised a reasoned objection. The Three member Supervisory Committee informs without delay HGC of any breach of OPAP's contractual obligations towards the Greek State or of applicable laws. The HGC is competent to decide over any dispute between OPAP and the Three Member Supervisory Committee.

2. Basis of preparation

The separate and consolidated Financial Statements of the Company for the year ended on 31 December 2021 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) and are effective as of 1 January 2021.

The separate and consolidated Financial Statements have been prepared under the historical cost basis except for derivative financial instruments measured at fair value. Additionally, the Financial Statements have been prepared under the going concern basis of accounting. The use of this basis of accounting takes into consideration the Group's current and forecasted financing position.

The preparation of Financial Statements, in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 2.2 "Important accounting decisions, estimations and assumptions".

The financial year 2021 was significantly affected by the coronavirus (COVID-19) as the economies in which the Group operates applied different types of lockdown measures over various time-periods in the year, which prevented the operation of certain of the Group's point of sale. However, the gradual withdrawal of restrictive measures resulted to the recuperation of the Group's activities. The extent to which the coronavirus (COVID-19) epidemic will continue to affect the Company's and the Group's operations will largely depend on future developments. The Group and the Company's Management have prepared a liquidity forecast based on cash flow projections for the foreseeable future, which include assumptions regarding cash generated from operations, debt repayments, scheduled investments and available credit facilities. Management considers that cash position will be sufficient to cover the financial and operating commitments for the next 12 months. Accordingly, it is appropriate that the Group continues to adopt the going concern basis for the preparation of the consolidated and separate financial statements.

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.

2.1. 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 01.01.2021.

New Standards and Interpretations adopted in the current period

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions'

The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications.

IFRS 4 (Amendment) 'Extension of the Temporary Exemption from Applying IFRS 9'

The amendment changes the fixed expiry date for the temporary exemption in IFRS 4 'Insurance Contracts' from applying IFRS 9 'Financial Instruments', so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) 'Interest rate benchmark reform – Phase 2'

The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for the change in its hedging relationships and the information it should disclose.

The amendments listed above did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current period.

International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision IAS 19 (Employee Benefits) 'Attributing Benefit to Periods of Service'

An agenda decision was published in May 2021 by the IFRIC in relation to IAS 19 "Employee Benefits" and more specifically to how the applicable principles and requirements in IFRS Standards apply to attributing benefit to periods of service. OPAP Group has fully implemented this decision by 31.12.2021. The impact on the Group's and the Company's Financial Statements from the adoption of this decision is described in Note 3.23.

New Standards and Interpretations effective for subsequent periods that have not yet been adopted

The following standards and amendments to standards and interpretations have been issued by IASB but have not been applied in preparing these consolidated and separate Financial Statements for the year ended 31.12.2021 as they are either not yet effective and/or have not yet been adopted by the European Union.

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions' (effective for annual periods beginning on or after 1 April 2021)

The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022.

The adoption of the amendment is not expected to have a material impact on the Group's and Company's Financial Statements.

IAS 16 (Amendment) 'Property, Plant and Equipment – Proceeds before Intended Use' (effective for annual periods beginning on or after 1 January 2022)

The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities.

The adoption of the amendment is not expected to have an impact on the Group's and Company's Financial Statements.

IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract' (effective for annual periods beginning on or after 1 January 2022)

The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

The adoption of the amendment is not expected to have an impact on the Group's and Company's Financial Statements.

IFRS 3 (Amendment) 'Reference to the Conceptual Framework' (effective for annual periods beginning on or after 1 January 2022)

The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an

exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

The Group and the Company are currently assessing the potential impact of adoption of this amendment on the Financial Statements.

IAS 1 (Amendment) 'Classification of liabilities as current or non-current' (effective for annual periods beginning on or after 1 January 2023)

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. The amendment has not yet been endorsed by the EU.

The Group and the Company are currently assessing the potential impact of adoption of this amendment on the Financial Statements.

IAS 1 (Amendments) 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Disclosure of Accounting policies' (effective for annual periods beginning on or after 1 January 2023)

The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments have not yet been endorsed by the EU.

The Group and the Company are currently assessing the potential impact of adoption of this amendment on the Financial Statements.

IAS 8 (Amendments) 'Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates' (effective for annual periods beginning on or after 1 January 2023)

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments have not yet been endorsed by the EU.

The Group and the Company are currently assessing the potential impact of adoption of this amendment on the Financial Statements.

IAS 12 (Amendments) 'Deferred tax related to Assets and Liabilities arising from a Single Transaction' (effective for annual periods beginning on or after 1 January 2023)

The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The amendments have not yet been endorsed by the EU.

The Group and the Company are currently assessing the potential impact of adoption of this amendment on the Financial Statements.

Annual Improvements to IFRS Standards 2018–2020 (effective for annual periods beginning on or after 1 January 2022)

The amendments set out below include changes to IFRSs.

IFRS 9 'Financial instruments'

The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

IFRS 16 'Leases'

The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

IAS 41 'Agriculture'

The amendment has removed the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41.

The adoption of the annual improvements is not expected to have an impact on the Group's and Company's Financial Statements.

2.2. 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 Group'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 Group evaluates such estimates and assumptions on an ongoing basis, based upon historical results and experience, consultation with

experts, trends and other methods considered reasonable in the particular circumstances, as well as forecasts as to how these might change in the future.

In the process of applying the Group'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 Group 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 e.t.c.. 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 trade receivables treatment is available at Note 3.13.

Impairment testing relating to goodwill and other 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 goodwill and intangible assets is described in more detail in Notes 3.9 and 3.10.

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 3.17.

Provisions

Provisions require a reliable estimation from Management since they are reported in the Statement of Financial Position if the Company has a current legal or non-contractual obligation arising from an event that occurred in the past and if the performance of such an obligation is likely to require sacrifice of economic benefits and the relevant amount can be reliably estimated. In addition, provisions are reported as non-current liabilities at the current value of the expected amount. This also requires the assessment of a discount rate. Note 3.18 provides more detailed accounting treatment of provisions.

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 Group is assessed. All of the aforementioned actions require a great input of judgement and estimate by Management. The recognised contingencies as at 31.12.2021 are analysed at Note 44 and the accounting policy at Note 3.18.

Useful life of depreciated assets

The Group estimates the useful life of depreciated assets including, Property Plant and Equipment, Intangible assets, Right-of Use assets and assets arising as a result of business combinations. At least annually, Management reassesses these estimates by taking into account updated conditions. Further details are provided in Notes 3.8, 3.9, 3.10 and 3.12.

Impairment of investments

The Company performs impairment tests in order to estimate the investments' recoverable amount. The impairment test is a complex process requiring significant management judgment and is based on key assumptions about future profitability and cash flows, taking into account the environment in which the Company's investments operate which are effected from the regulatory framework, selecting 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 are high.

OPAP S.A. license extension 2020-2030

On 13.10.2020, the addendum agreement dated 12.12.2011, which was concluded between OPAP S.A. and Hellenic Republic Asset Development Fund (HRADF), entered into force by virtue of which the Concession Agreement dated 15.12.2000 was extended for 10 years and a 30% GGR Contribution was defined.

On 12.12.2011, the Company entered into a supplementary agreement with the Hellenic Republic Asset Development Fund (HRADF) for the extension of its exclusive right to conduct, manage, organize and

operate by any means certain numerical lottery and sports betting games for a period of 10 years, i.e. from 13.10.2020 up to 13.10.2030. The consideration amounted to € 375,000 and was recognized by the Company as an intangible asset.

On 29.04.2013, the aforementioned supplementary agreement was amended, in order to comply with the decision of the European Commission, based on which the consideration of € 375,000 would not constitute a government grant, as long as it was corresponding to the amount that the Company would pay to the Greek State as contribution to the gross gaming revenue at a rate of 30%. More specifically, under the Article 3 of the supplementary agreement dated 29.04.2013, as far as the consideration paid was concerned, it was clarified that:

- a. The amount of € 375,000 constitutes the 'Absolute consideration' payable upon the signing of the agreement.
- b. The contribution to the State during the extension period, 2020-2030 was determined to be 5% on gross gaming revenue named 'Variable consideration'.

A proportion equal to 80% of the total Absolute consideration, i.e. the amount of € 300,000, comprised a prepayment of the contribution on the Gross Gaming Revenue ('GGR') for the 10-year extension period due by the Company to the State, named 'Prepaid contribution'.

(It was also mentioned that the future value of this prepayment amounts to € 1,831,200).

- c. The Company may pay an additional amount relating to the 10-year extension of the license, which constitutes the 'Additional consideration' and is calculated on an annual basis according to a specific formula which is described in details in the supplementary agreement. The Company has the obligation to provide, on a yearly basis, the Greek State with the relevant calculations. The Additional consideration will be payable at the end of the 10-year extension period and in case that the calculated amount is negative then the Greek State will be obliged to repay the Company.

Taking into consideration all of the above and in conjunction with the Article 2 of the L. 4093/2012, where it is stated that exceptionally, the 35% contribution on gross gaming revenue for the games conducted by OPAP S.A. pursuant to the agreement of 15.12.2000 and its amendment of 12.12.2011, will be in force until 12.10.2020, the Company concluded that for the period from 13.10.2020 to 12.10.2030 the accounting treatment regarding the license extension is as follows:

Cost of 10-year license extension

The Absolute consideration of € 375,000, recognized in intangible assets in 2011 under the category 'Right of games' and is amortized on a straight-line basis over the extension period.

Contribution on gross gaming revenue

The rate of contribution on gross gaming revenue presented in the Income statement under 'GGR contribution and other levies and duties' stands at 30% and consists of:

- The 'Variable consideration' of 5% which is payable to the State on a monthly basis.
- The 'Additional consideration' calculated on an accrual basis.

At each reporting period, depending on the performance of the Company, the Additional consideration may be either expense or income and the respective asset or liability in the Statement of financial position is presented discounted.

- The portion of the 'Prepaid contribution' of € 1,831,200 adjusted for any corporate tax impact. The relevant amount, in the Income statement is also presented separately as 'Other operating income related to the extension of the concession of the exclusive right'.

3. Summary of accounting policies

The significant accounting policies that have been used in the preparation of these consolidated Financial Statements are summarised below.

3.1. Basis of consolidation and investments in associates

The consolidated Financial Statements comprise the Financial Statements of the Company and its subsidiaries.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the full acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any non-controlling interest in the acquiree is recognized at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. The Group elects to recognize any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in the Income Statement. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date.

Subsequent changes to the fair value of the contingent consideration that is deemed to be a liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interest and the fair value of any other participation previously held in the subsidiary acquired over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the amount recognized for non-controlling interest and the fair value of any other participation previously held in the

subsidiary acquired the gain is recognised in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Non-controlling interest reflects the portion of profit or loss and net assets attributable to equity interests that are not owned by the Group. The Group handles transactions with non-controlling interests in the same way that it handles transactions with the shareholders of the Group. Regarding purchases made by non-controlling interests, the difference between the consideration transferred and the carrying amount of the acquired share of the subsidiary's equity is recognized in equity. Profits or losses arising from sales to non-controlling interests are also recognized in equity. If the loss of a subsidiary, that concerns non-controlling interests, exceeds the non-controlling interests in the equity of the subsidiary, the excess sum is shared out in the shareholders of parent company apart from the sum for which the non-controlling has an obligation and it is capable of making up for the loss.

In the Company's separate Financial Statements, investments in subsidiaries are accounted for at cost less impairments, if any.

When the Group loses control, the remaining interest is re-measured at its fair value, and any differences that arise are recognized in profit or loss. Then, this asset is recognized as an associate, joint venture or financial asset at that fair value. In addition, respective amounts that were previously included in other comprehensive income, are accounted for in the same way as they would be following the event of sale of such assets and liabilities, which is the transfer to the profit or loss.

All subsidiaries of the Group have as balance date the 31st December.

Intra-group transactions, balances and unrealised gains/losses on transactions between group companies are eliminated in the consolidated financial statements.

Associates

Associates are those entities in which the Group has significant influence upon, but not control over their financial and operating strategy, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates in which the Group has significant influence are accounted for using the equity method of accounting. Under this method the investment is initially recognized at cost, and is adjusted to recognize the investor's share of the profit or loss after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of post-acquisition profit or loss is recognized in the Income Statement and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The accumulated variations after the acquisition affect the carrying amount of investments in associates (reduced by any impairment losses).

Unrealized gains from transactions between the Group and associates are eliminated using the percentage of the Group's participation in associates. Unrealised losses incurred are eliminated unless the transaction provides evidence of impairment of the transferred asset.

Dividends received from associates are identified by decreasing the carrying value of the investment. When the Group's share of losses exceeds the carrying amount of the investment, the carrying value of the investment is reduced to nil and recognition of further losses is discontinued, except to the extent the Group has created obligations or has made payments on behalf of the associate.

The accounting policies of associates have been amended in order to comply with the ones adopted by the Group.

The Company recognizes investments in associates at its separate Financial Statements at acquisition cost minus impairment.

Transactions between companies under common control

Transactions between companies under common control are excluded from the scope of IFRS 3. Therefore, the Group implementing the guidance of IAS 8 Accounting policies, changes in accounting estimates and errors for similar cases accounts for such transactions using the predecessor approach without restatement of the previous period financial statements. Under this approach, the acquired assets and liabilities are recorded at their existing carrying values without revaluation at their fair values, no goodwill is recognized and the difference between the acquirer's cost of investment and the acquiree's net assets is recognized directly in equity in retained earnings or in a separate reserve. The Group elects to recognize the difference in retained earnings.

3.2. Foreign currency translation

OPAP's consolidated Financial Statements are presented in euro (€), which is also the functional currency of the parent company and the currency of presentation for the Company and all its subsidiaries.

Foreign currency transactions are translated into euro using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Foreign exchange gains and losses arising from the settlement of such transactions during the period and from the conversion of monetary items that are denominated in foreign currency at the exchange rates prevailing at the balance sheet date, are recognized in the Income Statement, either as financial income or as financial expenses, unless recognized in equity, designated as cash flow hedge or net investment hedge.

3.3. Operating segments

Segment information is presented in Note 5 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 or other services offered by the Group entities. Information for operating segments that do not constitute reportable segments is combined and disclosed in the "Other" category.

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

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

Revenues from games

Gaming revenue is reported net after the deduction of Payout to the winners and in the Income statement is presented as Gross Gaming Revenue (GGR).

Amounts wagered do not represent the Group's and the Company's statutory revenue measure. They comprise the amounts received from the players or that are receivable by the end of the year in respect of all games apart from VLTs and CASINO-type games. Amounts wagered that refer to events (games or draws) of future accounting periods are considered as deferred revenue classified under Trade payables in the Statement of Financial Position, measured at fair value.

Payout to the winners is recognized in the period based on the date that the draw or the event occurred. Payout (winning) claims at the end of each reporting period are classified under Trade payables in the Statement of Financial Position and finally, the Unclaimed winnings are attributed to the State when the provided by the relevant legislation, claim period expires.

- **Lottery games:** This category refers to draw based games and there are two types, with fixed prizes and Pari mutuel (Jackpot games). For Fixed prizes, the payout is a fixed amount while, for Pari mutuel a payout pool is created. In case of no winner in the current draw (Jackpot), the prize is rolled to the next draw and at the end of each reporting period the Group recognises a relevant payout provision which is presented under Trade payables. In this category LOTTO, PROTO, TZOKER, KINO, SUPER 3, EXTRA 5 and POWERSPIN are included.

Revenue is recognized in the period when the draws take place, net of obligation to pay the player winnings on future draws and are assessed at fair value.

- **Betting games:** This category refers to bets from players mainly on sports events, real or virtual. When players bet on the outcome of an event (fixed odds games), the payout is fixed but when they play against other players (Pari mutuel) a payout pool is created. The betting games offered by the Group are PAME STOIHIMA (including virtual games and horse races betting), PROPO, PROPOGOAL and CASINO-type games.

For betting games instead of CASINO-type games, revenue is recognized in the period when the bet event occurs, net of obligation to pay the player winnings on future events and are assessed at fair value. For CASINO-type games revenue is recognized as the net result of players' session.

- **Instant lotteries:** this category refers to SCRATCH cards which are operated by HELLENIC LOTTERIES S.A.. Revenue includes 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 under the trade payables in the Statement of Financial Position.

- **Passive lotteries:** There are two types of passives lotteries, the NATIONAL (without Jackpot) and the POPULAR (with Jackpot), both operated by HELLENIC LOTTERIES S.A. In case of no winner in the current draw (Jackpot) relating to POPULAR lottery, the prize is rolled to the next draw and at the end of reporting period the Group recognises a relevant payout provision which is presented under Trade payables.

Revenue is recognized in the period when the draws take place, net of the obligation to pay the player winnings on future draws and are assessed at fair value.

- **VLTS:** Revenue is defined as the sum of all players' sessions within a period. A player's session begins when the player inserts the card in the machine and ends when the card is taken out. Revenue is recognized at the net amount (receipts less winnings) of each player's session.

Other operating income

Other operating income mainly includes the Income from the non-gaming operations of the Group and the Company. Specifically, it includes:

- **New Year's Eve Lottery commission (or Special State Social Solidarity Lottery):** 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 amounts wagered.
- **Income from TORA DIRECT SINGLE MEMBER S.A. relating to prepaid cards, mobile top-ups and bill payments:**
 - (a) Principal for the sale of electronic codes to end users: In this category of contracts TORA DIRECT SINGLE MEMBER S.A. acquires the ownership of the electronic codes and assumes the risk of inventory. The income is recognized when the business partners sell the specific codes to end users.
 - (b) Agent for the sale of electronic codes to end users: In this category of contracts TORA DIRECT SINGLE MEMBER S.A. does not acquire the ownership of the electronic codes and is considered to be acting as a representative of the suppliers. The revenue recognized in this category is the commissions received by the suppliers.
 - (c) Bill payments TORA DIRECT SINGLE MEMBER S.A. acts as an intermediary for the service of bill payments through its network of business partners for which it receives a commission by the end users. The Company recognizes the revenue of the commission upon payment of the bill.

- **Income from TORA WALLET SINGLE MEMBER S.A. relating to payment services:** Revenue is recognized during the period in which the services are provided, based on the stage of its completion. Besides the payment services provided to consumers, TORA WALLET SINGLE MEMBER S.A. also provides B2B payment methods to OPAP Group companies. The income of these services relates to commissions received regarding the completion of each transaction/service offered either to third parties or to Group.
- **Income from IT and other services:** For most of the other activities, the income is being recognized in net amounts when the performance obligation is satisfied by transferring goods or services to the customer.

3.5. Interest income

Interest income is recognized using the effective interest method that is the rate that exactly 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.

When a receivable is impaired, the Group reduces the carrying amount to the amount expected to be recovered, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

3.6. Dividend income

Dividend income is recognized in the Income Statement at the date of distribution approval by the Annual General Meeting of shareholders of the dividend paying entity.

3.7. Expenses

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

3.8. Property, plant and equipment

Items of Property, Plant and Equipment are measured at historical cost less accumulated depreciation and any impairment in value. The acquisition 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 Group 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.

Depreciation of property, plant and equipment (other than Land which is not depreciated) is calculated using the straight line method over their useful life, as follows:

Land	-
Buildings	10-20 years
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 amortized during the year.

3.9. Intangible assets

Intangible assets include concession rights, brands and customer relationships, software and expenditures on research and development.

Concession rights

The exclusive rights granted by the Hellenic Republic to Group companies are initially recognized at cost and subsequently at amortized cost decreased with any impairment (Refer to Note 3.11, for the impairment test procedures). The exclusive right to operate by any suitable means provided by current technology, numerical games, video lotteries, lotteries, sports and horseracing betting games provided to Group companies by the Greek State is accounted for at cost and is amortized within the period to which it relates. Extensions to existing exclusive rights and new licenses of new video lotteries on an exclusive basis, are treated as separate assets and are amortized over the period of each license extension on a straight line basis.

The useful life of the exclusive right to operate numerical and sports betting games according to the respective concession agreement is defined to 20 years and its extension to 10, video lotteries to 18 years, lotteries to 12 years and horseracing betting games to 20 years.

Brands and Customer relationships

Brands and customer relationships acquired in a business combination are recognized at fair value based on expert's appraisal prepared at the time of the acquisition.

Both are determined to be intangible assets on the basis of their market strength and generation of future stable cash inflows.

After initial recognition, the assets are carried at its cost less any accumulated amortisation and any accumulated impairment losses.

Brands have indefinite useful life while customer relationships' useful life is finite and are amortized on a straight line basis over a period determined by the management (7-20 years).

The Group performs impairment testing of brands and customer relationships at least on an annual basis in line with its relevant policy (Note 3.11).

Software

Software licenses are recognized at historical and subsequently they are carried at cost less accumulated amortization. Depreciation is calculated using the straight line method during the assets' useful life that range from 1 to 4 years.

Expenditures on research and development

Research and development projects differ from other intangible assets in terms of scientific and technical uncertainty. Expenditure on research activities, which are incurred in order to gain knowledge that can lead to future economic benefits are recognized as expenses in the period in which they are incurred and no intangible asset arising from research (or research phase of an internal project) shall be recognized.

An intangible asset that arises as a result of development (or the development phase of an internal project) is recognized as an asset only when all of the following are met:

- Technical feasibility of completing an intangible asset is such that it can be used or sold;
- Intention to complete and use or sell the intangible asset;
- Ability to use or sell the intangible asset;
- Ability to demonstrate how the intangible asset will generate future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- Ability to measure expenses related to an intangible asset during its development reliably.

The amount of the initial recognition of an internally generated intangible asset includes the total expenditure incurred since the intangible asset first met the recognition criterion above. If no internally generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

3.10. Goodwill

Goodwill is measured in accordance with Note 3.1. Goodwill is not depreciated but is subject to impairment testing on an annual basis or more frequently if events or changes in circumstances indicate possible impairment. After initial recognition, goodwill is measured at acquisition cost less any cumulative impairment losses. If part of a cash-generating unit in which goodwill is allocated is sold, then the goodwill attributable to the portion sold is included in the carrying amount of that portion in order to determine profit or loss. The value of goodwill attributable to the portion sold is determined based on the relative values of the portion sold and the portion of the cash-generating unit that remains unsold.

Each unit or group of units to which the goodwill is allocated shall:

- (a) Represent the lowest level within the entity at which the goodwill is monitored for internal management purposes; and
- (b) Not be larger than an operating segment as defined by paragraph 5 of IFRS 8 “Operating Segments” before aggregation.

3.11. Impairment of non-financial assets

The Group’s goodwill, assets with an indefinite useful life and intangible assets that have not yet come in force are not depreciated and are tested for impairment annually. Assets that are depreciated are 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, while value in use is the present value of 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, intangible assets and 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. For impairment testing at business combinations, the goodwill that has been recognized is allocated, from the acquisition date, to the cash generating units of the Group which are expected to benefit from the merger, regardless of whether the other assets or liabilities of the acquired company are allocated to the specific cash generating units.

An impairment loss is recognised at profit or loss 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. For goodwill, the impairment loss is defined by valuating the recoverable amount of cash

generating units which are related to goodwill. If the book value of a cash generating unit, including goodwill, exceeds its recoverable amount, then impairment loss is recognized.

The impairment loss is initially charged to goodwill and then pro rata to the other assets of the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist and therefore the recognized impairment is reversed.

3.12. Leases

The Group as the lessee

Under IFRS 16, a contract is, or contains a lease if it conveys the right to control the use of an identified asset for a period of the time in exchange for consideration. For such contracts, the new model requires a lessee to recognize a right of use asset and a lease liability. The right of use of asset is depreciated and the liability accrues interest.

The only exception the Group uses in application of IFRS 16 is leases with a lease term of 12 months or less and containing no purchase options.

Further, the Group does not apply IFRS 16 for leases of intangible assets.

At commencement of a lease the Group measures a lease liability at the present value of the lease payments which are not paid as at that date. Lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate of the component entered into the lease agreement. Generally, the Group uses its incremental borrowing rate as the discount rate. This is the rate that the lessee would have to pay on the commencement date of the lease for a loan of a similar term, and with similar security, to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

The following payments are included in the measurement of the lease liability:

- 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.

The above payments are discounted for the lease term. The lease term is the non-cancellable period of the lease. Any periods covered by extension options held by the Group are included in the lease liability only if it is reasonable certain that the options will be exercised. In addition, periods covered by an option to terminate the lease held by the Group are included only if the Group is reasonably certain that these options will not be exercised.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It 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 ('RoU') assets are initially measured at cost being the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. ROU assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. They are depreciated using the straight-line method over the shorter of the underlying asset's useful life and the lease term. If the cost of the right-of-use assets reflects that the Group will exercise a purchase option then they are depreciated over the useful life of the underlying asset.

The Group as the lessor

The leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initially, the lease payment income less the cost of services is charged to the income on a straight-line basis over the period of the lease.

3.13. 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.

Initial recognition and subsequent measurement of financial assets

The financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model within which the financial asset is held.

The Group initially 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.

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.

For the purpose of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income
- Financial assets at fair value through profit or loss

Assets held for the purpose of collecting contractual cash flows and create cash flows on specific dates that are exclusively consisted of repayment of capital and interest on the outstanding balance of the capital, are measured at amortised cost. Interest income is calculated using the effective interest method and is recognized in "Finance income". The gain or loss that results from the recognition of the asset is recognized directly in the profit or loss along with any foreign exchange gains / losses. Impairment losses are recognized in line "Net impairment losses on financial assets".

Impairment of financial assets

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

The Group and the Company recognise an allowance for Expected Credit Losses ('ECLs') for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired;
- the Group or the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group or the Company has transferred its rights to receive cash flows from the asset 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 has transferred control of the asset.

When the Group or the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and

rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

3.14. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the yearly weighted average cost formula. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. When there is any subsequent increase of the net realizable value of inventories that have been previously written-down, the amount of the write-down is reversed.

3.15. Cash and cash equivalents

Cash and cash equivalents include cash at bank accounts and in hand as well as short term highly liquid investments such as money market instruments and bank deposits with an original maturity of three months or less. Restricted cash is also included in Cash and Cash Equivalents. Restricted cash is cash not available for immediate use. Such cash cannot be used by a Company until a certain point or event in the future. 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.

3.16. 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 share premium.

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.

3.17. Current and deferred income tax

Income tax for the period comprises current and deferred tax. 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 Group 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.

However, in accordance with the rules set out in IAS 12, no deferred taxes are recognised in conjunction with goodwill.

No deferred tax is recognised from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss. No deferred taxes are recognised to temporary differences associated with shares in subsidiaries and joint ventures if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group 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 recognised 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 are 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

Group recognises previously unrecognised deferred tax assets 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 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.

3.18. Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Group or 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 recognised as borrowing cost in the profit or loss statement and specifically at 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 resources 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 recognised 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.

3.19. Financial liabilities

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

Initial recognition and subsequent measurement of financial liabilities

All financial liabilities are recognised 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 of financial liabilities

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 Group or 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.

Cash flow hedge

The Group uses derivative financial instruments to hedge its exposure to interest rate risks.

Changes in the fair value of the derivative hedging instrument or designated non-derivative financial liability designated as a cash flow hedge are recognized directly in equity to the extent that the hedge is effective.

To the extent that the hedge is ineffective, changes in fair value are recognized in the profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in equity is transferred to the carrying amount of the asset when it is recognized. In other cases, the amount recognized in equity is transferred to profit or loss in the same period that the hedged item affects income or loss.

3.20. Retirement benefits costs

The parent company, its subsidiaries HELLENIC LOTTERIES S.A., TORA DIRECT SINGLE MEMBER S.A., HORSE RACES SINGLE MEMBER S.A., TORA WALLET SINGLE MEMBER S.A. and NEUROSOFT S.A. in Greece, pay contributions to employee retirement benefit plans in accordance with the applicable laws and the practices of the Group. These programs are separated into defined benefit plans and defined contribution plans.

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 services 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 recognised in the statement of comprehensive income.

During the year, following a decision issued by the International Finance Reporting Interpretations (IFRIC) issued in May 2021, it was determined that the period over which the provision for retirement benefits is accrued under Article 8 of Law 3198/1955, shall be the period of 16 years prior to the date at which the employee is due to retire based on the retirement scales provided by Law 4093/2012. This resulted in a change in accounting policy, since up to that date, the Company was accruing the retirement benefit provision from the date of recruitment up to the date of retirement. This change in accounting policy was applied retrospectively to these financial statements in accordance with the provisions of IAS 8 and is described in detail in Note 3.23.

Defined contribution plans

A defined contribution plan is where the entity pays fixed contributions into a separate entity and no legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees the benefits relating to employee service in current or prior years. The contributions are recognized as employee benefit expense on an accrual basis. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Long-term incentive scheme

The 20th Ordinary General Meeting of the Company, following a recommendation of the Remuneration and Nomination Committee and in accordance with article 109 of Law 4548/2018, as in force and the Company Remuneration Policy, on 22.05.2019, approved a Long term incentive scheme with distribution of part of the Company's net profits to Executive Members of the BoD and other Key Management Personnel of the Company. The program's duration is 3 years, for the period 2020-2022. The targets relate to a. the EBITDA of the Company for the 3 year period b. the total shareholders' return (TSR).

3.21. Investment property

In this category the Group classifies property held for long-term rental yields which is not occupied by the Group companies. These investments are initially recognized at their cost, increased by the expenses related to the acquisition transaction. After the initial recognition they are valued at their cost less the accumulated depreciation and the possible accumulated losses from the reduction of their value. Expenses for the maintenance and repairing of the invested upon property, plant and equipment, are recognized in the Income Statement. For the calculation of depreciation, their useful life has been defined equal to that of owned occupied property.

3.22. Dividends payable

Dividends declared to the shareholders are recognized as a liability in the period they are approved by the General Assembly of shareholders.

3.23. Restatement of comparative financial information

The Group's and the Company's financial information for the year ended 31.12.2020 were restated due to following reasons:

- a) a change in accounting policy - IAS 19 Employee benefits which was applied retrospectively and
- b) the finalization of the business acquisition of STOIXIMAN LTD.

Change in accounting policy - IAS 19 Employee Benefits

The IFRS Interpretations Committee issued in May 2021 the final Decision on the agenda entitled "Distribution of benefits in periods of service in accordance with International Accounting Standard (IAS) 19", which includes explanatory material regarding the way of distribution of benefits in periods of service (i.e. the period over which such benefits accrue) for defined benefit plans that are similar to those that apply to the Group's employees in Greece (i.e. the benefits defined in Article 8 of Greek Law 3198/1955 regarding the provision of compensation due to retirement).

The Group, until the issuance of the IFRIC Decision, applied IAS 19 by accruing the benefits defined by the respective law (L.2112/1920 and its amendment L. 4093/2012) over the period from the date of recruitment until the completion of 16 years of service according to the scale provided by L. 4093/2012.

However, under the aforementioned Decision the benefits need to be accrued in the last 16 years until the date of retirement of employees following the scale of L.4093/2012.

This change resulting from the application of the above Decision has been treated as a change in accounting policy, applying the change retrospectively, from the beginning of the first comparative period, i.e. 01.01.2020 to 31.12.2020, in accordance with paragraphs 19-22 of IAS 8, with the impact on the relevant periods presented in the tables that following this Note.

Finalization of acquisition of STOIXIMAN LTD

On 18.12.2018, OPAP INVESTMENT LTD, a wholly owned subsidiary of the Company, completed the acquisition of a 36.75% stake in the mother company of STOIXIMAN LTD, KAIZEN GAMING LIMITED.

On 13.07.2020, OPAP INVESTMENT LTD acquired from KAIZEN GAMING LIMITED a 51% direct stake in STOIXIMAN LTD.

On 18.11.2020, OPAP INVESTMENT LTD acquired an additional 15.49% indirect stake in STOIXIMAN LTD.

Following the above acquisition of the additional 15.49%, OPAP INVESTMENT LTD effectively holds a 84.49% combined stake (direct & indirect) in STOIXIMAN LTD.

The acquisition date for full consolidation purposes of the subsidiary STOIXIMAN LTD was determined to be the 01.12.2020. In accordance with the provisions of IFRS 3, Management had a period of 12 months from the date of acquisition to finalize the relevant acquisition accounting, which among other matters, requires the acquiring entity to perform an allocation of the purchase price to the identifiable assets and liabilities of the acquired entity (the "Purchase Price Allocation").

During 2021, OPAP finalized the Purchase Price Allocation associated with its acquisition of STOIXIMAN LTD. The Purchase Price Allocation finalization lead to the identification of two previously unrecognized intangible assets that met the relevant identification and recognition criteria, namely (i) the STOIXIMAN brand name and (ii) certain customer relationships amounting to € 175,390 and € 81,405, respectively, as well as recognition of respective deferred tax liabilities of € 89,878.

Based on the aforementioned adjustment, the goodwill resulting from the acquisition of STOIXIMAN LTD was decreased by € 141,035 from the initial provisional recognition and is calculated as follows:

Purchase consideration for the 66.49% of the shares	283,028
Add: Share of profit of associate for the 51% of the shares for the period 01.07.2020-30.11.2020	7,300
Add: Fair value of previously held equity interest (36.75%)	192,803
Add: Non-controlling interests (15.51%)	29,036
Less: Net identifiable assets acquired	<u>(187,254)</u>
Goodwill	324,913

The impact of the finalisation of the Purchase Price Allocation on the acquisition of STOIXIMAN LTD was recognised at the date of the acquisition of STOIXIMAN LTD, therefore, resulting in a restatement to the comparative figures for the year ended 31.12.2020.

The following tables present the effect of the change in accounting policy for retirement benefits under IAS 19 and the finalization of the Purchase Price Allocation for the acquisition of STOIXIMAN LTD on our Statement of Financial Position as at 01.01.2020 and as at 31.12.2020 and for the year then ended. The tables do not include the items non-affected by the above changes:

Statement of Financial position extract 01.01.2020

Statement of Financial Position (extract)	GROUP		
	Published 31.12.2019	Effect of change in accounting policy under IAS 19	Restated 01.01.2020
ASSETS			
Investments in associates	54,158	381	54,539
Deferred tax assets	19,894	(32)	19,862
Total Assets	2,237,131	349	2,237,480
EQUITY & LIABILITIES			
Retained earnings	615,982	2,091	618,074
Non-controlling interests	18,104	47	18,151
Total equity	771,892	2,138	774,030
Deferred tax liability	23,528	523	24,051
Employee benefit plans	2,989	(2,312)	676
Total liabilities	1,465,239	(1,789)	1,463,450
Total Equity & Liabilities	2,237,131	349	2,237,480

COMPANY			
Statement of Financial Position (extract)	Published 31.12.2019	Effect of change in accounting policy under IAS 19	Restated 01.01.2020
ASSETS			
Total Assets	2,013,966	-	2,013,966
EQUITY & LIABILITIES			
Retained earnings	620,030	1,524	621,554
Total equity	756,579	1,524	758,103
Deferred tax liability	21,015	481	21,497
Employee benefit plans	2,570	(2,005)	565
Total liabilities	1,257,387	(1,524)	1,255,863
Total Equity & Liabilities	2,013,966	-	2,013,966

Statement of Financial position extract 31.12.2020

GROUP				
Statement of Financial Position (extract)	Published 31.12.2020	Effect of change in accounting policy under IAS 19	STOIXIMAN PPA	Restated 31.12.2020
ASSETS				
Intangible assets	980,228	-	255,826	1,236,054
Goodwill	483,846	-	(141,035)	342,811
Investments in associates	8,079	520	-	8,599
Deferred tax assets	35,467	(30)	-	35,436
Total Assets	2,320,206	490	114,791	2,435,488
EQUITY & LIABILITIES				
Retained earnings	399,520	2,510	(532)	401,498
Non-controlling interests	15,281	61	25,785	41,126
Total equity	754,886	2,571	25,252	782,710
Deferred tax liability	26,642	617	89,539	116,799
Employee benefit plans	4,685	(2,699)	-	1,986
Total liabilities	1,565,320	(2,081)	89,539	1,652,778
Total Equity & Liabilities	2,320,206	490	114,791	2,435,488

COMPANY			
Statement of Financial Position (extract)	Published 31.12.2020	Effect of change in accounting policy under IAS 19	Restated 31.12.2020
ASSETS			
Total Assets	1,821,596	-	1,821,596
EQUITY & LIABILITIES			
Retained earnings	299,436	1,778	301,214
Total equity	638,267	1,778	640,045
Deferred tax liability	24,833	561	25,394
Employee benefit plans	4,194	(2,339)	1,855
Total liabilities	1,183,328	(1,778)	1,181,550
Total Equity & Liabilities	1,821,596	-	1,821,596

Income Statement & Statement of Comprehensive Income extract 01.01-31.12.2020

GROUP				
Income Statement (extract)	Published 01.01-31.12.2020	Effect of change in accounting policy under IAS 19	STOIXIMAN PPA	Restated 01.01-31.12.2020
Share of profit of associates	18,156	140	-	18,296
Payroll expenses	(78,643)	262	-	(78,381)
Depreciation, amortization and impairment	(152,551)	-	(969)	(153,520)
Finance costs	(43,766)	27	-	(43,740)
Profit before income tax	216,948	428	(969)	216,407
Income tax expense	(17,570)	(69)	339	(17,300)
Profit for the period	199,378	359	(630)	199,107
Profit is attributable to:				
Owners of the Company	205,346	353	(532)	205,167
Non-controlling interests	(5,968)	6	(98)	(6,059)
Profit after tax	199,378	359	(630)	199,107

GROUP				
Statement of Comprehensive Income (extract)	Published 01.01-31.12.2020	Effect of change in accounting policy under IAS 19	STOIXIMAN PPA	Restated 01.01-31.12.2020
Profit for the year	199,378	359	(630)	199,107
Actuarial gains/(losses)	(112)	98	-	(14)
Related tax	27	(24)	-	3
Total items that will not be reclassified to profit or loss	(85)	74	-	(11)
Other comprehensive loss for the period, net of tax	(260)	74	-	(186)
Total comprehensive income for the period	199,118	433	(630)	198,921
Total comprehensive income is attributable to:				
Owners of the Company	205,095	419	(532)	204,982
Non-controlling interests	(5,977)	14	(98)	(6,061)
Total comprehensive income, net of tax	199,118	433	(630)	198,921

COMPANY			
Income Statement (extract)	Published 01.01-31.12.2020	Effect of change in accounting policy under IAS 19	Restated 01.01-31.12.2020
Payroll expenses	(64,676)	245	(64,431)
Finance costs	(39,983)	23	(39,959)
Profit before income tax	129,384	268	129,652
Income tax expense	(28,218)	(64)	(28,282)
Profit for the period	101,166	204	101,370
Profit is attributable to:			
Owners of the Company	101,166	204	101,370
Profit after tax	101,166	204	101,370

COMPANY			
Statement of Comprehensive Income (extract)	Published 01.01-31.12.2020	Effect of change in accounting policy under IAS 19	Restated 01.01-31.12.2020
Profit for the year	101,166	204	101,370
Actuarial gains/(losses)	(76)	66	(11)
Related tax	18	(16)	3
Total items that will not be reclassified to profit or loss	(58)	50	(8)
Other comprehensive loss for the period, net of tax	(229)	50	(179)
Total comprehensive income for the period	100,938	254	101,192
Total comprehensive income is attributable to:			
Owners of the Company	100,938	254	101,192
Total comprehensive income, net of tax	100,938	254	101,192

4. Structure of the Group

The structure of OPAP Group as of 31.12.2021 is the following:

Company's Name	% of investment	Country of Incorporation	Consolidation Method	Principal Activities
OPAP S.A.	Parent company	Greece		Numerical lottery games and sports betting
HELLENIC LOTTERIES S.A.	83.50%	Greece	Full consolidation	Lotteries
OPAP CYPRUS LTD	100%	Cyprus	Full consolidation	Numerical lottery games
OPAP SPORTS LTD	100%	Cyprus	Full consolidation	Sports betting company
OPAP INTERNATIONAL LTD	100%	Cyprus	Full consolidation	Holding company
OPAP INVESTMENT LTD	100%	Cyprus	Full consolidation	Holding company
TORA DIRECT SINGLE MEMBER S.A.	100%	Greece	Full consolidation	Services for electronic transactions - Mobile Top-ups - Utility and Bill Payments
HORSE RACES SINGLE MEMBER S.A.	100%	Greece	Full consolidation	Mutual Betting on Horse Races
TORA WALLET SINGLE MEMBER S.A.	100%	Greece	Full consolidation	eMoney Institution
NEUROSOFT S.A.	67.72%	Greece	Full consolidation	Software
STOIXIMAN LTD (former STOIXIMAN business (Greek and Cypriot operations))	84.49%	Malta	Full consolidation	Betting company
KAIZEN GAMING LIMITED	36.75%	Malta	Equity method	Holding company

The country of incorporation indicated above is also the principal place of business of the respective company (with the exception of STOIXIMAN LTD which operates in Greece and Cyprus), and the proportion of ownership interest is the same as the proportion of voting rights held (with the exception of STOIXIMAN LTD in which the Group holds a 84.49% economic interest and controls the 85.18% of voting rights).

There was no change to the Group's structure compared to 31.12.2020.

In December 2020, the Board of Directors of NEUROSOFT S.A. approved the spin-off of a specific sector of NEUROSOFT S.A. operations with the intention to create a new legal entity for the spin off. The spin-off procedure was completed on 14.06.2021 and the new entity "TENSORFIN SINGLE MEMBER S.A.", a 100% subsidiary of NEUROSOFT S.A. was created.

On 11.10.2021, the Shareholders' General Meeting of NEUROSOFT S.A. approved the sale of 100% of the outstanding shares of TENSORFIN SINGLE MEMBER S.A. and DAEDALUS TECHNOLOGIES FZE for a purchase

price of € 802 resulting in a gain of € 395, which is included in “Other operating income” line item within the Income Statement. The sale and the gain were not material for the Group.

The annual financial statements of companies included in the consolidation are prepared at the same reporting date as the annual financial statements of the Company.

5. Operating segments

The following information refers to business segments that the Management of the Group has decided to monitor separately for decision making purposes. The business segments are defined based on the concession agreements held by the Group entities and the other business activities of the Group.

The first 6 business segments (Lotteries, Betting (land based), Online betting, Other online games, Instant & Passives and VLTs) relate to the gaming activity of the Company and the other Group entities which operate in the gaming sector. Further relevant details are given in Note 3.4.

In “Telecommunication & eMoney services”, the business activities of TORA WALLET SINGLE MEMBER S.A. and TORA DIRECT SINGLE MEMBER S.A. are included (refer to Note 3.4).

The segment named “Other”, includes the non-gaming activities of OPAP S.A., the business activities of NEUROSOFT S.A. and the holding companies of the Group. Specifically, the non-gaming activities of OPAP S.A. refers to the sales of PLAY Gaming Halls to third parties, the configuration of the network for the VLTs installation and the provision of other supporting services to the network. Finally, the business activity of NEUROSOFT S.A. refers to the provision of IT services and other technological products.

The Group's operating segments for the current period are presented below:

01.01-31.12.2021	Lotteries	Betting (land based)	Online Betting	Other online games	Instant & Passives	VLTs	Telecommunication & eMoney services	Other	Total
Revenue (GGR)	549,171	283,002	238,369	184,827	88,833	194,641	-	-	1,538,843
GGR contribution and other levies and duties	<u>(155,157)</u>	<u>(83,411)</u>	<u>(83,479)</u>	<u>(64,547)</u>	<u>(50,000)</u>	<u>(58,392)</u>	-	-	<u>(494,986)</u>
Net gaming revenue (NGR)	394,014	199,591	154,890	120,280	38,833	136,249	-	-	1,043,857
Agents' commission	(134,572)	(72,717)	-	-	(24,069)	(45,528)	-	(977)	(277,862)
Other direct costs	(11,371)	(12,151)	(47,458)	(51,658)	(5,996)	(31,523)	-	-	(160,157)
Other operating income	4,571	4,130	90	-	75	2,209	84,357	28,302	123,735
Other operating income related to the extension of the concession of the exclusive right 2020-2030	138,988	78,385	-	-	-	-	-	-	217,373
Other operating cost	-	-	-	-	-	-	(72,048)	(2,367)	(74,415)
Share of profit of associates	-	-	<u>(265)</u>	<u>(178)</u>	-	-	-	-	<u>(443)</u>
	391,631	197,238	107,257	68,444	8,844	61,407	12,309	24,958	872,087
Operating expenses	(95,308)	(53,393)	(54,924)	(41,950)	(9,496)	(34,173)	(11,634)	(20,915)	(321,791)
Depreciation, amortization and impairment	<u>(41,420)</u>	<u>(25,444)</u>	<u>(7,699)</u>	<u>(6,017)</u>	<u>(21,037)</u>	<u>(41,432)</u>	<u>(1,174)</u>	<u>(5,244)</u>	<u>(149,467)</u>
Results from operating activities	254,902	118,401	44,634	20,477	(21,689)	(14,198)	(498)	(1,201)	400,829

The Group's operating segments for the comparative period are presented below:

01.01-31.12.2020 Restated	Lotteries	Betting (land based)	Online Betting	Other online games	Instant & Passives	VLTs	Telecommunication & eMoney services	Other	Total
Revenue (GGR)	518,607	268,328	42,033	23,944	76,349	200,522	-	-	1,129,783
GGR contribution and other levies and duties	(167,159)	(90,348)	(15,841)	(8,970)	(50,043)	(60,157)	-	-	(392,518)
Net gaming revenue (NGR)	351,447	177,980	26,193	14,974	26,306	140,365	-	-	737,265
Agents' commission	(120,526)	(64,014)	(1,094)	(320)	(21,549)	(48,365)	-	-	(255,869)
Other direct costs	(6,688)	(12,506)	(8,639)	(5,265)	(5,185)	(32,259)	-	-	(70,542)
Other operating income	5,989	4,854	141	44	788	2,308	84,600	25,086	123,811
Other operating income related to the extension of the concession of the exclusive right 2020-2030	24,875	17,590	-	-	-	-	-	-	42,465
Other operating cost	-	-	-	-	-	-	(74,407)	(3,202)	(77,610)
Share of profit of associates	-	-	11,638	6,658	-	-	-	-	18,296
	255,097	123,904	28,239	16,090	360	62,050	10,193	21,884	517,816
Operating expenses	(95,156)	(55,497)	(8,162)	(4,631)	(24,797)	(37,239)	(10,251)	(21,369)	(257,101)
Gain from remeasurement of previously held equity interest	-	-	107,021	35,644	-	-	-	-	142,666
Depreciation, amortization and impairment	(28,661)	(39,017)	(1,415)	(841)	(16,708)	(42,950)	(7,129)	(16,797)	(153,520)
Results from operating activities	131,279	29,390	125,683	46,263	(41,145)	(18,139)	(7,187)	(16,282)	249,861

The consolidated figures between the two periods presented are not fully comparable mainly for the following reasons:

- The contribution of STOIXIMAN LTD which is fully consolidated in OPAP Group since 01.12.2020.
- Differentiation of the period of time in which the retail network remained inactive due to the coronavirus (COVID-19) pandemic.

Geographical Segments

The Group operates in two geographical locations, Greece and Cyprus. Greece is the country of incorporation of the Company and of the subsidiaries HELLENIC LOTTERIES S.A., HORSE RACES SINGLE MEMBER S.A., TORA DIRECT SINGLE MEMBER S.A., TORA WALLET SINGLE MEMBER S.A. and NEUROSOFT S.A.. STOIXIMAN LTD also operates in Greece and Cyprus and is incorporated in Malta.

For the year ended on 31 December 2021	Greece	Cyprus	Total
Revenue (GGR) and Other operating income	1,559,917	102,661	1,662,578
Net gaming revenue (NGR)	964,322	79,535	1,043,857

For the year ended on 31 December 2020	Greece	Cyprus	Total
Revenue (GGR) and Other operating income	1,171,055	82,538	1,253,593
Net gaming revenue (NGR)	671,638	65,627	737,265

	Greece	Cyprus	Total
Segment Assets			
31 December 2021	2,616,861	85,636	2,702,497
31 December 2020 (Restated)	2,319,552	115,935	2,435,488
Segment Liabilities			
31 December 2021	1,610,067	143,058	1,753,125
31 December 2020 (Restated)	1,499,005	153,773	1,652,778

6. Intangible assets

Intangible assets comprise of software, concession rights and licenses and customer relationships and are analyzed as follows:

GROUP	Software	Rights of games	Development costs	Brand	Customer relationships	Other	Total
Year that ended on 31 December 2020							
Opening net book amount (1 January 2020)	51,536	1,003,095	4,421	-	6,611	70	1,065,733
Additions	9,724	-	287	-	-	-	10,011
Acquisitions through business combinations (Note 3.23)	1	-	-	175,390	81,405	-	256,796
Disposals	(34)	-	-	-	-	-	(34)
Transfers	24	-	-	-	-	(24)	-
Amortization charge	(16,869)	(67,205)	(1,130)	-	(1,523)	-	(86,728)
Disposals amortization	3	-	-	-	-	-	3
Impairment	<u>(3,735)</u>	<u>(4,855)</u>	<u>(1,138)</u>	-	-	-	<u>(9,727)</u>
Net book amount (31 December 2020) (Restated)	40,650	931,035	2,440	175,390	86,493	45	1,236,054
Year that ended on 31 December 2021							
Opening net book amount (1 January 2021)	40,650	931,035	2,440	175,390	86,493	45	1,236,054
Additions	10,156	10,000	222	-	-	-	20,377
Disposals	-	-	(811)	-	-	-	(811)
Transfers	(27)	-	27	-	-	-	-
Amortization charge	(16,754)	(88,250)	(915)	-	(12,183)	-	(118,102)
Disposals amortization	-	-	327	-	-	-	327
Impairment	<u>(139)</u>	<u>(4,315)</u>	<u>(96)</u>	-	-	-	<u>(4,550)</u>
Net book amount (31 December 2021)	33,887	848,470	1,193	175,390	74,310	45	1,133,295

GROUP	Software	Rights of games	Development costs	Brand	Customer relationships	Other	Total
31.12.2020							
Acquisition cost	199,247	1,531,517	7,198	175,390	90,200	45	2,003,598
Accumulated amortization	<u>(158,596)</u>	<u>(600,482)</u>	<u>(4,758)</u>	-	<u>(3,707)</u>	-	<u>(767,544)</u>
Net book value 31.12.2020	40,650	931,035	2,440	175,390	86,493	45	1,236,054
31.12.2021							
Acquisition cost	209,237	1,537,202	6,539	175,390	90,200	45	2,018,614
Accumulated amortization	<u>(175,350)</u>	<u>(688,732)</u>	<u>(5,346)</u>	-	<u>(15,890)</u>	-	<u>(885,319)</u>
Net book value 31.12.2021	33,887	848,470	1,193	175,390	74,310	45	1,133,295

COMPANY	Software	Rights of games	Other	Total
Year that ended on 31 December 2020				
Opening net book amount (1 January 2020)	44,948	888,072	70	933,089
Additions	6,782	-	-	6,782
Transfers	24	-	(24)	-
Amortization charge	(15,526)	(50,036)	-	(65,563)
Net book amount (31 December 2020)	36,228	838,036	45	874,308
Year that ended on 31 December 2021				
Opening net book amount (1 January 2021)	36,228	838,036	45	874,308
Additions	9,720	5,000	-	14,720
Amortization charge	(15,537)	(71,549)	-	(87,086)
Net book amount (31 December 2021)	30,410	771,487	45	801,942

COMPANY	Software	Rights of games	Other	Total
31.12.2020				
Acquisition cost	190,089	1,382,783	45	1,572,917
Accumulated amortization	(153,861)	(544,747)	-	(698,608)
Net book value 31.12.2020	36,228	838,036	45	874,308
31.12.2021				
Acquisition cost	199,809	1,387,783	45	1,587,637
Accumulated amortization	(169,399)	(616,295)	-	(785,694)
Net book value 31.12.2021	30,410	771,487	45	801,942

The Group's "Software" additions within the current year mainly include:

- Software, licenses and upgrading of several applications, websites, platforms, virtualization software, digital signage equipment, etc. of € 4,148,
- Software upgrading relating to betting platform of € 1,808,
- Licenses and development of SAP software of € 1,190
- Software relating to VLTs of € 1,094,
- Licenses relating to VLTs of € 620,
- Capitalization of payroll costs of € 222 of TORA WALLET SINGLE MEMBER S.A. for the development and production of software for own use.

The Group's "Right of Games" additions within the current period include:

- The Type 1 and Type 2 Licenses of OPAP S.A. for the operation of Online Betting and Other Online Games in Greece of € 5,000, and
- The Type 1 and Type 2 Licenses of STOIXIMAN LTD for the operation of Online Betting and Other Online Games in Greece of € 5,000,

The impairment of "Rights of games" of € 4,315 refers to the 12-year license to produce, operate, distribute, promote and manage all State Lotteries of HELLENIC LOTTERIES S.A.. Following the operational challenges brought on by coronavirus (COVID-19) pandemic, there were indications that the HELLENIC LOTTERIES S.A. license carrying value exceeds its recoverable amount and, consequently, Management considered that an impairment test should be conducted.

The recoverable amount is determined based on value in use method which required the use of assumptions and estimates. The value in use is calculated based on the projected cash flows covering the concession agreement period (until April 2026). Subjective estimates and judgements by management about the future results of HELLENIC LOTTERIES S.A. (CGU) were included in the above calculation. These estimates and judgements include assumptions surrounding revenue growth rates, direct costs and discount rates.

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

- Compounded annual revenue growth rate (CAGR) on NGR: 2.5%
- EBITDA margin (on NGR): 20.2% - 25.3%
- discount rate (WACC): 10.37%

Based on the aforementioned impairment test, the recoverable amount was calculated at € 64,296, while the carrying amount of the license before impairment was € 68,611. Consequently, the Group recognized an impairment of € 4,315.

If the discount rate used in the value-in-use calculation had been 0.25% lower than management's estimates as at 31.12.2021, the Group would have to recognize an impairment of € 4,002 (instead of € 4,315). If the discount rate used in the value-in-use calculation had been 0.25% higher than management's estimates as at 31.12.2021, the Group would have to recognize and impairment of € 4,625 (instead of € 4,315).

Additionally, the Group performed impairment testing procedures on all other "Right of Games" , which didn't result in an impairment.

The intangible assets of the Group and the Company have not been pledged.

7. Property, plant and equipment

The Property, plan and equipment is analyzed as follows:

GROUP	Land	Buildings	Machinery	Vehicles	Equipment	Total
Year that ended on 31 December 2020						
Opening net book amount (1 January 2020)	8,496	13,242	44,985	172	31,414	98,308
Additions	-	155	70	81	8,562	8,868
Disposals	-	-	-	(17)	(357)	(374)
Depreciation charge	-	(1,651)	(7,192)	(43)	(12,202)	(21,088)
Disposals depreciation	-	-	-	14	355	369
Impairment	-	-	(460)	-	-	(460)
Net book amount (31 December 2020)	8,496	11,746	37,403	207	27,772	85,623
Year that ended on 31 December 2021						
Opening net book amount (1 January 2021)	8,496	11,746	37,403	207	27,772	85,623
Additions	-	225	1	-	3,603	3,828
Disposals	-	-	(36)	(124)	(297)	(456)
Depreciation charge	-	(1,598)	(7,093)	(42)	(10,334)	(19,067)
Disposals depreciation	-	-	34	124	297	455
Net book amount (31 December 2021)	8,496	10,373	30,309	165	21,041	70,383
31.12.2020						
Acquisition cost	8,496	34,193	120,826	2,466	119,794	285,774
Accumulated depreciation	-	(22,446)	(83,422)	(2,259)	(92,023)	(200,151)
Net book value 31.12.2020	8,496	11,746	37,403	207	27,772	85,623
31.12.2021						
Acquisition cost	8,496	34,417	120,790	2,342	123,100	289,146
Accumulated depreciation	-	(24,044)	(90,482)	(2,177)	(102,060)	(218,762)
Net book value 31.12.2021	8,496	10,373	30,309	165	21,041	70,383

COMPANY	Land	Buildings	Machinery	Vehicles	Equipment	Total
Year that ended on 31 December 2020						
Opening net book amount (1 January 2020)	8,496	12,126	44,389	87	30,040	95,138
Additions	-	143	21	81	7,975	8,221
Disposals	-	-	-	(15)	(82)	(97)
Depreciation charge	-	(1,509)	(6,965)	(26)	(11,581)	(20,082)
Disposals depreciation	-	-	-	12	82	94
Impairment	-	-	(460)	-	-	(460)
Net book amount (31 December 2020)	8,496	10,760	36,985	139	26,434	82,813
Year that ended on 31 December 2021						
Opening net book amount (1 January 2021)	8,496	10,760	36,985	139	26,434	82,813
Additions	-	225	-	-	3,132	3,357
Disposals	-	-	-	(124)	(153)	(277)
Depreciation charge	-	(1,462)	(6,915)	(25)	(9,668)	(18,069)
Disposals depreciation	-	-	-	124	153	277
Net book amount (31 December 2021)	8,496	9,523	30,070	114	19,898	68,101

COMPANY	Land	Buildings	Machinery	Vehicles	Equipment	Total
31.12.2020						
Acquisition cost	8,496	32,589	119,576	2,341	106,748	269,749
Accumulated depreciation	-	(21,828)	(82,592)	(2,202)	(80,314)	(186,935)
Net book value 31.12.2020	8,496	10,761	36,985	139	26,433	82,813
31.12.2021						
Acquisition cost	8,496	32,813	119,576	2,217	109,727	272,829
Accumulated depreciation	-	(23,290)	(89,506)	(2,103)	(89,829)	(204,728)
Net book value 31.12.2021	8,496	9,524	30,070	114	19,898	68,101

The Group "Equipment" additions within the current year include, among others:

- equipment for servers and related equipment of € 1,569,
- hardware (laptop & desktop) of € 820,
- equipment for VLTs and PLAY Gaming Halls as well as furniture of € 254,
- equipment for Opap Stores of Cyprus of € 159.

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

8. Right-of-Use assets and Lease liabilities

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

GROUP	Buildings	Vehicles	Equipment	Total
Year that ended on 31 December 2020				
Opening net book amount (1 January 2020)	61,611	2,418	7	64,036
Additions	1,592	1,166	975	3,732
Termination of leases	(2,549)	(43)	-	(2,591)
Other movements	(380)	(13)	-	(393)
Depreciation charge	(7,244)	(1,137)	(393)	(8,775)
Impairment	<u>(14,145)</u>	-	-	<u>(14,145)</u>
Net book amount (31 December 2020)	38,885	2,391	588	41,864
Year that ended on 31 December 2021				
Opening net book amount (1 January 2021)	38,885	2,391	588	41,864
Additions	1,310	712	-	2,023
Termination of leases	(969)	(109)	-	(1,078)
Other movements	(19)	(20)	(10)	(48)
Depreciation charge	<u>(6,133)</u>	<u>(1,077)</u>	<u>(328)</u>	<u>(7,539)</u>
Net book amount (31 December 2021)	33,075	1,897	250	35,222

GROUP	Buildings	Vehicles	Equipment	Total
31.12.2020				
Acquisition cost	53,083	4,649	984	58,716
Accumulated depreciation	<u>(14,198)</u>	<u>(2,259)</u>	<u>(396)</u>	<u>(16,852)</u>
Net book value 31.12.2020	38,885	2,391	588	41,864
31.12.2021				
Acquisition cost	53,406	5,233	974	59,613
Accumulated depreciation	<u>(20,331)</u>	<u>(3,336)</u>	<u>(724)</u>	<u>(24,391)</u>
Net book value 31.12.2021	33,075	1,897	250	35,222

COMPANY	Buildings	Vehicles	Total
Year that ended on 31 December 2020			
Opening net book amount (1 January 2020)	30,806	1,822	32,627
Additions	1,698	877	2,575
Termination of leases	(2,458)	(11)	(2,470)
Other movements	(422)	-	(422)
Depreciation charge	<u>(5,305)</u>	<u>(850)</u>	<u>(6,155)</u>
Net book amount (31 December 2020)	24,318	1,838	26,155
Year that ended on 31 December 2021			
Opening net book amount (1 January 2021)	24,318	1,838	26,155
Additions	1,050	533	1,583
Termination of leases	(949)	(17)	(966)
Other movements	(41)	(21)	(62)
Depreciation charge	<u>(4,872)</u>	<u>(837)</u>	<u>(5,709)</u>
Net book amount (31 December 2021)	19,507	1,496	21,002

COMPANY	Buildings	Vehicles	Total
31.12.2020			
Acquisition cost	34,394	3,514	37,908
Accumulated depreciation	<u>(10,076)</u>	<u>(1,677)</u>	<u>(11,753)</u>
Net book value 31.12.2020	24,318	1,838	26,155
31.12.2021			
Acquisition cost	34,454	4,009	38,464
Accumulated depreciation	<u>(14,947)</u>	<u>(2,514)</u>	<u>(17,461)</u>
Net book value 31.12.2021	19,507	1,496	21,002

The right-of-use of “Buildings” of the Group mainly refers primarily to Markopoulo Park, with a Net Book Value (“NBV”) of € 12,914 as at 31.12.2021 (31.12.2020: € 13,804) and PLAY Gaming Halls with a total NBV of € 18,673 as at 31.12.2021 (31.12.2020: € 22,703).

The “termination of leases” included in the category “Buildings” mainly relates to the early termination of contracts for PLAY Gaming Halls.

The Group’s impairment of “Buildings” within the comparative year 2020 related to the HORSE RACES SINGLE MEMBER S.A. licence valuation under which the carrying value exceeded its recoverable amount and consequently a total impairment of € 19,000 was concluded. Of the aforementioned amount impaired, the amount of € 4,855 was allocated to the Intangible asset and the amount of € 14,145 to the relevant Right of Use asset.

The consolidated and separate Statement of Financial Position includes the following amounts related to lease liabilities:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Non-current lease liabilities	43,507	50,112	16,989	22,011
Current lease liabilities	<u>7,500</u>	<u>7,631</u>	<u>5,365</u>	<u>5,068</u>
Total	51,007	57,743	22,354	27,079

Due to the Greek and Cypriot governments' decisions, the OPAP's retail network in Greece remained closed since the beginning of the year 2021 up until 12.04.2021, when the OPAP stores resumed operations and street vendors restarted the distribution of HELLENIC LOTTERIES S.A. products (Scratch & Passive lotteries) as of the same date. The OPAP retail network in Cyprus remained closed for 41 days, from 10.01.2021 to 07.02.2021 and from 26.04.2021 to 09.05.2021. Moreover, on 24.05.2021 the VLTs operations restarted while the horseracing facility in Markopoulo Park reopened on 17.05.2021.

According to Legislative Act 20.03.2020/2020 of the Greek Government, enterprises whose operation has been mandatorily suspended or temporarily interrupted based on special and extraordinary measures taken for precautionary or repressive purposes in relation to the coronavirus (COVID-19) spread, shall be exempted from paying 100% of the total amount of rent due for the months from January until July 2021 for the commercial premises that they lease.

Consequently, only lease contracts of immovable assets intended exclusively to be used for business purposes were included in the application of the practical expedient provided by the IASB (Markopoulo Park, PLAY Gaming Halls, offices).

The effect of the above discount provided to lessees by the Greek State as well as discounts offered based on specific lease contracts have been accounted for as negative variable lease payments that are not dependent on an index or a rate and not as a lease modification. The total effect for the Group and the Company which amounted to € 4,000 and € 3,074, respectively, has been classified under "Other Operating Income" in the 2021 Income Statement (refer to Note 33).

Leases excluded from IFRS 16 that got classified under "Other operating expenses" in the Income Statement (refer to Note 38) are as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020	2021	2020
Expense relating to short-term leases	20	109	-	63
Expense relating to variable lease payments	<u>528</u>	<u>962</u>	<u>315</u>	<u>499</u>
Total	548	1,070	315	561

Total capital and interest payments of lease liabilities in the year ended 31.12.2021 regarding capital and interest, amounts to € 5,935 (2020: € 8,068) for the Group and € 3,354 (2020: € 5,476) for the Company.

Income from subleases which refers to the sublease of PLAY Gaming Halls is included in “Other operating income” in the 2021 Separate and Consolidated Income Statement and amounts to € 2,186 (2020: € 3,191).

9. Investment properties

The Group’s and Company’s investment properties in accordance with IAS 40, Investment property is shown below:

	GROUP		COMPANY	
	2021	2020	2021	2020
Balance 1 January	1,606	1,703	1,606	1,703
Additions	11	-	11	-
Depreciation for the period	(97)	(97)	(97)	(97)
Balance 31 December	1,521	1,606	1,521	1,606

The income received from leasing these investment properties amounts to € 281 for the year ended 31.12.2021 (2020: € 272).

The useful life of the buildings is estimated at 20 years and the straight-line method of depreciation is used. According to the Company’s estimates, the fair value of the properties are not significantly different from their carrying value.

Investment property of the Group and the Company has not been pledged.

10. Goodwill

Goodwill acquired through business combinations is analyzed as follows:

	GROUP	
	31.12.2021	31.12.2020 Restated
OPAP SPORTS LTD	8,435	8,435
TORA DIRECT SINGLE MEMBER S.A.	4,249	4,249
NEUROSOFT S.A.	5,092	5,215
STOIXIMAN LTD	<u>324,913</u>	<u>324,913</u>
Total	342,688	342,811

Finalization of the acquisition of STOIXIMAN LTD

On 18.12.2018, OPAP INVESTMENT LTD, a wholly owned subsidiary of the Company, completed the acquisition of a 36.75% stake in the mother company of STOIXIMAN LTD, KAIZEN GAMING LIMITED.

On 13.07.2020, OPAP INVESTMENT LTD acquired from KAIZEN GAMING LIMITED a 51% direct stake in STOIXIMAN LTD.

On 18.11.2020, OPAP INVESTMENT LTD acquired an additional 15.49% indirect stake in STOIXIMAN LTD. Following the above acquisition of the additional 15.49%, OPAP INVESTMENT LTD effectively holds a 84.49% combined stake (direct & indirect) in STOIXIMAN LTD.

The acquisition date for full consolidation purposes of the subsidiary STOIXIMAN LTD was determined to be the 01.12.2020.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Purchase consideration

The following table presents the estimate of the consideration transferred for the total 66.49% (51% and 15.49%) acquired in 2020 at the acquisition date (01.12.2020):

Purchase consideration for the 66.49% of the shares	
Cash paid	154,735
Outstanding premium	14,615
Contingent consideration	<u>113,679</u>
Total purchase consideration	283,028

Based on the agreement, the contingent consideration payment was based on target EBITDA amounts that STOIXIMAN LTD should achieve for the years 2020 and 2021. There was a payment of € 18,059 made on 29.06.2021 and an additional payment will be made until 30.06.2022.

Following the finalization of 2020 results of STOIXIMAN LTD and an updated calculation of the EBITDA amount of 2021, the Group has recognized an expense of € 2,175 as an additional consideration for higher than initially estimated EBITDA amounts (€ 97 for 2020 and € 2,078 for 2021). This expense is classified under “Other operating expenses” in the 2021 Income Statement (refer to Note 38).

Assets and liabilities at acquisition

The finalisation of the Purchase Price Allocation in accordance with IFRS 3 “Business Combinations” took place within the last quarter of 2021. The provisional and the final fair values of the identifiable assets acquired and liabilities assumed in December 2020 are as follows:

	Net Book Value 30.11.2020	Adjustments	Fair Value 30.11.2020
Intangible assets	1	256,795	256,796
Trade receivables	1,008	-	1,008
Other current assets	1,970	-	1,970
Cash and cash equivalents	64,562	-	64,562
Deferred tax liability	-	(89,878)	(89,878)
Trade payables	(17,668)	-	(17,668)
Current income tax liabilities	(10,339)	-	(10,339)
Other current liabilities	(19,198)	-	(19,198)
Net identifiable assets acquired	20,338	166,917	187,254

Goodwill

The goodwill arising on the STOIXIMAN LTD step acquisition is not deductible for tax purposes and has been finally recognized as follows:

Purchase consideration for the 66.49% of the shares	283,028
Add: Share of profit of associate for the 51% of the shares for the period 01.07.2020-30.11.2020	7,300
Add: Fair value of previously held equity interest (36.75%)	192,803
Add: Non-controlling interests (15.51%)	29,036
Less: Net identifiable assets acquired	(187,254)
Goodwill	324,913

The carrying amount of the previously held equity interest in KAIZEN GAMING LIMITED, acquired in 2018, for the part that related to STOIXIMAN LTD on 30.11.2020 was € 50,137, while the fair value of this interest was determined at € 192,803. According to IFRS 3 “Business Combinations”, the gain resulted from the remeasurement to the fair value of the previously held equity interest was € 142,666 and was included in “Gain from remeasurement of previously held equity interest” in the 2020 Income Statement.

In accordance with IFRS 3 “Business Combinations”, during the measurement period, the acquirer shall retrospectively adjust the provisional amounts recognized at the acquisition date, in order to reflect new information obtained about facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. Therefore, the adjustments of the above funds have retrospectively applied to the consolidated Financial Statements (refer to Note 3.23).

Impairment testing

Goodwill is subject to impairment testing from Management at each reporting date. For this purpose, Management uses external independent valuers.

The recoverable amount of the Group's companies OPAP SPORTS LTD, TORA DIRECT SINGLE MEMBER S.A., NEUROSOFT S.A. and STOIXIMAN LTD, was determined using the value in use method which requires the use of assumptions. The value in use method was determined based on the projected cash flows derived from the five year business plan approved by Management. Cash flows beyond the five year period are extrapolated using the estimated perpetuity growth rates stated below.

The key assumptions used in determining the value in use were as follows:

OPAP SPORTS LTD

	31.12.2021	31.12.2020
WACC	9.88%	9.16%
Compounded Annual Growth Rate (CAGR) on NGR for the next 5 years	4.50%	6.00%
Perpetuity growth rate	2.00%	2.00%

TORA DIRECT SINGLE MEMBER S.A.

	31.12.2021	31.12.2020
WACC	9.21%	9.50%
Compounded Annual Growth Rate (CAGR) on revenues for the next 5 years	-0.20%	5.00%
Perpetuity growth rate	2.00%	2.00%

NEUROSOFT S.A.

	31.12.2021	31.12.2020
WACC	9.18%	8.39%
Compounded Annual Growth Rate (CAGR) on revenues for the next 5 years	8.50%	8.70%
Perpetuity growth rate	2.00%	2.50%

STOIXIMAN LTD

	31.12.2021
WACC	9.75%
Compounded Annual Growth Rate (CAGR) on NGR for the next 5 years	6.40%
Perpetuity growth rate	2.00%

The sensitivity analysis on the above assumptions, notably to a change of 0.25% in the discount rate (WACC) or the perpetuity growth rate, did not show deviations that would point the need to change the carrying value of the goodwill of these entities.

11. Investments in subsidiaries

Investment in subsidiaries of the Company are analysed as follows:

Consolidated subsidiary	% of investment	Country of incorporation	31.12.2021	31.12.2020
OPAP CYPRUS LTD	100%	Cyprus	1,704	1,704
OPAP INTERNATIONAL LTD	100%	Cyprus	4,673	4,673
OPAP SPORTS LTD	100%	Cyprus	9,650	9,650
OPAP INVESTMENT LTD	100%	Cyprus	<u>409,385</u>	<u>409,385</u>
Total			425,412	425,412

Investments in subsidiaries on the Separate Statement of Financial Position are accounted for at cost less impairment loss.

12. Investments in associates

Investments in associates are analyzed as follows:

	31.12.2021	31.12.2020 Restated
KAIZEN GAMING LIMITED	<u>8,156</u>	<u>8,599</u>
Total	8,156	8,599

The report date of the Financial Statements of the associate company, consolidated with the equity method, does not differ from the reporting date of the parent company.

KAIZEN GAMING LIMITED is the parent company of KAIZEN Group, which principal activity is to carry on the business of online gaming and betting activities and all related activities related thereto in various countries, mainly in Romania, Portugal, Brazil, Germany and others.

The tables below provides summarised financial information of the associate KAIZEN GAMING LIMITED. The information disclosed reflects the amounts presented in the financial statements of the associate and not OPAP's share of those amounts.

KAIZEN GAMING LIMITED

Summarized statement of financial position	31.12.2021	31.12.2020 Restated
Current assets		
Cash and cash equivalents	49,565	32,127
Other current assets	<u>34,437</u>	<u>12,844</u>
Total current assets	84,002	44,971
Total non - current assets	32,732	26,009
Current liabilities		
Financial liabilities (excluding trade payables)	714	673
Other current liabilities	<u>80,218</u>	<u>32,604</u>
Total current liabilities	80,932	33,277
Non-current liabilities		
Financial liabilities (excluding trade payables)	1,543	2,272
Other non-current liabilities	<u>545</u>	<u>1,929</u>
Total non-current liabilities	2,088	4,201
Equity	33,714	33,502

Summarized statement of profit or loss and other comprehensive income	01.01- 31.12.2021	01.01- 31.12.2020 Restated
Revenue (GGR)	183,808	320,622
Profit after tax	(1,208)	36,999
Other comprehensive income, net of tax	4	222
Total comprehensive income	(1,204)	37,220

Based on the above, the value of investment in associate in KAIZEN GAMING LIMITED results as follows:

	31.12.2021	31.12.2020 Restated
Opening balance	8,599	54,539
Share of operating profits	(443)	10,996
Dividends received	-	(6,799)
Transfer to subsidiaries	-	<u>(50,137)</u>
Closing balance	8,156	8,599

13. Other non-current assets

The Other non-current assets are analysed as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Guarantee deposits	2,614	1,263	934	1,133
Prepayments of retirement benefits & housing loans to personnel	338	357	338	357
Loans receivable	2,137	2,878	5,621	11,604
Prepayments to suppliers	16,143	19,582	16,143	19,582
GGR contribution receivable	49,785	22,658	49,785	22,658
Other receivables	<u>76</u>	<u>379</u>	-	-
Total	71,093	47,117	72,822	55,334

GGR contribution receivable constitutes the discounted additional consideration relating to the 10-year extension of the Company's license which refers to the exclusive right to conduct certain numerical lottery and sports betting games. The nominal receivable with maturity date the end of the extension period of the licence (2030) amounts to € 55,854 (31.12.2020: € 24,177), and has been discounted for 112 months (31.12.2020: 124 months) using the spot interest rate as at 31.12.2021 of a bond of the Greek Government ending in 2030. It is mentioned that on an annual basis up to the expiration of the extension, the additional consideration will be calculated based on the agreement which may result in receipt or payment to the Greek State. The additional payment or refund is due in lump sum in 2030.

The prepayments to suppliers of € 16,143 as at 31.12.2021 (31.12.2020: € 19,582) represent the long-term portion of a VLTs vendor claim for an advance payment in accordance with a special clause in the respective contract regarding provision of services.

Loans receivable of the Group refer to loans that the Company and its subsidiary, OPAP INVESTMENT LTD, have granted of € 2,121 and € 16 as at 31.12.2021 (31.12.2020: € 2,854 and € 24), respectively. The maturity of these loans is until December 2024.

At Company level, loans receivable as at 31.12.2021 also include loans of € 3,500 granted to TORA DIRECT SINGLE MEMBER S.A. (31.12.2020: € 3,500 to TORA DIRECT SINGLE MEMBER S.A. and € 7,000 to HORSE RACES SINGLE MEMBER S.A., respectively). These loans to subsidiaries bear an interest rate of 3.50%.

14. Income taxes – Deferred taxes

Deferred taxes are calculated in full on temporary differences under the balance sheet method using the principal tax rates that apply to the countries in which the companies of the Group operate.

	GROUP		COMPANY	
	31.12.2021	31.12.2020 Restated	31.12.2021	31.12.2020 Restated
Deferred tax asset	30,544	35,436	-	-
Deferred tax liability	(127,176)	(116,799)	(40,317)	(25,394)
Net deferred tax asset/(liability)	(96,632)	(81,362)	(40,317)	(25,394)

The movement in deferred taxes is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020 Restated	31.12.2021	31.12.2020 Restated
Opening balance, net deferred tax asset/(liability)	(81,362)	(4,188)	(25,394)	(21,497)
Charge recognised in profit or loss (Note 41)	(15,060)	12,647	(14,589)	(3,954)
Charge recognised in other comprehensive income (Note 41)	(345)	57	(334)	56
Acquisitions through business combinations (Note 10)	-	(89,878)	-	-
Impact from disposal of subsidiary	<u>135</u>	-	-	-
Closing balance, net deferred tax asset/(liability)	(96,632)	(81,362)	(40,317)	(25,394)

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.

The movement in deferred tax assets and liabilities per category (prior to offsetting balances within the same tax jurisdiction) is as follows:

GROUP	Balance at 1 January 2021	Recognised in profit or loss (Note 41)	Recognised in Other Comprehensive Income (Note 41)	Impact from disposal of subsidiary	Balance at 31 December 2021
Analysis of deferred tax assets (before set - offs)					
Property, plant and equipment	305	(35)	-	-	270
Intangible assets	5,387	164	-	-	5,551
Right-of-use assets	3,908	(427)	-	-	3,481
Other non-current & current assets	1,223	(1,161)	-	-	62
Trade receivables	458	(346)	-	-	112
Employee benefits	200	29	(5)	(15)	209
Provisions	2,347	(348)	-	-	1,999
Derivative (interest rate swap)	660	-	(340)	-	320
Other non-current & current liabilities	20,925	1,810	-	-	22,736
Tax losses	<u>6,868</u>	<u>(6,544)</u>	-	-	<u>324</u>
	42,282	(6,858)	(345)	(15)	35,063
Analysis of deferred tax liabilities (before set - offs)					
Property, plant and equipment	(297)	(731)	-	-	(1,029)
Intangible assets	(121,398)	2,648	-	151	(118,599)
Other non-current & current assets	(4)	(11,139)	-	-	(11,143)
Borrowings	<u>(1,945)</u>	<u>1,022</u>	-	-	<u>(923)</u>
	(123,644)	(8,201)	-	151	(131,695)
Net deferred tax asset/(liability)	(81,362)	(15,060)	(345)	135	(96,632)

COMPANY	Balance at 1 January 2021	Recognised in profit or loss (Note 41)	Recognised in Other Comprehensive Income (Note 41)	Balance at 31 December 2021
Analysis of deferred tax assets (before set - offs)				
Right-of-use assets	318	(12)	-	306
Other non-current & current assets	1,151	(1,151)	-	-
Trade receivables	273	(197)	-	76
Employee benefits	169	12	6	187
Provisions	2,346	(348)	-	1,998
Derivative (interest rate swap)	660	-	(340)	320
Other non-current & current liabilities	<u>1,739</u>	<u>(280)</u>	-	<u>1,459</u>
	6,656	(1,976)	(334)	4,346
Analysis of deferred tax liabilities (before set - offs)				
Property, plant and equipment	(297)	(731)	-	(1,029)
Intangible assets	(29,808)	(1,763)	-	(31,571)
Other non-current & current assets	-	(11,140)	-	(11,140)
Borrowings	<u>(1,945)</u>	<u>1,022</u>	-	<u>(923)</u>
	(32,050)	(12,613)	-	(44,662)
Net deferred tax liability	(25,394)	(14,589)	(334)	(40,317)

The movement in deferred tax assets and liabilities per category during the prior year is as follows:

GROUP (Restated)	Balance at 1 January 2020	Recognised in profit or loss (Note 41)	Recognised in Other Comprehensive Income (Note 41)	Acquisitions through business combination (Note 10)	Balance at 31 December 2020
Analysis of deferred tax assets (before set - offs)					
Property, plant and equipment	569	(263)	-	-	305
Intangible assets	4,381	1,006	-	-	5,387
Right-of-use assets	307	3,601	-	-	3,908
Other non-current & current assets	38	1,185	-	-	1,223
Inventories	278	(278)	-	-	-
Trade receivables	2,230	(1,772)	-	-	458
Employee benefits	162	34	3	-	200
Provisions	1,940	407	-	-	2,347
Derivative (interest rate swap)	606	-	54	-	660
Other non-current & current liabilities	17,115	3,811	-	-	20,925
Tax losses	-	<u>6,868</u>	-	-	<u>6,868</u>
	27,626	14,598	57		42,282
Analysis of deferred tax liabilities (before set - offs)					
Property, plant and equipment	-	(297)	-	-	(297)
Intangible assets	(27,288)	(4,232)	-	(89,878)	(121,398)
Other non-current & current assets	(3,329)	3,325	-	-	(4)
Borrowings	<u>(1,198)</u>	<u>(748)</u>	-	-	<u>(1,945)</u>
	(31,815)	(1,951)	-	(89,878)	(123,644)
Net deferred tax asset/(liability)	(4,189)	12,647	57	(89,878)	(81,362)

COMPANY (Restated)	Balance at 1 January 2020	Recognised in profit or loss (Note 41)	Recognised in Other Comprehensive Income (Note 41)	Balance at 31 December 2020
Analysis of deferred tax assets (before set - offs)				
Property, plant and equipment	107	(107)	-	-
Right-of-use assets	174	143	-	318
Other non-current & current assets	-	1,151	-	1,151
Inventories	278	(278)	-	-
Trade receivables	-	273	-	273
Employee benefits	136	31	3	169
Provisions	1,939	407	-	2,346
Derivative (interest rate swap)	606	-	54	660
Other non-current & current liabilities	<u>1,272</u>	<u>467</u>	-	<u>1,739</u>
	4,511	2,088	56	6,656
Analysis of deferred tax liabilities (before set - offs)				
Property, plant and equipment	-	(297)	-	(297)
Intangible assets	(24,816)	(4,992)	-	(29,808)
Other non-current & current assets	(65)	65	-	-
Borrowings	<u>(1,127)</u>	<u>(818)</u>	-	<u>(1,945)</u>
	(26,008)	(6,042)	-	(32,050)
Net deferred tax liability	(21,497)	(3,954)	56	(25,394)

On 31.12.2021, certain Group entities had accumulated tax losses of € 92,056 (31.12.2020: € 91,191). HELLENIC LOTTERIES S.A. and NEUROSOFT S.A. recognised deferred tax assets as at 31.12.2021 amounting to € 314 (31.12.2020: € 6,868) and € 10 (31.12.2020: € 0), respectively, attributable to losses amounting to € 1,426 and € 45, respectively, as these deferred tax assets will be recoverable using the estimated future taxable income based on approved business plans. For the remaining € 90,585 carried forward tax losses as at 31.12.2021 (31.12.2020: € 59,973), no deferred tax asset has been recognized due to the uncertainty of the timing of available taxable profits against which these losses could be offset. If the Group's entities were able to recognise all unrecognised deferred tax assets, these would amount to € 19,929 (31.12.2020: € 14,394).

Current income tax asset for the Group as at 31.12.2021 amounts to € 5 (31.12.2020: € 2,359).

Current income tax liabilities for the Group and the Company as at 31.12.2021 amounts to € 60,658 and € 49,079, respectively (31.12.2020: € 27,755 and € 13,119, respectively).

Under Greek tax regulations, an income tax advance is paid to the tax authorities each year calculated at the 80% of the current year income tax liability. Such advance is then netted off with the following year's income tax liability.

15. Inventories

The analysis of inventories is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
GHs construction cost	1,627	2,669	1,627	2,669
Consumable materials	<u>3,055</u>	<u>3,500</u>	<u>1,062</u>	<u>1,343</u>
Total	4,682	6,169	2,689	4,011

Consolidated inventories include:

- OPAP S.A. inventories of € 1,627 at 31.12.2021 related to PLAY Gaming Halls stores under construction that will be sold after their completion (31.12.2020: € 2,669).
- TORA DIRECT SINGLE MEMBER S.A. inventories of € 1,536 at 31.12.2021 (31.12.2020: € 1,947) relating mainly to phone cards and Internet cards.
- NEUROSOFT S.A. inventories of € 383 at 31.12.2021 (31.12.2020: € 147) relating to production consumables.
- HORSE RACES SINGLE MEMBER S.A. inventories of € 74 at 31.12.2021 (31.12.2020: € 63) relating to veterinary clinic consumables.

- OPAP S.A. lottery and athletic events prognoses games tickets, coupons for PAME STOIXIMA game etc. of € 1,062 at 31.12.2021 (31.12.2020: € 1,343).

The Group and the Company have not pledged their inventories as collateral.

16. Trade receivables

The analysis of trade receivables is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Receivables from agents	81,777	64,068	38,162	17,834
Receivables from agents under arrangement	300	535	-	-
Doubtful receivables from agents	41,331	39,837	37,466	37,960
Other receivables	<u>11,733</u>	<u>8,896</u>	<u>12,242</u>	<u>11,194</u>
Sub total short term trade receivables	135,141	113,336	87,870	66,988
Less loss allowance on short term trade receivables	<u>(44,260)</u>	<u>(44,856)</u>	<u>(38,655)</u>	<u>(40,142)</u>
Total short term trade receivables	90,881	68,480	49,216	26,846
Discounted long term receivables from agents	2,078	8,496	2,078	7,249
Less loss allowance on long term receivables from agents	-	<u>(1,247)</u>	-	-
Total long term trade receivables	2,078	7,249	2,078	7,249
Total trade receivables	92,959	75,728	51,294	34,094

The significant increase in the Group's trade receivables is mainly driven by OPAP S.A.. In the comparative period, the nationwide lockdown imposed on 05.11.2020 from the Greek government resulted in a temporary suspension of business activity for a number of sectors, including OPAP stores and PLAY Gaming Halls.

The Group'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 and the calculated amount was less than the carrying amount of the loss allowance before the assessment. Consequently, on 31.12.2021 the loss allowance of the Group and the Company was decreased by € 1,263 and € 906, respectively.

Furthermore, the Group and the Company wrote down the amount of € 581.

Discounted long term receivables include arrangements with agents that will be settled in February 2024. Additional information about the impairment of trade receivables and the Group's exposure to credit risk are included in Note 45.

The Group and the Company have not pledged their receivables as collateral.

17. Other current assets

The analysis of other current assets is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Housing loans to personnel	13	28	13	28
Other receivable - revenue receivable	18,939	7,537	9,602	7,068
Prepaid expenses	20,123	18,628	16,935	16,429
Intercompany transaction of winners profits with OPAP CYPRUS LTD	-	-	-	2,174
Receivables from taxes	5,884	10,362	2,271	10,358
Loans receivable	<u>2,996</u>	<u>4,063</u>	<u>2,227</u>	<u>2,314</u>
Total	47,955	40,618	31,049	38,370

Other receivable – revenue receivable of the Group as at 31.12.2021 mainly includes dividends receivable from the associate KAIZEN GAMING LIMITED as part of the declaration of dividends from STOIXIMAN LTD in June 2021 of € 8,784 for the indirect stake of 33.49% that OPAP INVESTMENT LTD holds in STOIXIMAN LTD, other income provisions created by the Company of € 581 (31.12.2020: € 189) and the subsidiaries of € 3,373 (31.12.2020: € 4,348).

Also, at the Company level, as at 31.12.2021, there is a dividend receivable from OPAP CYPRUS LTD of € 7,000 (31.12.2020: € 4,000).

Prepaid expenses of the Group as at 31.12.2021 mainly include the current portion of prepayment to VLTs vendor of amount € 3,439 (31.12.2020: € 3,439) (refer to Note 13), prepaid services for use and maintenance of software of € 4,837 (31.12.2020: € 3,494), prepaid sponsorships of € 4,360 (31.12.2020: € 3,654), prepaid promotional activities of € 2,505 (31.12.2020: € 2,249) and third party fees of € 1,522 (31.12.2020: € 916). There is also an amount of € 760 which represents prepaid loan expenses for an undrawn credit facility of the Company (refer to Note 23).

Receivables from taxes of the Group and the Company as at 31.12.2021 mainly include tax return from Maltesian tax authorities of € 3,582 (31.12.2020: € 0), tax returns from Greek tax authorities of € 1,321 (31.12.2020: € 7,750) and withholding taxes on dividends of € 950 (31.12.2020: € 2,607).

Loans receivable of the Group refer to loans that the Company and the subsidiary OPAP INVESTMENT LTD have granted amounting to € 2,227 and € 769 respectively as at 31.12.2021 (31.12.2020: € 2,314 and € 1,750, respectively).

At Company level, in the comparative period, loans receivable included a loan of nominal amount € 8,250 due from HORSE RACES SINGLE MEMBER S.A., for which the Company recognized an equal allowance in 2020, classified under “Net impairment losses on financial assets” in the Income Statement (refer to Note 45). These loans were repaid in October 2021 and consequently, the impairment was fully reversed.

18. Cash and cash equivalents

The analysis of cash and cash equivalents is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Cash in hand	1,000	1,087	795	685
Short term bank deposits	<u>859,361</u>	<u>505,785</u>	<u>608,293</u>	<u>278,806</u>
Total	860,361	506,873	609,088	279,491

Short term bank deposits are comprised by current accounts and short-term time deposits with a maturity of three months or less from the date of the acquisition. The effective interest rates are based on floating rates and are negotiated on a case by case basis.

Short term bank deposits of the Group and the Company also include amounts from electronic payment processors, of € 50,568 and € 632 respectively (31.12.2020: € 25,807 and € 3,200 respectively), which, at the time of purchase are readily convertible to known amounts of cash and that there is an insignificant risk of changes in value.

Fixed deposits with maturity between 3 and 12 months from the date of acquisition of € 3,633 (31.12.2020: € 4,629) are included in “Short-term investments” in Consolidated Statement of Financial Position.

Short term bank deposits include restricted cash of amount € 6,144 as at 31.12.2021 (31.12.2020: € 206), mainly due to legal decisions against OPAP S.A..

According to IFRS 9 requirements, an assessment of the credit risk under the ECL model as at 31.12.2021 was conducted. Since the Group retains its deposits at institutions that have high credit ratings, credit risk was insignificant and no impairment provision was raised.

19. Share capital and Share Premium

The total number of the authorized ordinary shares is:

	GROUP & COMPANY	
	31.12.2021	31.12.2020
Ordinary shares of € 0.30 each	<u>352,856,287</u>	<u>341,426,387</u>
	352,856,287	341,426,387

The shares issued and fully paid are as follows:

	Number of shares	Share capital	Share premium
Balance at 31 December 2019	321,623,443	96,487	24,294
Dividend reinvestment plan	<u>19,802,944</u>	<u>5,941</u>	<u>194,532</u>
Balance at 31 December 2020	341,426,387	102,428	218,826
Dividend reinvestment plan	<u>11,429,900</u>	<u>3,429</u>	<u>127,402</u>
Balance at 31 December 2021	352,856,287	105,857	346,228

The Board of Directors, at its meeting dated 30.07.2021, decided to issue 9,729,566 new common, registered, voting shares, of nominal value of € 0.30 each, which resulted from the partial subscription of the share capital increase from the dividend reinvestment program of a five-year duration (2019 – 2023) of the dividend for the financial year 2020. As a result thereof, the share capital of the Company was increased by € 2,919 and amounted to € 105,347, divided to 351,155,953 common, registered, voting shares, of nominal value of € 0.30 (in absolute amount) each. As the issue price of the Company's new shares amounted to € 11.14 (in absolute amount), the total above par value of the new shares, amounting to € 105,468, was transferred to the account Share premium.

Additionally, the Board of Directors, at its meeting dated 08.11.2021, decided to issue 1,700,334 new common, registered, voting shares, of nominal value of € 0.30 each, which resulted from the partial subscription of the share capital increase from the dividend reinvestment program of a five-year duration (2019 – 2023) of the interim dividend for the financial year 2021. As a result thereof, the share capital of the Company was increased by € 510 and now amounts to € 105,857, divided to 352,856,287 common, registered, voting shares, of nominal value of € 0.30 (in absolute amount) each. As the issue price of the Company's new shares amounted to € 13.20 (in absolute amount), the total above par value of the new shares, amounting to € 21,934, was transferred to the account Share premium.

20. Reserves

Reserves are analyzed as follows:

GROUP	Statutory reserves	Cash flow hedge reserve	Foreign currency translation reserve	Total
31.12.2019	33,419	(1,897)	-	31,522
Statutory reserve	1,980	-	-	1,980
Loss from valuation of hedging derivatives	-	(224)	-	(224)
Deferred tax	-	54	-	54
Exchange differences	-	-	(3)	(3)
31.12.2020	35,399	(2,067)	(3)	33,329
Statutory reserve	1,165	-	-	1,165
Profit from valuation of hedging derivatives	-	1,296	-	1,296
Deferred tax	-	(340)	-	(340)
31.12.2021	36,564	(1,112)	(3)	35,450

COMPANY	Statutory reserves	Cash flow hedge reserve	Total
31.12.2019	32,162	(1,897)	30,266
Statutory reserve	1,980	-	1,980
Loss from valuation of hedging derivatives	-	(224)	(224)
Deferred tax	-	<u>54</u>	<u>54</u>
31.12.2020	34,143	(2,067)	32,075
Statutory reserve	1,143	-	1,143
Profit from valuation of hedging derivatives	-	1,296	1,296
Deferred tax	-	<u>(340)</u>	<u>(340)</u>
31.12.2021	35,286	(1,112)	34,174

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.

21. Treasury shares

Initially, the Annual Ordinary General Assembly of the Company's Shareholders that was held on 20.04.2015, the Annual Ordinary General Assembly on 27.04.2017 and finally the Annual Ordinary General Assembly on 22.05.2019 decided and set the details for the acquisition of treasury shares by the Company through the Athens Exchange, up to a percentage of 5% of the total paid up share capital of the Company. The acquisition of treasury shares shall be made provided that on a case by case basis are considered to be at the Company's own benefit, preferential to other available investment options and as long as the Company's cash flow allows for such acquisitions and for the scopes and uses allowed by the law, in accordance with the specific stipulations of articles 49 and 50 of Law 4548/2018, as in force today, and in connection to the provisions of Regulation (EU) No 596/2014 of the European Parliament and of the Council, on market abuse and of its supplementing Commission Delegated Regulation (EU) 2016/1052, with regard to regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures. The proposed program for the acquisition of treasury shares shall be completed within twenty four months as from the date of the decision of the 17.06.2021 General Assembly, namely the latest by 16.06.2023, and will be implemented at a maximum acquisition price of € 17.00 (in absolute amount) per share and a minimum acquisition price equal to the nominal value price of each share, i.e. € 0.30 (in absolute amount) per share.

Furthermore, the Company's Board of Directors was authorized to determine the specific terms and details for the implementation of the program for the acquisition of treasury shares.

Following the above decision, the Company proceeded to the acquisition of treasury shares, with the holding in such shares at the end of each financial year presented being as follows:

Treasury shares	No of shares	Acquisition cost	% of treasury shares on total shares
Balance at 31 December 2020	1,829,624	14,497	0.5%
Balance at 31 December 2021	1,829,624	14,497	0.5%

22. Non-controlling interests

The Group's non-controlling interests amount to € 38,513 as of 31 December 2021 (31.12.2020: € 41,126), arising from HELLENIC LOTTERIES S.A., NEUROSOFT S.A. and STOIXIMAN LTD.

The summarized financial information and basic financial data of these companies are presented below.

The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarized statement of financial position as at December 31, 2021	HELLENIC LOTTERIES S.A.	NEUROSOFT S.A.	STOIXIMAN LTD	Total
NCI percentage	16.5%	32.28%	15.51%	
Non-current assets	90,062	6,742	250,660	
Current assets	121,378	7,442	104,556	
Non-current liabilities	(50,817)	(2,230)	(88,105)	
Current liabilities	<u>(135,700)</u>	<u>(4,254)</u>	<u>(61,290)</u>	
Net assets	24,922	7,700	205,821	
Net assets attributable to NCI	4,112	2,486	31,915	38,513

Summarized income statement and other comprehensive income for the year ended December 31, 2021	HELLENIC LOTTERIES S.A.	NEUROSOFT S.A.	STOIXIMAN LTD	Total
Revenue (GGR)	88,833	-	374,809	
Other operating income	1,644	16,601	1	
Profit/(loss) after tax	(29,798)	672	39,626	
Other comprehensive income, net of tax	-	25	-	
Total comprehensive income	(29,798)	698	39,626	
Profit/(loss) after tax attributable to NCI	(4,917)	217	6,145	1,445
Other comprehensive income, net of tax attributable to NCI	-	8	-	8
Dividends paid to NCI	-	-	4,067	4,067

Summarized cash flow information for the year ended December 31, 2021	HELLENIC LOTTERIES S.A.	NEUROSOFT S.A.	STOIXIMAN LTD
Cash flows from operating activities	34,003	791	46,493
Cash flows from investing activities	(81)	533	(4,974)
Cash flows from financing activities	<u>(177)</u>	<u>(659)</u>	<u>(26,266)</u>
Net increase/(decrease) in cash and cash equivalents	33,745	665	15,253

Summarized statement of financial position as at December 31, 2020 (Restated)	HELLENIC LOTTERIES S.A.	NEUROSOFT S.A.	STOIXIMAN LTD	Total
NCI percentage	16.5%	32.28%	15.51%	
Non-current assets	114,415	8,665	255,850	
Current assets	91,543	5,930	85,492	
Non-current liabilities	(50,383)	(2,564)	(89,557)	
Current liabilities	(100,855)	(5,029)	(59,364)	
Net assets	54,721	7,002	192,422	
Net assets attributable to NCI	9,029	2,260	29,837	41,126

Summarized income statement and other comprehensive income for the year ended December 31, 2020 (Restated)	HELLENIC LOTTERIES S.A.	NEUROSOFT S.A.	STOIXIMAN LTD	Total
Revenue (GGR)	76,349	-	40,187	
Other operating income	788	15,296	-	
Profit/(loss) after tax	(36,270)	(2,714)	5,167	
Other comprehensive income, net of tax	-	(3)	-	
Total comprehensive income	(36,270)	(2,717)	5,167	
Profit/(loss) after tax attributable to NCI	(5,985)	(876)	801	(6,059)
Other comprehensive income, net of tax attributable to NCI	-	(1)	-	(1)
Dividends paid to NCI	-	-	-	-

Summarized cash flow information for the year ended December 31, 2020	HELLENIC LOTTERIES S.A.	NEUROSOFT S.A.	STOIXIMAN LTD
Cash flows from operating activities	16,500	(177)	17,948
Cash flows from investing activities	(15)	(247)	55
Cash flows from financing activities	(63)	(335)	-
Net decrease in cash and cash equivalents	16,422	(760)	18,002

23. Borrowings

The analysis of borrowings is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Total long-term loans	991,673	1,007,830	941,517	957,440
Short-term loans				
Current portion of long term loans	52,764	32,748	82,676	52,690
Short-term loans (overdraft accounts)	<u>2,202</u>	<u>289</u>	<u>1</u>	<u>2</u>
Total short-term loans	54,965	33,036	82,677	52,692
Total borrowings	1,046,638	1,040,866	1,024,193	1,010,132

The movement in the Group's and the Company's borrowings is as follows:

GROUP	Year of maturity	31.12.2020						31.12.2021	
		Book value	New Loans	Repayments	Payments of interest of previous year	Provision of Interest	Amortization of expenses	Outstanding nominal value	Book value
Loan, amount € 916	2025	485	-	(92)	(4)	4	-	389	393
Bond Loan, amount €250,000	2023	247,163	-	-	(289)	289	1,393	250,000	248,556
Bond Loan, amount €200,000	2027	197,053	-	-	(758)	758	508	200,000	197,561
Bond Loan, amount €300,000	2024	298,324	-	(300,000)	(199)	-	1,875	-	-
Bond Loan, amount €300,000	2027	-	300,000	-	-	931	(582)	300,000	300,349
Bond Loan, amount €50,000	2023	50,125	-	(50,000)	(125)	-	-	-	-
Bond Loan, amount €50,000	2024	-	50,000	-	-	167	(142)	50,000	50,025
Bond Loan, amount €100,000	2023	96,621	-	-	(242)	241	1,200	100,000	97,820
Bond Loan, amount €50,000	2022	50,219	-	-	(314)	308	51	50,000	50,266
Bond Loan, amount €100,000	2024	100,587	-	(100,000)	(725)	-	138	-	-
Bond Loan, amount €200,000	2024	-	100,000	-	-	17	(550)	100,000	99,467
Overdraft, amount € 1,500		287	-	(180)	(7)	-	-	100	100
Overdraft, amount € 3,000		-	2,101	-	-	-	-	2,101	2,101
Overdraft, amount € 15,000		<u>2</u>	-	<u>(2)</u>	-	-	-	<u>1</u>	<u>1</u>
Total		1,040,866	452,101	(450,273)	(2,663)	2,715	3,892	1,052,591	1,046,638

COMPANY	Year of maturity	31.12.2020						31.12.2021	
		Book value	New Loans	Repayments	Payments of interest of previous year	Provision of Interest	Amortization of expenses	Outstanding nominal value	Book value
Bond Loan, amount €250,000	2023	247,163	-	-	(289)	289	1,393	250,000	248,556
Bond Loan, amount €200,000	2027	197,053	-	-	(758)	758	508	200,000	197,561
Bond Loan, amount €300,000	2024	298,324	-	(300,000)	(199)	-	1,875	-	-
Bond Loan, amount €300,000	2027	-	300,000	-	-	931	(582)	300,000	300,349
Bond Loan, amount €100,000	2023	96,621	-	-	(242)	241	1,200	100,000	97,820
Loan, amount €20,000	2022	20,163	-	-	(163)	116	-	20,000	20,116
Bond Loan, amount €50,000	2022	50,219	-	-	(314)	308	51	50,000	50,266
Bond Loan, amount €100,000	2024	100,587	-	(100,000)	(725)	-	138	-	-
Bond Loan, amount €200,000	2024	-	100,000	-	-	17	(550)	100,000	99,467
Loan, amount €10,000	2022	-	10,000	-	-	58	-	10,000	10,058
Overdraft, amount € 15,000		<u>2</u>	-	<u>(2)</u>	-	-	-	<u>1</u>	<u>1</u>
Total		1,010,132	410,000	(400,002)	(2,690)	2,719	4,033	1,030,001	1,024,193

The average borrowings' interest rate of both, the Group and the Company, is 2.5% (2020: 2.7%).

On 29.09.2021, the Company repaid a bond loan of € 100,000 from Alpha bank through refinancing by issuing a new bond loan of € 200,000 with maturity date on 29.09.2024 which may be extended for 2 years. Up to 31.12.2021, only € 100,000 was drawn down against this bond loan. Along with the prepayment of the above bond loan of € 100,000, the agreement with Alpha bank for another undrawn bond loan of € 100,000 which was available until 27.02.2022 was cancelled.

On 27.10.2021, HELLENIC LOTTERIES S.A. repaid a bond loan of € 50,000 from Alpha bank through refinancing by issuing a new bond loan of € 50,000 with maturity date on 27.10.2024 which may be extended for 2 years. This loan is secured by a corporate guarantee of € 41,750 in favor of HELLENIC LOTTERIES S.A. issued by OPAP S.A..

On 11.11.2021, the Company repaid a bond loan of € 300,000 from Eurobank through refinancing by issuing a new bond loan of € 300,000 from Eurobank, payable in installments up to May 2027.

On 04.05.2020, the Company signed a bond loan agreement of € 100,000 with Piraeus Bank with maturity date on 04.05.2022, which may be extended for 12 months. No draw down took place up to 31.12.2021. Arrangement fees of € 760 were payable to Piraeus Bank upon signing the new loan agreement. Currently, this amount is included in "Other current assets" and will be recognised as transaction cost when the facility is drawn down.

As at 31.12.2021, the Group and the Company have total undrawn borrowing facilities of € 245,298 and € 234,999, respectively, out of which € 100,000, for both the Group and the Company, expire within one year and € 145,298 and € 134,999, respectively, expire beyond one year.

As at 31.12.2021, the Group and the Company have complied with the financial covenants of their borrowing facilities.

All loan agreements of the Group and the Company are unsecured.

24. Employee benefit plans

The analysis of employee benefit plans is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020 Restated	31.12.2021	31.12.2020 Restated
Long Term Incentive Scheme	3,106	1,152	3,106	1,152
Defined Benefit Plan	<u>952</u>	<u>834</u>	<u>849</u>	<u>703</u>
Total employee benefit plans	4,058	1,986	3,955	1,855

Long Term Incentive Scheme for the years 2020-2022

The 20th Ordinary General Meeting of the Company, following a recommendation of the Remuneration and Nomination Committee and in accordance with article 109 of Law 4548/2018, as in force and the Company Remuneration Policy, on 22.05.2019, approved a Long term incentive scheme with distribution of part of the Company's net profits to Executive Members of the BoD and other Key Management Personnel of the Company. The targets relate to (a) the EBITDA of the Company for the 3 year period (2020-2022) and (b) the total shareholders' return (TSR).

The relevant liability as at 31.12.2021 amounts to € 3,106 (31.12.2020: € 1,152) and is classified under non-current liabilities.

Defined Benefit Plan

Under Greek labor law (L.2112/1920), employees are entitled to termination payments in the event of retirement in the form of a lump-sum payment with the amount of payment varying in relation to the employee's compensation and length of service. The liability arising from the above obligation is actuarially valued by an independent firm of actuaries. The last actuarial valuation was undertaken in December 2021 (refer also to Note 3.20).

The analysis of the defined benefit plan in the Statement of Financial Position is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020 Restated	31.12.2021	31.12.2020 Restated
Opening balance	834	676	703	565
Current service cost	220	186	177	148
Interest cost	5	8	4	6
Settlement cost (result)	<u>2,535</u>	<u>994</u>	<u>2,151</u>	<u>730</u>
Total amount recognised in Income Statement	2,760	1,188	2,332	885
Actuarial loss arising from financial assumptions	25	7	23	3
Actuarial loss arising from experience adjustment	<u>(48)</u>	<u>8</u>	<u>5</u>	<u>8</u>
Total amount recognised in other comprehensive income	(24)	14	29	11
Payments	<u>(2,618)</u>	<u>(1,045)</u>	<u>(2,214)</u>	<u>(757)</u>
Closing balance	952	834	849	703

The principal actuarial assumptions used in the actuarial valuations as at 31.12.2021 and 31.12.2020 are the following:

	2021	2020
Discount rate	0.60%	0.60%
Expected salary increase percentage	1.80%	1.50%
Average service in the company	0-10.55	20.21-29.23
Inflation rate	1.80%	1.50%

The estimated service cost for the next fiscal year amounts to € 201 for the Company and € 237 for the Group.

The following table shows the change in actuarial liability of the Group and the Company if the discount rate was 0.5% higher or lower than that which has been used and the corresponding change if the expected rate of salary increase was 0.5% higher or lower than the one used:

Sensitivity analysis (Group)	Actuarial liability	Percentage change
Increase in discount rate by 0.5%	915	-4%
Decrease in discount rate by 0.5%	991	4%
Increase of the expected wages' increase by 0.5%	990	4%
Decrease of the expected wages' increase by 0.5%	916	-4%

Sensitivity analysis (Company)	Actuarial liability	Percentage change
Increase in discount rate by 0.5%	817	-4%
Decrease in discount rate by 0.5%	884	4%
Increase of the expected wages' increase by 0.5%	883	4%
Decrease of the expected wages' increase by 0.5%	817	-4%

25. Provisions

The analysis of provisions is as follows:

	GROUP	COMPANY
Balance as at 31.12.2020	10,214	10,212
Provisions of the period	577	576
Provision reversal	(1,193)	(1,193)
Used provision	(79)	(79)
Balance as at 31.12.2021	9,520	9,517

Provisions for the Company and the Group are recognised primarily for probable losses from lawsuits and claims by third parties, agents and employees against the Company.

The Legal Counsel estimations concerning legal claims against the Company and the Group for which a negative outcome is likely, resulted in a provision, including interest, for the Company of € 9,081 and for the Group of € 9,084. The total amount (maximum exposure) of these claims for the Company amounts to € 22,951 and for the Group to € 23,049.

The total cumulative provision as at 31.12.2021 is analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Labor disputes	1,446	2,439	1,446	2,439
Lawsuits from individuals or legal entities	<u>7,637</u>	<u>7,340</u>	<u>7,635</u>	<u>7,337</u>
Total provision	9,084	9,778	9,081	9,776

Furthermore, according to the Legal Counsel third party lawsuits against the Group and the Company have been filed of a total claim of € 341,883 and € 340,993, respectively (31.12.2020: € 363,085 and € 362,166). However, no provision has been recorded as the outcome expected is positive for the Group.

There are no other pending or outstanding court or other administrative authorities' resolutions related to the Company or the Group that we are aware of that might have a material effect on the Group's and the Company's Financial Statements.

26. Other non-current liabilities

Other non-current liabilities are analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Derivative (interest rate swap)	1,453	2,748	1,453	2,748
Grants	520	669	-	-
Payout to the winners	959	327	-	-
Additional consideration for the acquisition of STOIXIMAN LTD	-	95,894	-	-
Other liabilities	<u>2,792</u>	<u>138</u>	-	-
Total	5,724	99,776	1,453	2,748

Derivatives relate to an interest rate swap acquired to hedge the risk of floating rate borrowings. The valuation of the derivative resulted from the difference between the contractual interest rate swap (0.365%) versus the market interest rate of the same derivative as at 31.12.2021.

The additional consideration relating to the acquisition of the subsidiary STOIXIMAN LTD, recognised in 2020, is transferred to other current liabilities, as it is payable until 31.12.2022 (refer to Note 28).

Other liabilities include an amount of € 2,500 which is the long-term liability of STOIXIMAN LTD to the Hellenic Gaming Commission relating to the acquisition of the online betting and other online games licenses.

Payout to winners relate to long term payout to winners of scratch games of HELLENIC LOTTERIES S.A. of € 959 (31.12.2020: € 327).

Grants relate to capital expenditure investments performed by HORSE RACES SINGLE MEMBER S.A. against the operating lease payable to ODIE S.A. for the horse race course and its ancillary premises at Markopoulo, Attica.

27. Trade payables

The analysis of trade payables is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Suppliers (services, assets, etc.)	57,045	51,597	31,162	30,673
Payout to the winners and unclaimed winnings	100,855	89,833	28,099	19,618
Other payables (salaries – subsidies)	908	1,636	394	1,301
Contracts' liabilities	<u>9,378</u>	<u>6,379</u>	<u>2,905</u>	<u>807</u>
Total	168,186	149,444	62,560	52,400

Trade payables are non-interest bearing and are normally settled within 60 days for both the Group and the Company.

In Suppliers (services, assets, etc.), among others, the liability in the online affiliates under the Article 35 of L.4635/2019 is included and as at 31.12.2021 amounts to € 181 (31.12.2020: € 84) and € 149 (31.12.2020: € 0) for OPAP S.A. and STOIXIMAN LTD respectively. It is also noted that during the current year OPAP S.A. cooperated in total with 24 affiliates and STOIXIMAN LTD with 52.

Payout to the winners and unclaimed winnings of the Group and the Company as at 31.12.2021 include payout to winners of € 29,150 (31.12.2020: € 15,435), unclaimed winnings of € 19,936 (31.12.2020: € 19,476), players' e-wallets of € 18,802 (31.12.2020: € 15,523) and finally the payout provision of scratch of € 32,967 (31.12.2020: € 39,398).

Contracts' liabilities refer to deferred revenues of OPAP S.A., HELLENIC LOTTERIES S.A., OPAP CYPRUS LTD and NEUROSOFT S.A. (refer to Note 3.4).

28. Other current liabilities

The analysis of other current liabilities is as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Donations	2,349	2,276	2,349	2,276
Sponsorships	8,466	7,038	730	681
Guarantee deposits from agents	10,967	10,188	8,408	7,846
Wages and salaries	8,696	8,800	7,958	7,944
Dividends and interim dividends payable	2,245	2,401	2,245	2,401
Accrued expenses	13,732	9,267	8,382	4,138
Insurance contributions payable	2,729	3,274	2,151	2,437
Provision stipulated in the Concession Agreement of HELLENIC LOTTERIES S.A.	62,780	37,721	-	-
Contribution on the net revenues	31,002	21,090	13,445	2,234
Other taxes (withholding, VAT)	17,441	10,769	8,797	6,195
Additional consideration for the acquisition of STOIXIMAN LTD	114,303	32,400	-	-
Other liabilities	<u>5,450</u>	<u>2,969</u>	<u>2,004</u>	<u>2,459</u>
Total	280,160	148,194	56,470	38,611

Guarantee deposits from agents represent:

- the amount placed on deposit to jointly secure agents' obligations (the guarantee is paid back when the agent returns the license)
- the amount paid in order the credit limit to be raised

Accrued expenses refer to provisions made regarding expenses incurred in the current period however, as of 31.12.2021 are not yet invoiced. The provisions recorded regarding the online affiliates under the Article 35 of L.4635/2019 amount to € 140 and € 850 for OPAP S.A. and STOIXIMAN LTD, respectively.

Provision stipulated in the Concession Agreement of HELLENIC LOTTERIES S.A. of € 62,780 as at 31.12.2021 (31.12.2020: € 37,721) represents the difference between the actual paid contribution on the net revenues (GGR) of HELLENIC LOTTERIES S.A. for the current and previous period and the minimum amount required by the Concession Agreement of € 50,000, in case that HELLENIC LOTTERIES S.A will be forced to pay (refer to Note 30).

As far as the contribution on the net revenues (GGR) is concerned, it is noted that the amounts resulting from a month's gaming activity are payable during the next month. This is the reason why there is a significant difference between the comparative periods in the contribution on the net revenues for the both, Group and Company, as during December 2020 the OPAP's network remained closed due to the coronavirus (COVID-19) while during December 2021 the OPAP's network was open.

The variation in other taxes is mainly attributed to the players' winning tax which is payable on a 15-days basis. Similarly to the contribution on the net revenues (GGR), the Group's liability as of December 2020 amounted only to € 3,000 while the liability as of December 2021 amounts to € 9,759 .

Finally, the amount of € 114,303 represents the outstanding premium amount of € 13,691 and the outstanding earnout of € 100,612 relating to the acquisition of the subsidiary STOIXIMAN LTD.

29. Dividends

The 21st Annual Ordinary Shareholders General Meeting, held on 17.06.2021, approved the distribution of a gross dividend of € 0.55 per share (in absolute amount) for the fiscal year 2020. The total amount approved for distribution amounted to € 186,778, out of which shareholders who were eligible to receive € 108,387 exercised their option and participated in the reinvestment program of the extra-ordinary dividend. From the remaining amount for distribution (€ 78,391), an amount of € 78,250 has already been paid through cash.

Additionally, the Company's Board of Directors decided during its meeting on 07.09.2021 to distribute a gross dividend € 0.10 per share (in absolute amount) as interim dividend for the fiscal year 2021. The total amount approved for distribution amounted to € 34,933, out of which shareholders who were eligible to receive € 22,445 exercised their option and participated in the reinvestment program of the extra-ordinary dividend. From the remaining amount for distribution (€ 12,488), an amount of € 12,461 has already been paid through cash.

30. GGR contribution and other levies and duties

At the Company's level, as per L. 4389/2016, a 35% contribution is imposed on its revenues (GGR) as from 01.01.2016, instead of 30% that was applicable since 01.01.2013 as per L. 4093/2012, excluding VLTs for which according to the respective concession agreement a 30% GGR contribution is imposed. As per the article 2 of the L. 4093/2012, where it is stated that exceptionally, the 35% contribution on gross gaming revenue for the games (legacy games) conducted by OPAP S.A. pursuant to the agreement of 15.12.2000 and its amendment of 12.12.2011, was in force until 12.10.2020. Onwards, the Company's GGR contribution relating to the legacy games returns to the rate of 30% (refer to Note 2.2).

At Group level and specifically, according to the relevant concession agreements of the subsidiaries HELLENIC LOTTERIES S.A. and HORSE RACES SINGLE MEMBER S.A., a 30% contribution on GGR is imposed. Moreover, based on the Betting Tax of Cyprus introduced in 2012, a betting tax of 13% is imposed on GGR of OPAP SPORTS LTD and STOIXIMAN LTD for its Cypriot operations. It is noted that STOIXIMAN LTD for its Greek operations is charged with 35% contribution GGR. Finally, based on the interstate agreement between Greece and Cyprus, a special levy is paid to the Cypriot State from OPAP CYPRUS LTD.

The amount of contribution on revenues from games for 2021 for the Group amounts to € 494,986 (2020: € 392,518), of which the amount of € 131,105 (2020: € 15,784) relates to STOIXIMAN LTD, and for the Company amounts to € 298,148 (2020: € 311,640). The significant variation observed at Group level between the comparative periods is mainly attributed to the STOIXIMAN LTD fully consolidated period of 12 months for 2021 versus 1 month for 2020.

Finally, the GGR contribution of HELLENIC LOTTERIES S.A. for 2021 and 2020 has been calculated at the minimum amount of € 50,000 per annum stipulated in the Concession Agreement. However, it is noted that HELLENIC LOTTERIES S.A. disagrees with the payment of minimum amount and for this reason it has already appealed to the London Court of International Arbitration (refer to Note 28).

31. Agents' commission

For the Company, the agents' commission is calculated as a percentage on Net Gaming Revenue (NGR) depending on the game, the sales channel and targets achieved.

For the rest companies of the Group, the agents' commission is calculated as a percentage on wagers depending on the game and especially for HELLENIC LOTTERIES S.A, the sales' channel (wholesalers, mini markets, OPAP S.A. sales' network etc.).

32. Other direct costs

The other direct costs refer to the entities of the Group which operate in the gaming sector only, and its level is directly connected with the level of the gaming activity.

The analysis of other direct costs is as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020	2021	2020
Fees to system providers	70,877	54,648	47,978	46,221
Promotional activities	47,310	11,097	17,901	9,599
Financial institutions fees	28,961	3,650	1,697	1,189
Online affiliation fees	<u>13,009</u>	<u>1,147</u>	<u>1,561</u>	<u>223</u>
Total	160,157	70,542	69,137	57,232

At Group level, the significant increase between the two comparative periods is mainly driven by the STOIXIMAN LTD fully consolidated period of 12 months for 2021 versus 1 month for 2020. As far as the nature of the expenses classified under the relevant category is concerned, the fees to system providers relate to commissions to the gaming platform providers, the promotional activities relate to the additional incentives provided to players, the financial institutions' fees relate to the finance cost occurred regarding the completion of the online players' transactions and finally, the online affiliation fees under the Article 35 of L.4635/2019 include fees of certain providers that comply with the provisions of the aforementioned law

relating to the promotion of the online games by placing links at their websites. More specifically, the affiliation fee for the current period amounts to € 1,561 (2020: € 223) and € 10,317 (2020: € 850) for OPAP S.A. and STOIXIMAN LTD respectively.

33. Other operating income

The analysis of other operating income is as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020	2021	2020
Commission on New Year's Eve Lottery	1,568	-	-	-
Revenues from prepaid cards, mobile top-ups and bill payments	83,862	84,260	-	-
Revenue from IT services	8,208	7,496	-	-
Management fees	-	-	26,462	23,903
Income from subsidies	13,958	14,360	12,705	12,321
Gain from disposal of subsidiary	-	-	-	8,336
Other income	<u>16,139</u>	<u>17,694</u>	<u>11,444</u>	<u>13,984</u>
Total	123,735	123,811	50,610	58,545

The Commission on New Year's Eve Lottery refers to the commission that HELLENIC LOTTERIES S.A. is entitled to receive regarding the operation and conduction of the relevant draw at the last day of each year and equals to 17% on the amounts wagered. No relevant draw conducted for the year 2020 due to the impact of coronavirus (COVID-19).

Revenues from prepaid cards, mobile top-ups and bill payments include the revenues from TORA DIRECT SINGLE MEMBER S.A. and TORA WALLET SINGLE MEMBER S.A.. Specifically, from the total amount of other income of € 83,862 in 2021 (2020: € 84,260), an amount of € 74,196 (2020: € 76,826) refers to revenues where the aforementioned subsidiaries act as principals, while an amount of € 5,356 (2020: € 3,967) refers to commissions where they act as agents and, finally, an amount of € 4,311 (2020: € 3,468) refers to commission from bill payments services.

Revenue from IT services relates to the NEUROSOFT S.A. income for the provision of IT services and consulting and the sale of software and other technological products.

The Company's management fees mainly include Service Level Agreements ("SLA") fees from its subsidiaries OPAP CYPRUS LTD, HELLENIC LOTTERIES S.A. and HORSE RACES SINGLE MEMBER S.A. which are eliminated for Group purposes.

Income from subsidies, at Group level, includes primarily a 25% discount on certain tax liabilities amounting to € 9,590 in 2021 (2020: € 12,251) and the 100% leases discount of € 4,000 (2020: € 1,829), which both relate to the measures introduced by the Greek authorities against to coronavirus (COVID-19) impact.

The 2020 Company's gain from disposal of subsidiary referred to a gain of € 8,336 relating to the disposal of HORSE RACES SINGLE MEMBER S.A. to OPAP INVESTMENT LTD.

Finally, other income of the Group in 2021 includes, among others, an amount of € 3,582 which represents tax return from the Maltesian tax authorities (2020: € 2,593), € 1,652 income from sales of PLAY Gaming Halls and Opap Stores construction (2020: € 2,207), € 5,027 income from the services provided to the Opap Stores and PLAY Gaming Halls (2020: € 4,600) and income from operating leases of € 2,673 (2020: € 3,930).

34. Other operating income related to the extension of the concession of the exclusive right 2020-2030

As per the Supplementary agreement between the Company and the Hellenic Republic Asset Development Fund (HRADF) dated 12.12.2011 and its subsequent amendment on 29.04.2013 relating to the Company's 10-year extension of the exclusive right up to 12.10.2030, a proportion equal to 80% of the absolute consideration for the extension which amounted to € 375,000 in total represents a GGR contribution prepayment of the Company for the extended period. This 80% proportion of the Absolute consideration equals to € 300,000 the future value of which was defined at the time that the extension was entered into at € 1,831,200 to be allocated to the 10 years of the extension. For 2021 the portion of the prepaid contribution of € 1,831,200, adjusted for any corporate tax impact, amounts to € 217,373 while for the period from 13.10.2020 to 31.12.2020 this amounted to € 42,465. The expense has been classified under 'GGR contribution and other levies and duties' and simultaneously, as an income under 'Other operating income related to the extension of the concession of the exclusive right 2020-2030'.

35. Other operating cost

The other operating cost of the Group in 2021 includes the consumption of TORA DIRECT SINGLE MEMBER S.A. phone cards amounting to € 72,048 (2020: € 74,407), the cost of the sold PLAY Gaming Halls of OPAP S.A. of € 1,016 (2020: € 1,559) as well as the consumption of NEUROSOFT S.A. goods of € 1,351 (2020: € 1.643) for the production and development of software and IT systems.

36. Payroll expenses

The analysis of payroll expenses of the Company and the Group is as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020 Restated	2021	2020 Restated
Wages and salaries	58,457	61,545	47,552	50,643
Social security costs	11,580	13,081	9,374	10,659
Other staff costs	1,518	1,413	1,056	1,099
Employee benefit plans	2,173	1,338	2,130	1,300
Termination compensations	<u>2,535</u>	<u>1,005</u>	<u>2,151</u>	<u>730</u>
Total	76,263	78,381	62,263	64,431

The number of employees of the Company as at 31.12.2021 and 31.12.2020 is 1,127 and 1,158 respectively, while the employees of the Group at the same dates are 1,612 and 1,503 respectively.

37. Marketing expenses

The analysis of marketing expenses is as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020	2021	2020
CSR and sponsorships	27,568	17,940	13,322	12,984
Advertising	<u>63,068</u>	<u>36,913</u>	<u>33,369</u>	<u>26,693</u>
Total	90,636	54,853	46,691	39,677

At Group level, the significant increase between the comparative periods is mainly driven by the STOIXIMAN LTD fully consolidated period of 12 months for 2021 versus 1 month for 2020.

The Group's CSR expense for the year 2021 amounts to € 5,243 (2020: € 5,007) and the sponsorships expense to € 22,324 (2020: 12,933). At Company's level, the relevant expenses amount to € 4,632 (2020: € 4,973) and € 8,690 (2020: € 8,011).

38. Other operating expenses

The analysis of other operating expenses is as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020	2021	2020
IT related costs	32,731	17,190	24,894	21,364
Utilities & Telecommunication costs	11,478	11,373	11,452	11,452
Rentals	548	1,070	315	561
Other	106,065	69,089	36,394	40,437
Inventory consumption	3,569	3,691	3,292	3,377
Impairment of investment in subsidiaries	-	-	-	<u>5,500</u>
Total	154,392	102,413	76,347	82,692

At Group level, the significant increase observed between the comparative periods is mainly attributed to the STOIXIMAN LTD fully consolidated period of 12 months for 2021 versus 1 month for 2020.

The Group IT related cost in 2021, among others, includes fees for technological support of information systems (other than gaming platforms) of € 3,987 (2020: € 3,547), repair and maintenance of € 10,765 (2020: € 8,804) and use of software licenses of € 17,059 (2020: € 4,277) of which the amount of € 12,612 comes from STOIXIMAN LTD.

The rentals classified under the other operating expenses refer to short term and variable leases which are excluded from the IFRS 16 accounting treatment.

The Group subcategory 'other' includes a wide range of expenses, operating or not, such as professional fees of € 74,110 (2020: 35,017) of which the amount of € 41,983 comes from STOIXIMAN LTD , taxes (other than Income tax) of € 2,313 (2020: € 2,292), consumables of € 1,980 (2020: € 2,485) , extraordinary and prior year expenses of € 3,811 (2020: € 1,586), subscriptions of € 2,720 (2020: € 2,416), insurance cost of € 1,772 (2020: 1,469), financial support that the Company paid to its agents' network of € 2,570 (2020: € 5,161) in relation to the measures undertaken due to the coronavirus (COVID-19) impact etc.

As far as the Company's previous period 'other' expenses are concerned, it is noted that a litigation provision expense of € 5,359 had been incorporated.

The 2020 Company's impairment of investment in subsidiaries referred to an impairment in its investment in OPAP INTERNATIONAL LTD of € 5,500.

39. Finance income / (costs)

The analysis of finance income and cost is as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020 Restated	2021	2020 Restated
Interest expense on lease obligations	(1,993)	(2,269)	(835)	(1,031)
Interest and expenses of bond loans	(33,200)	(36,812)	(32,446)	(35,444)
Other financial expenses	(6,057)	(2,213)	(1,505)	(1,043)
Capital cost of employee benefit plans	(5)	(8)	(4)	(6)
Discounting interest on receivables	<u>(4,597)</u>	<u>(2,437)</u>	<u>(4,550)</u>	<u>(2,435)</u>
Finance cost	(45,852)	(43,740)	(39,339)	(39,959)
Bank deposits	176	1,266	95	797
Interest income from loans to third parties	108	740	824	594
Other financial income	177	8,279	141	8,136
Reversal of previous period discount interest	1,578	-	569	-
Discounting interest of payables	<u>251</u>	<u>-</u>	<u>-</u>	<u>-</u>
Finance income	2,288	10,286	1,629	9,527
Net finance costs	(43,564)	(33,454)	(37,711)	(30,432)

The discounting interest of the Group and the Company includes primarily the discounting of the 'Additional consideration' relating to the license extension 2020-2030 of € 4,550 (2020: € 1,519) which, as of 31.12.2021 is a receivable of € 55,854 and has been discounted for 112 months. In the comparative period, the Company discounted the long term receivable of the agents relating to the construction cost of € 7,249 and the respective interest cost amounted to € 916. The unwinding of the aforementioned cost in the current period amounts to € 569 and is included in 'Reversal of previous period discount interest'.

40. Dividend income

The Company recognised dividend income from subsidiaries in 2021 amounting to € 4,000 (2020: € 5,500). Specifically, the dividend from OPAP CYPRUS LTD in 2021 amounted to € 3,000 (2020: € 4,000) and from OPAP SPORTS LTD € 1,000 (2020: € 1,500).

41. Income tax expense

The income tax charged to the Statement of profit or loss and other comprehensive income for the years ended 31 December 2021 and 2020 is analysed as follows:

Amounts recognised in profit or loss

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020 Restated	2021	2020 Restated
Current tax	(81,334)	(29,947)	(55,738)	(24,328)
Deferred tax	(14,336)	12,647	(16,664)	(3,954)
Deferred tax – Effect due to change in the income tax rate	<u>(723)</u>	=	<u>2,075</u>	=
Income tax expense	(96,393)	(17,300)	(70,327)	(28,282)
Effective tax rate	27.0%	8.0%	21.0%	21.8%

Amounts recognised in other comprehensive income

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020 Restated	2021	2020 Restated
Deferred tax	(339)	57	(328)	56
Deferred tax – Effect due to change in the income tax rate	<u>(6)</u>	=	<u>(6)</u>	=
Total	(345)	57	(334)	56

According to Law 4799/2021, the corporate income tax rate in Greece is reduced from 24% to 22% for fiscal years 2021 onwards.

The corporate income tax rate in Cyprus is 12.5% and in Malta 35%.

Based on International Accounting Standard 12 “Income Taxes” deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply at the period of realization, provided they are enacted or substantively enacted at the reporting date.

The accumulated tax losses of certain Group’s entities as of 31.12.2021 amount to € 92,056 (2020: € 91,191). Based on the approved business plans and the management estimations relating to the utilisation of the future taxable income the tax losses for which a deferred tax asset of € 324 recognised amounts to € 1,471, while for the remaining tax losses of € 90,585 no deferred tax asset could be recognised.

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 profit before tax multiplied by tax rates in force in Greece (2021: 22%, 2020: 24%) is as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020 Restated	2021	2020 Restated
Profit before tax	357,265	216,407	335,288	129,652
Tax calculated at the Company's statutory tax rate (2021: 22%, 2020: 24%)	(78,598)	(51,938)	(73,763)	(31,117)
Tax adjustments in respect of:				
Effect of different tax rates in other countries	(5,653)	397	-	-
Tax effect of non-deductible expenses	(2,804)	(5,770)	282	(5,913)
Tax effect of non-taxable income	2,685	6,013	3,297	6,469
Effect of unrecognized deferred tax asset on tax carry forward losses	(9,224)	(3,286)	-	-
Tax relating to prior periods	(2,315)	1,060	(2,315)	1,061
Effect from tax rate change	(730)	-	2,069	-
Impairment of investment in subsidiaries	-	-	-	(1,320)
Gain from disposal of subsidiary	-	-	-	2,001
Impairment loss in goodwill for which no deferred tax is recognized	-	(3,000)	-	-
Gain from remeasurement of previously held equity interest for which no deferred tax is recognized	-	34,240	-	-
Effect of participating in share of profit of associates	(97)	4,391	-	-
Effect of accumul. tax loss claimed in the current period	-	55	-	-
Other taxes	374	568	103	537
Other items for which no deferred tax asset is recognized	<u>(29)</u>	<u>(31)</u>	-	-
Income tax expense	(96,393)	(17,300)	(70,327)	(28,282)

42. Earnings per share

The basic and diluted earnings per share are calculated as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020 Restated	2021	2020 Restated
Net profit attributable to the shareholders of the Company (in €)	259,426,881	205,166,563	264,960,545	101,370,308
Weighted average number of ordinary shares	343,864,110	334,289,647	343,864,110	334,289,647
Basic and diluted earnings per share (in €)	0.7544	0.6137	0.7705	0.3032

Basic and diluted earnings per share are the same, as the Company has no dilutive potential categories.

The weighted average number of shares on 31.12.2021 is calculated as follows:

	2021	2020
Issued ordinary shares at 1 January	341,426,387	321,623,443
Effect of treasury shares held	(1,829,624)	(1,829,624)
Effect of new shares issuance	<u>4,267,347</u>	<u>14,495,828</u>
Weighted-average number of ordinary shares at 31 December	343,864,110	334,289,647

43. Related party disclosures

The Group's Financial Statements for the year 2021 were consolidated by SAZKA Group a.s..

The term "related parties" includes not only the Group's companies, but also companies in which the parent participates in their share capital with a significant percentage, companies that belong to parent's main shareholders, companies controlled by members of the BoD or key management personnel, as well as close members of their family.

The Group's and the Company's income and expenses for the years of 2021 and 2020 as well as the balances of receivables and payables for the same period that have arisen from related parties' transactions, as defined by IAS 24, as well as their relevant figures are analysed as follows:

COMPANY	Expenses & Assets' Purchases		Income	
	01.01- 31.12.2021	01.01- 31.12.2020	01.01- 31.12.2021	01.01- 31.12.2020
OPAP SPORTS LTD	-	-	1,000	1,500
OPAP CYPRUS LTD	784	765	25,529	24,446
HELLENIC LOTTERIES S.A.	-	-	3,796	3,325
HORSE RACES SINGLE MEMBER S.A.	-	9	750	411
TORA DIRECT SINGLE MEMBER S.A.	252	309	430	391
TORA WALLET SINGLE MEMBER S.A.	654	534	195	202
NEUROSOFT S.A.	<u>7,711</u>	<u>8,209</u>	-	-
Total	9,402	9,826	31,701	30,275

GROUP	Expenses & Assets' Purchases		Income	
	01.01- 31.12.2021	01.01- 31.12.2020	01.01- 31.12.2021	01.01- 31.12.2020
Other related parties	<u>48,135</u>	<u>16,542</u>	-	<u>144</u>
Total	48,135	16,542	-	144

COMPANY	Receivables (excl. loans)		Payables (excl. loans)	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
OPAP CYPRUS LTD	13,873	11,669	1,300	63
HELLENIC LOTTERIES S.A.	4,202	3,362	13	11
HORSE RACES SINGLE MEMBER S.A.	270	300	10	10
TORA DIRECT SINGLE MEMBER S.A.	155	323	186	94
TORA WALLET SINGLE MEMBER S.A.	620	661	311	296
NEUROSOFT S.A.	<u>33</u>	-	<u>1,788</u>	<u>1,295</u>
Total	19,153	16,315	3,607	1,770

GROUP	Receivables		Payables	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Other related parties	<u>3,495</u>	<u>144</u>	<u>9,979</u>	<u>1,533</u>
Total	3,495	144	9,979	1,533

COMPANY	Loans to subsidiaries	
	31.12.2021	31.12.2020
HORSE RACES SINGLE MEMBER S.A.	-	5,250
TORA DIRECT SINGLE MEMBER S.A.	<u>3,500</u>	<u>3,500</u>
	3,500	8,750

COMPANY	Loans from subsidiary	
	31.12.2021	31.12.2020
OPAP CYPRUS LTD	<u>30,175</u>	<u>20,163</u>
	30,175	20,163

The Company's income from transactions with related parties mainly refers to income from royalties and supporting services, while the respective expenses mainly refer to IT related costs. The Group's expenses mostly relate to consulting fees.

Additionally, the Company has granted total corporate guarantees of € 104,375 in 2021 (2020: € 104,375) in favor of HELLENIC LOTTERIES S.A.. From this amount, € 41,750 (2020: € 41,750) is a corporate guarantee for the loan of HELLENIC LOTTERIES S.A. from Alpha bank and € 62,625 (2020: € 62,625) is a guarantee to HRADF regarding the minimum amount per annum stipulated in the Concession Agreement. Additionally, the Company has granted corporate guarantees of € 1,100 (2020: € 550) in favor of OPAP SPORTS LTD and € 1,000 (2020: € 0) in favor of NEUROSOFT S.A..

Finally, the Company intends to provide financial support to its subsidiaries, if it is deemed necessary.

Senior members of Management have received the following remuneration:

MANAGEMENT PERSONNEL	GROUP & COMPANY	
	01.01-31.12.2021	01.01-31.12.2020
Salaries	3,641	4,453
Other compensations	20	10
Cost of social insurance	<u>195</u>	<u>226</u>
Total	3,855	4,688

BOARD OF DIRECTORS	GROUP		COMPANY	
	01.01-31.12.2021	01.01-31.12.2020	01.01-31.12.2021	01.01-31.12.2020
Salaries	837	828	364	358
Cost of social insurance	<u>90</u>	<u>88</u>	<u>63</u>	<u>65</u>
Total	927	916	428	423

It should be noted that Group key management personnel is comprised only by the Company's executives.

Liabilities from BoD compensation & remuneration	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
BoD and key management personnel	<u>170</u>	<u>141</u>	<u>169</u>	<u>139</u>
Total	170	141	169	139

All the above intercompany transactions have been dealt at arm's length.

All the inter-company transactions and balances of the above have been eliminated in the consolidated Financial Statements of the Group.

44. Other disclosures

Contingent liabilities

Tax liabilities

The companies of the Group subject to tax audit by legal auditors, were tax audited by their Certified Auditors Accountants, according to the terms of article 82, par. 5 of the Law 2238/1994 and the article 65A, par. 1 of L. 4174/2013 that has been accordingly revised by L. 4262/2014, and received Tax Compliance Reports without differences.

More specifically, the audited tax years by Certified Auditors are:

Company's Name	Fiscal Years
OPAP S.A.	2011-2021
HELLENIC LOTTERIES S.A.	2014-2021
TORA DIRECT SINGLE MEMBER S.A.	2011-2021
TORA WALLET SINGLE MEMBER S.A.	2017-2021
NEUROSOFT S.A.	2011-2021
HORSE RACES SINGLE MEMBER S.A.	2016-2021

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 liabilities for these fiscal years 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.

Additionally, the fiscal years 2015 and 2016 for the subsidiaries HORSE RACES SINGLE MEMBER S.A and TORA WALLET SINGLE MEMBER S.A. respectively, are considered tax unaudited as the audit has not yet been finalized by the tax authorities.

As far as the work of the Certified Auditors Accountants for the tax compliance report of the current year is concerned, it should be noted that it is currently in progress and it will not have been finalized prior to the publication of the annual Financial Statements. However, no material additional tax liabilities are expected.

Group companies' outside Greece have not been tax audited for the below years:

Company's Name	Fiscal Years
OPAP CYPRUS LTD	2013 – 2021
OPAP SPORTS LTD	2020 – 2021
OPAP INTERNATIONAL LTD	2004 – 2005 & 2013 – 2021
OPAP INVESTMENT LTD	2012 – 2021
STOIXIMAN LTD	2020-2021

OPAP S.A. has appealed to the administrative courts, awaiting the hearing, for the imposition in 2014 of additional taxes and surcharges for the fiscal year 2010 of a total amount of € 29,568. This amount has already been paid to the respective authorities.

Off balance sheet assets and liabilities

The guarantees that the Group and the Company have received as well as granted in order to secure their assets/liabilities are stated below:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Receivables securing	<u>15,067</u>	<u>21,064</u>	<u>2,541</u>	<u>2,372</u>
Guarantees received	15,067	21,064	2,541	2,372
Guarantees to HRADF	78,500	78,500	-	-
Other guarantees	<u>48,437</u>	<u>47,885</u>	<u>109,426</u>	<u>106,456</u>
Guarantees granted	126,937	126,385	109,426	106,456

It is noted that out of the total of the above guarantees to HRADF as of 31.12.2021, € 75,000 (31.12.2020: € 75,000) are related to HELLENIC LOTTERIES S.A. and € 3,500 (31.12.2020: € 3,500) to HORSE RACES SINGLE MEMBER S.A. and refer to the obligations arising from the respective concession agreements.

The Company has granted total corporate guarantees as 31.12.2021 of € 104,375 (31.12.2020: € 104,375) in favor of HELLENIC LOTTERIES S.A.. From this amount, € 41,750 (31.12.2020: € 41,750) is a corporate guarantee for the loan of HELLENIC LOTTERIES S.A. from Alpha bank and € 62,625 (31.12.2020: € 62,625) is a guarantee to HRADF regarding the minimum amount per annum stipulated in the Concession Agreement. Additionally, the Company has granted corporate guarantees of € 1,100 (31.12.2020: € 550) in favor of OPAP SPORTS LTD and € 1,000 (31.12.2020: € 0) in favor of NEUROSOFT S.A..

Other than that, the subsidiary HELLENIC LOTTERIES S.A. is committed to pay on an annual basis 30% of the gross gaming revenue generated from the Greek State Lotteries (with the exception of the New Year's Lottery) to the Greek State; however such amount is not to be less than € 50,000 for the following years of its operation. In addition, the subsidiary HORSE RACES SINGLE MEMBER S.A. is committed to allocate 1.5% of the gross gaming revenue to the Jockey Club for its operational costs with a minimum annual allocation of € 500 up to a limit of € 200,000 of total amounts wagered and 0.5% over this limit for the following years of its operation.

45. Financial instruments and financial risk factors

Fair value and fair value hierarchy

The Group 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 Group's and the Company's financial instruments that are carried at amortized cost to their fair value:

GROUP	Carrying value		Fair value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Financial assets				
Loans receivable	5,133	6,942	5,133	6,942
Trade receivables	92,959	75,728	92,959	75,728
Cash and cash equivalents	860,361	506,873	860,361	506,873
Housing loans to personnel and other financial assets	206	189	206	189
Guarantee deposits	2,614	1,263	2,614	1,263
Other receivable - revenue receivable	18,939	7,537	18,939	7,537
Investments	3,633	4,629	3,633	4,629
Financial liabilities				
Long term borrowings	991,673	1,007,830	996,814	1,024,809
Short term borrowings	54,965	33,036	55,027	32,252
Trade payables (excluding contracts' liabilities)	158,808	143,065	158,808	143,065
Liabilities arising from derivatives (swap)	1,453	2,748	1,453	2,748
Lease liabilities	51,007	57,743	51,007	57,743
Other financial liabilities	158,869	160,330	158,869	160,330

COMPANY	Carrying value		Fair value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Financial assets				
Loans receivable	7,848	13,918	7,848	13,918
Trade receivables	51,294	34,094	51,294	34,094
Cash and cash equivalents	609,088	279,491	609,088	279,491
Housing loans to personnel	130	189	130	189
Guarantee deposits	934	1,133	934	1,133
Lease receivable	9,602	7,068	9,602	7,068
Financial liabilities				
Long term borrowings	941,517	957,440	947,197	973,924
Short term borrowings	82,677	52,692	82,733	52,040
Trade payables (excluding contracts' liabilities)	59,655	51,592	59,655	51,592
Liabilities arising from derivatives (swap)	1,453	2,748	1,453	2,748
Lease liabilities	22,354	27,079	22,354	27,079
Other financial liabilities	21,873	17,400	21,873	17,400

The fair value of long-term and short-term borrowings is based on either quoted (unadjusted) prices or on future cash flows discounted. The fair value of other financial assets and financial liabilities approximates their carrying amounts.

Financial risk management

Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece and Cyprus so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's operations. Based on its current assessment, it has concluded that no additional impairment is required with respect to the Group's financial and non-financial assets as of 31.12.2021.

Next, we present the main risks and uncertainties which the Group is exposed.

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 Group and the Company or the value of financial instruments held. The management of market risk consists in the effort of the Group and the Company to control their exposure to acceptable limits.

The individual risks that comprise market risk, namely interest rate and currency risk, and the Group's and the Company's policies for managing them are described below.

Interest rate risk

The Group is exposed to interest rate risk due to the unhedged portion of its outstanding debt. The Group follows all market developments concerning the interest rate environment and acts accordingly. The existing debt facilities, as of 31.12.2021, stand at € 1,046,638 and € 1,024,193 for the Group and the Company respectively, which are analysed as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Fixed rate borrowings	646,484	595,215	676,558	564,966
Floating rate borrowings	<u>400,154</u>	<u>445,651</u>	<u>347,635</u>	<u>445,166</u>
Total	1,046,638	1,040,866	1,024,193	1,010,132

Floating-rate borrowings include loan agreements which have been hedged through interest rate swap and represent as at 31.12.2021 approx. 24% (31.12.2020: 28%) of the total floating-rate borrowings of the Group and the Company, respectively.

The Group follows all market developments and acts in a timely manner when needed.

The effect of interest rate swap on the financial statements of the Group and the Company is as follows:

Interest rate swap	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Carrying amount (non-current liability)	1,453	2,748	1,453	2,748
Notional amount	100,000	100,000	100,000	100,000
Maturity date	2023	2023	2023	2023
Hedge ratio	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 January	1,296	(224)	1,296	(224)

The following table demonstrates the sensitivity to a change in interest rates on borrowings to the income statement.

If interest rates were to increase by 1.0%, the impact on profits after tax would be:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Impact on profit after tax	(1,510)	(2,381)	(1,480)	(2,353)

If interest rates were to decrease by 1.0%, the impact on profits after tax would be:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Impact on profit after tax	396	315	396	315

Currency risk

Currency risk is the risk that the fair values of the cash flows of a financial instrument fluctuate due to foreign currency changes. Group operates in Greece and Cyprus, and there are not any agreements with suppliers in currencies other than in euro. All revenues from games are in euro, transactions and costs are denominated or based in euro, subsequently, there is not any substantial foreign exchange risk. Additionally, the vast majority of Group's cost base is, either proportional to our revenues (i.e. payout to winners, agents commission, vendors' revenue – based fees) or to transactions with domestic companies (i.e. IT, marketing).

Capital Management

The primary objective of the Group and 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 Group maintains a solid capital structure, as depicted in the Net Debt/EBITDA ratio of 0.4x as of 31.12.2021.

Net debt includes short-term and long-term borrowings as well as long-term and short-term lease liabilities, less cash and cash equivalents and short-term and long-term investments.

In addition, it retains an efficient cash conversion cycle thus optimizing the operating cash required in order to secure its daily operations, while diversifying its cash reserves to achieve flexible working capital management.

The Group manages the capital structure and makes the necessary adjustments to conform to changes in business and economic environment in which they operate. The Group and the Company in order to optimize the capital structure, may adjust the dividend paid to shareholders, return capital to shareholders or issue new shares.

The capital structure for the years 2021 and 2020 is as follows:

Period that ended on December 31	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Long-term borrowings	991,673	1,007,830	941,517	957,440
Short-term borrowings	54,965	33,036	82,677	52,692
Long-term lease liabilities	43,507	50,112	16,989	22,011
Short-term lease liabilities	<u>7,500</u>	<u>7,631</u>	<u>5,365</u>	<u>5,068</u>
Total debt	1,097,645	1,098,609	1,046,548	1,037,211
Minus : Cash and cash equivalents	(860,361)	(506,873)	(609,088)	(279,491)
Minus : Short & long-term investments	<u>(3,633)</u>	<u>(4,629)</u>	-	-
Net debt	233,651	587,107	437,459	757,720
Total Equity	949,372	782,710	815,022	640,045
Profit before interest, tax, depreciation and amortization (EBITDA) last twelve months	550,296	260,715	479,959	246,941
Total debt / Total Equity	115.6%	140.4%	128.4%	162.1%
Net debt / Profit before interest, tax, depreciation, amortization and impairment (EBITDA)	0.4	2.3	0.9	3.1

Credit risk

The Group's exposure to credit risk arises from its operating activities and more specifically on the collection process of its franchise-like model of operation. The above-mentioned process leaves the Group exposed to the risk of financial loss if one of its counterparties fails to meet its financial obligations. The carrying value of financial assets at each reporting date is the maximum credit risk to which the Group is exposed. In order to mitigate the aforementioned risk, OPAP 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.

Impairment of financial assets

The Group and the Company have the following types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Loans to third parties
- Short-term & long-term investments
- Guarantee deposits
- Other financial assets.

While cash and cash equivalents are also subject to the impairment under IFRS 9, the identified impairment loss was not significant due to the fact that the cash and cash equivalents of the Group and the Company are held at reputable European financial institutions.

The Group and the Company apply the IFRS 9 simplified approach to measure expected credit losses. The impairment provision is always measured at an amount equal to the expected credit loss over the lifetime of the claim. To determine expected credit losses in relation to trade receivables, the Group and the Company use a credit loss provision matrix. The credit loss provision matrix is based on the maturity of balances, on historical data of the Group and the Company regarding credit losses, adjusted for future factors in relation to debtors and the financial environment.

The remaining financial assets are considered to have low credit risk, therefore the Group 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 date of the Statement of Financial Position are analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
<i>Financial Assets Categories</i>				
Loans receivable	5,133	6,942	7,848	13,918
Trade receivables	92,959	75,728	51,294	34,094
Cash and cash equivalents	860,361	506,873	609,088	279,491
Housing loans to personnel and other financial assets	206	189	130	189
Guarantee deposits	2,614	1,263	934	1,133
Other receivable - revenue receivable	18,939	7,537	9,602	7,068
Investments	3,633	4,629	-	-
Total	983,845	603,161	678,896	335,893

All financial assets in the above table are not yet due except for doubtful trade receivables. The latter, along with receivables by agents are also impaired. Both these categories are included in Trade Receivables (see Note 16) and are covered through loss allowance.

The loss allowances for trade receivables assets as at 31 December reconcile to the opening loss allowances as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Opening loss allowance	46,104	41,575	40,142	38,953
Increase in loss allowance recognised during the year	92	5,383	-	2,044
Unused amount reversed	(1,354)	-	(906)	-
Receivables written off during the year	(581)	(855)	(581)	(855)
Closing loss allowance	44,260	46,104	38,655	40,142

The loss allowances for other current assets as at 31 December reconcile to the opening loss allowances as follows:

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Opening loss allowance	20,111	4,712	12,353	2,245
Increase in loss allowance recognised during the year	-	15,399	-	10,107
Unused amount reversed	-	-	(8,250)	-
Receivables written off during the year	(3,705)	-	(3,705)	-
Closing loss allowance	16,406	20,111	397	12,353

During the year, the following losses were recognised in income statement in relation to impaired financial assets:

Net impairment losses on financial assets	GROUP		COMPANY	
	01.01-31.12.2021	01.01-31.12.2020	01.01-31.12.2021	01.01-31.12.2020
Impairment losses on short term trade receivables	(92)	(4,136)	-	(2,044)
Impairment losses on long term trade receivables	-	(1,247)	-	-
Impairment losses on other non-current assets	-	-	-	(1,750)
Impairment losses on other current assets	-	(15,399)	-	(10,107)
Reversal of previous impairment losses	1,354	19	10,906	-
Write-off of short term trade receivables	(1,764)	(691)	(1,764)	(628)
Total	(501)	(21,455)	9,143	(14,529)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by performing a detailed forecasting analysis of the inflows and outflows of the Group 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 Group's loan portfolio
- Operating Expenses
- Capital Expenditure
- Extraordinary inflows and outflows

The Group 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 analysis of the undiscounted contractual payments of the financial liabilities of the Group and the Company is as follows:

GROUP	Short Term		Long Term			Total contractual cash flows
	Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years	
31.12.2021						
Long term borrowings	-	-	380,092	270,206	350,000	1,000,298
Short term borrowings	-	52,293	-	-	-	52,293
Trade payables (excluding contracts' liabilities)	125,841	32,967	-	-	-	158,808
Liabilities arising from derivatives (swap)	-	-	1,453	-	-	1,453
Lease liabilities	4,583	4,543	8,374	18,449	24,952	60,901
Other financial liabilities	<u>119,011</u>	<u>32,376</u>	<u>1,601</u>	<u>1,749</u>	<u>438</u>	<u>155,175</u>
Total	249,435	122,180	391,520	290,404	375,390	1,428,928

COMPANY	Short Term		Long Term			Total contractual cash flows
	Within 6 months	6 till 12 months	1 to 2 years	2 to 5 years	Over 5 years	
31.12.2021						
Long term borrowings	-	-	380,000	220,000	350,000	950,000
Short term borrowings	-	80,001	-	-	-	80,001
Trade payables (excluding contracts' liabilities)	59,655	-	-	-	-	59,655
Liabilities arising from derivatives (swap)	-	-	1,453	-	-	1,453
Lease liabilities	3,003	2,996	5,475	10,669	1,919	24,062
Other financial liabilities	<u>11,461</u>	<u>8,408</u>	-	-	-	<u>19,869</u>
Total	74,119	91,404	386,928	230,669	351,919	1,135,038

GROUP	Short Term		Long Term			Total contractual cash flows
	Within 6 months	6 till 12 months	1 to 2 years	2 to 5 years	Over 5 years	
31.12.2020						
Long term borrowings	-	-	80,092	740,298	200,000	1,020,389
Short term borrowings	46	30,328	-	-	-	30,374
Trade payables (excluding contracts' liabilities)	103,668	39,398	-	-	-	143,065
Liabilities arising from derivatives (swap)	-	-	-	2,748	-	2,748
Lease liabilities	5,301	5,231	9,690	22,295	30,860	73,377
Other financial liabilities	<u>52,249</u>	<u>17,211</u>	<u>111</u>	<u>302</u>	<u>65</u>	<u>69,938</u>
Total	161,264	92,168	89,892	765,643	230,925	1,339,892

COMPANY	Short Term		Long Term			Total contractual cash flows
	Within 6 months	6 till 12 months	1 to 2 years	2 to 5 years	Over 5 years	
31.12.2020						
Long term borrowings	-	-	80,000	690,000	200,000	970,000
Short term borrowings	-	50,002	-	-	-	50,002
Trade payables (excluding contracts' liabilities)	51,592	-	-	-	-	51,592
Liabilities arising from derivatives (swap)	-	-	-	2,748	-	2,748
Lease liabilities	3,528	3,481	6,540	14,216	5,330	33,095
Other financial liabilities	<u>8,663</u>	<u>8,737</u>	-	-	-	<u>17,400</u>
Total	63,784	62,220	86,540	706,964	205,330	1,124,838

Impact of coronavirus (COVID-19) outbreak

The outbreak of coronavirus (COVID-19) has affected business and economic activity around the world, including Greece and Cyprus. The rapid evolution of the virus and the subsequent Governments' interventions along with the related restrictions have resulted in the suspension of the Company's and the Group's retail operations and significantly impacted the Group's financial results and operational performance in the current reporting period since OPAP's business is heavily weighted towards retail. In Greece, OPAP's retail network remained closed since the beginning of the year up until 12.04.2021 when the OPAP stores resumed operations and street vendors restarted the distribution of HELLENIC LOTTERIES S.A. products (Scratch & Passive lotteries) as of the same date. Moreover, on 24.05.2021 the VLTs operations restarted while the horseracing facility in Markopoulo Park reopened on 17.05.2021. Finally, OPAP stores in Cyprus remained closed with local lockdowns for a total 41 days. Despite the fact that both the revenues and the profitability of the OPAP Group were notably affected by the aforementioned retail network suspension, the overall financial performance was supported by the significant growth of the online along with the increased contribution of STOIXIMAN LTD. Following the stores' re-opening after the lifting of the lockdown, all retail activities operated continuously albeit with in place restrictions varying from time to time. It is noted though, that having reached crucial immunity levels alongside the decreased mortality of the latest Omicron variant, likewise other countries around the globe, Greece is gradually easing restrictions as well.

In this environment, OPAP proceeded with the implementation of a set of decisive actions following Government guidelines in response to coronavirus (COVID-19) to proactively protect its employees and support its network while at the same time assuring its business continuation. The Group Management implemented work from home for employees. At the same time, business trips were limited to those absolutely necessary and trainings and meetings were carried out remotely. Moreover, the cleaning and disinfection of the facilities, as well as the guidance of the human resources in the field of personal hygiene was intensified.

On top to the above mentioned actions, the Group has considered the impact of coronavirus (COVID-19) on the measurement of non-financial and financial assets and the related disclosures. In measurement of non-financial assets, the Group used adjusted cash flows projections based on the revised financial budgets to calculate the Value in Use (VIU), ie. the recoverable amount of the cash generating units. The impairment testing resulted in an impairment of € 4,315 in license of HELLENIC LOTTERIES S.A. and impairments in HELLENIC LOTTERIES S.A., HORSE RACES SINGLE MEMBER S.A. and TORA WALLET SINGLE MEMBER S.A. of € 65,098, € 32,206 and € 231 respectively by OPAP INVESTMENT LTD. No impairment arose from our testing of goodwill and Right-of-use assets. The Management also reassessed the recoverability of cash and cash equivalents, trade and other receivables, including intergroup receivables, taking into account the future economic conditions and proceeded recording respective impairments where considered those assets are not fully recoverable.

Management is closely monitoring the developments around the coronavirus (COVID-19) and is constantly assessing its implications on the Group's performance. It is also taking pre-emptive actions to ensure the health and safety of its employees and partners, as well as, the continuity of its business as mentioned above. Having strong cash reserves, the Management expects that the Group will be enabled to meet the financing costs and working capital needs, and its ability to continue as going concern will not be affected.

46. Audit and other fees

The auditors of the Company as well as its subsidiaries in Greece, for the years 2021 and 2020 was the audit firm PRICEWATERHOUSECOOPERS S.A.. The audit and other fees of the Company and the Group concerning the PricewaterhouseCoopers network are analyzed as follows:

Period that ended on December 31,	GROUP		COMPANY	
	2021	2020	2021	2020
Fees for auditing services	809	534	579	355
Fees for the Tax Certificate	144	140	75	73
Other audit fees	49	164	41	156
Other services	-	33	-	18
Total	1,001	871	695	602

47. Reclassifications

For better presentation purposes, at the Group's and the Company's Income Statement of the comparative period, € 10,309 and € 6,769, respectively, have been reclassified from "Other operating expenses" to "Other direct costs".

48. Subsequent events

Bond loans prepayment

On 05.01.2022, the Company proceeded to a partial repayment of € 100,000 of its bond loan of total nominal amount € 300,000, without extra cost.

On 23.02.2022, HELLENIC LOTTERIES S.A. proceeded to a partial repayment of total nominal amount € 10,000 of its bond loan of € 50,000, without extra cost.

Final dividend for the fiscal year 2021

The Company's Board of Directors decided during its meeting on 22.03.2021 to distribute a gross amount of € 211,714 or € 0.60 (in absolute amount) per share as final dividend for the fiscal year 2021 with € 0.10 (in absolute amount) per share having already paid as interim dividend in November 2021.

In addition to the dividend distribution, capital return to Shareholders of € 0.90 (in absolute amount) per share will be proposed to AGM. Consequently, the total shareholders remuneration including the dividend will amount to € 1.50 (in absolute amount) per share.

Ukraine - Russia war effect

The recent geopolitical events in Ukraine, the military actions from Russia and the subsequent response from European Union and European countries as well as the United States in the form of economic sanctions affecting global energy markets and economic developments in general. There is no exposure of the Group both in Russia as well as in Ukraine, resulting to no direct effect from latest developments. Any effect is only indirect, related to the high energy cost and inflationary pressures along with subsequent negative affect on our customers' disposable income. The Group is following developments around the crisis in Ukraine and is planning accordingly.

Chairman

**Board Member and Chief
Executive Officer**

**Board Member and Chief
Financial Officer**

**Operational Finance
Director**

Kamil Ziegler

Jan Karas

Pavel Mucha

Petros Xarchakos

IV. Report on Use of Funds Raised from the issuance of Non-Convertible Bond Loan through payment in cash for the period from 01.01.2021 to 31.12.2021

In accordance with the provisions of paragraph 4.1.2 of the Athens Exchange Stock Market regulation, the decision no. 25/17.07.2008 of the Board of Directors of Athens Stock Exchange and the decision no. 8/754/14.04.2016 of the Board of Directors of Hellenic Capital Markets Commission, it is hereby announced that from the issuance of the Common Bond Loan of two hundred million euros (€ 200,000 th.) with the issuance of the 200,000 bearer bonds with offer price of € 1,000 each, that was implemented according to the decision of the meeting of the Company's Board of Directors dated 13.10.2020 and the approval of the content of the Prospectus from the Hellenic Capital Market Commission dated 16.10.2020, a total net amount of two hundred million euros (€ 200,000 th.) was raised. The cost of the issuance amounted to € 3,350 th. and it was covered in total from own other funds of the Company.

Furthermore, the 200,000 bearer bonds commenced trading in the fixed income securities category of the regulated market of Athens Stock Exchange on 29.10.2020.

The table below presents the specific use of the raised funds per category of use/investment, the timetable of the utilization of the funds raised as well as the use of raised funds until 31.12.2021:

(amounts in thousands of euro)	2020-2022	Amount of Raised Funds utilized during the period 01.01.21-31.12.21	Amount of Raised Funds utilized during the period 27.10.20-31.12.20
Repayment of loan until 31.12.2020	150,000	-	150,000
Funding needs in Working Capital until 31.12.2022	<u>50,000</u>	<u>50,000</u>	-
Total	200,000	50,000	150,000

Athens, 22 March 2022

Chairman

Board Member and Chief Executive Officer

Board Member and Chief Financial Officer

Kamil Ziegler

Jan Karas

Pavel Mucha



This document is the translation of the original report prepared in the Greek language.

Report of factual findings in connection with the “Report on Use of Funds Raised from the issuance of a Non-Convertible Bond Loan through payment in cash for the period from 01.01.2021 to 31.12.2021”

To the Board of Directors of “Greek Organization of Football Prognostics S.A”

According to the engagement letter received from the Board of Directors of Greek Organization of Football Prognostics S.A (the “Company”), we have performed the procedures enumerated below, in accordance with the regulatory framework of the Athens Stock Exchange and the relevant legal framework of the Hellenic Capital Markets Committee with respect to the “Report on Use of Funds Raised from the issuance of Non-Convertible Bond Loan through payment in cash for the period from 01.01.2021 to 31.12.2021” (the “Report”), from the issuance of a Non-Convertible Bond Loan in 2020.

The Company’s Board of Directors is responsible for preparing the aforementioned Report. Our engagement was undertaken in accordance with International Standard on Related Services 4400 applicable to “Agreed-Upon-Procedures” engagements. Our responsibility is solely to perform the procedures described below and to report to you our findings.

We performed the following agreed upon-procedures:

1. We examined the content of the Report and its consistency with the provisions of the decision 8/754/14.4.2016 of the Hellenic Capital Markets Committee and the decision 25/17.07.2008 of the Athens Stock Exchange.
2. We examined the content of the Report and its consistency with the disclosures in the Prospectus issued by the Company on 16 October 2020.
3. We examined whether the amounts referred to in the Report as the “Amount of Raised Funds that were utilized during the period from 01.01.21 to 31.12.21”, agree, per category of use/investment, to the amounts recorded in the Company’s books and records.
4. We examined whether the amount raised from the bond loan has been used in accordance with its intended use, based on the provisions of paragraph 4.1.2 of the Prospectus issued by the Company on 16 October 2020, by examining documentation that supports the relevant accounting entries.

Our findings are as follows:

1. The content of the Report is consistent with the provisions of the decision 8/754/14.4.2016 of the Hellenic Capital Markets Committee and the decision 25/17.07.2008 of the Athens Stock Exchange.



2. The content of the Report is consistent with what is disclosed in the Company's Prospectus issued on 16 October 2020.
3. The amounts referred to in the Report as the "Amount of Raised Funds that were utilized during the period from 01.01.21 to 31.12.21", agree, per category of use/investment, to the amounts recorded in the Company's books and records
4. We confirmed that the amount raised from the bond loan has been used in accordance with its intended use, based on the provisions of paragraph 4.1.2 of the Prospectus issued by the Company on 16 October 2020.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the Report beyond what we have referred to above.

Had we performed additional procedures or had we performed an audit or review, in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is addressed exclusively to the Board of Directors of the Company, so that the latter can fulfill its responsibilities in accordance with the legal framework of the Athens Stock Exchange and the relevant regulatory framework of the Hellenic Capital Markets Commission. Consequently, this report is not to be used for any other purpose, since it is limited to what is referred to above and does not extend to the Annual Financial Statements for the period ended 31 December 2021, for which we have issued a separate Audit Report on 22 March 2022.

Athens, 22 March 2022

The Certified Auditor Accountant



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Certified Auditors – Accountants
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