



## **ANNOUNCEMENT**

INTRALOT notifies that its subsidiary in Cyprus, Royal Highgate Public Company Ltd, has issued the following announcement:

"In accordance with the provisions of the relevant CSE and SEC Regulations and in order to provide more complete information to the shareholders of the Company and the investing public in general, we hereby inform you that:

The National Betting Authority has suspended the license of Class A Recipient ROYAL HIGHGATE PUBLIC COMPANY LIMITED under number A001 with effect from December 5, 2017, requesting further actions in relation to specific terms and obligations of the license.

Our company has undertaken in the past a series of actions in full compliance with the relevant requirements of the Authority and has submitted all documents to demonstrate compliance with these requirements. However, the Authority proceeded, unexpectedly to us, to a disproportionate severe decision to suspend the license, which unreasonably creates a negative impression on the licensed sports betting environment and direct consequences for the company and the network of authorized dealers.

For that reason the Board of Directors will take immediate steps to protect the rights of shareholders, authorized dealers and clients, on the basis of State Laws, International Practices and European Legislation."

Royal Highgate's contribution to INTRALOT Group (where it participates with 35.08%) for the period 1/1/2017 to 30/9/2017 can be summarized as follows:

- Turnover €12.1m. (1.1% of total turnover)
- EBITDA €-0.1m.
- Profit / loss before tax €-0.2m.
- Profit / loss after tax €-0.2m.
- Total assets of €2m. (0.2% of total assets),

while for the period 1/1/2016 to 31/12/2016:

- Turnover € 17.7m. (1% of total turnover)
- EBITDA €0m.
- Profit / loss before tax €0.1m.
- Profit / loss after tax €0.1m.
- Total assets of €2.3m. (0.2% of total assets)

Therefore, INTRALOT considers that the participation of the subsidiary in the Group's financial results is not essential.