



22

3rd Quarter Interim Management Statement

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A. Financial progress and performance of reporting period

Financial Performance

The Group's basic financials are presented below:

(Amounts in thousands of euro)	01.01- 30.09.2022	01.01- 30.09.2021	Δ %
Revenue (GGR)	1,398,118	1,040,325	34.4%
GGR contribution and other levies and duties	(441,436)	(342,936)	28.7%
Net gaming revenue (NGR)	956,682	697,388	37.2%
Profit before interest, tax, depreciation and amortization (EBITDA)	533,287	379,889	40.4%
Profit before tax	378,724	240,363	57.6%
Profit for the period	288,612	179,561	60.7%
Net increase/(decrease) in cash and cash equivalents			
Net cash inflow from operating activities	460,159	273,085	68.5%
Net cash outflow from investing activities	(113,115)	(31,803)	255.7%
Net cash outflow from financing activities	(611,494)	(85,295)	616.9%

The Company's basic financials are presented below:

(Amounts in thousands of euro)	01.01- 30.09.2022	01.01- 30.09.2021	Δ %
Revenue (GGR)	962,787	641,146	50.2%
GGR contribution and other levies and duties	(295,632)	(194,183)	52.2%
Net gaming revenue (NGR)	667,155	446,963	49.3%
Profit before interest, tax, depreciation and amortization (EBITDA)	439,051	333,634	31.6%
Profit before tax	336,911	229,008	47.1%
Profit for the period	263,524	181,637	45.1%
Net increase/(decrease) in cash and cash equivalents			
Net cash inflow from operating activities	370,777	264,075	40.4%
Net cash outflow from investing activities	(148,494)	(16,584)	795.4%
Net cash outflow from financing activities	(595,198)	(80,993)	634.9%

B. Main developments during the first nine months of 2022 and their effect on the interim management statement

Financing

Bond loans prepayments/repayments

On 05.01.2022, the Company proceeded with 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 with a partial repayment of € 10,000 th. of its bond loan of total nominal amount € 50,000 th. without extra cost.

On 23.03.2022, the Company repaid earlier and without extra cost a bond loan of € 100,000 th.. The relevant bond loan had been hedged via an interest rate swap which also was terminated earlier, on 23.03.2022 instead of 27.11.2023.

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 14.02.2022, resolved on the issuance of a common bond loan of € 7,000 th., divided to 7,000 bonds of € 1,000 each. OPAP S.A. subscribed for the whole amount of € 7,000 th.. The bond loan was fully repaid on 06.09.2022.

Dividend distribution for the year 2021 & Capital return

The Company's Board of Directors decided during its meeting on 22.03.2022 to distribute a gross amount of € 211,714 th. or € 0.60 per share as final dividend for the fiscal year 2021 of which € 0.10 per share having already been paid as interim dividend in November 2021.

By virtue of the resolution of the Annual General Meeting ("AGM") of the Shareholders of the Company of 09.06.2022 the distribution of the remaining dividend for the financial year 2021 of a total gross amount of € 175,513 th. was approved, corresponding to € 0.50 per Company's share, which was distributed to the Shareholders on 08.08.2022.

In addition the Company's AGM decided the increase of the share capital of the Company by the amount of € 317,571 th., through capitalization of an equal amount from the share premium reserve and the increase of the nominal value of each share of the Company by € 0.90, i.e. from € 0.30 to € 1.20 to be followed by a share capital return of an equivalent amount (€ 317,571 th.) through a reduction of the nominal value of each share of the Company by € 0.90, i.e. from € 1.20 to € 0.30, that was executed in cash on 04.08.2022.

Interim dividend for the fiscal year 2022

The Company's Board of Directors decided during its meeting on 06.09.2022 to distribute € 0.30 per share as interim dividend for the fiscal year 2022. The interim dividend was distributed on 09.11.2022, offering a scrip dividend optionality which was finally welcomed by 2,832 shareholders that selected to reinvest to the Company, resulting to a take up of 36.49% of total outstanding share capital, excluding treasury shares

Share capital increase of OPAP S.A. through dividend reinvestment program

By virtue of the decision of the Board of Directors meeting, held on 09.06.2022, it was agreed that the share capital of the Company would be increased by up to € 7,262 th. upon issuance of up to 24,205,000 new ordinary, registered, voting shares, for the implementation of the dividend reinvestment program. This share capital increase was partially subscribed resulting in a final share capital increase of € 2,227 th. through the issuance of 7,423,668 new ordinary, registered, voting shares of nominal value of € 0.30 each. As a result thereof, the share capital of the Company as of 08.08.2022 increased to € 108,084 th., divided to 360,279,955 shares, of nominal value of € 0.30 each. These new ordinary, registered, voting shares were admitted to trading on Athens Stock Exchange on the same date. The difference between the issue price of the Company's new shares of € 13.79 and their par value multiplied by the number of the new shares issued, amounting to € 100,145 th., was transferred to the account "Share premium".

Share capital increase of OPAP INVESTMENT LTD

The sole shareholder of OPAP INVESTMENT LTD, OPAP S.A., approved the increase of the company's share capital by € 200,000 th. through the issuance of 200,000 new ordinary shares of € 1 nominal price and € 999 share premium each as per the Board of Directors decision dated 31.03.2022.

Sale of OPAP INVESTMENT LTD's minority interest in the Betano Business

OPAP INVESTMENT LTD, a 100% subsidiary of the Company has executed a share purchase agreement with Rubidium Holding 2 Ltd, a fully owned indirect subsidiary of Allwyn International a.s., the parent company of the Group, for the sale of its 36.75% minority interest in the business activities of KAIZEN GAMING LIMITED outside Greece and Cyprus (the "Betano Business"). The purchase price comprises an upfront cash consideration of € 50,000 th. and performance based earnout payments for financial years 2022, 2023 and 2024 to be paid in 2023, 2024 and 2025.

The closing of the transaction is conditional primarily upon (i) the receipt of all regulatory approvals required and (ii) the corporate separation of the Betano Business from KAIZEN GAMING LIMITED business activities in Greece and Cyprus.

Following this transaction, OPAP Group will retain its 84.49 % combined stake and sole control over STOIXIMAN LTD and its online gaming business in Greece and Cyprus.

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 in order to provide electronic (online) betting services. The provision of such services was temporarily suspended until 08.08.2022. From that date onwards, OPAP SPORTS LTD provides electronic (online) betting services.

Ukraine - Russia war effect

The ongoing war in Ukraine following the invasion of Russia in early 2022 and the severe economic sanctions imposed on Russia are significantly affecting the energy market and consequently the global economy and its outlook.

However, the Greek economy during this period has demonstrated considerable resilience, expecting to record a strong 2022 growth, supported by the solid contribution of tourism.

There is no direct exposure of the Group to either Russia or Ukraine, and therefore no direct effect on its financial performance from these latest developments. Any effect is only indirect, related to the high energy cost and inflationary pressures caused by this geopolitical crisis, that have triggered a subsequent negative affect on our customers’ disposable income.

C. 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)	01.01-30.09.2022	01.01-30.09.2021	Δ %
Profit before interest, tax, depreciation and amortization (EBITDA) / Revenue (GGR)	38.1%	36.5%	4.5%
Profit attributable to owners of the Company / Revenue (GGR)	20.4%	17.1%	19.3%
Profit before interest, tax, depreciation and amortization (EBITDA) / Net gaming revenue (NGR)	55.7%	54.5%	2.3%
Profit attributable to owners of the Company / Net gaming revenue (NGR)	29.9%	25.6%	16.9%
Net debt	289,001	233,651	23.7%
Total debt / Total equity	120.9%	115.6%	4.6%
Net debt / Profit before interest, tax, depreciation and amortization (EBITDA) last twelve months	0.4	0.5	(23.9%)

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 period.

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 period.

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 period minus the "Cash and cash equivalents", "Long-term investments" and "Short-term investment" balances at the end of the period.

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 period over equity at the end of the period.

Net Debt /Earnings before interest, taxes, depreciation and amortization (EBITDA) last twelve months

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

D. Interim Management Statement

The attached Interim Management Statement as at 30.09.2022 of the Group and the Company was approved by the Board of Directors of OPAP S.A. on 21.11.2022, is posted at the Company's website www.opap.gr as well as at the Athens Stock Exchange website and will remain at the disposal of investors at least five years from the date of its announcement.

It is mentioned that the published attached condensed financial information arises from the Interim Management Statement aims to provide the reader with a general information about the financial status of the Group and the Company, however it does not present a comprehensive view of the financial position, the financial performance and cash flows of the Group and the Company in accordance with the International Financial Reporting Standards (IFRS).

All amounts presented in the Interim Management Statement are in thousands of euro unless otherwise stated.

1. Statement of Financial Position

Amounts in thousands of euro		GROUP		COMPANY	
	Notes	30.09.2022	31.12.2021	30.09.2022	31.12.2021
ASSETS					
Non - current assets					
Intangible assets		1,037,625	1,133,295	745,256	801,942
Property, plant and equipment		60,585	70,383	58,211	68,101
Right-of-use assets		29,997	35,222	16,803	21,002
Investment properties		1,449	1,521	1,449	1,521
Goodwill		342,688	342,688	-	
Investments in subsidiaries		-	-	625,412	425,412
Investments in associates		12,322	8,156	-	-
Trade receivables		1,527	2,078	1,527	2,078
Other non - current assets		61,513	71,093	60,749	72,822
Deferred tax assets		<u>38,039</u>	<u>30,544</u>	-	-
Total non - current assets		1,585,745	1,694,980	1,509,408	1,392,877
Current assets					
Inventories		6,757	4,682	2,780	2,689
Trade receivables		84,124	90,881	47,399	49,216
Current income tax assets		76	5	-	-
Other current assets		46,534	47,955	33,065	31,049
Cash and cash equivalents		595,912	860,361	236,173	609,088
Short – term investments		<u>3,633</u>	<u>3,633</u>	-	-
Total current assets		737,036	1,007,517	319,416	692,042
Total Assets		2,322,781	2,702,497	1,828,824	2,084,919
EQUITY & LIABILITIES					
Equity					
Share capital		108,084	105,857	108,084	105,857
Share premium		128,803	346,228	128,803	346,228
Reserves		35,286	35,450	35,286	34,174
Treasury shares		(12,851)	(14,497)	(12,851)	(14,497)
Retained earnings		<u>439,894</u>	<u>437,822</u>	<u>321,790</u>	<u>343,260</u>
Equity attributable to owners of the Company		699,216	910,860	581,112	815,022
Non-controlling interests		<u>35,706</u>	<u>38,513</u>	-	-
Total equity		734,922	949,372	581,112	815,022
Non-current liabilities					
Borrowings	1	506,477	991,673	466,353	941,517
Lease liabilities		38,211	43,507	13,093	16,989
Deferred tax liability		125,316	127,176	41,661	40,317
Employee benefit plans		2,480	4,058	2,351	3,955
Provisions		10,394	9,520	10,391	9,517
Other non-current liabilities		<u>3,179</u>	<u>5,724</u>	-	<u>1,453</u>
Total non-current liabilities		686,058	1,181,656	533,849	1,013,747
Current liabilities					
Borrowings	1	336,690	54,965	363,134	82,677
Lease liabilities		7,169	7,500	5,092	5,365
Trade payables		124,087	168,186	38,657	62,560
Current income tax liabilities		114,688	60,658	82,429	49,079
Other current liabilities		<u>319,168</u>	<u>280,160</u>	<u>224,550</u>	<u>56,470</u>
Total current liabilities		901,801	571,469	713,862	256,151
Total liabilities		1,587,859	1,753,125	1,247,712	1,269,897
Total Equity & Liabilities		2,322,781	2,702,497	1,828,824	2,084,919

The attached notes on pages 18 to 21 form an integral part of the Interim Management Statement.

2. Income Statement

2.1 Consolidated Income Statement

GROUP	Notes	2022		2021	
		01.01-30.09.2022	01.07-30.09.2022	01.01-30.09.2021	01.07-30.09.2021 *Restated
Revenue (GGR)		1,398,118	498,816	1,040,325	470,243
GGR contribution and other levies and duties		(441,436)	(158,786)	(342,936)	(146,530)
Net gaming revenue (NGR)		956,682	340,029	697,388	323,713
Agents' commissions		(275,237)	(96,005)	(178,738)	(93,270)
Other direct costs		(106,601)	(39,393)	(108,122)	(44,999)
Other operating income	2	86,091	29,493	94,387	28,121
Other operating income related to the extension of the concession of the exclusive right		171,063	58,047	158,673	57,869
Other operating cost		(51,641)	(17,056)	(55,917)	(19,202)
Share of profit of associates		4,166	1,836	853	39
Payroll expenses	3	(60,957)	(20,853)	(55,699)	(19,176)
Marketing expenses	4	(68,894)	(22,975)	(61,842)	(17,483)
Other operating expenses	5	(120,635)	(35,174)	(110,678)	(40,374)
Net impairment losses on financial assets		(750)	(374)	(417)	(189)
Profit before interest, tax, depreciation and amortization (EBITDA)		533,287	197,574	379,889	175,048
Depreciation and amortization		(100,028)	(32,662)	(108,129)	(36,022)
Impairment of intangible assets		(18,840)	-	(330)	(133)
Results from operating activities		414,419	164,912	271,430	138,894
Finance income		563	460	1,986	1,023
Finance costs		(36,258)	(8,707)	(33,053)	(10,585)
Profit/(loss) before tax		378,724	156,665	240,363	129,332
Income tax expense		(90,113)	(35,293)	(60,802)	(29,538)
Profit for the period		288,612	121,372	179,561	99,794
Profit attributable to:					
Owners of the Company		285,788	118,538	178,238	99,299
Non-controlling interests		2,824	2,833	1,323	495
Profit for the period		288,612	121,372	179,561	99,794
Basic and diluted earnings per share in €		0.8108	0.3336	0.5217	0.2872

*The comparative amounts of the Income Statement have been adjusted due to the finalization of the PPA on the acquisition of STOIXIMAN LTD, which took place in the 3rd quarter of 2021.

The attached notes on pages 18 to 21 form an integral part of the Interim Management Statement.

2.2. Income Statement of the Company

COMPANY	Notes	2022		2021	
		01.01-30.09.2022	01.07-30.09.2022	01.01-30.09.2021	01.07-30.09.2021
Revenue (GGR)		962,787	337,971	641,146	337,750
GGR contribution and other levies and duties		<u>(295,632)</u>	<u>(103,603)</u>	<u>(194,183)</u>	<u>(101,665)</u>
Net gaming revenue (NGR)		667,155	234,368	446,963	236,085
Agents' commission		(232,950)	(81,411)	(145,989)	(80,059)
Other direct costs		(52,320)	(18,977)	(45,529)	(21,808)
Other operating income	2	33,828	11,540	40,224	11,396
Other operating income related to the extension of the concession of the exclusive right		171,063	58,047	158,673	57,869
Other operating cost		<u>(1)</u>	<u>(1)</u>	<u>(1,183)</u>	<u>(130)</u>
Payroll expenses	3	(48,523)	(16,770)	(45,646)	(15,625)
Marketing expenses	4	(31,954)	(10,292)	(31,737)	(8,134)
Other operating expenses	5	(66,709)	(22,588)	(51,357)	(19,425)
Net impairment losses on financial assets		<u>(538)</u>	<u>(202)</u>	<u>9,215</u>	<u>12,191</u>
Profit before interest, tax, depreciation and amortization (EBITDA)		439,051	153,713	333,634	172,360
Depreciation and amortization		<u>(76,832)</u>	<u>(25,673)</u>	<u>(82,855)</u>	<u>(27,541)</u>
Results from operating activities		362,219	128,041	250,779	144,819
Finance income		277	113	2,323	1,239
Finance costs		(32,584)	(7,941)	(28,094)	(9,028)
Dividend income		<u>7,000</u>	-	<u>4,000</u>	-
Profit before tax		336,911	120,212	229,008	137,030
Income tax expense		<u>(73,387)</u>	<u>(26,176)</u>	<u>(47,372)</u>	<u>(28,160)</u>
Profit for the period		263,524	94,036	181,637	108,870
Basic and diluted earnings per share in €		0.7477	0.2647	0.5316	0.3149

The attached notes on pages 18 to 21 form an integral part of the Interim Condensed Financial Information.

3. Statement of Comprehensive Income

3.1. Consolidated Statement of Comprehensive Income

GROUP	2022		2021	
	01.01- 30.09.2022	01.07- 30.09.2022	01.01- 30.09.2021	01.07- 30.09.2021 *Restated
Profit for the period	288,612	121,372	179,561	99,794
Other comprehensive income - items that may be reclassified to profit or loss				
Fair value gains/(losses) from valuation of hedging derivatives	1,453	-	884	260
Attributable income tax	(341)	-	(194)	(57)
Exchange differences on translation of foreign operations	<u>4</u>	-	-	-
Total items that may be reclassified to profit or loss	1,115	-	690	203
Other comprehensive income net of tax	1,115	-	690	203
Total comprehensive income for the period, net of tax	289,727	121,372	180,251	99,997
Total comprehensive income attributable to:				
Owners of the Company	286,902	118,538	178,928	99,502
Non-controlling interests	<u>2,825</u>	<u>2,833</u>	<u>1,323</u>	<u>495</u>
Total comprehensive income for the period, net of tax	289,727	121,372	180,251	99,997

*The comparative amounts of the Income Statement have been adjusted due to the finalization of the PPA on the acquisition of STOIXIMAN LTD, which took place in the 3rd quarter of 2021.

The attached notes on pages 18 to 21 form an integral part of the Interim Condensed Financial Information.

3.2. Statement of Comprehensive Income of the Company

COMPANY	2022		2021	
	01.01- 30.09.2022	01.07- 30.09.2022	01.01- 30.09.2021	01.07- 30.09.2021
Profit for the period	263,524	94,036	181,637	108,870
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss				
Fair value gains/(losses) from valuation of hedging derivatives	1,453	-	884	260
Attributable income tax	<u>(341)</u>	-	<u>(194)</u>	<u>(57)</u>
Total items that may be reclassified to profit or loss	1,112	-	690	203
Other comprehensive income net of tax	1,112	-	690	203
Total comprehensive income for the period, net of tax	264,636	94,036	182,326	109,073

The attached notes on pages 18 to 21 form an integral part of the Interim Condensed Financial Information.

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							
	Share capital	Share premium	Reserves	Treasury shares	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2021	102.428	218.826	33.329	(14.497)	401.498	741.584	41.126	782.710
Profit for the period 01.01-30.09.2021	-	-	-	-	178.238	178.238	1.323	179.561
Other comprehensive income 01.01-30.09.2021	-	-	690	-	-	690	-	690
Total comprehensive income for the period	-	-	690	-	178.238	178.928	1.323	180.251
Transactions with owners of the Company								
Share capital increase	2.919	105.468	-	-	-	108.387	-	108.387
Share capital increase expenses	-	-	-	-	(47)	(47)	-	(47)
Statutory reserve	-	-	19	-	(19)	-	-	-
Dividends	-	-	-	-	(221.711)	(221.711)	(4.067)	(225.778)
Total transactions with owners of the Company	2.919	105.468	19	-	(221.777)	(113.371)	(4.067)	(117.437)
Balance at 30 September 2021	105.347	324.294	34.038	(14.497)	357.960	807.141	38.383	845.524
Balance at 1 January 2022	105.857	346.228	35.450	(14.497)	437.822	910.860	38.513	949.372
Profit for the period 01.01-30.09.2022	-	-	-	-	285.788	285.788	2.824	288.612
Other comprehensive income 01.01-30.09.2022	-	-	1.114	-	-	1.114	1	1.115
Total comprehensive income for the period	-	-	1.114	-	285.788	286.902	2.825	289.727
Transactions with owners of the Company								
Share capital increase	319.798	(217.425)	-	-	-	102.372	-	102.372
Share capital increase expenses	-	-	-	-	(1.945)	(1.945)	-	(1.945)
Reserves of subsidiaries	-	-	(1.278)	-	1.278	-	-	-
Dividends	(317.571)	-	-	1.647	(283.048)	(598.972)	(5.632)	(604.604)
Total transactions with owners of the Company	2.227	(217.425)	(1.278)	1.647	(283.716)	(498.545)	(5.632)	(504.177)
Balance at 30 September 2022	108.084	128.803	35.286	(12.851)	439.894	699.216	35.706	734.922

The attached notes on pages 18 to 21 form an integral part of the Interim Management Statement.

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 2021	102,428	218,826	32,075	(14,497)	301,214	640,045
Profit for the period 01.01-30.09.2021	-	-	-	-	181,637	181,637
Other comprehensive income 01.01-30.09.2021	-	-	690	-	-	690
Total comprehensive income for the period	-	-	690	-	181,637	182,326
Share capital increase	2,919	105,468	-	-	-	108,387
Share capital increase expenses	-	-	-	-	(47)	(47)
Dividends	-	-	-	-	(221,711)	(221,711)
Balance at 30 September 2021	105,347	324,294	32,765	(14,497)	261,093	709,001
Balance at 1 January 2022	105,857	346,228	34,174	(14,497)	343,260	815,022
Profit for the period 01.01-30.09.2022	-	-	-	-	263,524	263,524
Other comprehensive income 01.01-30.09.2022	-	-	1,112	-	-	1,112
Total comprehensive income for the period	-	-	1,112	-	263,524	264,636
Share capital increase	319,798	(217,425)	-	-	-	102,372
Share capital increase expenses	-	-	-	-	(1,945)	(1,945)
Dividends	(317,571)	-	-	1,647	(283,048)	(598,972)
Balance at 30 September 2022	108,084	128,803	35,286	(12,851)	321,790	581,112

The attached notes on pages 18 to 21 form an integral part of the Interim Management Statement.

5. Cash Flow Statement

	GROUP		COMPANY	
Amounts in thousands of euro	01.01- 30.09.2022	01.01- 30.09.2021	01.01- 30.09.2022	01.01- 30.09.2021
OPERATING ACTIVITIES				
Profit before income tax	378,724	240,363	336,911	229,008
Adjustments for:				
Depreciation & amortization	100,028	108,129	76,832	82,855
Net finance costs	35,695	31,067	32,308	25,771
Employee benefit plans	1,333	1,243	1,307	1,137
Loss allowance for trade receivables	709	(1,764)	497	(1,486)
Write-off of trade receivables	41	2,271	41	2,271
Other provisions	875	(763)	874	(763)
Provision for obsolete inventories	-	195	-	195
Impairment losses on PPE, intangible assets, Right-of-use assets & goodwill	18,840	330	-	-
Dividend income	-	-	(7,000)	(4,000)
Gain from disposal of subsidiary	(74)	-	-	-
Loss allowance/(Reversal of loss allowance) of other current & non-current assets	-	-	-	(10,000)
Share of profit of associates	(4,166)	(853)	-	-
Profit from the sale of PPE and intangible assets	(5)	(4)	(5)	(6)
Rent concessions	(17)	(3,699)	(15)	(2,770)
Total	531,983	376,514	441,750	322,211
Changes in Working capital				
(Increase) / decrease in inventories	(2,075)	(1,165)	(91)	1,225
(Increase) / decrease in receivables	6,486	(80,964)	1,669	(46,037)
Increase / (decrease) in payables (except banks)	(12,350)	42,258	(16,743)	18,947
Total	524,044	336,644	426,586	296,347
Interest paid	(18,116)	(22,699)	(16,775)	(20,534)
Income taxes paid	(45,768)	(40,860)	(39,033)	(11,738)
Net cash inflow from operating activities	460,159	273,085	370,777	264,075
INVESTING ACTIVITIES				
Proceeds from sale of tangible & intangible assets	5	6	5	6
Payment for acquisition of subsidiary	(106,444)	(19,007)	-	-
Repayment of loans by third parties	85,781	2,509	941	1,939
Repayment of loans by subsidiaries	-	-	7,000	7,000
Participation in share capital increase of subsidiaries	-	-	(150,000)	-
Loans granted to third parties	(84,370)	(1,287)	(370)	(1,287)
Loans granted to subsidiaries	-	-	(7,000)	(16,000)
Purchase of intangible assets	(5,536)	(14,159)	(4,342)	(8,707)
Purchase of property, plant and equipment & investment property	(2,612)	(1,261)	(1,853)	(1,005)
Dividends received	-	-	7,000	1,000
Interest received	62	397	125	470
Net change in short-term & long-term investments	-	1,000	-	-
Net cash outflow from investing activities	(113,115)	(31,803)	(148,494)	(16,584)

FINANCING ACTIVITIES				
Proceeds from borrowings	1,845	101,708	-	100,000
Repayment of borrowings	(210,069)	(100,251)	(200,001)	(100,002)
Transaction costs related to borrowings	-	(600)	-	(600)
Share capital increase expenses	(1,945)	(47)	(1,945)	(47)
Payment of lease liabilities	(6,893)	(3,468)	(4,453)	(1,772)
Dividends paid to Company's shareholders	(388,799)	(78,572)	(388,799)	(78,572)
Dividends paid to non-controlling interests	(5,632)	-	-	-
Receipt of repayable state cash advance	±	(4,067)	±	±
Net cash outflow from financing activities	(611,494)	(85,295)	(595,198)	(80,993)
Net increase/(decrease) in cash and cash equivalents	(264,449)	155,987	(372,915)	166,499
Cash and cash equivalents at the beginning of the period	860,361	506,873	609,088	279,491
Effects of exchange rate changes on cash and cash equivalents	±	1	±	±
Cash and cash equivalents at the end of the period	595,912	662,860	236,173	445,990

The attached notes on pages 18 to 21 form an integral part of the Interim Management Statement.

Notes on the interim management statement

1. Borrowings

The Group's borrowing movement is as follows:

GROUP	Year of maturity	31.12.2021						30.09.2022	
		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	393	-	(69)	(4)	4	-	321	324
Bond Loan € 250,000	2023	248,556	-	-	(289)	271	1,070	250,000	249,608
Bond Loan € 200,000	2027	197,561	-	-	(758)	1,820	386	200,000	199,009
Bond Loan € 300,000	2027	300,349	-	(100,000)	(931)	653	103	200,000	200,174
Bond Loan € 50,000	2024	50,025	-	(10,000)	(167)	150	37	40,000	40,045
Bond Loan € 100,000		97,820	-	(100,000)	(241)	-	2,422	-	-
Bond Loan € 50,000	2022	50,266	-	-	(308)	353	42	50,000	50,353
Bond Loan € 200,000	2024	99,467	-	-	(17)	11	147	100,000	99,608
Overdraft € 2,000		100	400	-	-	-	-	100	500
Overdraft € 8,000		2,101	1,445	-	-	13	-	3,559	3,559
Overdraft € 15,000		<u>1</u>	-	<u>(1)</u>	-	-	-	-	-
Total		1,046,638	1,845	(210,069)	(2,715)	3,275	4,206	843,980	843,179

The weighted average interest rate of the Group and the Company for the nine months of 2022 stands at 2.34% and 2.35% respectively (31.12.2021: 2.52% for both the Group and the Company).

All loan agreements of the Group and the Company are unsecured.

2. Other operating income

The analysis of other operating income is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2022	2021	2022	2021
Revenues from prepaid cards, mobile top-ups and bill payments	61,327	61,814	-	-
Income from IT services	6,745	5,556	-	-
Management fees	-	-	23,371	18,423
Income from subsidies	265	14,385	-	13,310
Tax refund from Maltesian Tax Authorities	6,865	3,582	-	-
Income from leases	3,530	1,519	3,373	1,457
Income from TV subscriptions	2,189	1,542	2,189	1,542
Income from Gaming Halls Telecommunication	1,345	919	1,345	919
Other income	<u>3,823</u>	<u>5,070</u>	<u>3,550</u>	<u>4,572</u>
Total	86,091	94,387	33,828	40,224

The “Revenues from prepaid cards, mobile top-ups and bill payments” relate to TORA DIRECT SINGLE MEMBER S.A. and TORA WALLET SINGLE MEMBER S.A. revenue.

The “Income 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.

At Group level, the “Income from subsidies” of the comparative period mainly included a 25% discount on certain tax liabilities of € 9,590 and a 100% lease discount of € 4,636, which both relate to the measures introduced by the Greek authorities against coronavirus (COVID-19) impact.

3. Payroll expenses

The analysis of payroll expenses is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2022	2021	2022	2021
Wages and salaries	48,332	43,264	38,360	35,498
Social security costs	9,252	8,311	7,327	6,792
Other staff costs	1,372	1,146	895	786
Employee benefit plans	1,333	1,243	1,307	1,137
Termination compensations	<u>667</u>	<u>1,735</u>	<u>634</u>	<u>1,433</u>
Total	60,957	55,699	48,523	45,646

As at 30.09.2022 and 30.09.2021, the number of employees of the Company is 1,170 and 1,116 respectively, while the Group’s at the same dates is 1,652 and 1,562 respectively.

4. Marketing expenses

The analysis of marketing expenses is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2022	2021	2022	2021
CSR and sponsorships	20,393	18,846	7,604	8,551
Advertising	48,501	42,996	24,350	23,187
Total	68,894	61,842	31,954	31,737

The Company's CSR expense for the first nine months of 2022 amounts to € 967 (2021: € 2,665) and the sponsorships expense to € 6,637 (2021: € 5,886). At Group level, the relevant expenses are € 1,289 and € 19,104 (2021: € 3,253 and € 15,593), respectively.

5. Other operating expenses

The analysis of other operating expenses is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2022	2021	2022	2021
IT related costs	26,105	23,528	22,464	16,638
Utilities & Telecommunication costs	10,111	8,049	9,083	7,791
Rentals	730	448	431	273
Professional fees	48,185	56,632	13,702	11,617
Subscriptions	2,325	1,934	1,854	1,522
Financial support to the agents	1,217	1,967	1,217	1,967
Other	28,523	15,764	14,768	9,387
Inventory consumption	3,438	2,355	3,188	2,161
Total	120,635	110,678	66,709	51,357

The Group subcategory "Other" includes a wide range of expenses, operating or not, such as taxes (other than Income tax) of € 1,497 (2021: € 1,487), consumables of € 1,647 (2021: € 1,176), extraordinary and prior year expenses of € 961 (2021: € 1,085), insurance cost of € 1,330 (2021: € 1,293), travelling expenses € 2,124 (2021: € 1,061) etc.. Finally, it includes an expense of € 4,485 (2021: € 97) which relates to the remeasurement of the contingent consideration for the acquisition of STOIXIMAN LTD and resulted from the variation between the audited 2021 STOIXIMAN LTD's EBITDA versus the unaudited one.

6. Subsequent events

Share capital increase of OPAP S.A. following reinvestment of the interim dividend for the financial year 2022

By virtue of the decision of the Board of Directors meeting, held on 06.09.2022, it was agreed that the share capital of the Company would be increased by up to € 4,449 upon issuance of up to 14,830,000 new ordinary, registered, voting shares, for the implementation of the dividend reinvestment program.

This share capital increase was partially subscribed resulting in a final share capital increase of € 919 through the issuance of 3,061,904 new ordinary, registered, voting shares of nominal value of € 0.30 each (in absolute amount). As a result thereof, the share capital of the Company as of 07.11.2022 increased to € 109,003, divided to 363,341,859 shares, of nominal value of € 0.30 each (in absolute amount). These new ordinary, registered, voting shares were admitted to trading on Athens Stock Exchange on the same date. The difference between the issue price of the Company's new shares of € 12.17 (in absolute amount) and their par value multiplied by the number of the new shares issued, amounting to € 36,345, was transferred to the account "Share premium".

Eurojackpot License

On 03.11.2022 the Greek State granted to OPAP S.A. the license to conduct offline the numerical lottery game "Eurojackpot" in the Greek territory through its land-based network (Opap Stores), pursuant to the provisions of Article 185 of Law 4972/2022 (A' 181) and the Ministerial Decision no. 161178 ΕΞ 2022 (B' 5645). The license was granted for a period of 10 years starting from the date of the conduct of the first draw of Eurojackpot in Greece, with the option to be renewed for an equal or shorter time period. The consideration was agreed at € 1,000 and the supervision of the conduct of the Eurojackpot will be exercised by the Hellenic Gaming Commission. The participation of the Greek State in the revenues from the conduct of Eurojackpot has been set at 30% on the Company's GGR and shall be attributed in accordance with the relevant provisions of the Law 4002/2011. Any undistributed winnings from the conduct of Eurojackpot shall be attributed to the Greek State according to the rules of the above game, notwithstanding the provisions set out in Article 50 paragraph 5 of Law 4002/2011.

Bond loan repayment

On 03.10.2022, the Company, following the respective loan agreement with Piraeus Bank, proceeded with a repayment of its bond loan of total nominal amount € 50,000 without extra cost.