

23

3rd Quarter

Interim Management Statement

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A. Financial progress and performance in the reporting period

Financial Performance

The Group's key financial figures are presented below:

(Amounts in thousands of euro)	01.01- 30.09.2023	01.01- 30.09.2022	Δ %
Revenue (GGR)	1,506,546	1,398,118	7.8%
GGR contribution and other levies and duties	(469,970)	(441,436)	(6.5%)
Net gaming revenue (NGR)	1,036,576	956,682	8.4%
Profit before interest, tax, depreciation and amortisation (EBITDA)	519,863	533,287	(2.5%)
Profit before income tax	412,893	378,724	9.0%
Profit for the period	315,827	288,612	9.4%
Net increase/(decrease) in cash and cash equivalents			
Net cash inflow from operating activities	429,234	460,159	(6.7%)
Net cash inflow/(outflow) from investing activities	100,682	(113,115)	189.0%
Net cash outflow from financing activities	(447,189)	(611,494)	26.9%

The Company's key financial figures are presented below:

(Amounts in thousands of euro)	01.01- 30.09.2023	01.01- 30.09.2022	Δ %
Revenue (GGR)	1,009,429	962,787	4.8%
GGR contribution and other levies and duties	(307,120)	(295,632)	(3.9%)
Net gaming revenue (NGR)	702,309	667,155	5.3%
Profit before interest, tax, depreciation and amortisation (EBITDA)	422,513	439,051	(3.8%)
Profit before income tax	518,403	336,911	53.9%
Profit for the period	437,105	263,524	65.9%
Net increase/(decrease) in cash and cash equivalents			
Net cash inflow from operating activities	356,325	370,777	(3.9%)
Net cash inflow/(outflow) from investing activities	169,702	(148,494)	214.3%
Net cash outflow from financing activities	(448,041)	(595,198)	24.7%

The positive performance observed in the first nine months of 2023, both at the Group and the Company level, in terms of Revenue (GGR) and Net gaming revenue (NGR) reflects a continuous trend of organic growth. This growth is primarily driven by strong results in our online operations and the continued resilience of our retail sector, which has remained in essence unaffected by any measure against the COVID-19 pandemic.

The fine imposed on OPAP S.A. by the Hellenic Competition Commission of € 25,152 th. has adversely affected the Group's and the Company's financial performance despite the increased gaming activity both in Greece and in Cyprus. This is evident by the fact that if the effect of the aforementioned fine is excluded, then the Group's and the Company's EBITDA would present an increase of 2.1% and 1.8%, respectively.

Profit of the period, both for the Group and the Company, has been supported by lower finance costs on the back of decreased leverage, while the Company's significant increase by 65.9% is mainly attributed to dividend income of € 182,500 th. versus € 7,000 th. in the prior period.

As far as cash flow is concerned:

- cash flows from operating activities reflect the strong operating profitability,
- Group's cash inflows from investing activities have been affected by the disposal of the "Betano business", ex. KAIZEN GAMING LIMITED (business activities outside Greece and Cyprus), outside that took place during last quarter of the prior year, while the Company's ones have been highly strengthened by the collection of dividends from the subsidiary OPAP INVESTMENT LTD of € 175,000 th.,
- the increased cash outflows from financing activities are mainly attributed to the dividend distributions and share capital returns to shareholders of € 147,295 th. and € 163,372 th., respectively.

B. Main developments during the first nine months of 2023 and their effect on the interim management statement

Financing

Bond loans prepayments/repayments

On 06.02.2023, the Company proceeded with an early repayment of € 100,000 th. of a bond loan with a total nominal amount of € 200,000 th.. The residual € 100,000 th. remains undrawn.

On 15.03.2023, the Company proceeded with a repayment of € 250,000 th. of a bond loan which was refinanced by a new bond loan of the same amount issued on the same day with maturity date 15.03.2026.

On 04.05.2023, a Company's loan agreement for an amount of € 100,000 th. expired. The relevant agreement was initially signed on 04.05.2020 and remained undrawn during the entire period.

On 12.05.2023, the Company proceeded with a capital repayment of € 30,000 th. of its bond loan of € 300,000 th. in accordance with the terms of the respective agreement.

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

The Group's subsidiary TORA DIRECT SINGLE MEMBER S.A., in accordance with a decision by its Board of Directors on 22.02.2023, issued a common bond loan of € 8,000 th., divided to 8,000 bonds of € 1,000 each. OPAP S.A. subscribed for the whole amount of € 8,000 th.. The bond loan was fully repaid on 22.09.2023.

Distributions to shareholders

The total shareholders remuneration for the fiscal year 2022 amounted to € 1.45 per share.

Dividend for the year 2022

The Company's Board of Directors decided during its meeting on 14.03.2023 to distribute a gross amount of € 360,594 th. or € 1.00 per share as final dividend for the fiscal year 2022 out of which, € 0.30 per share was already paid as interim dividend in November 2022.

The Company's Annual General Meeting ("AGM") of the Shareholders of the Company dated 27.04.2023 approved the above mentioned distribution and a gross amount of € 253,059 th. or € 0.70 per share was distributed as the remaining final dividend for the fiscal year 2022, offering a scrip dividend optionality.

An after tax amount of € 141,366 th. was paid on 27.06.2023 to the shareholders in cash, while the remaining amount of € 105,854 th. was reinvested through the dividend reinvestment plan. Specifically, the share capital of the Company was increased by € 2,016 th. through the issuance of 6,720,882 new ordinary, registered, voting shares of nominal value of € 0.30 each at an issue price of € 15.45, with the difference between the issue price and their par value multiplied by the number of the new shares issued, amounting to € 103,838 th., being transferred to the account "Share premium". Following this capital

increase, the share capital of the Company amounted to € 111,019 th., divided in 370,062,741 shares of a nominal value of € 0.30 each.

Capital return

Additionally, the Company's AGM dated 27.04.2023 decided the increase of the share capital of the Company by the amount of € 163,504 th., through the capitalization of an equal amount from the share premium reserve and the increase of the nominal value of each share of the Company by € 0.45 (from € 0.30 to € 0.75) to be followed by a share capital return of an equivalent amount (€ 163,504 th.) through a reduction of the nominal value of each share of the Company by € 0.45 (from € 0.75 to € 0.30), which was paid in cash on 23.06.2023.

Interim dividend for the fiscal year 2023

The Company's Board of Directors decided, during its meeting on 31.08.2023, to distribute a gross amount of € 368,233 th. (i.e. € 1.001771387 per share) as interim dividend for the fiscal year 2023. The interim dividend was distributed on 09.11.2023.

Dividend from subsidiaries

OPAP INVESTMENT LTD, according to a decision of its Board of Directors dated 03.05.2023, recommended to its AGM to declare and distribute a dividend of € 175,000 th. for the year ended 31.12.2022. The OPAP INVESTMENT LTD AGM dated 05.05.2023 approved the distribution and the dividend was paid on 16.05.2023.

Additionally, the AGMs of OPAP CYPRUS LTD and OPAP SPORTS LTD dated 31.05.2023, approved dividend distributions of € 5,000 th. and € 2,500 th. respectively. On 22.08.2023, OPAP SPORTS LTD proceeded with the payment of the dividend, whereas OPAP CYPRUS LTD has not paid yet.

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

The sole shareholder of HORSE RACES SINGLE MEMBER S.A., OPAP INVESTMENT LTD, according to the meeting of its Board of Directors dated 03.03.2023, approved the increase of the company's share capital by € 5,500 th. through the issuance of 550,000 new ordinary shares of € 0.05 nominal value at an issue price of € 10.00 each (i.e. at a € 9.95 share premium each). The respective share capital increase took place on 10.03.2023.

Share capital increase of HELLENIC LOTTERIES S.A.

The Board of Directors of HELLENIC LOTTERIES S.A. decided on 29.03.2023 to propose to its shareholders the increase of the Company's Share Capital. The Annual General Meeting of HELLENIC LOTTERIES S.A. dated 30.06.2023 approved the issuance of 2,000,000 new ordinary shares of € 0.04 nominal price at an issue price of € 10.00 each (i.e. at a € 9.96 share premium each). Consequently, the Share Capital of HELLENIC LOTTERIES S.A. increased by € 80 th. and its Share Premium reserve by € 19,920 th.. The respective amount was paid on 27.07.2023 by OPAP INVESTMENT LTD and on 11.08.2023 by the other shareholder, SCIENTIFIC GAMES GLOBAL GAMING S.á.r.l..

Kaizen Gaming Limited De-Merger

Pursuant to the terms and conditions set forth in the framework agreement dated 17.04.2020 and as amended on 22.06.2020 and on 03.09.2020, KAIZEN GAMING LIMITED's (the "KGL") shareholders agreed to effectuate the corporate and ownership separation of KGL's stake in the Stoiximan business (Greek and Cypriot operations) and in the Betano business (outside Greece and Cyprus) (the "De-Merger"). Pursuant to the De-Merger, KGL was succeeded by the following two new companies:

- STOIXIMAN HOLDING LIMITED which retains all of KGL's assets, rights, interests, liabilities and obligations relating to the Stoiximan Business (Greek and Cypriot operations). The main asset of STOIXIMAN HOLDING LIMITED is its 49% participation in STOIXIMAN LTD that was previously held by KGL.
- KAIZEN GAMING HOLDING LTD which retains all of KGL's assets, rights, interests, liabilities and obligations relating to the Betano business (operations outside Greece and Cyprus).

Both the above mentioned companies have been registered and commenced operations on 05.03.2023. Following the De-Merger, OPAP Group's interests in STOIXIMAN LTD has been restructured with the introduction of STOIXIMAN HOLDING LIMITED as a new subsidiary of OPAP INVESTMENT LTD, replacing KGL as the vehicle through which OPAP INVESTMENT LTD held its indirect interest in the Stoiximan Business. There was no change in OPAP Group's stake in STOIXIMAN LTD following the De-Merger, which remains at 84.49 % and sole control over STOIXIMAN LTD and its online gaming business in Greece and Cyprus.

Initiation of Share Buy-back Programme

Following the Company's AGM resolution on the establishment of a share buy-back programme and the announcement of the same day and, following the decision of its Board of Directors dated 04.09.2023, the Company announced on 04.09.2023 to the investment community that it intends to proceed to the purchase of own shares the nominal value of which will not exceed the approved by the AGM limit of 5% of the Company's paid up capital (i.e. up to 18,167,092 shares) during the period from 05.09.2023 until 31.12.2024 at a minimum purchase price equal to the nominal value of the share (€ 0.30) and maximum

purchase price equal to twenty Euros (€ 20) per share. The maximum amount for the share buy-back during this period is estimated at approximately € 150,000 th., excluding relevant expenses. Starting from 04.10.2023 and as of the publication date of the nine-month interim management statement 2023, the Company has purchased through the Athens Exchange 1,112,551 own shares, amounting to a total purchase value of € 17,015 th., at an average price of € 15.30 per share. The Company holds in aggregate 2,942,175 own shares, i.e. a percentage of 0.80% of the total number of shares issued by it.

London Court of International Arbitration Final Award on HELLENIC LOTTERIES S.A. Request for Arbitration

On 12.09.2023 the London Court of International Arbitration (the “LCIA”) issued its Final Award and rejected the Request for Arbitration filed by HELLENIC LOTTERIES S.A. against the Hellenic Republic and the Hellenic Asset Development Fund (HRADF) – LCIA case no. 215123, seeking a declaration that HELLENIC LOTTERIES S.A. is released (wholly or partially) from its obligation to pay the Minimum Annual Fee provided in the Concession Agreement of 30.07.2013 for the years 2020, 2021 and for the period January – May 2022, due to the adverse impact of the Covid-19 related State measures on the operations of the company. Following this, HELLENIC LOTTERIES S.A. paid on 02.10.2023, with reservation to the Hellenic Republic, the disputed amount of the Minimum Annual Fee for the years 2020, 2021 and the period January-May 2022 (amounting to €70,668 th. in total). Finally, it is noted that HELLENIC LOTTERIES S.A., has made provisions in its Financial Statements for years 2020, 2021 and the period January-May 2022 for the amount of the Minimum Annual Fee in dispute. As a result, the company’s financial results are not now affected.

Decision no. 787/2022 of the Hellenic Competition Commission

By virtue of the Hellenic Competition Commission’s (the “HCC”) decision No. 787/2022 on complaints submitted by former agents of the Company and the civil association "Association of Professional Predictive Gaming Agents" (SEPPP), communicated to OPAP S.A. on 29.09.2023, the HCC, inter alia, imposed on OPAP S.A. a fine of € 25,152 th. for the infringements found of articles 1 of Law 3959/2011, 101 TFEU and 2 of Law 3959/2011, 102 TFEU during the period 2017 – 2021. The fine was imposed by the HCC regarding the provision of the secondary services that are offered for bill payments and prepaid telecom cards provided by OPAP S.A.’s agencies through OPAP Group’s companies TORA WALLET SINGLE MEMBER S.A. and TORA DIRECT SINGLE MEMBER S.A. respectively.

It is noted that, HCC’s decision no. 787/2022, which was not unanimous, is in no way related with OPAP S.A.’s core business in the gaming market, as it exclusively pertains to the aforementioned secondary services.

For its part, OPAP S.A. categorically denies the practices attributed to it and considers the above HCC’s decision fully baseless, having taken a public position on the issue with its Regulatory Announcement

dated 29.09.2023. In this context, OPAP S.A. has appealed against HCC’s decision no. 787/2022 before the competent administrative courts.

OPAPonline.gr launch

On 03.04.2023, OPAP launched a new digital interactive entertainment hub, OPAPonline.gr which brings in new games and rejuvenates existing ones, aspiring to become an overarching brand, under which all lottery offerings will operate.

Law 52(I)/2018 for licensing of games of chance in Cyprus - Process and schedule for the conclusion of the Concession Agreement of OPAP CYPRUS LTD

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 LTD as the suitable operator. On 06.11.2019 the Council of Ministers validated OPAP CYPRUS LTD as the suitable operator to be granted with an exclusive licence 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 LTD have been approved by the National Betting Authority. Following the approval of all Codes of Practice, 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.

In March 2022, following intensive and constructive negotiations between the Coordinating Committee and OPAP CYPRUS LTD, the Coordinating Committee sent to OPAP CYPRUS LTD the final draft of the Concession Agreement and invited OPAP CYPRUS LTD to confirm the acceptance of its terms. On 21.03.2022 OPAP CYPRUS LTD approved the proposed Concession Agreement. In May 2023 the European Commission sent to the Ministry of Finance a comfort letter about the draft Concession Agreement. In July 2023 the Codes of Practice of OPAP CYPRUS LTD were re-submitted to the National Betting Authority for its approval. The National Betting Authority has approved the Codes of Practice. It is noted that following the signing and entry into force of the Concession Agreement, the 2003 BA shall be terminated.

C. Alternative Performance Indicators (API)

The Group presents certain Alternative Performance Indicators besides IFRS arising from its financial information, particularly the indicator "Net Debt/Earnings before interest, taxes, depreciation, amortisation and impairment (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 in the financial information.

(Amounts in thousands of euro)	01.01-30.09.2023	01.01-30.09.2022	Δ %
Profit before interest, tax, depreciation, amortisation and impairment (EBITDA) / Revenue (GGR)	34.5%	38.1%	(9.5%)
Profit attributable to owners of the Company / Revenue (GGR)	20.4%	20.4%	(0.1%)
Profit before interest, tax, depreciation, amortisation and impairment (EBITDA) / Net gaming revenue (NGR)	50.2%	55.7%	(10.0%)
Profit attributable to owners of the Company / Net gaming revenue (NGR)	29.7%	29.9%	(0.6%)
Net debt	(95,613)	289,001	133.1%
Total debt / Total equity	100.8%	120.9%	16.6%
Net debt / Profit before interest, tax, depreciation, amortisation and impairment (EBITDA) last twelve months	(0.13)	0.41	132.2%

Profit before interest, taxes, depreciation, amortisation and impairment (EBITDA) as a % of GGR

Calculated as the ratio of profit before tax, depreciation, amortisation 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.

Profit before interest, taxes, depreciation amortisation and impairment (EBITDA) as a % of NGR

Calculated as the ratio of profit before interest, taxes, depreciation amortisation and impairment (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/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 year/period over equity at the end of the year/period.

Net Debt / Profit before interest, taxes, depreciation, amortisation and impairment (EBITDA)

Calculated as the ratio of Net Debt (see above) over profit before interest, taxes, amortisation and impairment in the last twelve months.

D. Interim Management Statement

The attached Interim Management Statement as at 30.09.2023 of the Group and the Company was approved by the Board of Directors of OPAP S.A. on 20.11.2023, 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	30.09.2023	31.12.2022	30.09.2023	31.12.2022
ASSETS					
Non - current assets					
Intangible assets		952,634	1,021,349	684,815	736,190
Property, plant and equipment		48,055	56,752	46,057	54,581
Right-of-use assets		38,550	32,135	19,918	18,342
Investment properties		1,381	3,007	1,381	3,007
Goodwill		342,688	342,688	-	-
Investments in subsidiaries		-	-	575,412	575,412
Trade receivables		3,489	748	3,489	748
Other non - current assets		58,596	60,917	58,615	66,016
Deferred tax assets		33,018	35,651	-	-
Long – term investments		550	-	-	-
Total non - current assets		1,478,962	1,553,246	1,389,688	1,454,296
Current assets					
Inventories		6,690	5,552	3,182	2,879
Trade receivables		82,719	102,123	41,819	57,924
Current income tax assets		12,557	17	-	-
Other current assets		58,155	182,284	38,775	35,757
Short – term investments		5,662	3,634	-	-
Cash and cash equivalents		807,160	724,433	325,782	247,796
Total current assets		972,944	1,018,043	409,558	344,356
Total Assets		2,451,906	2,571,289	1,799,245	1,798,652
EQUITY & LIABILITIES					
Equity					
Share capital		111,019	109,003	111,019	109,003
Share premium		105,482	165,148	105,482	165,148
Reserves		36,334	36,334	36,334	36,334
Treasury shares		(12,027)	(12,851)	(12,027)	(12,851)
Retained earnings		430,279	745,146	235,711	420,891
Equity attributable to owners of the Company		671,087	1,042,780	476,519	718,525
Non-controlling interests		41,084	32,653	-	-
Total equity		712,172	1,075,433	476,519	718,525
Non-current liabilities					
Borrowings	1	626,288	506,679	586,169	466,565
Lease liabilities		44,777	39,328	15,694	13,959
Deferred tax liability		124,280	124,483	44,878	41,916
Employee benefit plans		2,951	2,802	2,785	2,670
Other non-current liabilities		1,949	3,141	-	-
Total non-current liabilities		800,246	676,433	649,527	525,112
Current liabilities					
Borrowings	1	38,687	281,707	63,319	311,533
Lease liabilities		8,007	7,792	5,407	5,604
Trade payables		142,099	181,684	46,982	84,329
Employee benefit plans		4,161	3,464	2,153	3,464
Provisions		12,061	10,823	12,019	10,820
Current income tax liabilities		132,750	117,173	81,487	77,648
Other current liabilities		601,724	216,781	461,832	61,617
Total current liabilities		939,489	819,424	673,200	555,015
Total liabilities		1,739,734	1,495,856	1,322,727	1,080,127
Total Equity & Liabilities		2,451,906	2,571,289	1,799,245	1,798,652

The attached notes on pages 20 to 23 form an integral part of the Interim Management Statement.

2. Income Statement

2.1 Consolidated Income Statement

GROUP	Notes	2023		2022	
		01.01- 30.09.2023	01.07- 30.09.2023	01.01- 30.09.2022	01.07- 30.09.2022
Revenue (GGR)		1,506,546	480,992	1,398,118	498,816
GGR contribution and other levies and duties		(469,970)	(152,740)	(441,436)	(158,786)
Net gaming revenue (NGR)		1,036,576	328,251	956,682	340,029
Agents' commissions		(293,339)	(92,863)	(275,237)	(96,005)
Other direct costs		(127,140)	(41,916)	(106,601)	(39,393)
Revenue from non-gaming activities	2	76,554	23,951	86,091	29,493
Income related to the extension of the concession of the exclusive right 2020-2030		172,567	57,161	171,063	58,047
Cost of sales related to non-gaming activities		(46,347)	(14,552)	(51,641)	(17,056)
Share of profit of associates		-	-	4,166	1,836
Payroll expenses	3	(68,047)	(22,978)	(60,957)	(20,853)
Marketing expenses	4	(84,610)	(28,722)	(68,894)	(22,975)
Other operating expenses	5	(146,028)	(62,887)	(120,635)	(35,174)
Net impairment losses on financial assets		(324)	(10)	(750)	(374)
Profit before interest, tax, depreciation and amortisation (EBITDA)		519,863	145,436	533,287	197,574
Depreciation and amortisation		(98,177)	(33,417)	(100,028)	(32,662)
Impairment of intangible assets		-	-	(18,840)	-
Results from operating activities		421,687	112,019	414,419	164,912
Finance income		12,916	2,850	563	460
Finance costs		(21,709)	(6,599)	(36,258)	(8,707)
Profit/(loss) before tax		412,893	108,271	378,724	156,665
Income tax expense		(97,066)	(21,143)	(90,113)	(35,293)
Profit for the period		315,827	87,128	288,612	121,372
Profit attributable to:					
Owners of the Company		307,679	83,261	285,788	118,538
Non-controlling interests		8,148	3,867	2,824	2,833
Profit for the period		315,827	87,128	288,612	121,372
Basic and diluted earnings per share in €		0.8456	0.2261	0.8108	0.3336

The attached notes on pages 20 to 23 form an integral part of the Interim Management Statement.

2.2. Income Statement of the Company

COMPANY	Notes	2023		2022	
		01.01- 30.09.2023	01.07- 30.09.2023	01.01- 30.09.2022	01.07- 30.09.2022
Revenue (GGR)		1,009,429	319,759	962,787	337,971
GGR contribution and other levies and duties		(307,120)	(97,857)	(295,632)	(103,603)
Net gaming revenue (NGR)		702,309	221,902	667,155	234,368
Agents' commission		(248,165)	(78,653)	(232,950)	(81,411)
Other direct costs		(59,360)	(19,804)	(52,320)	(18,977)
Revenue from non-gaming activities	2	36,453	10,731	33,828	11,540
Income related to the extension of the concession of the exclusive right 2020-2030		172,567	57,161	171,063	58,047
Cost of sales related to non-gaming activities		(348)	(148)	(1)	(1)
Payroll expenses	3	(51,653)	(18,108)	(48,523)	(16,770)
Marketing expenses	4	(34,929)	(12,603)	(31,954)	(10,292)
Other operating expenses	5	(94,122)	(46,170)	(66,709)	(22,588)
Net impairment losses on financial assets		(238)	(37)	(538)	(202)
Profit before interest, tax, depreciation and amortisation (EBITDA)		422,513	114,270	439,051	153,713
Depreciation and amortisation		(77,184)	(26,344)	(76,832)	(25,673)
Results from operating activities		345,330	87,927	362,219	128,041
Finance income		9,164	1,276	277	113
Finance costs		(18,591)	(5,633)	(32,584)	(7,941)
Dividend income		182,500	-	7,000	-
Profit before tax		518,403	83,570	336,911	120,212
Income tax expense		(81,299)	(24,737)	(73,387)	(26,176)
Profit for the period		437,105	58,834	263,524	94,036
Basic and diluted earnings per share in €		1.2013	0.1598	0.7477	0.2647

The attached notes on pages 20 to 23 form an integral part of the Interim Condensed Financial Information.

3. Statement of Comprehensive Income

3.1. Consolidated Statement of Comprehensive Income

GROUP	2023		2022	
	01.01- 30.09.2023	01.07- 30.09.2023	01.01- 30.09.2022	01.07- 30.09.2022
Profit for the period	315,827	87,128	288,612	121,372
Other comprehensive income - items that may be reclassified to profit or loss				
Fair value gains/(losses) from valuation of hedging derivatives	-	-	1,453	-
Attributable income tax	-	-	(341)	-
Exchange differences on translation of foreign operations	-	-	4	-
Total items that may be reclassified to profit or loss	-	-	1,115	-
Other comprehensive income net of tax	-	-	1,115	-
Total comprehensive income for the period, net of tax	315,827	87,128	289,727	121,372
Total comprehensive income attributable to:				
Owners of the Company	307,679	83,261	286,902	118,538
Non-controlling interests	<u>8,148</u>	<u>3,867</u>	<u>2,825</u>	<u>2,833</u>
Total comprehensive income for the period, net of tax	315,827	87,128	289,727	121,372

The attached notes on pages 20 to 23 form an integral part of the Interim Condensed Financial Information.

3.2. Statement of Comprehensive Income of the Company

COMPANY	2023		2022	
	01.01-30.09.2023	01.07-30.09.2023	01.01-30.09.2022	01.07-30.09.2022
Profit for the period	437,105	58,834	263,524	94,036
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	-
Attributable income tax	±	±	(341)	±
Total items that may be reclassified to profit or loss	-	-	1,112	-
Other comprehensive income net of tax	-	-	1,112	-
Total comprehensive income for the period, net of tax	437,105	58,834	264,636	94,036

The attached notes on pages 20 to 23 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						Non-controlling interests	
	Share capital	Share premium	Reserves	Treasury shares	Retained earnings	Total		Total equity
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 for the period 01.01-30.09.2022	-	-	<u>1,114</u>	-	-	<u>1,114</u>	<u>1</u>	<u>1,115</u>
Total comprehensive income for the period 01.01-30.09.2022	-	-	1,114	-	285,788	286,902	2,825	289,727
Transactions with owners of the Company								
Share capital increase	2,227	100,145	-	-	-	102,372	-	102,372
Share capital increase expenses	-	-	-	-	(1,945)	(1,945)	-	(1,945)
Reserves of subsidiaries	-	-	(1,278)	-	1,278	-	-	-
Capitalization of share premium	317,571	(317,571)	-	-	-	-	-	-
Share capital return to the shareholders	(317,571)	-	-	1,647	-	(315,924)	-	(315,924)
Dividends provided for or paid	-	-	-	-	(283,048)	(283,048)	(5,632)	(288,680)
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
Balance at 1 January 2023	109,003	165,148	36,334	(12,851)	745,147	1,042,781	32,653	1,075,434
Profit for the period 01.01-30.09.2023	-	-	-	-	307,679	307,679	8,148	315,827
Total comprehensive income for the period 01.01-30.09.2023	-	-	-	-	307,679	307,679	8,148	315,827
Transactions with owners of the Company								
Share capital increase	2,016	103,838	-	-	-	105,854	3,300	109,154
Share capital increase expenses	-	-	-	-	(994)	(994)	-	(994)
Other movements following the KGL de-merger	-	-	-	-	(261)	(261)	1,636	1,374
Capitalization of share premium	163,504	(163,504)	-	-	-	-	-	-
Share capital return to the shareholders	(163,504)	-	-	823	-	(162,681)	-	(162,681)
Dividends provided for or paid	-	-	-	-	(621,292)	(621,292)	(4,652)	(625,944)
Total transactions with owners of the Company	2,016	(59,666)	-	823	(622,547)	(679,373)	284	(679,089)
Balance at 30 September 2023	111,019	105,482	36,334	(12,027)	430,279	671,087	41,084	712,172

The attached notes on pages 20 to 23 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 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 for the period 01.01-30.09.2022	±	±	<u>1,112</u>	±	±	<u>1,112</u>
Total comprehensive income for the period 01.01-30.09.2022	-	-	1,112	-	263,524	264,636
Share capital increase	2,227	100,145	-	-	-	102,372
Share capital increase expenses	-	-	-	-	(1,945)	(1,945)
Capitalization of share premium	317,571	(317,571)	-	-	-	-
Share capital return to the shareholders	(317,571)	-	-	1,647	-	(315,924)
Dividends provided for or paid	±	±	±	±	<u>(283,048)</u>	<u>(283,048)</u>
Balance at 30 September 2022	108,084	128,803	35,286	(12,851)	321,790	581,112
Balance at 1 January 2023	109,003	165,148	36,334	(12,851)	420,891	718,525
Profit for the period 01.01-30.09.2023	±	±	±	±	<u>437,105</u>	<u>437,105</u>
Total comprehensive income for the period 01.01-30.09.2023	-	-	-	-	437,105	437,105
Share capital increase	2,016	103,838	-	-	-	105,854
Share capital increase expenses	-	-	-	-	(993)	(993)
Capitalization of share premium	163,504	(163,504)	-	-	-	-
Share capital return to the shareholders	(163,504)	-	-	823	-	(162,681)
Dividends provided for or paid	±	±	±	±	<u>(621,292)</u>	<u>(621,292)</u>
Balance at 30 September 2023	111,019	105,482	36,334	(12,027)	235,711	476,519

The attached notes on pages 20 to 23 form an integral part of the Interim Management Statement.

5. Cash Flow Statement

		GROUP		COMPANY	
Amounts in thousands of euro	Notes	01.01-30.09.2023	01.01-30.09.2022	01.01-30.09.2023	01.01-30.09.2022
OPERATING ACTIVITIES					
Profit before income tax		412,893	378,724	518,403	336,911
Adjustments for:					
Depreciation & amortisation		98,177	100,028	77,184	76,832
Net finance costs		8,793	35,695	9,426	32,308
Employee benefit plans		1,969	1,333	1,937	1,307
Loss allowance for trade receivables		290	709	203	497
Write-off of trade receivables		34	41	34	41
Other provisions		1,500	875	1,462	874
Impairment losses on intangible assets		-	18,840	-	-
Dividend income		-	-	(182,500)	(7,000)
Gain from disposal of subsidiary		-	(74)	-	-
Share of (profit) / loss of associates		-	(4,166)	-	-
(Profit) / loss from sale of intangible assets, PPE and investment property		1,006	(5)	1,006	(5)
Rent concessions		(36)	(17)	(36)	(15)
Total		524,626	531,983	427,119	441,750
Changes in Working capital					
Increase in inventories		(1,138)	(2,075)	(303)	(91)
Decrease in receivables		15,681	6,486	25,583	1,669
Decrease in payables (except banks)		(2,628)	(12,350)	(7,916)	(16,743)
Total		536,541	524,044	444,484	426,586
Interest paid		(15,978)	(18,116)	(13,660)	(16,775)
Income taxes paid		(91,329)	(45,768)	(74,498)	(39,033)
Net cash inflow from operating activities		429,234	460,159	356,325	370,777
INVESTING ACTIVITIES					
Proceeds from sale of intangible assets, PPE and investment property		796	5	796	5
Payment for acquisition of subsidiary		(14,063)	(106,444)	-	-
Repayment of loans by related & other third parties		1,558	85,781	1,558	941
Repayment of loans by subsidiaries		-	-	8,210	7,000
Proceeds from sale of associate		123,463	-	-	-
Share capital increase of subsidiaries		-	-	-	(150,000)
Loans granted to related & other third parties		(516)	(84,370)	(516)	(370)
Loans granted to subsidiaries		-	-	(8,000)	(7,000)
Purchase of intangible assets		(12,275)	(5,536)	(10,879)	(4,342)
Purchase of property, plant and equipment		(2,625)	(2,612)	(2,205)	(1,853)
Dividends received		-	-	177,500	7,000
Interest received		6,923	62	3,239	125
Net change in long term & short-term investments		(2,578)	-	-	-
Net cash inflow/(outflow) from investing activities		100,682	(113,115)	169,702	(148,494)
FINANCING ACTIVITIES					
Proceeds from borrowings	1	255,579	1,845	250,000	-
Repayment of borrowings	1	(380,069)	(210,069)	(380,000)	(200,001)
Transaction costs related to borrowings		(1,500)	-	(1,500)	-
Proceeds from share capital increase of subsidiary		3,300	-	-	-
Share capital increase expenses		(994)	(1,945)	(993)	(1,945)
Payment of lease liabilities		(8,185)	(6,893)	(4,879)	(4,453)
Share capital return to the shareholders		(163,372)	(317,279)	(163,372)	(317,279)
Dividends paid to Company's shareholders		(147,297)	(71,521)	(147,297)	(71,521)
Dividends paid to non-controlling interests		(4,652)	(5,632)	-	-
Net cash outflow from financing activities		(447,189)	(611,494)	(448,041)	(595,198)
Net increase/(decrease) in cash and cash equivalents		82,727	(264,449)	77,986	(372,915)
Cash and cash equivalents at the beginning of the period		724,433	860,361	247,796	609,088
Cash and cash equivalents at the end of the period		807,160	595,912	325,782	236,173

The attached notes on pages 20 to 23 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	31.12.2022						30.09.2023	
		Book value	New Loans	Repayments	Interest paid	Accrued interest expense	Unwinding of issuance expenses	Outstanding nominal value	Book value
Loan, amount € 916	2025	302	-	(69)	(4)	4	-	229	233
Bond Loan € 250,000	2023	249,992	-	(250,000)	(289)	-	297	-	-
Bond Loan € 200,000	2027	198,079	-	-	(758)	1,820	395	200,000	199,536
Bond Loan € 300,000	2027	200,182	-	(30,000)	(627)	533	99	170,000	170,187
Bond Loan € 50,000	2024	40,150	-	-	(243)	375	74	40,000	40,356
Corporate Bond Loan € 200,000	2024	99,681	-	(100,000)	(34)	-	354	-	-
Bond Loan, amount €250,000	2026	-	250,000	-	-	313	(1,238)	250,000	249,074
Overdraft € 15,000		-	-	-	-	-	-	-	-
Overdraft € 8,000		-	<u>5,579</u>	-	-	<u>10</u>	-	<u>5,575</u>	<u>5,589</u>
Total		788,386	255,579	(380,069)	(1,955)	3,054	(20)	665,804	664,975

The weighted average interest rate of the Group and the Company for the nine months of 2023 stands at 2.72% and 2.55% respectively (31.12.2022: 2.22% for both the Group and the Company).

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

2. Revenue from non-gaming activities

The analysis of other operating income is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2023	2022	2023	2022
Revenues from prepaid cards, mobile top-ups and bill payments	54,891	61,327	-	-
Revenue from IT services	8,693	6,745	-	-
Management fees	-	-	24,090	23,371
Tax refund from Malta Tax Authorities	-	6,865	-	-
Income from leases	3,683	3,530	3,515	3,373
Income from TV subscriptions	2,357	2,189	2,357	2,189
Income from Gaming Halls Telecommunication	1,490	1,345	1,490	1,345
Other income	<u>5,440</u>	<u>4,089</u>	<u>5,000</u>	<u>3,550</u>
Total	76,554	86,091	36,453	33,828

The “Revenues from prepaid cards, mobile top-ups and bill payments” refer to revenues from TORA DIRECT SINGLE MEMBER S.A. and TORA WALLET SINGLE MEMBER S.A. and includes the following:

- an amount of € 44,534 (2022: € 51,602) related to revenues where the aforementioned subsidiaries act as principals,
- an amount of € 3,947 (2022: € 3,821) related to commissions where the subsidiaries act as agents and finally,
- an amount of € 6,410 (2022: € 5,904) refers to commission from bill payments services.

The “Revenue from IT services” relates to the NEUROSOFT S.A. revenue 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.

The current period’s “Other income” of the Group includes, among others, an amount of € 754 (2022: € 748) relating to income from sales of PLAY Gaming Halls and Opap Stores construction, and an amount of € 2,279 (2022: € 1,703) which represents one-off income and income from reversal of accruals.

It is mentioned that from 2023 and onwards, the revenue from “Tax refund from Malta Tax Authorities” is included in the “Income tax expense” line in the Consolidated Income Statement.

3. Payroll expenses

The analysis of payroll expenses is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2023	2022	2023	2022
Wages and salaries	52,351	48,332	39,089	38,360
Social security costs	9,526	9,252	7,182	7,327
Other staff costs	2,671	1,372	1,932	895
Employee benefit plans	1,969	1,333	1,937	1,307
Termination compensations	<u>1,529</u>	<u>667</u>	<u>1,514</u>	<u>634</u>
Total	68,047	60,957	51,653	48,523

As at 30.09.2023 and 30.09.2022, the number of employees of the Company is 1,227 and 1,185 respectively, while the Group’s at the same dates is 1,808 and 1,684 respectively.

4. Marketing expenses

The analysis of marketing expenses is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2023	2022	2023	2022
CSR	860	1,289	588	967
Sponsorships	26,717	19,104	8,131	6,637
Advertising	<u>57,033</u>	<u>48,501</u>	<u>26,210</u>	<u>24,350</u>
Total	84,610	68,894	34,929	31,954

5. Other operating expenses

The analysis of other operating expenses is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2023	2022	2023	2022
IT related costs	28,950	26,105	25,422	22,464
Utilities & Telecommunication costs	9,702	10,111	8,884	9,083
Rentals	713	730	519	431
Professional fees	46,841	48,185	14,844	14,412
HCC fine	25,152	-	25,152	-
Subscriptions	2,505	2,325	2,011	1,854
Financial support to the agents	74	1,217	74	1,217
Insurance expenses	1,388	1,330	1,101	1,061
Consumables	2,102	1,647	1,676	1,142
Travelling expenses	2,382	2,124	1,869	1,637
Repair and maintenance	1,445	1,650	585	944
Other	19,938	21,771	7,443	9,275
Inventory consumption	<u>4,836</u>	<u>3,438</u>	<u>4,543</u>	<u>3,188</u>
Total	146,028	120,635	94,122	66,709

The Group “IT related cost” in 2023 includes, among others, fees for technological support of information systems (other than gaming platforms) of € 2,109 (2022: € 2,528), repair and maintenance of software and hardware of € 10,889 (2022: € 8,639) and use of software licences of € 14,909 (2022: € 14,331) of which the amount of € 9,977 (2022: € 9,215) 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 such as, legal fees of € 2,630 (2022: € 4,371), Cypriot agents VAT of € 3,258 (2022: € 3,155), taxes (other than Income tax) of € 1,750 (2022: € 1,497), etc..

6. Subsequent events

Dividend from OPAP INVESTMENT LTD through share capital return

OPAP INVESTMENT LTD, according to its AGM's special resolution decided that, the issued share capital and the share premium of the company are decreased by € 129 and € 128,871, respectively. The total amount of € 129,000 has been returned and received by OPAP S.A. on 03.11.2023, as the sole shareholder of the company.