



Coronavirus (COVID-19) impact

OPAP Group (OPAP) is providing an update on the ongoing impact of the COVID-19 crisis on the Group's operations:

Company Priorities

The company has three clear objectives during this exceptional period:

1. **Protecting the health, safety and wellbeing of our employees, agents and communities**
2. **Taking mitigation steps to minimise impact ahead of the future resumption of business**
3. **Protecting the financial position of the Group**

Retail Operations

On 13.03.2020, the Greek government published its decision to impose a temporary ban on the operation of a wide range of retail stores, indoor venues and other locations, aiming to contain the spread of the coronavirus. As a result, all of the OPAP stores and PLAY gaming halls were ordered to be closed for two weeks, from 14.03.2020 until 31.03.2020, a ban that was later extended up until 11.04.2020. In addition, the horseracing facility at Markopoulo Park was also closed. Additionally, retail stores in Cyprus were ordered to be closed from 16.03.2020 until 15.04.2020. Moreover, the nationwide lockdown with traffic restrictions that is in place in Greece until 06.04.2020 has restricted street vendors for the distribution of Hellenic Lotteries' products (Scratch & Passive lotteries).

Online Operations

OPAP's online business, although still a small contributor to Group's total revenues, has seen increases in lottery activity in recent days following the closure of our retail network. This has been helped by the addition of a 3rd draw per week every Tuesday, starting on 31st March 2020. Like other operators, our sportsbetting activity has been significantly impacted by the postponement and/or cancellation of most major sporting events and competitions globally. Overall, OPAP is taking steps to expand further its online offering with the addition of new games in its online product portfolio.

Financial impact

It is anticipated that these developments will materially impact the company's financial performance in FY 2020. The extent of the impact will depend on factors including the duration of the outbreak, how much longer the current restrictions remain in place, any further measures taken by governments, and the extent of the subsequent economic disruption. The retail business of OPAP operates exclusively a model through commercial representatives (agents) that are compensated with a commission based on actual gaming revenues, while revenue sharing agreements also exist with vendors for a number of our largest products, notably VLTs and Sportsbetting. This operating model helps to support a relatively low fixed cost base, allowing OPAP to better manage the impact on profitability.

Assuming an extension of the limitations currently in place the monthly financial impact is expected at c.€130-140m on GGR level and at c.€50-53m on EBITDA. The company is already implementing a number of mitigation measures in order to limit this the potential impact.

Balance Sheet

Given the current circumstances, the uncertainty and rapidly changing nature of the situation, OPAP is aiming to maximise its liquidity within the Group. OPAP is already protecting its cashflow by pro-actively managing its capital expenditure and working capital as well as identifying opportunities for cost savings that will not impact the long-term success of the Group. In addition OPAP has recently secured additional funding of €325m (incl. overdrafts) resulting in its current cash reserves standing at €623m, as at 1st April 2020.

The management assessed the cash position of the Company and carried out sensitivity analysis for its cashflow forecast. The management is confident that the Company has sufficient liquidity to repay all creditors and meet future payment obligations.

Business Continuity

OPAP has implemented a number of measures to ensure normal operations (to the limited extent those are being offered currently), invoking business continuity plans where appropriate, that will also safeguard a quick ramp-up of the business once limitations will be released. In addition, large parts of the Group continue to operate on a 'business as usual' basis, albeit while working from home.

Further information will be provided during the FY2019 Investor Conference Call on 2nd April 2020.