

**OPAP (CYPRUS) LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**OPAP (CYPRUS) LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**

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**OPAP (CYPRUS) LIMITED****BOARD OF DIRECTORS AND OTHER OFFICERS**

Board of Directors	Kamil Ziegler Jan Karas Demetrios Aletraris (resigned 14 February 2024) Charalambos Christou (resigned 29 July 2024) Isidoros Makrides (resigned 29 July 2024) Fotios Zisimopoulos Petros Xarchakos Georgios Christodoulides (appointed 20 February 2024 and resigned 26 June 2024) Panagiotis Gavriel (appointed 29 July 2024) Mamas Georgiou (appointed 29 July 2024) Ilias Katsaros (appointed 29 July 2024) Alexandros Ntavos (appointed 29 July 2024) Xristos Pittas (appointed 29 July 2024)
Secretary	Elena Pantziarou
Independent Auditors	PricewaterhouseCoopers LTD Certified Public Accountants and Registered Auditors 43 Demostheni Severi Avenue CY-1080 Nicosia Cyprus
Legal Advisors	Xenia Anna Photiou L.L.C. Elias Neocleous & Co LLC
Bankers	Alpha Bank Cyprus Ltd Bank of Cyprus Public National Bank of Greece (Cyprus) Ltd Eurobank Cyprus Hellenic Bank Public Company Ltd AstroBank (Cyprus) ltd
Registered Office	Athalassis, 92 ANASTASIO BUILDING, Strovolos, 2024, Nicosia, Cyprus

**OPAP (CYPRUS) LIMITED****MANAGEMENT REPORT**

The Board of Directors of OPAP (Cyprus) Limited (the "Company") presents to the members its Annual Report together with the audited financial statements of the Company for the year ended 31 December 2024.

**PRINCIPAL ACTIVITIES**

The principal activities of the Company which are unchanged from last year, is the organization, operation, conduct and promotion - publicity of all the games of OPAP S.A. held in Cyprus.

**CHANGES IN GROUP STRUCTURE**

During the year there were no changes in the structure of the Company. The Company does not intend to proceed with any acquisitions or mergers.

**FINANCIAL RESULTS**

The Company's financial results for the year ended 31 December 2024 are set out on page 8 to the financial statements. The Company's revenue for the year ended 31 December 2024 was €104.097.568 (2023: €93.737.193). The net profit for the year attributable to the shareholders of the Company amounted to €6.003.393 (2023: €10.059.856).

**EXAMINATION OF THE DEVELOPMENT, POSITION AND PERFORMANCE OF THE ACTIVITIES OF THE COMPANY**

The current financial position as presented in the financial statements is considered satisfactory.

**DIVIDENDS**

On 29<sup>th</sup> July 2024, the Company in a General Meeting declared the payment of a final dividend of €7.000.000 from profits of 2023 (2023: €5.000.00) (Note 11).

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties faced by the Company and the steps taken to manage these risks, are described in notes 2 and 22 to the financial statements.

**USE OF FINANCIAL INSTRUMENTS BY THE COMPANY**

The Company's activities expose it to a variety of financial risks: market price risk, credit risk and liquidity risk.

**PRICE RISK**

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the statement of financial position as fair value through other comprehensive income. The Company is not exposed to commodity price risk.

The Company's equity investments as at 31 December 2024 include equity securities which are publicly traded and included in the London Stock Exchange amounting to €110.195 and equity securities amounting to €623.331 which are traded in the Italian Stock Exchange. The Company does not apply any hedge accounting for price risk.

**OPAP (CYPRUS) LIMITED****MANAGEMENT REPORT** *(continued)***CREDIT RISK**

The Company's credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables from agents, receivable from related parties and other receivables.

Credit risk is managed on an individual basis. For banks and financial institutions, only independently rated parties with a satisfying credit rating are accepted. If receivables are independently rated, these ratings are used. Otherwise, if there is no independent rating, management assesses the credit quality of the receivable, taking into account its financial position, past experience and other factors.

**LIQUIDITY RISK**

Management monitors the current liquidity position of the Company based on expected cash flows and expected revenue receipts. On a long-term basis, liquidity risk is defined based on the expected future cash flows at the time of entering into new credit facilities or leases and based on budgeted forecasts. Management believes that it is successful in managing the Company's liquidity risk.

**REGULATORY AND COMPLIANCE RISK**

Regulatory and Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations. The Company is under the supervision from its regulator, the National Betting Authority, and the Company considers compliance with relevant laws and regulations very seriously.

**FUTURE DEVELOPMENTS**

The Board of Directors does not expect major changes in the principal activities of the Company in the foreseeable future.

**SHARE CAPITAL**

There were no changes in the share capital of the Company during the year.

**BRANCHES**

During the year ended 31 December 2024, the Company did not operate any branches.

**BOARD OF DIRECTORS**

The members of the Company's Board of Directors as at 31 December 2024 and at the date of this report are presented on page 1. All of them were members of the Board throughout the year ended 31 December 2024, except for Mr. Demetrios Aletraris who resigned on 14 February 2024, Mr Georgios Christodoulides who was appointed on 20 February 2024 and resigned on 26 June 2024, Mr Charalambos Christou, and Mr Isidoros Makrides who resigned on 29 July 2024 and Mr. Panagiotis Gavriel, Mr. Mamas Georgiou, Mr. Ilias Katsaros, Mr. Alexandros Ntavos and Mr. Xristos Pittas who were appointed on 29 July 2024.

**OPAP (CYPRUS) LIMITED****MANAGEMENT REPORT** *(continued)***BOARD OF DIRECTORS (continued)**

According to the Company's Articles of Association, the Board of Directors has the authority to appoint any person as its Member, provided that the total number of the members does not exceed the predetermined number as per the existing regulation. All members of the Board continue in office until the next Annual General Meeting, where they are eligible to offer themselves for re-election.

There were no significant changes in the composition, assignment of responsibilities and remuneration of the Board of Directors.

**EVENTS AFTER THE REPORTING PERIOD**

The material post balance sheet events, which have a bearing on the understanding of the financial statements are disclosed in Note 24 of the financial statements.

**RELATED PARTY TRANSACTIONS**

Disclosed in note 21 to the financial statements.

**INDEPENDENT AUDITORS**

The independent auditors of the Company, PricewaterhouseCoopers Limited, have expressed their willingness to continue in office. A resolution giving authority to the Board of Directors to fix their remuneration will be submitted at the forthcoming Annual General Meeting.

By order of the Board of Directors,

Kamil Ziegler

Nicosia, 17 November 2025



## **Independent Auditor's** **To the Members of OPAP (Cyprus) Limited**

### **Report on the audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of OPAP (Cyprus) Limited (the "Company"), which are presented on pages 8 to 48 and comprise the statement of financial position as at 31 December 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other information**

The Board of Directors is responsible for the other information. The other information comprises the management report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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PricewaterhouseCoopers Ltd is a private company registered in Cyprus (Reg. No. 143594). Its registered office is at PwC Central, 43 Demostheni Severi Avenue, CY-1080 Nicosia. A list of the company's directors, including for individuals the present and former (if any) name and surname and nationality, if not Cypriot and for legal entities the corporate name, is kept by the Secretary of the company at its registered office. PwC refers to the Cyprus member firm, PricewaterhouseCoopers Ltd and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see [www.pwc.com/structure](http://www.pwc.com/structure) for further details.



### **Responsibilities of the Board of Directors for the Financial Statements**

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company'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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 the 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 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 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 to cease to continue as a going concern.





- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors 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.

### **Report on Other Legal Requirements**

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, based on the work undertaken in the course of our audit, the Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113, and the information given is consistent with the financial statements.
- In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Management Report. We have nothing to report in this respect.

### **Other Matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Loizos A. Markides  
Certified Public Accountant and Registered Auditor  
for and on behalf of

PricewaterhouseCoopers Limited  
Certified Public Accountants and Registered Auditors

Nicosia, 17 November 2025

**OPAP (CYPRUS) LIMITED****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME****For the year ended 31 December 2024**

	Note	2024 €	2023 €
Amounts wagered	4	<b>301.024.187</b>	280.076.578
<b>Revenue (GGR)</b>	4	<b>104.097.568</b>	93.737.193
Agents' commission		<b>(26.604.391)</b>	(24.262.275)
GGR contribution and other levies and duties	5	<b>(56.372.873)</b>	(49.037.527)
<b>Net gaming revenue (NGR)</b>		<b>21.120.304</b>	20.437.391
Other operating income	6	<b>317.837</b>	321.740
<b>Total operating income</b>		<b>21.438.141</b>	20.759.131
<b>Operating expenses</b>			
Payroll expenses	8	<b>(2.078.368)</b>	(1.482.990)
Marketing expenses		<b>(3.199.688)</b>	(2.312.837)
Sponsorships		<b>(5.604.252)</b>	(5.601.571)
Loss on remeasurement of license liability	16	<b>(420.838)</b>	-
Other gains	12	-	2.000
Other operating expenses		<b>(3.535.761)</b>	(888.167)
<b>Profit from operating activities (EBIT)</b>		<b>6.599.234</b>	10.475.566
<b>Net finance income</b>	9	<b>433.261</b>	993.806
<b>Profit before tax</b>		<b>7.032.495</b>	11.469.372
Tax	10	<b>(1.029.102)</b>	(1.409.516)
<b>Profit for the year</b>		<b>6.003.393</b>	10.059.856
<b>Other comprehensive (loss)/income</b>			
<i>Items that will not be reclassified to profit and loss:</i>			
Equity investments at FVOCI - net change in fair value	14	<b>(123.886)</b>	37.712
<b>Other comprehensive (loss)/income for the year</b>		<b>(123.886)</b>	37.712
<b>Total comprehensive income for the year</b>		<b>5.879.507</b>	10.097.568

The notes on pages 12 to 48 are an integral part of these financial statements.

**OPAP (CYPRUS) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2024

	Note	2024 €	2023 €
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	394.698	472.102
Right-of-use assets	20	83.935	112.571
Intangible assets	13	58.334.623	1.983
Financial assets at fair value through other comprehensive income	14	733.526	857.412
Deferred tax assets		144.532	-
<b>Total non-current assets</b>		<b>59.691.314</b>	<b>1.444.068</b>
<b>Current assets</b>			
Trade and other receivables	15	3.063.541	3.030.557
Loan Receivable	21 (v)	34.235.363	30.200.507
Cash and cash equivalents	16	38.822.543	48.446.287
<b>Total current assets</b>		<b>76.121.447</b>	<b>81.677.351</b>
<b>Total assets</b>		<b>135.812.761</b>	<b>83.121.419</b>
<b>EQUITY</b>			
<b>Capital &amp; reserves</b>			
Share capital	17	1.700.000	1.700.000
Reserves		28.874.549	29.995.042
<b>Total equity</b>		<b>30.574.549</b>	<b>31.695.042</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liability	20	33.650	39.740
License fee liability	18	52.752.447	-
Trade and other payables	18	745.875	754.873
<b>Total non-current liabilities</b>		<b>53.531.972</b>	<b>794.613</b>
<b>Current liabilities</b>			
Lease liabilities	20	52.879	76.976
Borrowings		36.366	42.761
License fee liability	18	4.605.903	-
Trade and other payables	18	46.438.327	50.303.068
Tax liability	19	572.765	208.959
<b>Total current liabilities</b>		<b>51.706.240</b>	<b>50.631.764</b>
<b>Total liabilities</b>		<b>105.238.212</b>	<b>51.426.377</b>
<b>Total equity and liabilities</b>		<b>135.812.761</b>	<b>83.121.419</b>

On 17 November 2025, the Board of Directors of OPAP (Cyprus) Limited authorised these financial statements for issue.

.....  
Kamil Ziegler  
Director

.....  
Alexandros Ntavos  
Director

The notes on pages 12 to 48 are an integral part of these financial statements.

**OPAP (CYPRUS) LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 December 2024

	Note	Share capital €	Fair value reserve €	Retained earnings €	Total €
<b>Balance at 1 January 2023</b>		1.700.000	573.055	24.324.419	26.597.474
<b>Comprehensive income</b>					
Other comprehensive income					
Profit for the year		-	-	10.059.856	10.059.856
Equity investments at FVOCI - net change in fair value	14	-	37.712	-	37.712
Total comprehensive income for the year		-	37.712	10.059.856	10.097.568
<b>Transactions with owners</b>					
Dividends	11	-	-	(5.000.000)	(5.000.000)
Balance at 31 December 2023/ 1 January 2024		1.700.000	610.767	29.384.275	31.695.042
<b>Comprehensive income</b>					
Other comprehensive income					
Profit for the year		-	-	6.003.393	6.003.393
Equity investments at FVOCI - net change in fair value	14	-	(123.886)	-	(123.886)
Total comprehensive income for the year		-	(123.886)	6.003.393	5.879.507
<b>Transactions with owners</b>					
Dividends	11			(7.000.000)	(7.000.000)
<b>Balance at 31 December 2024</b>		<b>1.700.000</b>	<b>486.881</b>	<b>28.387.668</b>	<b>30.574.549</b>

The notes on pages 12 to 48 are an integral part of these financial statements.

**OPAP (CYPRUS) LIMITED**

**STATEMENT OF CASH FLOWS**

**For the year ended 31 December 2024**

	Note	2024 €	2023 €
<b>Cash flows from operating activities</b>			
Profit for the year		<b>6.003.393</b>	10.059.856
Adjustments for:			
Depreciation of property, plant and equipment	12	<b>189.132</b>	185.077
Amortisation of intangible assets	13	<b>2.076.966</b>	992
Depreciation of right-of-use of asset	20	<b>82.533</b>	75.047
Loss from write off of property, plant and equipment	12	-	37.000
Gain on disposal of property, plant and equipment	12	-	(2.000)
Net impairment losses on financial assets	22	<b>20.000</b>	-
Finance expense	9	<b>912.637</b>	138.991
Finance income	9	<b>(1.345.898)</b>	(1.132.797)
Loss on remeasurement of license liability	16	<b>420.838</b>	-
Income tax expense	10	<b>1.029.102</b>	1.409.516
<b>Cash generated from operations before working capital changes</b>		<b>9.388.703</b>	10.771.682
(Increase)/Decrease in trade and other receivables		<b>(87.840)</b>	2.926.065
(Decrease)/Increase in trade and other payables		<b>(3.873.737)</b>	11.002.227
<b>Cash generated from operations</b>		<b>5.427.126</b>	24.699.974
Tax paid		<b>(721.758)</b>	(1.382.276)
<b>Net cash generated from operating activities</b>		<b>4.705.368</b>	23.317.698
<b>Cash flows from investing activities</b>			
Payment for acquisition of property, plant and equipment	12	<b>(111.728)</b>	(257.959)
Payment for acquisition of intangibles	13	<b>(39.270)</b>	(2.975)
Proceeds from disposal of property, plant and equipment	12	-	2.000
Interest received		<b>1.257.827</b>	1.015.527
Loan granted to related parties		<b>(14.000.000)</b>	-
Loan repayments received from related parties		<b>10.000.000</b>	-
<b>Net cash (used in)/generated from investing activities</b>		<b>(2.893.171)</b>	756.593
<b>Cash flows from financing activities</b>			
Interest paid		<b>(145.461)</b>	(21.721)
Proceeds from bank borrowings		-	42.762
Repayment of bank borrowings		<b>(6.396)</b>	-
Principal element of lease payment	16	<b>(84.084)</b>	(73.068)
Repayment of license fee liability	16	<b>(4.200.000)</b>	-
Dividends paid	11	<b>(7.000.000)</b>	-
<b>Net cash used in financing activities</b>		<b>(11.435.941)</b>	(52.027)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(9.623.744)</b>	24.022.264
Cash and cash equivalents at beginning of the year		<b>48.446.287</b>	24.424.023
<b>Cash and cash equivalents at end of the year</b>	16	<b>38.822.543</b>	48.446.287

The notes on pages 12 to 48 are an integral part of these financial statements.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

#### **1. INCORPORATION, PRINCIPAL ACTIVITIES AND OPERATING ENVIRONMENT OF THE COMPANY**

OPAP (Cyprus) Limited (the "Company") is incorporated and domiciled in Cyprus as a private limited liability company in accordance with the provisions of Cyprus Companies Law, Cap. 113. Its registered office is at Athalassis, 92, Anastasio Building, Strovolos, 2024, Nicosia, Cyprus. The Company was 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".

On 26<sup>th</sup> June 2024 the Concession Agreement between OPAP (Cyprus) Limited and the Republic of Cyprus was signed pursuant to the provisions of Law 52(I)/2018 entitled "The Law on Specific Games of Chance of 2018". On the same date, the Code of Practice was published in the Government Gazette, the National Betting Authority granted to OPAP (Cyprus) Limited the relevant exclusive license and the 2003 Intergovernmental Agreement between the Hellenic Republic of Cyprus was terminated. According to the terms of the Concession Agreement, OPAP (Cyprus) Limited will exclusively conduct, provide and manage designated games of chance in the Cypriot market for a period of 15 years. From the date of the Concession Agreement, the Company is regulated by the National Betting Authority.

The principal activities of the Company which are unchanged from last year, is the organization, operation, conduct and promotion - publicity of all the games of OPAP S.A. held in Cyprus.

#### ***War between Russia and Ukraine***

In response to the military operation of Russia in Ukraine, a number of sanctions have been imposed on Russian entities to restrict them from having access to foreign financial markets, including removing access of several Russian banks to the international SWIFT system.

The EU, UK and US (amongst others) have also imposed sanctions against the Russian central bank, restricting the access of the Russian state to foreign currency reserves, and introduced further asset freezes against designated individuals/entities and sectoral sanctions.

The situation is still evolving and further sanctions and limitations on business activity of companies operating in the region, as well as consequences on the Russian economy in general, may arise but the full nature and possible effects of these are unknown.

Nonetheless, the Company is not significantly impacted from the conflict, as its operations are not affected by the situation however it will continue monitoring the situation and take action if required.

Management has taken and continues to take necessary measures to ensure minimum disruption to and sustainability of the Company's operations and support the Company's employees, customers and suppliers.

#### ***Israel – Gaza conflict***

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. The Management will continue to monitor the situation closely and take appropriate actions when and if needed.

**OPAP (CYPRUS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**1. INCORPORATION, PRINCIPAL ACTIVITIES AND OPERATING ENVIRONMENT OF THE COMPANY (continued)**

***Israel – Gaza conflict (continued)***

The future effects of the conflict in the region and the general economic conditions and of the above events and measures on the Cyprus economy, and consequently on the future financial performance, cash flows and financial position of the Company, are difficult to predict and management's current expectations and estimates could differ from actual results. The Company's management believes that it is taking all the necessary measures to maintain the viability of the Company and the development of its business in the current economic environment.

**2. BASIS OF PREPARATION**

**(a) Statement of compliance**

The financial statements of the Company have been prepared in accordance with IFRS Accounting Standards, as adopted by the European Union, and the requirements of the Cyprus Companies Law, Cap. 113.

IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards;
- IAS Standards; and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

**(b) Basis of measurement**

The financial statements have been prepared under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value and by the revaluation of financial assets at fair value through other comprehensive income.

The material accounting policies applied in the presentation of these financial statements are set out below in Note 3. These policies have consistently applied to all the years presented, unless otherwise stated.

**(c) Adoption of new and revised IFRS and Interpretations as adopted by the EU**

As from 1 January 2024, the Company adopted all of IFRS Accounting Standards, which are relevant to its operations. This adoption did not have a material effect on the accounting policies of the Company.

At the date of approval of these financial statements, standards, revised standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the EU and others not yet. The Board of Directors expects that the adoption of these financial reporting standards in future periods will not have a significant effect on the financial statements of the Company, except the following set out below:

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

#### 2. BASIS OF PREPARATION *(continued)*

##### (c) Adoption of new and revised IFRS and Interpretations as adopted by the EU *(continued)*

IFRS 18 ‘Presentation and Disclosure in Financial Statements’ (effective for annual periods beginning on or after 1 January 2027). IFRS 18 was issued in April 2024. It sets out requirements on presentation and disclosures in financial statements and replaces IAS 1. Its objective is to make it easier for investors to compare the performance and future prospects of entities by changing the requirements for presenting information in the primary financial statements, particularly the statement of profit or loss. The new standard:

- requires presentation of two new defined subtotals in the statement of profit or loss—operating profit and profit before financing and income taxes;
- requires disclosure of management-defined performance measures—subtotals of income and expenses not specified by IFRS that are used in public communications to communicate management’s view of an aspect of a company’s financial performance. To promote transparency, a company will be required to provide a reconciliation between these measures and totals or subtotals specified by IFRS;
- enhances the requirements for aggregation and disaggregation to help a company to provide useful information;
- requires limited changes to the statement of cash flows to improve comparability by specifying a consistent starting point for the indirect method of reporting cash flows from operating activities and eliminating options for the classification of interest and dividend cash flows.

##### (d) Use of estimates and judgements

The preparation of financial statements in accordance with IFRS Accounting Standards requires from management the exercise of judgement, to make estimates and assumptions that influence the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are deemed to be reasonable based on knowledge available at that time. Actual results may deviate from such estimates.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### *Initial measurement of intangible asset and license fee liability*

In accordance with the accounting policy of OPAP (Cyprus) Limited, the Company recognised intangible asset and a respective liability for the license from the 15 year concession agreement with the Republic of Cyprus. The intangible asset is initially recognised based on the fair value of the future contingent payments at acquisition and a financial liability is recognised at the same fair value. Based on the Concession Agreement, the future license payments will be calculated in accordance with the Company's future Gross Gaming Revenue (GGR). For the initial recognition of the intangible asset and the respective liability, management estimates the future GGR where the license payments will be based and also applies judgment on the determination of the appropriate discount rate. The table below shows the impact on the initial recognition of the intangible asset (increase/(decrease)) and liability (increase/(decrease)) if certain key assumptions changed:



**OPAP (CYPRUS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**2. BASIS OF PREPARATION (continued)**

**(d) Use of estimates and judgements (continued)**

*Initial measurement of intangible asset and license fee liability (continued)*

	<b>GGR Growth Rate</b>	<b>Discount Rate</b>	<b>Impact</b>
	<b>%</b>	<b>%</b>	<b>€</b>
Base scenario	2%	2,75%	-
<i>Change of primary assumption</i>			
GGR Growth rate	1%	2,75%	(3.774.169)
GGR Growth rate	3%	2,75%	4.384.096
Discount rate	2%	1,75%	4.009.205
Discount rate	2%	3,75%	(3.627.158)
Mixed scenario	1%	3,75%	(7.081.480)
Mixed scenario	3%	1,75%	8.807.277

*Subsequent measurement of license fee liability*

The Company should adjust the carrying amount of the liability by computing the present value of estimated future cash flows at the financial instrument's original effective interest rate or, where applicable, the revised effective interest rate calculated in accordance with IFRS 9. Subsequent changes in the measurement of the liability are unrelated to the cost of the asset. The adjustment is therefore recognised in the statement of profit or loss and other comprehensive income. As at 31 December 2024, the Company applies judgment to the remeasurement of financial liability in regards to changes in the assumption of GGR Growth rate and the discount rate used of the remeasurement of revised future cash flows. The table below shows the impact (increase/(decrease)) on remeasurement of the liability as at 31 December 2024 if certain key assumptions change:

	<b>GGR Growth Rate</b>	<b>Discount Rate</b>	<b>Impact</b>
	<b>%</b>	<b>%</b>	<b>€</b>
Base scenario	2%	2,75%	-
<i>Change of primary assumption</i>			
GGR Growth rate	1%	2,75%	(3.795.775)
GGR Growth rate	3%	2,75%	4.394.057
Discount rate	2%	1,75%	3.758.215
Discount rate	2%	3,75%	(3.410.543)
Mixed scenario	1%	3,75%	(6.899.859)
Mixed scenario	3%	1,75%	8.547.170

**(e) Functional and presentation currency**

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The financial statements are presented in Euro (€), which is the functional and presentation currency of the Company.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

#### 3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented in the financial statements, unless otherwise stated.

Management seeks not to reduce the understandability of these financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

##### Revenue

- *Revenue from gaming activities*

Gaming revenue is reported as the difference between amounts wagered and payout to the winners and net of incentives to the players and is presented as Gross Gaming Revenue (“GGR”) in the income statement.

Amount wagered do not represent the Company’s statutory revenue measure. They comprise the amount received from the players or that are receivable by the end of the year in respect of all games. Amount wagered that refer to events (games or draws) of future accounting periods are considered as deferred revenue classified under “Trade and other payables” in the statement of financial position.

Payout to the winners is recognised on the date that the draw or the event occurred. Payout (winning) claims at the end of each reporting period are classified as “Trade and other payables” in the Statement of Financial Position. There are two types of Lottery Games, 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 into the next draw and at the end of each reporting period the Company recognizes a relevant payout provision which is included in “Trade and other payables”. Revenue is recognised in the period when the draws take place, net of the obligations to pay the player winnings on future draws.

##### Employee benefits

The Company and its employees contribute to the Government Social Insurance Fund based on employees' salaries. In addition, the Company operates a defined contribution scheme the asset of which are held in a separate trustee-administered fund. The scheme is funded by payments for employees by the Company. The Company's contributions are expensed as incurred and are included in staff costs. The Company has no further payment obligations once the contributions have been paid. Prepaid contributions are recognised as an asset to the extent a cash refund or a reduction in the future payments is available.

##### Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognized termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

#### 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

##### Finance income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the income statement as “Finance income”. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit - impaired financial assets – Stage 3 the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

##### Finance expenses

Interest expense and other borrowing costs are recognised in profit or loss using the effective interest rate method.

##### Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country in which the Company 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. If applicable tax regulation is subject to interpretation, it establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the Company where there is an intention to settle the balances on a net basis.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

#### Uncertain tax positions

The Company's uncertain tax positions are reassessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period, and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are recognised based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period. Adjustments for uncertain income tax positions, other than interest and fines, are recorded within the income tax charge. Adjustments for uncertain income tax positions in respect of interest and fines are recorded within finance costs and other gains/(losses), net, respectively.

#### Dividends

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the year in which they are approved by the Company's shareholders and are no longer at the discretion of the Company.

#### Property, plant and equipment

Property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of property, plant and equipment.

Depreciation is recognised in profit or loss on the straight-line method over the useful lives of each part of an item of property, plant and equipment. The annual depreciation rates used for the current and comparative periods are as follows:

	%
Plant and machinery	20
Motor vehicles	15,4
Furniture, fixtures and office equipment	20

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

#### 3 MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

##### Leases

*The Company is the lessee*

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company, with limited exceptions as set out below.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- 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.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Company, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**3 MATERIAL ACCOUNTING POLICY INFORMATION *(continued)***

Leases *(continued)*

*The Company is the lessee (continued)*

Any remeasurement of the lease liability arising if the cash flows change based on the original terms and conditions of the lease results in a corresponding adjustment to the right-of-use asset. The adjustment can be positive or negative.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Depreciation on the items of the right-of-use assets is calculated using the straight-line method over their estimated useful lives which is the lease period of 3 years.

In determining the lease term, management of the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Company.

Right-of-use assets are reviewed for impairment in accordance with the Company's accounting policy for impairment of non-financial assets.

As an exception to the above, payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Right-of-use assets and associated lease liabilities are presented in property, plant and equipment and other financial liabilities, respectively, on the balance sheet.

Intangible assets

*Computer software*

Costs that are directly associated with identifiable and unique computer software products controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Subsequently, computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the computer software. Costs associated with maintenance of computer software programs are recognised as an expense when incurred. Computer software costs are amortised using the straight-line method over their useful lives, not exceeding a period of three years. Amortisation commences when the computer software is available for use and is recognised in profit or loss.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3 MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

#### Intangible assets (continued)

##### *License – Concession Agreement*

The Company recognised intangible asset as a result of the exclusive license provided by the Republic of Cyprus to provide and manage designated games of chance in the Cypriot market for a period of 15 years. Intangible assets are measured at cost. Cost is defined as the amount of cash or cash equivalents paid, or the fair value of other consideration given, to acquire the asset at the time of its acquisition. The license fee includes future payments that are contingent on the performance of the Company (contingent consideration). The Company applies financial liability model where an intangible asset recognised including the fair value of the future contingent payments at acquisition and a financial liability at the same fair value. Subsequently, the financial liability is measured at amortised cost, following the requirements of IFRS 9. The entity should adjust the carrying amount of the financial liability to reflect actual and updated estimated cash flows whenever the cash flow estimates are revised. Subsequent changes in the measurement of the liability are unrelated to the cost of the asset. The adjustment is therefore recognised in the statement of profit or loss and other comprehensive income.

License is amortised using the straight-line method over its useful life. License is amortised over a period of 15 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted accordingly.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

#### Financial assets

##### Financial assets – Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVTPL). If doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3 MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

#### Financial assets *(continued)*

#### Financial assets – Classification *(continued)*

All other financial assets are classified as measured at FVTPL.

#### Financial assets – Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention (“regular way” purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognized when the entity becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

#### Financial assets – Measurement

At initial recognition, the Company 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 that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### *Debt instruments*

The subsequent measurement of debt instruments depends on the Company’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income from these financial assets is included in “other income”. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in “other gains/(losses)” together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income. The Company’s financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, bank deposits with original maturity over 3 months, trade receivables and financial assets at amortised cost.



## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3 MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

#### Financial assets *(continued)*

#### Financial assets – Measurement *(continued)*

#### *Debt instruments (continued)*

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "other gains/(losses)". Interest income from these financial assets is included in "other income". Foreign exchange gains and losses are presented in "other gains/(losses)" and impairment expenses are presented as separate line item in the statement of profit or loss and other comprehensive income. During the year, the Company did not hold any debt instruments in this category.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within "other gains/(losses)" in the period in which it arises. During the year, the Company did not hold any debt instruments in this category.

#### *Equity instruments*

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, any related balance within the FVOCI reserve is reclassified to retained earnings. The Company's policy is to designate equity investments as FVOCI when those investments are held for strategic purposes other than solely to generate investment returns. Dividends from such investments continue to be recognised in profit or loss as "other income" when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in "other gains/(losses)" in the income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

#### Financial assets – impairment – credit loss allowance for expected credit losses

The Company assesses on a forward-looking basis the expected credit losses (ECL) for debt instruments (including loans) measured at AC. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

#### **3 MATERIAL ACCOUNTING POLICY INFORMATION *(continued)***

##### Financial assets *(continued)*

##### Financial assets – impairment – credit loss allowance for expected credit losses *(continued)*

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within “net impairment losses on financial assets”. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments measured at AC are presented in the balance sheet net of the allowance for ECL.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial instrument assessed for impairment. Refer to Note 22, Credit risk section for a description of impairment methodology applied by the Company for calculating expected credit losses for financial assets that are subject to impairment under IFRS 9.

##### Financial assets – Reclassification

Financial assets are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

##### Financial assets – write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

##### Financial assets – modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3 MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

#### Financial assets *(continued)*

#### Financial assets – modification *(continued)*

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate and recognises a modification gain or loss in profit or loss.

#### Classification as cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are carried at AC because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

#### Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. These are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

#### Classification as trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See Note 22 Credit risk section.

## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3 MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

#### Financial Liabilities - measurement categories

Financial Liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL. This classification is applied to derivatives financial liabilities held for trading (e.g. short position in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

#### Financial liabilities – Modifications

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in “finance costs” in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

#### Share capital

Ordinary shares are classified as equity.

#### Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Prepayments

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in the statement of profit or loss and other comprehensive income.

Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

**4 REVENUE (GGR)**

	<b>2024</b>	2023
	€	€
Amounts wagered	<b>301.024.187</b>	280.076.578
Winnings paid	<b>(196.926.619)</b>	(186.339.385)
	<b><u>104.097.568</u></b>	<u>93.737.193</u>

**5. GGR CONTRIBUTION, OTHER LEVIES AND DUTIES**

	<b>2024</b>	2023
	€	€
Fees to OPAP S.A. (Note 21 (iv))	<b>29.310.712</b>	28.007.856
Fees to Cyprus Government	<b>21.828.640</b>	16.260.367
Other contributions and expenses	<b>5.233.521</b>	4.769.304
	<b><u>56.372.873</u></b>	<u>49.037.527</u>

**OPAP (CYPRUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2024****6. OTHER OPERATING INCOME**

	<b>2024</b>	2023
	€	€
Sundry operating income	<b><u>317.837</u></b>	<u>321.740</u>

**7. EXPENSES BY NATURE**

	<b>2024</b>	2023
	€	€
	Note	
Depreciation and amortisation	12&13	2.266.098
Depreciation of right-to-use asset	20	186.069
Staff costs, including Directors in their executive capacity	8	82.533
Independent auditors' remuneration		75.047
		2.078.368
		1.482.990
		<b><u>24.996</u></b>
		<u>24.494</u>

The total fees charged by the Company's statutory auditor for the statutory audit of the annual financial statements of the Company for the year end 31 December 2024 amounted to €24.996 (2023: €24.494). The total fees charged by the Company's statutory auditor for the year ended 31 December 2024 for other non-assurance service amounted to €35.105 (2023: €Nil).

**8. STAFF COSTS**

	<b>2024</b>	2023
	€	€
Wages and salaries	<b>1.259.014</b>	1.236.724
Social insurance contributions and other funds	<b>139.722</b>	137.581
Social cohesion fund contributions	<b>20.353</b>	20.343
Provident fund contributions	<b>82.279</b>	88.342
Termination benefits	<b>577.000</b>	-
	<b><u>2.078.368</u></b>	<u>1.482.990</u>
Total staff costs		<u>1.482.990</u>

The average number of employees (including directors in their executive capacity) employed by the Company during the year 2024 and 2023 were 27 and 26, respectively.

The Company has a defined contribution scheme, the OPAP (Cyprus) Limited Employees' Provident Fund, which is funded separately and prepares its own financial statements, whereby employees are entitled to payment of certain benefits upon retirement or prior termination of service.

**OPAP (CYPRUS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**9. NET FINANCE INCOME AND EXPENSES**

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Interest income	<b>658.679</b>	274.198
Other interest income	<b>182</b>	-
Gain on recognition of long-term trade payable	<b>-</b>	117.270
Loan interest income from relates parties	<b>687.037</b>	741.329
	<hr/>	<hr/>
Finance income	<b>1.345.898</b>	1.132.797
	<hr/>	<hr/>
Sundry finance expenses	<b>(142.652)</b>	(17.772)
Loss on recognition of long-term receivable	<b>-</b>	(117.270)
Unwinding of interest – Licence liability	<b>(767.176)</b>	-
Interest on lease liability (Note 20)	<b>(2.809)</b>	(3.949)
	<hr/>	<hr/>
Finance expenses	<b>(912.637)</b>	(138.991)
	<hr/>	<hr/>
<b>Net finance income</b>	<b>433.261</b>	993.806
	<hr/>	<hr/>

**10. TAXATION**

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Corporation tax - current year	<b>1.036.011</b>	1.400.955
Corporation tax – prior year taxes	<b>49.553</b>	8.561
Special defense contribution – current year	<b>88.070</b>	-
Deferred tax – origination and reversal of temporary differences	<b>(144.532)</b>	-
	<hr/>	<hr/>
Charge for the year	<b>1.029.102</b>	1.409.516
	<hr/>	<hr/>

Reconciliation of tax based on the taxable income and tax based on accounting profits:

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Accounting profit before tax	<b>7.032.495</b>	11.469.372
	<hr/>	<hr/>
Tax calculated at the applicable tax rates of 12,5%	<b>879.062</b>	1.433.672
Tax effect of expenses not deductible for tax purposes	<b>102.532</b>	9.875
Tax effect of allowances and income not subject to tax	<b>(90.115)</b>	(42.592)
Special defense contribution	<b>88.070</b>	-
Prior year taxes	<b>49.553</b>	8.561
	<hr/>	<hr/>
Tax as per statement of profit or loss and other comprehensive income - charge	<b>1.029.102</b>	1.409.516
	<hr/>	<hr/>

**OPAP (CYPRUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2024****10. TAXATION (continued)**

The corporation tax rate is 12,5%.

Brought forward losses at only five years may be utilized.

Under certain conditions, interest income may be subject to defence contribution at the rate of 17% (2023: 30%). In such cases, this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

**11. DIVIDENDS AND OTHER DISTRIBUTIONS TO SHAREHOLDERS**

	2024 €	2023 €
<b>Dividends</b>		
Dividends declared	<b><u>7.000.000</u></b>	<b><u>5.000.00</u></b>

On 29 July 2024, the Company in the Annual General Meeting declared the payment of a final dividend of €7.000.000 from profits of 2023 (2023: €5.000.000 from profits of 2022).

**12. PROPERTY, PLANT AND EQUIPMENT****2024**

	Agencies Equipment €	Motor Vehicles €	Furniture fixtures and office equipment €	Total €
Balance at 1 January	1.281.689	145.949	368.325	1.795.963
Additions	98.611	-	13.117	111.728
	<u>1.380.300</u>	<u>145.949</u>	<u>381.442</u>	<u>1.907.691</u>
Balance at 31 December	<u>1.380.300</u>	<u>145.949</u>	<u>381.442</u>	<u>1.907.691</u>
<b>Depreciation</b>				
Balance at 1 January	932.563	69.731	321.567	1.323.861
Depreciation for the year	144.262	22.476	22.394	189.132
	<u>1.076.825</u>	<u>92.207</u>	<u>343.961</u>	<u>1.512.993</u>
Balance at 31 December	<u>1.076.825</u>	<u>92.207</u>	<u>343.961</u>	<u>1.512.993</u>
<b>Carrying amounts</b>				
Balance at 31 December	<u>303.475</u>	<u>53.742</u>	<u>37.481</u>	<u>394.698</u>



**OPAP (CYPRUS) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**12. PROPERTY, PLANT AND EQUIPMENT *(continued)***

**2023**

	<b>Agencies Equipment €</b>	<b>Motor Vehicles €</b>	<b>Furniture fixtures and office equipment €</b>	<b>Total €</b>
Balance at 1 January	1.125.078	101.300	382.704	1.609.082
Write-off	-	(39.000)	(18.078)	(57.078)
Additions	156.611	97.649	3.699	257.959
Disposals	-	(14.000)	-	(14.000)
	<u>1.281.689</u>	<u>145.949</u>	<u>368.325</u>	<u>1.795.963</u>
<b>Balance at 31 December</b>				
<b>Depreciation</b>				
Balance at 1 January	793.062	64.050	315.750	1.172.862
Write-off	-	(2.000)	(18.078)	(20.078)
Disposals	-	(14.000)	-	(14.000)
Depreciation for the year	139.501	21.681	23.895	185.077
	<u>932.563</u>	<u>69.731</u>	<u>321.567</u>	<u>1.323.861</u>
<b>Balance at 31 December</b>				
<b>Carrying amounts</b>				
Balance at 31 December	<u>349.126</u>	<u>76.218</u>	<u>46.758</u>	<u>472.102</u>

During the year ended 31 December 2023, in the statement of cash flows, proceeds from sale of property, plant and equipment of €2.000 relates to motor vehicle with net book value of €Nil, resulting to gain from disposal of €2.000.

**13. INTANGIBLE ASSETS**

**2024**

	<b>Computer software €</b>	<b>License €</b>	<b>Total €</b>
<b>Cost</b>			
Balance at 1 January	80.818	-	80.818
Additions (1)	39.270	60.370.336	60.409.606
	<u>120.088</u>	<u>60.370.336</u>	<u>60.490.424</u>
<b>Balance at 31 December</b>			
<b>Amortisation</b>			
Balance at 1 January	78.835	-	78.835
Amortisation for the year	8.723	2.068.243	2.076.966
	<u>87.558</u>	<u>2.068.243</u>	<u>2.155.801</u>
<b>Balance at 31 December</b>			
<b>Carrying amounts</b>			
Balance at 31 December	<u>32.530</u>	<u>58.302.093</u>	<u>58.334.623</u>

**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**13. INTANGIBLE ASSETS *(continued)***

- (1) On 26<sup>th</sup> June 2024, the Concession Agreement between OPAP (CYPRUS) Limited and the Republic of Cyprus was signed. According to the terms of the Concession Agreement, OPAP (CYPRUS) Limited will exclusively conduct, provide and manage designated games of chance in the Cypriot market for a period of 15 years. The consideration for the license will be paid in 15 annual installments, based on a specific mathematical formula, which will correlate with the annual performance of the games offered by OPAP (Cyprus) Limited. An intangible asset was initially recognised including the fair value of the future contingent payments at acquisition and a respective financial liability was recognised at the same fair value. For the estimates in regards to the initial recognition of the intangible asset, please refer to Note 2.

**2024**

	Computer software €	License €	Total €
<b>Cost</b>			
Balance at 1 January	77.843	-	77.843
Additions	2.975	-	2.975
	<hr/>	<hr/>	<hr/>
Balance at 31 December	80.818	-	80.818
	<hr/>	<hr/>	<hr/>
<b>Amortisation</b>			
Balance at 1 January	77.843	-	77.843
Amortisation for the year	992	-	992
	<hr/>	<hr/>	<hr/>
Balance at 31 December	78.835	-	78.835
	<hr/>	<hr/>	<hr/>
<b>Carrying amounts</b>			
Balance at 31 December	1.983	-	1.983
	<hr/>	<hr/>	<hr/>

**14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

	2024 €	2023 €
Balance at 1 January	857.412	819.700
Equity investments at FVOCI - net change in fair value	(123.886)	37.712
	<hr/>	<hr/>
Balance at 31 December	733.526	857.412
	<hr/>	<hr/>

Equity securities at FVOCI, comprising equity securities listed on a Stock Exchange, are fair valued annually at the close of business on 31 December. For investments traded in active markets, fair value is determined by reference to Stock Exchange quoted bid prices. Information about the methods and assumptions used in determining fair value and sensitivity of the assets to price risk are provided in Note 22.

**OPAP (CYPRUS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**  
*(continued)*

Investments at FVOCI comprise the following individual investments:

	<b>2024</b>	2023
	€	€
Listed equity securities:		
London Stock Exchange: Bank of Cyprus	<b>110.195</b>	78.249
Milan Stock Exchange: Neurosoft S.A.	<b>623.331</b>	779.163
	<hr/>	<hr/>
Equity investments designated at FVOCI	<b>733.526</b>	857.412
	<hr/>	<hr/>

During the year, loss amounting to €123.886 (2023: profit €37.712) were recognized in other comprehensive income.

**15. TRADE AND OTHER RECEIVABLES**

	<b>2024</b>	2023
	€	€
Trade receivables	<b>2.300.413</b>	1.756.128
Less: Provision for impairment of receivables	<b>(39.378)</b>	(19.378)
	<hr/>	<hr/>
Trade receivables - net	<b>2.261.035</b>	1.736.750
Deposits and prepayments	<b>168.018</b>	148.691
Other receivables	<b>634.488</b>	1.145.116
	<hr/>	<hr/>
	<b>3.063.541</b>	3.030.557
	<hr/>	<hr/>

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

The exposure of the Company to credit risk and impairment losses in relation to trade and other receivables is reported in note 22 to the financial statements.

The Company's trade and other receivables are dominated in Euro.

**16. CASH AND CASH EQUIVALENTS**

Cash balances are analysed as follows:

	<b>2024</b>	2023
	€	€
Cash at bank	<b>38.822.247</b>	48.445.475
Cash in hand	<b>296</b>	812
	<hr/>	<hr/>
	<b>38.822.543</b>	48.446.287
	<hr/>	<hr/>

**OPAP (CYPRUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2024**16. CASH AND CASH EQUIVALENTS (continued)**

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 22 to the financial statements.

Cash and cash equivalents balances include the following for the purposes of the cash flow statement:

	2024 €	2023 €
Cash and cash equivalents	<b><u>38.822.543</u></b>	<b><u>48.446.287</u></b>

The Company's cash and cash equivalents are denominated in Euros.

**Principal non-cash investing and financing transactions**

The principal non-cash financing transactions during current and prior year were:

- Additions to the right-of-use assets during the year ended 31 December 2024 were €53.897 (2023: €Nil) (Note 20).
- On 26<sup>th</sup> June 2024, the Concession Agreement between OPAP CYPRUS LTD and the Republic of Cyprus was signed for the exclusive right to provide and manager designated games of chance in the Cypriot market for a period of 15 years. As a result of the agreement, the Company recognised an intangible asset and a respective liability of €60.370.336 (2023: €Nil) (Note 13).
- On 31<sup>st</sup> December 2024, the Company recalculated the carrying amount of the liability by computing the present value of revised estimated future cash flows. The remeasurement of the liability resulted in a loss of €420.838.
- On 31<sup>st</sup> May 2023, the Company in the Annual General Meeting declared a final dividend of €5.000.000 from profits of 2022, which were not paid in cash and instead credited to parent's entity current account (Note 11).

**Reconciliation of liabilities arising from financing activities:**

	Leases €	License €	Total €
<b>Opening balance 1 January 2024</b>	116.716	-	116.716
Cash flows:			
Repayment of principal	(84.084)	(4.200.000)	(4.284.084)
Repayment of interest	(2.809)	-	(2.809)
Interest expense	2.809	-	2.809
Non cash transactions:			
Additions	53.897	60.370.336	60.424.233
Remeasurement	-	420.838	420.838
Unwinding of interest	-	767.176	767.176
<b>Closing balance 31 December 2024</b>	<b><u>86.529</u></b>	<b><u>57.358.350</u></b>	<b><u>57.444.879</u></b>

**OPAP (CYPRUS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**16. CASH AND CASH EQUIVALENTS (continued)**

**Principal non-cash investing and financing transactions (continued)**

	Leases €	License €	Total €
<b>Opening balance 1 January 2023</b>	189.784	-	189.784
Cash flows:			
Repayment of principal	(73.068)	-	(73.068)
Repayment of interest	(3.949)	-	(3.949)
Interest expense	3.949	-	3.949
	<u>116.716</u>	<u>-</u>	<u>116.716</u>
<b>Closing balance 31 December 2023</b>	<u>116.716</u>	<u>-</u>	<u>116.716</u>

**17. SHARE CAPITAL**

	2024 Number of shares	2024 €	2023 Number of shares	2023 €
<b>Authorised</b>				
Ordinary shares of €1 each	<u>1.700.000</u>	<u>1.700.000</u>	<u>1.700.000</u>	<u>1.700.000</u>
<b>Issued and fully paid</b>				
Balance at 1 January	<u>1.700.000</u>	<u>1.700.000</u>	<u>1.700.000</u>	<u>1.700.000</u>
Balance at 31 December	<u>1.700.000</u>	<u>1.700.000</u>	<u>1.700.000</u>	<u>1.700.000</u>

**18. TRADE AND OTHER PAYABLES AND LICENSE FEE LIABILITY**

	2024 €	2023 €
Trade payables	<b>3.063.812</b>	2.902.164
Guarantee deposits from agents (1)	<b>2.019.846</b>	1.989.149
Payables to parent (Note 21 (vi))	<b>10.431.709</b>	9.701.145
Other payables	<b>12.350.983</b>	10.350.159
Amounts due to the Republic of Cyprus	<b>2.592.385</b>	4.659.775
Dividends (Note 21 (vi))	-	10.000.000
Social insurance and other taxes	<b>55.061</b>	51.858
License fee liability (2)	<b>57.358.350</b>	-
Accruals	<b>16.670.406</b>	11.403.691
	<u><b>104.542.552</b></u>	<u>51.057.941</u>
Trade and other payables - non-current portion	745.875	754.873
Trade and other payables - current portion	<u>46.438.327</u>	<u>50.303.068</u>
	<u>47.184.202</u>	<u>51.057.941</u>

**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**18. TRADE AND OTHER PAYABLES AND LICENSE FEE LIABILITY (*continued*)**

	2024	2023
	€	€
License fee liability - non-current portion	52.752.447	-
License fee liability - current portion	4.605.903	-
	<u>57.358.350</u>	<u>-</u>

- (1) Guarantee deposits from agents consist of guarantees provided by agents according to the rules that govern the relationship of the Company with them. These guarantees are used to offset any doubtful receivables from agents and are returned to them upon the termination of their cooperation with the Company.
- (2) On 26<sup>th</sup> June 2024, the Concession Agreement between OPAP (CYPRUS) Limited and the Republic of Cyprus was signed. According to the terms of the Concession Agreement, OPAP (CYPRUS) Limited will exclusively conduct, provide and manage designated games of chance in the Cypriot market for a period of 15 years. The consideration for the license will be paid in 15 annual installments, based on a specific mathematical formula, which will also reflect the annual performance of the games offered by OPAP (Cyprus) Limited. An intangible asset was initially recognised including the fair value of the future contingent payments at acquisition and a respective financial liability was recognised at the same fair value. For the estimates in regards to the initial recognition of the intangible asset, please refer to Note 2. The Company recalculates the carrying amount of the liability by computing the present value of the revised estimated future cash flows at the financial instrument's original effective interest rate or where applicable the revised effective interest rate calculated in accordance of IFRS 9. Subsequent changes in the measurement of the liability are unrelated to the cost of the asset. The adjustment is therefore recognised in profit or loss.

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

The Company's trade and other payables are denominated in Euros.

**19. TAX LIABILITY/ (CURRENT TAX ASSETS)**

	2024	2023
	€	€
Corporation tax	577.261	213.455
Special contribution to the defence fund	(4.496)	(4.496)
	<u>572.765</u>	<u>208.959</u>

There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax

**OPAP (CYPRUS) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

provisions in the period in which such determination is made.

**20. LEASES**

This note provides information for leases where the Company is a lessee.

**(i) The Company's leasing arrangements**

The Company leases its offices and cars.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

**(ii) Amounts recognised in the balance sheet**

	2024 €	2023 €
<b>Right-of-use assets</b>		
Offices	37.524	112.571
Cars	46.411	-
<b>Total</b>	<u>83.935</u>	<u>112.571</u>
<b>Lease liabilities</b>		
Current	52.879	76.976
Non-Current	33.650	39.740
<b>Total</b>	<u>86.529</u>	<u>116.716</u>

Additions to the right-of-use assets during the 2024 financial year were €53.897 (2023: €Nil).

**(iii) Amounts recognised in profit or loss**

The statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	2024 €	2023 €
<b>Depreciation charge of right-of-use assets</b>		
Buildings	75.047	75.047
Cars	7.486	-
<b>Total</b>	<u>82.533</u>	<u>75.047</u>
 Interest expense (included in finance cost)	 <u>2.809</u>	 <u>3.949</u>

**OPAP (CYPRUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2024**

The total cash outflow for leases in 2024 was €86.893 (2023: €77.017).

**21 RELATED PARTY TRANSACTIONS**

The Company is controlled by OPAP S.A., registered in Greece, which owns 100% of the Company's shares. The shares of OPAP S.A. are traded in Athens Stock Exchange. The Company's results are consolidated as a subsidiary is that of OPAP S.A. and its consolidated financial statements can be obtained from L. Athinon 112, 10442 Athens, Greece.

The Company's ultimate controlling entity is Valea Foundation, incorporated in Liechtenstein.

The transactions and balances with related parties are as follows:

**(i) Key management personnel compensation**

The compensation of key management personnel was as follows:

	<b>2024</b>	2023
	€	€
Key management personnels' remuneration	<b><u>914.141</u></b>	<u>330.053</u>

**(ii) Directors' remuneration**

The remuneration of Directors who are the key management was as follows:

	<b>2024</b>	2023
	€	€
Directors' remuneration	<b><u>998.655</u></b>	<u>408.128</u>

**(iii) Sale of goods and services**

	<b>2024</b>	2023
	€	€
OPAP Sports Ltd		
<u>Nature of transactions</u>		
Trade - fees	<b><u>302.409</u></b>	<u>303.153</u>

On 15 July 2019 the Company signed a service contract with OPAP (Cyprus) Limited, effective from 1 January 2019.



**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**21 RELATED PARTY TRANSACTIONS (continued)**

**(iv) Purchases of goods and services**

		<b>2024</b>	2023
		€	€
	<u>Nature of transactions</u>		
OPAP S.A.	Trade - fees	<b>29.310.712</b>	28.007.856
OPAP S.A.	Trade - other	<b>201.050</b>	106.536
Neurosoft S.A.	Trade – maintenance fees	<b>151.336</b>	86.686
		<b><u>29.663.098</u></b>	<u>28.201.078</u>

**(v) Receivables from related companies**

		<b>2024</b>	2023
		€	€
<u>Name</u>	<u>Nature of transactions</u>		
OPAP S.A.	Finance	<b>34.235.363</b>	30.200.507
		<b><u>34.235.363</u></b>	<u>30.200.507</u>

On 10 October 2018, the Company entered into an agreement with its Parent company, for the provision of a loan facility of €20.000.000 with 3,5% interest rate and maturity date 7 October 2019. On 9 September 2019, the Company amend the initial agreement with its Parent company and extend the maturity date to 7 October 2020. On 23 October 2020 the Company proceed to a further amendment of the initial agreement with its Parent company and extend the maturity date to 7 October 2021. On 5 October 2021 the Company proceed to a further amendment of the initial agreement with its parent company to extend the maturity date to 7 October 2022 and also decrease the annual interest rate to 2.5%. On 30 September 2022 the Company proceed to a further amendment of the initial agreement with its parent company to extend the maturity date to 7 October 2023 and also decrease the annual interest rate to 2.35%. On 4 October 2023 the Company proceed to a further amendment of the initial agreement with its parent company to extend the maturity date to 7 October 2024 and also change the annual interest rate to floating interest rate consisting of (i) a floating part equal to the applicable each time weighted average cost financing of OPAP S.A. Group (ii) a fixed part equal to 15 base points. On 24<sup>th</sup> September 2024 the Company proceed to a further amendment of the initial agreement with its parent company to extend the maturity date to 7 October 2025 and increase the notional amount of the first loan from €20.000.000 to €34.000.000.

On 5 October 2021, the Company entered into a new agreement with its Parent Company, for the provision of an additional loan facility of €10.000.000 with 2,5% interest rate and maturity date 7 October 2022. On 30 September 2022 the Company proceed to an amendment of the initial agreement with the parent company to extend the maturity date to 7 October 2023 and also decrease the annual interest rate to 2.35%. On 4 October 2023 the Company proceed to a further amendment of the initial agreement with its parent company to extend the maturity date to 7 October 2024 and also change the annual interest rate to floating interest rate consisting of (i) a floating part equal to the applicable each time weighted average cost financing of OPAP S.A. Group (ii) a fixed part equal to 15 base points. On 15<sup>th</sup> January 2024, OPAP S.A. fully repaid the second loan of €10.000.000 plus interest of €75.485.

**OPAP (CYPRUS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**21 RELATED PARTY TRANSACTIONS (*continued*)**

**(vi) Payables to parent companies (Note 18)**

		2024 €	2023 €
<u>Name</u>	<u>Nature of transactions</u>		
OPAP S.A.	Trade	10.431.709	9.701.145
OPAP S.A.	Dividends payable	-	10.000.000
		<u>10.431.709</u>	<u>19.701.145</u>

The above balances bear no interest and are repayable on demand.

**(vii) Letter of guarantee**

A letter of guarantee has been issued by OPAP S.A., by a financial institution, on behalf of the Company and the benefit of the National Betting Authority of Cyprus for €14.440.655. For further details please refer to Note 22(v).

**22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT**

**Financial risk factors**

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market price risk
- Regulatory and Compliance risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and in the Company's activities.

**A. Accounting classifications and fair values**

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

**OPAP (CYPRUS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (continued)**

**Financial risk factors (continued)**

**A. Accounting classifications and fair values (continued)**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

<b>31/12/2024</b>	Carrying amount Equity securities at FVOCI €	Level 1 €	Level 2 €	Level 3 €	Total €
<b>Financial assets measured at fair value</b>					
Equity securities	733.526	733.526	-	-	733.526
	<u>733.526</u>	<u>733.526</u>	<u>-</u>	<u>-</u>	<u>733.526</u>
	<u>733.526</u>	<u>733.526</u>	<u>-</u>	<u>-</u>	<u>733.526</u>
<b>31/12/2023</b>	Carrying amount Equity securities at FVOCI €	Level 1 €	Level 2 €	Level 3 €	Total €
<b>Financial assets measured at fair value</b>					
Equity securities	857.412	857.412	-	-	857.412
	<u>857.412</u>	<u>857.412</u>	<u>-</u>	<u>-</u>	<u>857.412</u>
	<u>857.412</u>	<u>857.412</u>	<u>-</u>	<u>-</u>	<u>857.412</u>

There were no transfers between Levels 1 and 2 during the year.

**Financial instruments in level 1**

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily London and Milan Stock Exchange equity investments classified at FVOCI.

**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (continued)**

**B. Financial risk management**

*(i) Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. The Company's exposure to credit risk arises mainly from loans receivable from related parties, cash and cash equivalents, deposits with banks and financial institutions and agents' bad debts as well as from the debts of agents for which arrangements have been made also adjusted for forward-looking factors specific to the agents and the economic environment.

Credit risk is managed on a individual basis. For banks and financial institutions, the Company has established policies whereby the majority of bank balances are held with independently rated parties with a satisfying credit rating. For the agents the main credit risk management policy is the establishment of credit limits per agent. Additionally, the Company is taking all necessary steps to mitigate credit risk exposure towards financial institutions. The Company is also exposed towards credit risk in respect of entities with which it has deposited funds or with which it has other contractual relationships.

The Company manages credit risk exposure to its agents through various practices. Each agent is required to provide the Company with a warranty deposit as a guarantee. These deposits are aggregated and are available in the event of a default in payment by any agent. In addition, a maximum amount that an agent may owe during each settlement period has been imposed. If the amounts owed by an agent exceed the relevant limit during any settlement period, the agent's terminal is automatically blocked from accepting wagers.

The policies enable the Company to reduce its credit risks significantly.

Impairment

The Company hold three types of financial assets that are subject to credit loss risk:

- Trade receivables;
- Cash and cash equivalents; and
- Financial assets at amortised cost (other receivables and receivables from related parties).

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## OPAP (CYPRUS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

## 22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (continued)

### Financial risk factors (continued)

#### B. Financial risk management (continued)

##### (i) Credit risk (continued)

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

- For trade receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected losses to be recognised from initial recognition of the financial assets.
- For all other financial assets that are subject to impairment under IFRS 9, the Company applies general approach – three stage model for impairment. The Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter (“12 Months ECL”). If the Company identifies a significant increase in credit risk (“SICR”) since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any (“Lifetime ECL”). If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Impairment losses are presented as net impairment losses on financial assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

**Significant increase in credit risk.** The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower’s/counterparty’s ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the Company and changes in the operating results of the borrower/counterparty.

**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (continued)**

**Financial risk factors (continued)**

**B. Financial risk management (continued)**

*(i) Credit risk (continued)*

Impairment (continued)

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. No significant changes to estimation techniques or assumptions were made during the reporting period.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

**Default.** A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

**Write-off.** Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company. The Company categorises a debt financial asset for write off when a debtor fails to make contractual payments greater than 180 days past due. Where debt financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Company's exposure to credit risk for each class of asset subject to the expected credit loss model is set out below:

**Trade receivables**

The Company assesses, on an individual basis, its exposure to credit risk arising from trade receivables. This assessment is based on the credit history of the customers with the Company as well as the period the trade receivable is past due (in days). The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The gross carrying amounts, as per above, represent the Company's maximum exposure to credit risk on these assets as at 31 December 2024 and as at 31 December 2023, without taking into account any collateral held.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	2024 €	2023 €
Balance at 1 January	19.378	19.378
Impairment losses recognised on receivables	20.000	-
	<hr/>	<hr/>
Balance at 31 December	39.378	19.378
	<hr/>	<hr/>

**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (continued)**

**Financial risk factors (continued)**

**B. Financial risk management (continued)**

*(i) Credit risk (continued)*

Impairment (continued)

***Financial assets at amortised cost***

The Company assesses, on an individual basis, its exposure to credit risk arising from financial assets at amortised cost. This assessment takes into account, amongst others, the period the loan receivable or other receivable balance is past due (in days) and history of defaults in the past, adjusted for forward looking information.

The Company uses three categories for loans receivables and other receivables which reflect their credit risk and how the loss provision is determined for each of those categories.

A summary of the assumptions underpinning the Company's expected credit loss model is as follows:

Category	Company definition of category	Basis for recognition of expected credit loss provision	Basis for calculation of interest revenue
Performing	Counterparties where credit risk is in line with original expectations	Stage 1: 12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount
Underperforming	Counterparties for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due (see above in more detail)	Stage 2: Lifetime expected losses	Gross carrying amount
Non-performing	Interest and/or principal repayments are 90 days past due or it becomes probable a customer will enter bankruptcy	Stage 3: Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)

The following tables contain an analysis of the credit risk exposure of each class of financial instruments for which an ECL allowance is recognised.

**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (continued)**

**Financial risk factors (continued)**

**B. Financial risk management (continued)**

*(i) Credit risk (continued)*

Impairment (continued)

Loans to related parties

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 December 2024 and 31 December 2023:

	<b>2024</b>	<b>2023</b>
<b>Company internal credit rating</b>	<b>€</b>	<b>€</b>
Performing	<b>34.235.363</b>	30.200.507
<b>Total loans to related parties</b>	<b>34.235.363</b>	30.200.507

The Company does not hold any collateral as security for any loans to related parties.

Other receivables

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 December 2024 and 31 December 2023:

	<b>2024</b>	<b>2023</b>
<b>Company internal credit rating</b>	<b>€</b>	<b>€</b>
Performing	<b>634.488</b>	1.145.116
<b>Total other receivables</b>	<b>634.488</b>	1.145.116

The Company does not hold any collateral as security for any other receivables.

Cash and cash equivalents

The Company assesses, on an individual basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.



**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (continued)**

**Financial risk factors (continued)**

**B. Financial risk management (continued)**

*(i) Credit risk (continued)*

Impairment (continued)

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 December 2024 and 31 December 2023:

		<b>2024</b>	2023
	Rating	€	€
Moody's	Baa1	<b>2.801.170</b>	-
Moody's	Baa2	<b>33.757.177</b>	
Moody's	Baa3	<b>1.919.439</b>	30.894.070
Moody's	Ba1		15.110.087
Other external non-rated banks – satisfactory credit quality (performing)		<b>344.461</b>	2.441.318
<b>Total cash at bank <sup>(1)</sup></b>		<b><u>38.822.247</u></b>	<b><u>48.445.475</u></b>

<sup>(1)</sup> The rest of the statement of financial position item "Cash and cash equivalents" is cash in hand.

The estimated loss allowance on cash and cash equivalents as at 31 December 2024 and 31 December 2023 was immaterial. All cash and cash equivalents were performing (Stage 1) as at 31 December 2024 and 31 December 2023.

*(ii) Liquidity risk*

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

**OPAP (CYPRUS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (continued)**

**Financial risk factors (continued)**

**B. Financial risk management (continued)**

*(iii) Liquidity risk (control)*

The following are the contractual maturities of financial liabilities at the reporting date. The amounts are gross and are undiscounted, and include estimated interest payments:

<b>31 December 2024</b>	Carrying amounts €	Contractual cash flows €	3 months or less €	Between 3-12 months €	Between 1-5 years €	Over that 5 years €
<b>Non-derivative financial liabilities</b>						
Trade and other payables	34.160.108	34.254.128	33.429.270	72.075	480.500	272.283
Amounts due to the Republic of Cyprus	2.592.385	2.592.385	2.592.385	-	-	-
Payables to related parties	10.431.709	10.431.709	10.431.709	-	-	-
License	57.358.350	68.664.246	4.667.972	-	17.967.411	46.028.863
Lease liability	86.529	88.973	23.568	30.673	34.732	-
	<u>104.629.081</u>	<u>116.031.441</u>	<u>51.144.904</u>	<u>102.748</u>	<u>18.482.643</u>	<u>46.301.146</u>
<b>31 December 2023</b>	Carrying amounts €	Contractual cash flows €	3 months or less €	Between 3-12 months €	Between 1-5 years €	Over that 5 years €
<b>Non-derivative financial liabilities</b>						
Trade and other payables	26.697.021	26.788.393	25.867.435	72.075	480.500	368.383
Amounts due to the Republic of Cyprus	4.659.775	4.659.775	4.659.775	-	-	-
Payables to related parties	9.701.145	9.701.145	9.701.145	-	-	-
Lease liability	116.716	119.071	19.503	59.536	40.032	-
Dividends payable	10.000.000	10.000.000	10.000.000	-	-	-
	<u>51.174.657</u>	<u>51.268.384</u>	<u>50.247.858</u>	<u>131.611</u>	<u>520.532</u>	<u>368.383</u>

**OPAP (CYPRUS) LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

**22. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT *(continued)***

**Financial risk factors *(continued)***

**B. Financial risk management *(continued)***

*(iv)*     Market price risk

Market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. The Company's financial assets at fair value through other comprehensive income are susceptible to market price risk arising from uncertainties about future prices of the investments. The Company's market price risk is managed through diversification of the investment portfolio.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Sensitivity analysis

An increase in equity prices by 5% at 31 December 2024 would have increased equity by €36.676 (2023: €42.871) and other comprehensive income by the same amount. For a decrease of 5%, there would be an equal and opposite impact on the other comprehensive income and equity.

*(v)*     Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern, while increasing the return to shareholders through the strive to improve the debt-to-equity ratio. The Company's overall strategy remains unchanged from last year.

*(vi)*     Regulatory and Compliance risk

Regulatory and Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations. The Company is under the supervision from its regulator, the National Betting Authority, and the Company considers compliance with relevant laws and regulations very seriously.

A letter of guarantee has been issued by OPAP S.A., by a financial institution, on behalf of the Company and the benefit of the National Betting Authority of Cyprus for the amount of €14.440.655. This is to be used as security for the payments of any amounts which the Company, in its capacity as exclusive license holder for PROPO, LOTTO, JOCKER, SUPER 3, PROPOGOAL, PROTO, EXTRA 5 and KINO, has the obligation to pay to the National Betting Authority.

**22. CONTINGENT LIABILITIES**

The Company had no significant contingent liabilities as at 31 December 2024.

**23. COMMITMENTS**

The Company had no significant capital or other commitments as at 31 December 2024.

**OPAP (CYPRUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**24. EVENTS AFTER THE REPORTING PERIOD**

In June 2025, a new contract was signed to lease new offices located at Athalassis, 92, ANASTASIO BUILDING, Strovolos, 2024, Nicosia, Cyprus. The company relocated to those offices and changed its registered office accordingly.

In September 2025, a new contract with agents was signed, changing the agents' commission scheme effective 1<sup>st</sup> October 2025.

There were no other material events after the balance sheet date, which have a bearing on the understanding of the financial statements.

Independent auditor's report on pages 5 to 7.