



## "GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."

THE 14<sup>th</sup> ANNUAL ORDINARY GENERAL MEETING DATED MAY 22<sup>ND</sup> 2014  
FOR THE SHAREHOLDERS OF THE SOCIETE ANONYME UNDER THE BUSINESS NAME  
"GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A." (OPAP S.A.)  
G.E.MI. REGISTRATION NUMBER: 3823201000  
(FORMER AR.M.A.E. REGISTRATION NUMBER 46329/06/B/00/15)  
(FISCAL YEAR: 1<sup>ST</sup> OF JANUARY 2013 TO 31<sup>ST</sup> OF DECEMBER 2013)

### EXPLANATORY REPORT – RECOMMENDATION OF OPAP S.A.'S BOARD OF DIRECTORS TO THE ANNUAL ORDINARY GENERAL MEETING OF SHAREHOLDERS REGARDING ITEMS ON THE DAILY AGENDA

**Item 1: Approval of the restated separate and consolidated Financial Statements for the thirteenth (13<sup>th</sup>) fiscal year (January 1<sup>st</sup>, 2012 until December 31<sup>st</sup>, 2012).**

**Required quorum:** 34% of the share capital

**Majority:** 50% + 1 of the votes represented

During the year 2013, the changes as defined by IAS 19 (Amendment) "Employee Benefits" were adopted for the preparation of the Financial Statements. The main changes relate to the recognition of actuarial profits and losses, the recognition of previous service / curtailment cost, measurement of pension expense, the required disclosures, the handling of expenses and taxes related to defined benefit plans as well as the distinction between short and long term benefits. The changes for comparison purposes and in accordance with IAS 19 (Amendment) " Employee benefits" apply retroactively and have been expressed in the financial statements in accordance with the requirements in IAS 8 - "Accounting Policies , Changes in Accounting Estimates and Errors", resulting in the restatement of prior years' financial items.

As a result of the above change, the following adjustments were made to the Financial Statements.



## "GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."

GROUP			
	31.12.2012		
(Amounts in thousands of euro)	REVISED	PUBLISHED	DIFFERENCES
Deferred tax assets	2,770	2,813	(43)
<b>Total non – current assets</b>	<b>1,214,174</b>	<b>1,214,217</b>	<b>(43)</b>
<b>TOTAL ASSETS</b>	<b>1,730,779</b>	<b>1,730,822</b>	<b>(43)</b>
Employee benefit plans	23,333	19,781	3,552
Deferred tax liabilities	4,438	5,180	(742)
<b>Total long-term liabilities</b>	<b>264,440</b>	<b>261,630</b>	<b>2,810</b>
Retained earnings	1,022,702	1,025,555	(2,853)
<b>TOTAL EQUITY</b>	<b>1,162,466</b>	<b>1,165,319</b>	<b>(2,853)</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,730,779</b>	<b>1,730,822</b>	<b>(43)</b>

GROUP			
	31.12.2011		
(Amounts in thousands of euro)	REVISED	PUBLISHED	DIFFERENCES
Deferred tax assets	4,218	3,026	1,192
<b>Total non – current assets</b>	<b>1,220,513</b>	<b>1,219,321</b>	<b>1,192</b>
<b>TOTAL ASSETS</b>	<b>1,505,382</b>	<b>1,504,190</b>	<b>1,192</b>
Employee benefit plans	26,671	20,711	5,960
<b>Total long-term liabilities</b>	<b>431,098</b>	<b>425,138</b>	<b>5,960</b>
Retained earnings	745,043	749,811	(4,768)
<b>TOTAL EQUITY</b>	<b>884,744</b>	<b>889,512</b>	<b>(4,768)</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,505,382</b>	<b>1,504,190</b>	<b>1,192</b>

COMPANY			
	31.12.2012		
(Amounts in thousands of euro)	REVISED	PUBLISHED	DIFFERENCES
Employee benefit plans	22,811	19,083	3,728
Deferred tax liabilities	4,435	5,180	(745)
<b>Total long-term liabilities</b>	<b>262,085</b>	<b>259,102</b>	<b>2,983</b>
Retained earnings	1,022,942	1,025,925	(2,983)
<b>TOTAL EQUITY</b>	<b>1,161,702</b>	<b>1,164,685</b>	<b>(2,983)</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,720,809</b>	<b>1,720,809</b>	<b>-</b>

COMPANY			
	31.12.2011		
(Amounts in thousands of euro)	REVISED	PUBLISHED	DIFFERENCES
Deferred tax assets	2,822	1,634	1,188
<b>Total non – current assets</b>	<b>1,290,246</b>	<b>1,289,058</b>	<b>1,188</b>
<b>TOTAL ASSETS</b>	<b>1,483,195</b>	<b>1,482,007</b>	<b>1,188</b>
Employee benefit plans	26,152	20,208	5,944
<b>Total long-term liabilities</b>	<b>428,329</b>	<b>422,385</b>	<b>5,944</b>
Retained earnings	738,019	742,775	(4,756)
<b>TOTAL EQUITY</b>	<b>876,779</b>	<b>881,535</b>	<b>(4,756)</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,483,195</b>	<b>1,482,007</b>	<b>1,188</b>



## "GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."

After the restatement, the statement of Comprehensive Income of the Group and the Company for the year 2012 is as follows:

	REVISED		PUBLISHED	
	1.1-31.12.2012			
(Amounts in thousands of euro)	GROUP	COMPANY	GROUP	COMPANY
<b>Profit after tax</b>	<b>505,487</b>	<b>512,830</b>	<b>505,487</b>	<b>512,830</b>
Parent company shareholders	505,487	512,830	505,487	512,830
<b>Other total income</b>				
Actuarial profit / (loss)	2,408	2,216	-	-
Deferred tax	(493)	(443)	-	-
<b>Other total income after tax</b>	<b>1,915</b>	<b>1,773</b>	<b>-</b>	<b>-</b>
<b>Total income after tax</b>	<b>507,402</b>	<b>514,603</b>	<b>505,487</b>	<b>512,830</b>
Parent company shareholders	507,402	514,603	505,487	512,830

The Board of Directors proposes to the General Meeting of Shareholders that both restated separate and consolidated Annual Financial Statements for the thirteenth (13th) fiscal year (1st January 2012 to 31st December 2012) be approved.

**Item 2: Submission and approval of both the Board of Directors' Report and Auditors' Report for the Annual Financial Statements for the fourteenth (14<sup>th</sup>) fiscal year (1<sup>st</sup> of January 2013 to the 31<sup>st</sup> of December 2013).**

**Required quorum:** 34% of share capital

**Majority:** 50% + 1 of the votes represented

The Company's Board of Directors' Management Report to the Annual Ordinary General Meeting of Shareholders has been prepared in accordance with the stipulations in Article 43a, paragraph 3 of Codified Law 2190/1920, as in force today, after being amended by Article 2 of Law 3873/2010. Through a balanced and comprehensive analysis, it includes a true picture of the Company's development and performance, its position, a description of the principal risks and uncertainties that it faces, and corresponds to the size and complexity of the Company. Furthermore, the Annual Management Report includes the corporate governance statement as provided for in Article 43a, paragraph 3 of Codified Law 2190/1920.



## **"GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."**

The Auditors' Report, except for information specified in paragraph 1 of Article 37 of Law 2190/1920 and paragraph 4 of article 43a of Codified Law 2190/1920, as in force today, verifies that the contents of the Annual Report of the Board of Directors are in agreement with the Annual Financial Statements of the fourteenth (14th) fiscal year (January 1st, 2013 to December 31st, 2013), as defined in Article 43a, paragraph 3 of Codified Law 2190/1920.

The Annual Report of the Board of Directors of the Company was approved by the Company's Board of Directors at its 2/31.03.2014 (sole item) meeting (by circulation) and has been posted along with the Auditors' Reports, on the Company's website ([www.opap.gr](http://www.opap.gr)), as an integral part of the Annual Financial Report. The relevant Press Release, as well as the annual analyst briefing have also been posted on the Company's website.

The Company's Board of Directors makes the recommendation to the General Meeting of Shareholders, that the Report of the Company's Board of Directors and the Certified Auditors Report regarding the Annual Financial Statements for the fourteenth (14<sup>th</sup>) fiscal year (January 1<sup>st</sup>, 2013 until December 31<sup>st</sup>, 2013) be approved.

### **Item 3: Submission and approval of the separate and consolidated Financial Statements for the fourteenth (14<sup>th</sup>) fiscal year (January 1<sup>st</sup>, 2013 until December 31<sup>st</sup>, 2013).**

**Required quorum:** 34% of the share capital

**Majority:** 50% + 1 of the votes represented

The Company's Annual Financial Statements include the corporate and consolidated statement of financial position as at December 31st, 2013, the corporate and consolidated statements of comprehensive income, changes in equity and cash flows for the respective year, and a summary of significant accounting policies and methods and other explanatory information.

The above documents form a whole and are audited by the Statutory Auditors in accordance with the stipulations in Articles 36, 36a, 37 and 43a of Codified Law 2190/1920, as currently in force, in conjunction with Article 4 of Law 3556/2007.



## "GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."

The Company's Annual Financial Statements must be drawn up in accordance with the stipulations in Articles 42a, 42b, 42c, 42d, 42e, 43 and 43a of Codified Law 2190/1920, as amended and in force, and show a clear and transparent picture of the Company's asset structure, financial position and fiscal year results.

The Company's Annual Financial Statements were approved by the Board of Directors at its 2/31.03.2014 (sole item) meeting (by circulation). They were published in accordance with the applicable law and have been posted on the Company's website ([www.opap.gr](http://www.opap.gr)), as an integral part of the Annual Financial Report.

Additionally, the relevant Press Release, as well as the annual analyst briefing have both been posted on the Company's website.

**Item 4: Approval of the earnings distribution for the fourteenth (14<sup>th</sup>) fiscal year (1<sup>st</sup> of January 2013 to 31<sup>st</sup> of December 2013).**

**Required quorum:** 34% of the share capital

**Majority:** 50% + 1 of the votes represented

The Company's profits for the thirteenth (13<sup>th</sup>) fiscal year (1st of January 2013 to 31st of December 2013) stood at **one hundred and forty two million, six hundred and sixty five thousand, five hundred and seventy eight euros and seventy three cents (€142.665.578,73)** after the deduction of the appropriate income tax.

In taking into account the company's profitability, prospects, investment plans and strategic planning, the Company's Board of Directors, recommends to the General Meeting of shareholders, as per the specific stipulations of Articles 46 and 46a of Codified Law 2190/1920, as in force today, that the net profits from the fourteenth (14<sup>th</sup>) fiscal year (1<sup>st</sup> of January 2013 to the 31<sup>st</sup> of December 2013) be distributed as follows:



## "GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."

NET PROFITS	€142.665.578,73
LESS: NON-DISTRIBUTED EARNINGS	€62.915.578,73
TOTAL DISTRIBUTED EARNINGS	€79.750.000,00
RECOMMENDED DIVIDEND PER SHARE	€0,25

The recommended dividend of €0.25 per share, before the tax reduction, is 56,14% less when compared to the amount of €0.57 per share, distributed by the Company as a dividend for the fiscal year 2012 (total payable amount of dividend: €79.750.000,00 for the fiscal year 2013 compared to the total paid-up dividend amount of €181.830.000,00 for the fiscal year 2012).

The Company's Board of Directors recommends to the General Meeting of Shareholders that persons registered in the dematerialized securities system files (DSS) on 29/05/2014 (record date) as company shareholders, are the beneficiaries to the dividend for the fiscal year 2013 amounting to €0.25 per share before the tax reduction. As of 27/05/2014, Company shares will be traded on the Athens Exchange without being entitled to the remaining dividend for the fiscal year 2013. Finally, the Company's Board of Directors recommends to the Shareholders' General Meeting that payment to beneficiaries for the fiscal year 2013 dividend take place on the 04/06/2014, via the operators of the paying bank (National Bank of Greece).

**Item 5: Discharge of the Members of Board of Directors and the Statutory Auditors from any liability for compensation for the realized (management) for the fourteenth (14<sup>th</sup>) fiscal year (January 1<sup>st</sup>, 2013 until December 31st, 2013), and approval of management and representation actions of the Board of Directors of the Company.**

**Required quorum:** 34% of the share capital

**Majority:** 50% + 1 of the votes represented

The General Meeting will have to decide on whether the Board of Directors and auditors who carried out the audit of financial statements are discharged from any liability for the Annual Financial Statements and management for the fourteenth (14th) fiscal year (January 1st, 2013 until December 31st, 2013). The Company's Board of Directors recommends at the Shareholders



## **"GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."**

General Meeting that both the members of the Board of Directors and the Chartered Auditors are discharged from any liability for compensation for the Annual Financial Statements and realization (management) of the fourteenth (14<sup>th</sup>) fiscal year (1<sup>st</sup> of January to the 31<sup>st</sup> of December 2013), as well as the approval of management and representation acts made by the Company's Board of Directors in accordance with the stipulations of Article 22a, par. 2 and Article 35 of Codified Law 2190/1920, as currently in force.

The Board of Directors proposes to the Shareholders General Meeting the approval of the above proposal.

**Item 6: Approval of the Members of the Board of Directors' compensation and remuneration for their participation on the Board of Directors for the fourteenth (14<sup>th</sup>) fiscal year (January 1<sup>st</sup>, 2013 until December 31st, 2013).**

**Required quorum:** 34% of the share capital

**Majority:** 50% + 1 of the votes represented

The Company's Board of Directors proposes to the General Meeting of Shareholders that the remuneration and compensation paid to the Members of the Company's Board of Directors during the fourteenth (14th) fiscal year (January 1, 2013 to December 31, 2013), be approved.

Remuneration and compensation for the Board of Directors during the fourteenth (14th) fiscal year (1<sup>st</sup> of January 2013 to the 31<sup>st</sup> of December 2013) totaled the monetary sum of **four hundred and seventy three thousand, nine hundred and nine euros and forty four cents (€473.909,44)**.

It is noted that the above total paid amount for approval, is gross before taxes and legal deductions.

**Item 7: Approval of compensation and remuneration to the Executive members of the Board of Directors pursuant to Article 24, paragraph 2 of Codified Law 2190/1920 as in force.**

**Required quorum:** 34% of the share capital

**Majority:** 50% + 1 of the votes represented



## **"GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."**

- a) In the framework of the 21.11.2013 contracts between the Company and Messrs. Kamil Ziegler and Michal Houst, as already approved by the Extraordinary Meeting dated 7.11.2013, the Board of Directors following the recommendation of the Compensation Committee, unanimously approved the payment of bonus equal to 100% of base salary for Mr. Kamil Ziegler and 50% of base salary for Mr. Michal Houst, which adjusted to the actual months of their employment in the Company in 2013 amount to 110.000,00€ net and 16.000,00€ net respectively, based on targets relating to increase of sales as well as gross and net profits of the Company. The Board of Directors has also taken into account the progressing restructuring of the company and the gradual modernization of its business.
- b) Also, the Board of Directors (in the 41th Meeting of the BoD /12.12.2013) upon the recommendation of the Company's Compensation Committee, approved the payment of a total amount of €65.000,00 net to the Executive Members of the Board of Directors, in order to cover their general cost and expenses for relocation.

The Board of Directors recommends to the General Meeting of Shareholders to approve the aforementioned.

**Item 8: Pre-approval of the remuneration and compensation of the Members of the Company's Board of Directors for the current fifteenth (15<sup>th</sup>) fiscal year (commencing on January 1<sup>st</sup>, 2014 until December 31<sup>st</sup>, 2014).**

<b>Required quorum:</b> 34% of the share capital	<b>Majority:</b> 50% + 1 of the votes represented
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The Company's Board of Directors recommends that the Shareholders General Meeting pre-approve the payment of the remuneration and compensation to Members of the Company's Board of Directors for the current fifteenth (15<sup>th</sup>) fiscal year (1<sup>st</sup> of January 2014 to the 31<sup>st</sup> of December 2014) up to the amount of **€ 320.400,00 €**.



It is noted that the above pre-approved amount is gross before taxes and legal deductions and including specifically:

- a. Monthly compensation per each BoD member (current number of members is 12 according to the 8<sup>th</sup> Extraordinary General Meeting of Shareholders on November 7, 2013 – 2<sup>nd</sup> issue ): €1.600,00, approved by the 12<sup>th</sup> Annual Ordinary General Meeting of June 21<sup>st</sup>, 2013.
- b. Remuneration of BoD Members for participation in Audit Committee: €90.000,00, approved by the 13<sup>th</sup> Annual Ordinary General Meeting of June 1<sup>st</sup>, 2012.

It is also noted that to the aforementioned amount the remuneration of the Executives Members of the BoD under contract with the company, that was approved by the 8th Extraordinary General Meeting of November 7th, 2013 (items 5th & 6th) is not included.

The Board of Directors proposes to the Shareholders General Meeting the approval of the above proposal.

**Item 9: Appointment of statutory and substitute Auditors for the audit of the financial statements for the current fifteenth (15<sup>th</sup>) fiscal year (January 1<sup>st</sup>, 2014 until December 31<sup>st</sup>, 2014), the issuance of the annual tax certificate and the determination of their fees.**

**Required quorum:** 34% of the share capital

**Majority:** 50% + 1 of the votes represented

The Board of Directors, upon the recommendation of the Company's Audit Committee in accordance with the specific stipulations of Article 37, par. 3 of Law 3693/2008, as currently in force, recommends to the General Meeting of Shareholders that the statutory audit of the separate and consolidated financial statements for the fifteenth (15th) fiscal year (1<sup>st</sup> of January 2014 to 31<sup>st</sup> December 2014) be carried out, on the basis of the most competitive offer, by Mrs. Chrisoula Douka (SOEL Reg. No. 37551) and Mr. Michael Kokkinos (SOEL Reg. No. 12701), acting as statutory Auditors and Mr. Anastasios Panagides (SOEL Reg. No. 37581) and Mr. Filippos Kassos



## **"GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."**

(SOEL Reg. No. 26311 ), acting as substitute Auditors, from the Certified Auditing Accounting Company "KPMG", for an annual fee amounting to €115,000.00 plus VAT.

The remuneration of the above auditing firm for the issuance of the Annual Tax Certificate as provided for in article 82, par. 5 of Law 2238/2011, amounts to €95,000.00 plus VAT.

Note that the Auditing Company 'PricewaterhouseCoopers S.A.' was paid €120,000.00 plus VAT for the audit for the fiscal year 2013 and a further €120,000.00 plus VAT for the issuance of the Annual Tax Certificate.

The Board of Directors proposes to the Shareholders General Meeting the approval of the above proposal.

**Item 10: Articles of Association issues: (a) deletion of articles 9, 19, 21, 23, 28, 29, 36, 39, 40, 43, 48, 49 and 50, amendment of the articles 1, 2, 3, 4, 5, 7, 12, 13, 15, 16, 17, 18, 20, 22, 24, 25, 27, 31, 35, 37, 38, 41 and 44 and renumbering of the articles 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, 22, 24, 25, 26, 27, 30, 31, 32, 33, 34, 35, 37, 38, 41, 42, 44, 45, 46 and 47 and (b) configuration of the Articles of Association in a single text.**

**Required quorum:** 66,7 % of the share capital

**Majority:** 50% + 1 of the votes represented

The Board of Directors proposes to the General Meeting of Shareholders for operational and functional reasons, the amendment and the deletion of the Articles of Association which have mainly either become de facto obsolete or are essentially a testament of the provisions of the Codified Law 2190/1920 as in force.

Consequently, certain articles of the Articles of Association shall be renumbered.

A table that shows two columns, the left one with the existing provisions of the Articles of Association and the right one with the proposed changes is posted on the company's website ([www.opap.gr](http://www.opap.gr) ).

The full text of the Articles of Association incorporating all changes as being proposed for adoption by the General Meeting of Shareholders is posted on the company's website ([www.opap.gr](http://www.opap.gr) ).



## "GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS S.A."

The Board of Directors proposes to the Shareholders General Meeting (a) the deletion, amendment and renumbering of the Articles of Association and (b) the configuration of the Articles of Association in a single text.

**Item 11: Provision of permission pursuant to Article 23, paragraph 1 of Codified law 2190/1920, to the BoD Members and the officers of the Company's General Directorates and Divisions for their participation in the Boards of Directors or in the management of the Group's subsidiaries and affiliates, as defined in Article 42, paragraph 5 of Codified law 2190/1920.**

**Required quorum:** 34% of the share capital

**Majority:** 50% + 1 of the votes represented

The Company's Board of Directors recommends to the Shareholders General Meeting, in accordance with the specific stipulations of Article 23, par. 1 of Codified Law 2190/1920, as in force today, that permission is granted to Members of the Board of Directors of the Company and to executives of the General Directorates and Company Directorates, to participate and render their services on the Boards of Directors or as executives of the Group's companies and associated companies, under the meaning of Article 42e par. 5 of Codified Law 2190/1920.

**END OF EXPLANATORY REPORT – RECOMMENDATIONS OF THE BOARD OF DIRECTORS**

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