Annual Report 2025

LOTTOMATICA

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LOTTOMATICA GROUP S.p.A.
Registered office in Via degli Aldobrandeschi 300
00163 Rome (RM)

Share capital Euro 10,000,000.00
(fully paid up)

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Registered in the R.E.A. of Rome under No. RM – 1694552

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LETTER TO INVESTORS

Dear Investors,

2025 was a year that highlighted our ability to evolve, innovate and strengthen ourselves as a team. In a competitive and rapidly changing market environment, Lottomatica continued to grow, consolidating its leadership and further strengthening a model capable of generating long-term value for stakeholders.

The exit of shareholder Apollo Global Management, with whom we built a fundamental part of the journey that brought the Group back to the stock market, marked the beginning of a new phase, characterised by our transformation into a public company. This process culminated in our entry into the FTSE MIB last September, a recognition that further enhanced our visibility within the financial community.

The results for the year confirm the solidity of our decade-long growth path and the quality of our execution. We closed 2025 with revenues exceeding Euro 2.25 billion and Adjusted EBITDA of Euro 856 million, up 12% and 21% respectively compared to 2024. In addition, thanks to strong cash generation, we distributed Euro 375 million to our shareholders, of which Euro 75 million in dividends and Euro 300 million in share buybacks.

From a competitive standpoint, the Group's advantage remains robust: Lottomatica remains the leading gaming operator in Italy, maintaining its leadership across all business verticals with growing market shares, which reached 31.7% in the online sector in December 2025.

We completed the integration of our latest acquisition, PWO (formerly SKS), ahead of schedule, with a positive impact on the achievement of expected synergies, and we successfully participated in the tender for the award of new online gaming concessions, effective from 13 November. We also continued to devote significant energy and resources to technological development, expanding the use of artificial intelligence to optimise CRM, enhance the quality of the gaming experience and strengthen player protection systems, while at the same time further developing the platforms supporting our omnichannel model.

The market rewarded our efforts and Lottomatica shares recorded a total shareholder return (TSR) of 76.8% on an annual basis in 2025, outperforming both sector and market indices and increasing the interest of equity and bond investors.

However, convinced that leadership also depends on the ability to create shared value with all stakeholders, we renewed our commitment to the management of environmental, social and governance issues. The ESG ratings achieved by the Group – such as those recognised by Morningstar Sustainalytics and MSCI – place us among the best-rated companies globally and attest to the effectiveness of our sustainability strategy. The evidence for 2025 is presented in the Consolidated Sustainability Report, which complies with the European CSRD (Corporate Sustainability Reporting Directive), and is also included in this Annual Financial Report.

Looking ahead, 2026 will be a year of further consolidation and evolution, which we will address with determination and awareness. The entry into force of the new online concessions and the start of the process for future retail concessions represent a significant regulatory and industrial challenge.

We will continue our growth strategy, investing in brand development and in the expansion and efficiency of our network of points of sale, always aiming for the highest levels of safety and reliability in our offering. At the same time, we will continue to improve our business models and work towards increasingly integrated governance, with a strong focus on the development of our people and organisation. We will also continue our efforts to further enhance the quality of our communication with the market.

We would like to thank our Investors, the Board of Directors, management and all our colleagues who contribute to the Group's growth every day. The trust you place in us commits us to looking ahead with responsibility and discipline, directing all our actions towards achieving concrete and lasting results.

Guglielmo Angelozzi

Chairman and Chief Executive Officer

CONSOLIDATED DIRECTORS' REPORT

1. Corporate bodies and external auditor

BOARD OF DIRECTORS

Board of Directors	
Guglielmo Angelozzi	Executive Chairman[3] and Chief Executive Officer
Laurence Van Lancker	Chief Financial Officer and Deputy Chief Executive Officer[2]
Nadine Farida Faruque	Independent Director[1] and Lead Independent Director[4] (b) (c) (d)
Alessandro Fiumara	Director[2]
John Paul Maurice Bowtell	Independent Director[1] [6]
Catherine Renee Anne Guillouard	Independent Director[1] [6] (a) (d)
Augusta Iannini	Independent Director[1] (a) (b) (c)
Gaia Mazzalveri	Independent Director[1] (a) (c)
Marzia Mastrogiacomo	Independent Director[1] (b) (d)
Tiziana Togna	Independent Director[1] [5] (c)
Fabrizio Virtuani	Independent Director[1] [5] (a)

Board of Directors appointed by the Shareholders' Meeting on 27 February 2023, effective from 3 May 2023 until the approval of the financial statements as of 31 December 2025.

[1] Independent director pursuant to Article 147-ter, paragraph 4, and Article 148, paragraph 3, of the TUF and Article 2 of the Corporate Governance Code.

[2] Appointed by the Board of Directors held on 2 July 2025, with effect from that date until the next Shareholders' Meeting of the Company.

[3] The Director, currently serving as Chief Executive Officer of the Company, was also appointed Executive Chairman of the Board of Directors on 2 July 2025, with effect from that date.

[4] Appointed by the Board of Directors on 2 July 2025, with effect from that date.

[5] Appointed by the Board of Directors held on 5 September 2025, with effect from that date until the next Shareholders' Meeting of the Company.

[6] Qualified as independent directors at the meeting of the Board of Directors held on 3 November 2025, given that, as of 19 June 2025, Gamma Intermediate S.à r.l., a Luxembourg-law corporate vehicle acting on behalf of Apollo, no longer exercises any form of control or influence over the Company, following the disposal of the entire equity interest previously held.

(a) Control and Risks Committee member.

(b) Appointments and Remuneration Committee member.

(c)) Related parties transaction Committee member.

(d) ESG Committee member.

BOARD OF STATUTORY AUDITORS

Name and Surname	Position
Andrea Lionzo	Chairman
Giancarlo Russo Corvace	Auditor
Veronica Tibiletti	Auditor
Angela Frisullo	Alternative Auditor
Alberto Incollingo	Alternative Auditor

Board of Statutory Auditors appointed by the Shareholders' Meeting on 15 March 2023 effective from 3 May 2023 until the approval of the financial statements as of 31 December 2025.

INDEPENDENT EXTERNAL AUDITORS	PricewaterhouseCoopers S.p.A.

2. Report on operations

Dear Shareholders,

We hereby submit the consolidated and separate financial statements of Lottomatica Group S.p.A. (hereinafter "**Lottomatica Group**" or the ''**Company**'' and together with its subsidiaries the ''**Group**''). The Company was incorporated on 15 October 2019, is domiciled in Italy, with registered offices in Rome, Via degli Aldobrandeschi, 300 and is organized under the laws of the Republic of Italy. As permitted by Article 40 paragraph 2 bis of Legislative Decree 127/91, the Company has prepared this directors report, for both the consolidated and separate financial statements, in a single document which presents the Group's financial and operating performance during the year 2025, as well as the foreseeable operating performance. This Director's report also includes the Consolidated sustainability statement of the Group.

Since 3 May 2023, the Company has been listed on Euronext Milan, a regulated market organised and managed by Borsa Italiana S.p.A. Starting from June 2025, the Company was included in the STOXX Europe 600 Index (SXXP), an equity index comprising 600 leading European companies, and from 22 September 2025, it has been part of the FTSE MIB Index, which includes the 40 largest Italian companies by market capitalization and stock liquidity.

It should be noted that, on 24 April 2024, GBO S.p.A. completed the acquisition of 100% of the share capital of SKS365 Malta Holding Limited (merged into GBO S.p.A. during 2025) for Euro 621.5 million (the "**SKS365 Acquisition**"), following regulatory and competition approvals. The company was consolidated starting from 30 April 2024. It is also noted that, SKS365 Malta Limited, a subsidiary of SKS365 Malta Holding Limited, was renamed to PWO Limited (now PWO S.p.A., hereinafter "**PWO**") following the acquisition.

On 13 May 2025, the Company issued fixed-rate senior secured notes for a principal amount of Euro 1,100 million. The net proceeds from the issuance were used to finance the early repayment of the fixed-rate senior secured notes maturing in 2028 and the floating rate senior secured notes maturing in 2030, originally issued by Lottomatica S.p.A. (merged into the Company in 2024) on 1 June 2023 and 14 December 2023, respectively, plus accrued and unpaid interest, and the make-whole payment due to early repayment of the aforementioned notes (hereinafter the "**2025 Refinancing**").

On 17 June 2025, Gamma Intermediate S.à r.l. completed the sale of its entire stake in Lottomatica Group S.p.A., equal to 21.3% of the share capital, through a private placement.

For further details, refer to Note 6 "Key events occurring during the year" of this document and Note 11.7 to the consolidated financial statements as of and for the year ended 31 December 2025 (the "**Consolidated Financial Statements**").

The information in this report refers to the years ended 31 December 2025 and 2024. It is worth noting that all financial information and all business-related information (e.g. bet, unique active users, number of points of sales, rights, etc.) presented in this report include PWO contribution from 1 May 2024.

3. Italian gaming market and the Group's positioning

GGR[1] in the Italian gaming market amounted to approximately Euro 21.7 billion in 2025, an increase of 1.3% compared to the previous year. Such increase was mainly attributable to growth in the Sports retail and Online segment, which increased by 6.9% and 11.2% respectively compared to the previous year, in particular the iGaming and iSports segments increased by 16.0% and 4.7% respectively compared to the previous year. The Gaming Franchise segment decreased by 4.4%.

The following table shows the latest available information relating to the Italian gaming market:

	2025		2024		2023		Change 2025 vs 2024	
(In millions of Euro)	**GGR**	**% on GGR**	**GGR**	**% on GGR**	**GGR**	**% on GGR**	**(Euro)**	**%**
Online	**5,448**	**25.1%**	**4,899**	**22.9%**	**4,277**	**20.4%**	**549**	**11.2%**
iGaming	*3,244*	*15.0%*	*2,796*	*13.1%*	*2,368*	*11.3%*	*448*	*16.0%*
*iSports**	*1,930*	*8.9%*	*1,843*	*8.6%*	*1,650*	*7.9%*	*87*	*4.7%*
*Other online***	*274*	*1.3%*	*260*	*1.2%*	*259*	*1.2%*	*14*	*5.4%*
Sports retail**	**1,616**	**7.5%**	**1,511**	**7.1%**	**1,429**	**6.8%**	**105**	**6.9%**
Other betting retail	*466*	*2.2%*	*458*	*2.1%*	*424*	*2.0%*	*8*	*1.7%*
Gaming retail	**7,822**	**36.1%**	**8,182**	**38.3%**	**8,529**	**40.8%**	**(360)**	**(4.4%)**
Other games***	**6,311**	**29.1%**	**6,325**	**29.6%**	**6,260**	**29.9%**	**(14)**	**(0.2%)**
Total	**21,663**	**100.0%**	**21,375**	**100.0%**	**20,919**	**100.0%**	**288**	**1.3%**

Source –Prisma S.p.A (MAG) estimates on market data (2026).
* Includes virtual gaming and horse-race games.
** Includes Betting Exchange.
*** Does not include Comma 7. Includes Lotteries.

The Group is one of the largest players in the Italian gaming market[2], with Euro 44.7 billion in bets and Euro 2,255.3 million in Revenues for Reportable Segment during the year ended 31 December 2025, generated through a network of 4,024[3] betting rights, 26 horse-race betting rights, 19,831 VLT rights, 67,294 AWP operating permits and 49,831[4] owned AWPs and a network of around 17,386 points of sale of which 123 managed directly as of 31 December 2025.

The Group has the following operating segments: **Online, Sports Franchise and Gaming Franchise**, as described below.

3.1 Online

The Group's Online activity comprises the offer of a wide range of games through the **Goldbet.it, Lottomatica.it**, **Betflag.it, Totosì.it** and **Planetwin365.it** websites, as follows:

- iSports: sports betting, virtual betting and horse betting;
- iGaming: online casino games;
- Other online products: such as bingo, poker, betting exchange and skill games.

[1] GGR (Gross Gaming Revenue) is defined as the difference between bets and the amount paid to players as winnings.
[2] Based on GGR.
[3] Includes 8 betting rights of Ricreativo B S.p.A..
[4] The figure as of 31 December 2025 does not consider AWP machines that the group holds in inventory.

The Online segment generated bets of Euro 29,818.2 million for the year ended 31 December 2025, an increase compared to Euro 24,492.7 million for the year ended 31 December 2024.

3.2 Sports Franchise

The Group's Sports Franchise activity consists in the collection of sports betting, virtual betting and horserace betting through a franchise network of 3,790 operating PoS as of 31 December 2025. Through **Goldbet, Intralot, Better and Planetwin365** brands the Group offers a wide range of retail offerings. The Sports Franchise segment generated bets of Euro 3,907.3 million for the year ended 31 December 2025 compared to Euro 3,578.3 million for the year ended 31 December 2024.

3.3 Gaming Franchise

The Group's Gaming Franchise business comprises direct management of gaming halls and concession activities for VLTs and AWPs, managed according to different types of business models depending on the level of integration in the value chain. These business models range from the sole interconnection of machines prescribed by the concession to the ownership and management of the machines and the gaming halls. As of 31 December 2025, the Group's Gaming Franchise business includes 18,284 operative VLTs and 64,107 operative AWPs. For the year ended 31 December 2025, there were 123 gaming halls under direct management of the Group, which leveraged the Group's proprietary distribution formats and brands.

The Gaming Franchise segment generated bets of Euro 10,944.6 million for the year ended 31 December 2025, compared to Euro 11,089.8 million for the year ended 31 December 2024. The following paragraphs provide more specific details regarding the i) AWP, ii) VLT and iii) Retail and Street Operations product divisions.

i) Amusement With Prize (AWP)

AWPs are relatively easy to play (compared to VLTs – see below) and offer players a good level of interaction, through the use of a graphical reel containing pictures.

The maximum cost of each single game is Euro 1.00 and each game may last between four and thirteen seconds. Any winnings must be distributed immediately after the game (only) in coins and jackpots are not permitted[5]. The machine must calculate winnings in an unpredictable way over a cycle of a maximum of 140,000 games.

ii) Video Lottery Terminal (VLT)

VLTs are similar to slot machines, except that they are connected to a centralized computer system that determines the outcome of each wager by using a random number generator located inside the terminal.

[5] By law, monetary winnings must not exceed Euro 100 for a single play and as of January 2020, the minimum payout is set by law at 65.0% (Law No. 160 of 27 December 2019 - the so-called "2020 Budget Law" – effective as of 1 January 2020). For details regarding the evolution of PREU flat-tax rates, see paragraph 7.

Relevant legislation requires that bets per game may range from a minimum of Euro 0.50 to a maximum of Euro 10.00, with payouts of up to Euro 5,000.00 as well as the chance to win jackpots of up to Euro 500,000.00[6]. The Group currently offers five VLT platforms (Spielo, Novomatic, Inspired, WMG and EOS).

iii) Management of owned gaming halls and AWPs (Retail & Street Operations)

Since 2012, the Group has pursued a strategy of vertical integration involving the direct management of owned gaming halls ("Retail"), with such business being subsequently supplemented by direct management of owned AWPs ("Street Operations"). As of 31 December 2025, the Group directly manages 123 halls and 49,831 owned AWP[7].

3.4 Performance of the Company's shares on Euronext Milan

Lottomatica Group S.p.A. shares are listed on Euronext Milan since 3 May 2023. The Company is also included in the FTSE MIB Index, in addition to being part of the STOXX Europe 600 (SXXP) Index.

As of 30 December 2025 (last trading day of the year), the Company's share price closed at Euro 22.40 per share (an increase of 148.9% compared to Euro 9.00 per share at the listing date and 74.5% compared to the closing share price of Euro 12.84 as of 31 December 2024). The market capitalization amounted to Euro 5,637 million as of 31 December 2025.

The table below shows share price performance during 2025:

	Euro	Date
IPO price	9.00	3-May-23
Minimum price	12.78	13-Jan-25
Maximum price	25.2	17-Jul-25
Average price	20.54	30-Dec-25
Closing price	22.40	30-Dec-25
Total number of shares forming share capital	251,630,412	31-Dec-25
Number of shares outstanding (free float) *	238,034,700	31-Dec-25
Capitalization in Euro**	5,636,521,229	31-Dec-25

*Calculated as the number of shares forming the share capital, excluding treasury shares.
** Market capitalization has been calculated based on the shares outstanding (including treasury shares), amounting 251,630,412, and the closing price as of 30 December 2025.

[6] As of January 2020, the percentage of bets paid out as winnings may not be lower than 83.0% (Law No. 160 of 27 December 2019 - the so-called "2020 Budget Law" – effective as of 1 January 2020). For details regarding the evolution of PREU flat-tax rates, see paragraph 7.
[7] The figure as of 31 December 2025 does not consider AWP machines that the group holds in inventory.

The graph below shows the changes in the Company's share price during 2025:

4. Alternative Performance Measures

This document includes, in addition to the financial measures provided by IFRS® Accounting Standards ("**IFRS Accounting Standards**"), several measures derived from the latter even if not defined by IFRS Accounting Standards (hereinafter the "**Non-GAAP Measures**"). More specifically, the Non-GAAP Measures are constructed on the basis of historical data and do not indicate the future performance of the Group, in accordance with the provisions of the recommendations contained in the document prepared by ESMA, No.1415 of 2015, published on 5 October 2015, as incorporated by Consob Communication No. 92543 dated 3 December 2015. With reference to the international geopolitical and macroeconomic environment, which includes, among other factors, the military conflict between Russia and Ukraine and the introduction of tariffs and other trade policy measures, no new indicators have been introduced by the Group in line with ESMA guidelines, nor have any changes been made to the indicators normally used. These measures are presented in order to allow for a better assessment of the Group's operating performance and should not be considered as a substitute for the indicators required by the applicable accounting standards. Specifically, the Non-GAAP Measures used are as follows:

- **Revenues for Reportable Segment**: defined as consolidated revenue adjusted to include the revenue of equity accounted investments in which the Group holds an interest of more than 50%.
- **Adjusted EBITDA**: calculated as net profit for the year adjusted for: (i) income tax expense; (ii) finance income; (iii) finance expenses; (iv) share of profit/(loss) of equity accounted investments; (v) depreciation, amortization and impairments; (vi) Adjusted EBITDA, (as defined herein), of equity accounted investments in which the Group holds an interest of more than 50% and/or of businesses disposed of or in the process of disposal; (vii) costs related to M&A and international activities; (viii) integration costs (including expenses on corporate restructuring, redundancy and higher costs

incurred in relation to renegotiated operating contracts); (ix) other income and expenses that, in view of their nature, are not reasonably expected to recur in future periods.

- **Adjusted EBITDA Margin**: calculated as the ratio of Adjusted EBITDA divided by Revenues for Reportable Segment.
- **Adjusted EBIT**: calculated as net profit for the year adjusted for: (i) income tax expense; (ii) finance income; (iii) finance expenses; (iv) share of profit/(loss) of equity accounted investments; (v) amortization of higher value of assets resulting from business combinations following the purchase price allocation process ("PPA"); and (vi) other non-recurring costs and income excluded from Adjusted EBITDA.
- **Adjusted Net Profit**: calculated as net profit for the year adjusted for: (i) amortization of higher value of assets resulting from business combinations following PPA; (ii) other non-recurring costs and income excluded from Adjusted EBITDA, (iii) finance income and expenses that, due to their nature, are not reasonably expected to recur in future periods, (iv) other non-monetary items recorded in finance expenses and (v) tax effects on such adjustments.
- **Adjusted Net Profit per Share**: calculated as Adjusted Net Profit divided by the number of shares of the Company outstanding at the reporting date, net of any treasury shares held.
- **Cash Capital Expenditures:** calculated as cash outflows for (i) recurring capital expenditure, (ii) concession capital expenditure and (iii) extraordinary capital expenditure related to investments for extraordinary projects and deferred consideration for the acquisition of subsidiaries and business units.
- **Operating Cash Flow:** defined as the sum of Adjusted EBITDA less (i) recurring capex and (ii) concession capex.
- **Cash Conversion Rate:** calculated as the ratio of Operating Cash Flow divided by Adjusted EBITDA.
- **Net Financial Debt:** calculated as the sum of (i) the nominal amount of senior secured notes (ii) IFRS 16 liabilities, and (iii) liabilities relating to the share buyback, net of (iv) cash and cash equivalents.
- **Net Financial Indebtedness-ESMA:** determined as required by Consob Communication DEM/6064293 of 28 July 2006 and amended by Consob Communication No. 5/21 of 29 April 2021 and in accordance with ESMA Recommendations contained in Guidelines 32-382-1138 of 4 March 2021 on disclosure requirements under the Prospectus Regulation.

The following table provides details of the main financial and economic indicators for the periods indicated:

	As of and for the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Revenues	2,247,116	2,004,725
Revenues for Reportable Segment *	2,255,292	2,004,725
Adjusted EBITDA	856,159	706,922
Adjusted EBIT	662,245	535,648
Adjusted Net Profit	369,388	254,260
Profit for the year	179,836	103,839
Total shareholders' equity	377,488	565,503
Net Financial Indebtedness - ESMA	2,160,623	1,954,275
Net Financial Debt	2,105,202	1,872,825
Cash Capital Expenditures	(281,884)	(261,501)
Operating Cash Flow	657,134	556,831
Cash Conversion Rate	76.8%	78.8%

* Includes Cristaltec group revenues of Euro 8.2 million for the year ended 31 December 2025, consistent with the approach adopted by management to monitor the results of the operating segments.

Disclaimer

This document contains forward-looking statements (in particular in the sections headed "Outlook" and "Significant events occurring after 31 December 2025" and "Consolidated sustainability statement"), which are subject to known and unknown risks, uncertainties, and assumptions that are difficult to predict because they relate to events and depend on circumstances that will occur in the future. Many of these risks and uncertainties relate to factors that are beyond the company's ability to control or estimate precisely, such as future market conditions, the behavior of other market participants, the actions of regulators and other factors. Therefore, the Group actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, economic conditions globally, social, political, economic and regulatory developments or changes in economic or technological trends or conditions in Italy and internationally. Consequently, the Company makes no representation, whether expressed or implied, as to the conformity of the actual results with those projected in the forward-looking statements. Any forward-looking statements made by or on behalf of the Company speak only as of the date they are made.

5. Macroeconomic context

Euro-area GDP accelerated slightly in the summer months of 2025, with very uneven dynamics across the main countries growing moderately in the autumn, driven especially by the further increase in services activity.

At its meetings held in October and December 2025, the European Central Bank Governing Council kept the key interest rates unchanged. The cost of credit remained the same between August and November 2025. The growth in lending to non-financial firms reflected the still weak demand and remained stable; growth in lending to households instead strengthened.

Italy's GDP increased slightly in the third quarter of 2025, driven by the sharp rise in exports and the expansion in investments, which benefited from tax incentives and other measures related to the National Recovery and Resilience Plan. Household consumption grew modestly, reflecting still unfavourable expectations for the international economic outlook. Economic activity continued to expand moderately in the fourth quarter of 2025, driven by the service sector, especially business services, and by a slight recovery in industry[8].

The following table presents key information regarding the performance of the Italian economy updated to the latest available quarter:

Gross Domestic Product[9]	I Q 2023	II Q 2023	III Q 2023	IV Q 2023	I Q 2024	II Q 2024	III Q 2024	IV Q 2024	I Q 2025	II Q 2025	III Q 2025	IV Q 2025
	+0.5%	+0.6%	-0.4%	+0.2%	+0.3%	+0.2%	+0.0%	+0.0%	+0.3%	+0.0%	+0.2%	+0.3%

[8] Source: Bank of Italy - Economic Bulletin No. 1 – 2026.

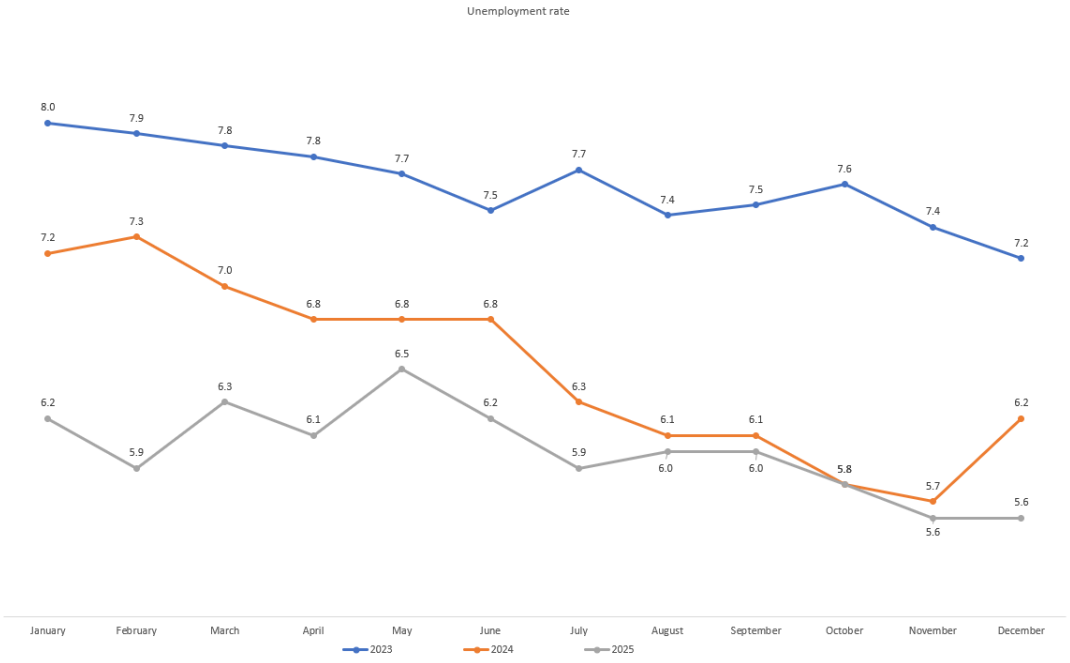
[9] Source: Istat – Preliminary Estimates on GDP – IV quarter 2025.

As of 31 December 2025, Italy's year-on-year inflation rate amounted to 1.2%[10], returning to the level observed in October 2025. On average over 2025, consumer prices rose compared to the prior year, mainly driven by price developments in regulated and non-regulated energy goods as well as unprocessed food products. Core inflation decelerated slightly.

In the fourth quarter of 2025, inflation in Italy remained at low levels compared with the euro area, due to the more moderate increase in service prices and the more pronounced decline in energy prices.

	As of 31 December	
	2024	**2025**
Inflation rate	+1.3%	+1.2%

As shown in the graph[11] below, the unemployment rate as of 31 December 2025 was lower than that of the same date in 2024. Employment started to rise again in the autumn months, with the unemployment rate declining further.



[10] Source: Istat – Press Release – Consumer Prices – December 2025.
[11] Source: Istat – Employment and Unemployment – December 2025.

6. Key events occurring during the year

6.1 2025 Refinancing

On 13 May 2025, Lottomatica Group S.p.A. issued senior secured notes for a principal amount of Euro 1,100 million (the "**May 2025 Notes**"), bearing interest at a fixed annual rate of 4.875%, to be paid semiannually, commencing on 1 November 2025 and maturing in January 2031. Proceeds from the May 2025 Notes were used to finance (i) the early repayment of the senior secured notes of Euro 500 million bearing interest equal to the sum of the three-month EURIBOR rate (with a 0% floor) plus 4% per annum ("**December 2023 Notes**") and the senior secured notes of Euro 565 million bearing interest at a fixed annual rate of 7.125%, issued on 1 June 2023 (the "**June 2023 Notes**" and together with the December 2023 Notes, the "**2025 Notes Repaid**"), in addition to accrued and unpaid interest; and (ii) the make whole payment of the June 2023 Notes due to early repayment amounting to Euro 21.0 million.

With reference to the 2025 Refinancing, the monetary costs incurred for the related issuance amounted to Euro 39.0 million, mainly relating to:

- professional fees related to the issuance of May 2025 Notes amounting to Euro 13.4 million;
- make-whole of the June 2023 Notes amounting to Euro 21.0 million;
- financial charges arising from the closing of hedging derivatives following the early repayment of the December 2023 Notes, amounting to Euro 4.0 million.

It should be noted that the 2025 Refinancing also resulted in non-monetary costs, amounting to Euro 22.3 million, mainly due to the acceleration of the amortized cost on the ancillary charges related to the 2025 Notes Repaid, which were fully recognized during 2025 following the related early repayment.

Furthermore, on 23 April 2025, the Company entered into an amendment and restatement agreement of the existing revolving credit facility. For further details, see Note 9.16.3 to the Consolidated Financial Statements.

The following table is a summary of the non-recurring costs recorded in 2025 as a result of the above transaction and the relevant accounting treatment applied:

(in millions of Euro)	**Amount***	*Of which incurred as of 31 December 2025*	**Finance expenses**	**Financial liabilities at amortized cost**	**Monetary portion**	**Non-monetary portion**
2025 Refinancing						
Underwriting fees and consultants / advisors	(13.4)	*(13.4)*		✓	(13.4)	-
Make-whole on 2025 Notes Repaid	(21.0)	*(21.0)*	✓		(21.0)	-
Effect of acceleration of the unamortized costs and net charge IRS on 2025 Notes Repaid	(26.3)	*(26.3)*	✓		(4.0)	(22.3)
Arrangement fees on revolving credit facility amendment (over five years)	(0.6)	*(0.1)*	✓		(0.6)	-
Total	**(61.3)**		**(47.9)**	**(13.4)**	**(39.0)**	**(22.3)**

* Gross of related tax effect.

7. Gaming sector regulation

Regulation of the gaming sector is the responsibility of the Ministry of the Economy and Finance and, specifically, of the Italian Customs and Monopolies Agency (hereafter "ADM"), which sets guidelines for the rational and dynamic development of the industry and verifies the lawfulness of the operations of concessionaires.

The following paragraphs describe the main normative and regulatory provisions introduced in 2025 and also provide details regarding other provisions about which details are known as of the date of preparing this report, for each of the reference sectors, namely ADI (entertainment device), Betting, GAD (remote gaming - Online) and Bingo.

7.1 ADIs

7.1.1 PREU and payout rates – 2025

The PREU flat-rate tax is the tax applied to the ADI segment. It was introduced by Law Decree no. 326 of 24 November 2003 and it is calculated by applying the required percentage rate to the total bets placed in each relevant activity, namely, for AWP activities and for VLT activities.

In 2025, the PREU rates for AWP and VLT are 24.0% and 8.6% respectively and were unchanged compared to those applicable in 2024.

In 2025, the minimum payout levels for AWP and VLT are respectively 65.0% and 83.0% of bets and were unchanged compared to those applicable in 2024.

7.1.2 Onerous extension of ADI concessions

The ADI concessions expired on 31 December 2024 and have been subject to an onerous extension until 31 December 2026, pursuant to Law no. 207 of 30 December 2024 (hereinafter "**Budget Law 2025**").

ADM Directorial Determination No. 42506/RU of 10 January 2025 provides that:

The concession fees due pursuant Law No. 207 of 30 December 2024 for the extension of the concessions in the preamble are paid by each concessionaire as follow:

- for the year 2025, in three equal installments due on 15 March 2025, 15 July 2025 and 1 October 2025, respectively;
- for the year 2026, in three equal installments due on 15 March 2026, 15 July 2026 and 1 October 2026, respectively.

With reference to the concessionaires Gamenet S.p.A. and Lottomatica Videolot Rete S.p.A., all required payments for the year 2025 have been duly settled.

Based on the information available as of the reporting date, management has a reasonable expectation regarding the continuity of the ADI concessions, which are currently subject to an onerous extension until 31 December 2026, and considers it probable that such concessions will continue either through a further extension or through a new tender procedure.

7.1.3 AWP-R

Pursuant to the 2016 Stability Law and as subsequently modified, most recently by the provisions of Law No. 145 of 30 December 2018, the ADM developed a draft Ministerial Decree setting out technical rules for the production of entertainment devices pursuant to Article 110, Paragraph 6, letter a) of the TULPS that permit remote gaming. This draft, which was forwarded to the Finance Legislative Office for final approval. As clarified by the ADM in the note relating to the 2025 Development Plan, "*Based on the timelines that will be provided, each concession holder will proceed within its area of responsibility to adapt the network structures and connectivity and replace the equipment, PDAs and communication structures of the telematic networks*".

At reporting date, the decree containing technical rules for the production of AWP-R has not yet been issued.

7.2 Betting and GAD

7.2.1 Betting concessions held by the Group

The following table provides a summary of the betting concessions held by the Group as of 31 December 2025:

Concession No.	Company	Announcement	Betting offering	Number of rights 2025
4098	GBO Italy S.p.A.	Bersani betting shops	Sports	421
4098	GBO Italy S.p.A.	Bersani betting corner	Sports	1,241
4341	GBO Italy S.p.A.	Bersani betting shops	Horse racing	13
4805	GBO Italy S.p.A.	Giorgetti betting shops	Horse racing	12
4504	GBO Italy S.p.A.	Monti	Sports + Horse racing	358
72000	GBO Italy S.p.A.	Tax regularization pursuant to article 1 co. 643 Law 190/2014	Sports + Horse racing	993

Concession No.	Company	Announcement	Betting offering	Number of rights 2025
4538	Ricreativo B S.p.A.	Monti	Sports + Horse racing	8
4869	Ricreativo B S.p.A.	Giorgetti betting shops	Horse racing	1

Concession No.	Company	Announcement	Betting offering	Number of rights 2025
4584	PWO S.p.A.	Monti	Sports + Horse racing	1
72002	PWO S.p.A.	Tax regularization pursuant to article 1 co. 643 Law 190/2014	Sports + Horse racing	1,002

7.2.2 Betting duties ("Imposta unica")

From 1 January 2025, pursuant to the provisions of Budget Law 2025, the following betting duties ("Imposta Unica") apply:

a) for remote skill games with cash prizes, including card games in tournament mode and card games in modes other than tournament, as well as for fixed-odds games of chance and remote bingo, in the amount of 25.5% of the sums that are not returned to the player, according to the game rule;

b) for fixed-odds sports betting, in the amount of 20.5%, if bets take place on a physical network, and 24.5%, if bets takes place remotely, applied to the difference between the amount bets and the winnings paid;

c) for fixed-odds bets on simulated events, pursuant to Law no. 296 of 27 December 2006, in the amount of 24.5% of the bets net of the amount paid to the player in winnings, according to the game rules.

7.2.3 Withdrawal on winnings

From 1 January 2025, pursuant to the provisions of the 2025 Budget Law (Article 1, paragraph 93), the tax applied on fixed-odds horse racing bets is set at 20.5% and 24.5% for those collected on the physical network and for those collected remotely, respectively. Those rates are applied to the difference between the amount bet and the winnings paid, without prejudice to the distribution of the periodic withdrawal pursuant Law no. 205 of 2017.

7.2.4 Onerous extension of betting and new GAD concessions

Betting concessions expired on 31 December 2024 and have been subject to an onerous extension until 31 December 2026, pursuant to the 2025 Budget Law.

ADM Directorial Determination No. 13771/RU of 3 January 2025 provides that:

The annual amount due is paid by the concessionaire, by the owner of the physical network collection or by the owner of the regularized betting points with the methods indicated below:

- *for the year 2025, in two installments of equal amount due on 30 April 2025 and 31 October 2025, respectively;*
- *for the year 2026, in two installments of equal amount due on 30 April 2026 and 31 October 2026, respectively.*

With reference to the concessionaires GBO Italy S.p.A., Ricreativo B S.p.A. and PWO S.p.A., the required payments for the year 2025 have been duly settled.

Based on the information available as of the reporting date, management has a reasonable expectation regarding the continuity of the Betting concessions, which are currently subject to an onerous extension until 31 December 2026, and considers it probable that such concessions will continue either through a further extension or through a new tender procedure.

With specific reference to the GAD sector, pursuant to Legislative Decree No. 36 of 31 March 2023, ADM announced the open electronic tender concerning the assignment of concessions for the activities and functions for the operation of public games referred to Legislative Decree No. 41 of 25 March 2024 (i.e. online games), through the activation and management of the remote gaming network, with the exclusion of collection at public places as per the tender notice published in the Official Journal of the European Union on 18 December 2024.

On 26 May 2025, four applications were submitted by GBO Italy S.p.A., Betflag S.p.A., PWO S.p.A. and Totosì S.r.l., for a total of five concessions (GBO Italy S.p.A. no. 2, Betflag S.p.A. no. 1, PWO S.p.A. no. 1, Totosì S.r.l. no. 1).

Following a specific communication from the evaluation committee, by decision of the Director of Gaming, No. 594211 of 17 September 2025, the concessions for the operation and remote collection of the games referred to in Article 6 of Legislative Decree No. 41 of 25 March 2024 were awarded, and the list of the awarded companies was published on the ADM's official website. All Group companies were awarded a total of five concessions, in line with the applications submitted and have executed the related concession agreements effective since 13 November 2025.

Pursuant Article 4.6 of the Administrative Rules, the entities awarded the concession paid a one-off fee of Euro 7 million for each concession requested, consisting of Euro 4 million upon award and Euro 3 million upon effective commencement of the concession-related activities.

7.3 Bingo

As result of the Budget Law 2025, bingo concessions, expired on 31 December 2024, have been subject to an onerous extension until 31 December 2026 starting from 1 January 2025. The jackpot has been set at a minimum of 70% and a maximum of 71% of the selling price of the bingo cards.

Due to the regulatory changes introduced by the 2025 Budget Law, ADM note No. 43702 of 10 January 2025 established that the annual payment of Euro 108,000.00 for each concession should be paid in two installments of Euro 54,000.00 each by 31 January and 30 June of each year.

The concessionaire Big Easy Bingo S.r.l. has filed an appeal with the Regional Administrative Court against the ADM note No. 43702 of 10 January 2025 to contest the new additional amounts requested by ADM. For this reason, pending the aforementioned proceedings, the six-monthly payment of Euro 2,800/month for each concession is being made.

With reference to the gaming hall located in Cesenatico (Italy), no further payments will be required during 2025, based on the ADM authorization, as per note No. 0382152 dated 26 June 2025, allowing the compensation of the total amount of Euro 29,000.00 with the amounts already paid in relation to

concession agreement No. 003/TL/17/R, as consideration for the concession fee relating to the months from November 2020 to May 2021.

With the judgments published on 2 December 2025, the Regional Administrative Court of Lazio (TAR Lazio) upheld the appeals previously filed by Big Easy Bingo S.r.l. and SEA S.r.l., both concerning the onerous extension provided for by the 2025 Stability Law (Law No. 207/2024).

TAR Lazio ruled that it was necessary to disapply the aforementioned state law and annulled the ADM extension measures that had implemented it. The Court clarified, however, that this does not entail the termination of the concession and provided for the redefinition of the fee, as well as the payment of compensation to the Italian Tax Authority based on actual revenues, in order to prevent unjust enrichment of the concessionaire.

Consequently, with note No. 794229 of 9 December 2025, ADM established that the fee payable by the concessionaires is provisionally set at Euro 2,800.00 per month for the period from 1 January 2025 to 31 December 2026.

ADM further specified that this determination is *temporary and provisional, as it replaces the definitive measure for the time necessary for its adoption, without prejudice to the fact that the final mutual accounts between the parties will be governed by the provisions of the definitive measure*.

8. Review of Group results

As previously indicated and for the purposes of reading this document, it should be noted that all financial information presented in this report includes PWO contribution from 1 May 2024.

The following table shows the Group's consolidated income statements for the year ended 31 December 2025 and 2024:

	For the year ended 31 December				Change	
(In thousands of Euro)	**2025**	**% of revenues**	**2024**	**% of revenues**	**(Euro)**	**%**
Revenues	2,247,116	100.0%	2,004,725	100.0%	242,391	12.1%
Other income	14,888	0.7%	14,951	0.7%	(63)	(0.4%)
Total revenues and income	**2,262,004**	**100.7%**	**2,019,676**	**100.7%**	**242,328**	**12.0%**
Cost of services	(1,314,558)	(58.5%)	(1,213,725)	(60.5%)	(100,833)	8.3%
Personnel expenses	(154,750)	(6.9%)	(135,503)	(6.8%)	(19,247)	14.2%
Other operating costs	(40,090)	(1.8%)	(39,477)	(2.0%)	(613)	1.6%
Depreciation, amortization and impairments	(261,269)	(11.6%)	(244,353)	(12.2%)	(16,916)	6.9%
Accruals and impairments	(25,304)	(1.1%)	(1,028)	(0.1%)	(24,276)	>100%
Net finance expenses	(190,147)	(8.5%)	(206,362)	(10.3%)	16,215	(7.9%)
Share of profit / (loss) of equity accounted investments	(110)	(0.0%)	1,663	0.1%	(1,773)	100.0%
Profit before taxes	**275,776**	**12.3%**	**180,891**	**9.0%**	**94,885**	**52.5%**
Income tax expense	(95,940)	(4.3%)	(77,052)	(3.8%)	(18,888)	24.5%
Net profit for the year	**179,836**	**8.0%**	**103,839**	**5.2%**	**75,997**	**73.2%**
Net profit for the year attributable to non-controlling interests	5,541	0.2%	5,242	0.3%	299	5.7%
Net profit for the year attributable to the owners of the parent	**174,295**	**7.8%**	**98,597**	**4.9%**	**75,698**	**76.8%**

8.1 Revenues

The following table provides a breakdown of Revenues for Reportable Segment for the year ended 31 December 2025 and 2024:

	For the year ended 31 December				Change	
(In thousands of Euro)	**2025**	**% of revenues**	**2024**	**% of revenues**	**(Euro)**	**%**
Online	954,506	42.3%	780,230	38.9%	174,276	22.3%
Sports Franchise	527,163	23.4%	460,755	23.0%	66,408	14.4%
Gaming Franchise*	773,623	34.3%	763,740	38.1%	9,883	1.3%
Total Revenues for reportable segment	**2,255,292**	**100.0%**	**2,004,725**	**100.0%**	**250,567**	**12.5%**
Elimination of revenues from equity accounted investments	(8,176)	n.a	-	n.a	(8,176)	100.0%
Total Revenues consolidated	**2,247,116**	**n.a**	**2,004,725**	**100.0%**	**242,391**	**12.1%**

* Includes Cristaltec group revenues of Euro 8.2 million for the year ended 31 December 2025, consistent with the approach adopted by management to monitor the results of the operating segments.

8.1.1 Online

The following table provides certain key performance indicators for the Online segment for the periods indicated:

	As of and for the year ended 31 December	
	2025	**2024**
Unique active users*	2,214,144	2,003,458
Total online bets (in millions of Euro)	29,818.2	24,492.7

* Unique active users refers to the number of customers who have carried out, with one or more game accounts in their name, at least one bets on one or more Online products (not only sports betting) during that period.

The Online segment generated bets of Euro 29,818.2 million for the year ended 31 December 2025, an increase of 21.7% compared to Euro 24,492.7 million for the year ended 31 December 2024. The Online operating segment benefited from the overall expansion of the Online market as well as from the increase in market share across all segments, reinforcing its leadership position within this segment. It also benefitted from the full year consolidation of PWO for the year ended 31 December 2025, compared to only eight months in 2024. This effect was partially offset by the impact of the UEFA European Championship held in the second quarter of 2024, which was not fully compensated by the impact of the FIFA Club World Cup held in the second quarter of 2025. It should be noted that, starting from May 2025, PWO has been involved in the gaming platform migration process (which was completed at the end of July 2025), resulting in a temporary slowdown in its market share during the second and third quarters of 2025.

The overall increase in bets for the year ended 31 December 2025 compared to the year ended 31 December 2024 was driven by an increase in:

- iGaming from Euro 19,149.7 million for the year ended 31 December 2024 to Euro 23,863.1 million for the year ended 31 December 2025;

- iSports from Euro 3,832.1 million for the year ended 31 December 2024 to Euro 4,226.0 million for the year ended 31 December 2025;
- other online gaming from Euro 1,510.9 million for the year ended 31 December 2024 to Euro 1,729.1 million for the year ended 31 December 2025.

In addition to the drivers noted above, key contributing factors to the growth of the Online segment included:

- the increase in the online games offer;
- continuous technological improvements such as graphic and functional refactoring of the deposits and withdrawals section, inclusion of virtual games in the sports betting app, improvement of the customer experience on all digital assets;
- the review / strengthening of the CRM strategy through the implementation of retention/reactivation promotional activities and strengthening of loyalty engagement initiatives implemented by the Group;
- the optimization of acquisitions from the retail channel through the introduction of focused marketing policies and the improvement of network; and
- the unification of the gaming platform for all Group brands.

Online segment revenues for the year ended 31 December 2025 amounted to Euro 954.5 million, an increase of Euro 174.3 million compared to Euro 780.2 million for the year ended 31 December 2024. The main drivers for the increase were the same as the drivers described above for the increase in bet, in addition to favorable sports betting payout recorded for the year ended 31 December 2025 compared to the previous year.

8.1.2 Sports Franchise

The following table provides certain key performance indicators for the *Sports Franchise* segment for the periods indicated:

	As of and for the year ended 31 December	
	2025	**2024**
Number of licenses/concessions*	4,024	4,024
Number of active points of sale (shops and corner)	3,790	3,740
Average number of points of sale in operations (shops and corner)	3,762	3,441
Sports Franchise bets (in millions of Euro)	3,907.3	3,578.3

* Excluding the 26 licenses related to horse racing in 2025 and 2024. Including 8 betting rights of Ricreativo B S.p.A. in 2025 and 2024.

Sports Franchise bets increased from Euro 3,578.3 million for the year ended 31 December 2024 to Euro 3,907.3 million for the year ended 31 December 2025. The increase was mainly due to the full year consolidation of PWO for the year ended 31 December 2025, compared to only eight months of 2024 as well as the effect of the integration of PWO with respect to its franchise network. Also for the Sports Franchise segment, positive growth factors were partially offset by the negative impact of the UEFA European Championship held in the second quarter of 2024, which was not fully compensated by the impact of the FIFA Club World Cup held in the second quarter of 2025. Sports Franchise revenues amounted to Euro 527.2 million for the year ended 31 December 2025, an increase of Euro 66.4 million or 14.4% compared to Euro 460.8 million for the year ended 31 December 2024. This

increase was due to the same factors discussed above to bet, as well as favorable sports betting payout recorded for the year ended 31 December 2025 compared to the previous year.

8.1.3 Gaming Franchise

Bets in the Gaming Franchise segment for the year ended 31 December 2025 amounted to Euro 10,944.6 million compared to Euro 11,089.8 million for the year ended 31 December 2024. Gaming Franchise revenues amounted to Euro 773.6 million[12] for the year ended 31 December 2025 compared to Euro 763.7 million for the year ended 31 December 2024.

The following paragraphs provide details of Gaming Franchise segment by product line.

AWP

The following table provides certain key performance indicators for the *AWP* product line for the periods indicated:

	As of and for the year ended 31 December	
	2025	**2024**
Number of AWPs in operation as of the year end	64,107	63,941
Average number of AWPs in operation for the year	63,777	63,471
AWP bets (in millions of Euro)*	4,093.2	4,286.7
Average AWP PREU (as percentage of bet)	24.0%	24.0%

* The amount does not include bets generated by gaming halls connected to other concessionaires (different from Gamenet S.p.A. and Lottomatica Videolot Rete S.p.A.), amounting to Euro 673.8 million and Euro 521.2 million for the years ended 31 December 2025 and 2024, respectively, which is included in the Retail and Street Operations business line.

AWP bets amounted to Euro 4,093.2 million for the year ended 31 December 2025, decreasing compared with the previous year (Euro 4,286.7 million for the year ended 31 December 2024).

AWP revenues for the year ended 31 December 2025 amounted to Euro 288.4 million, increasing compared to Euro 279.8 million for the year ended 31 December 2024. This trend, which moves against bets performance, was mainly due to the distribution insourcing strategy.

[12] Includes Cristaltec group revenues of Euro 8.2 million, consistent with the approach adopted by management to monitor the results of the operating segments.

VLT

The following table provides certain key performance indicators for the *VLT* product line for the periods indicated:

	As of and for the year ended 31 December	
	2025	**2024**
Number of VLTs licenses	19,831	19,831
Average number of VLTs in operation for the year	18,360	18,279
Number of VLTs in operation as of the year end	18,284	18,395
VLT in operation as percentage of VLT rights	92.2%	92.8%
VLT bets in millions of Euro*	6,033.9	6,129.2
Average VLT PREU (as percentage of bet)	8.6%	8.6%

* The amount does not include bets generated by gaming halls connected to other concessionaires (different from Gamenet S.p.A. and Lottomatica Videolot Rete S.p.A.), amounting to Euro 143.8 million and Euro 152.6 million for the year ended 31 December 2025 and 2024, respectively, which is included in the Retail and Street Operations business line.

VLT bets decreased by 1.6% from Euro 6,129.2 million for the year ended 31 December 2024 to Euro 6,033.9 million for the year ended 31 December 2025, while VLT revenues decreased of Euro 6.1 million from Euro 436.2 million for the year ended 31 December 2024 to Euro 430.1 million for the year ended 31 December 2025.

Retail and Street Operations

Bets in the Retail & Street Operations product line (from other concessionaires) amounted to Euro 817.6 million for the year ended 31 December 2025 (Euro 673.8 million for the year ended 31 December 2024) while the related revenues (from other concessionaires) amounted to Euro 55.2 million[13] for the year ended 31 December 2025, an increase of Euro 7.5 million compared to Euro 47.7 million for the year ended 31 December 2024 mainly due to the contribution from the acquisitions that occurred during 2024.

After reclassifying bets generated in owned gaming halls connected to the Gamenet and Lottomatica Videolot Rete concessionaires, total Retail & Street Operations bets for the year ended 31 December 2025 amount to Euro 4,011.5 million (Euro 3,659.4 million for the year ended 31 December 2024). For details regarding year-on-year movements, see the comments above in relation to the AWP and VLT.

[13] Includes Cristaltec group revenues of Euro 8.2 million, consistent with the approach adopted by management to monitor the results of the operating segments.

8.2 Cost of services

The following table provides a breakdown of cost of services for the year ended 31 December 2025 and 2024:

	For the year ended 31 December				Change	
(In thousands of Euro)	**2025**	**% of revenues**	**2024**	**% of revenues**	**(Euro)**	**%**
Distribution network compensation	(880,857)	(39.2%)	(828,381)	(41.3%)	(52,476)	6.3%
Fee on licensing gaming platforms	(132,480)	(5.9%)	(116,691)	(5.8%)	(15,789)	13.5%
Concession fee	(63,982)	(2.8%)	(58,445)	(2.9%)	(5,537)	9.5%
Rentals, leases and other rentals	(14,313)	(0.6%)	(13,687)	(0.7%)	(626)	4.6%
Other	(222,926)	(9.9%)	(196,521)	(9.8%)	(26,405)	13.4%
Total	**(1,314,558)**	**(58.5%)**	**(1,213,725)**	**(60.5%)**	**(100,833)**	**8.3%**

Cost of services for the year ended 31 December 2025 amounted to Euro 1,314.5 million an increase of Euro 100.8 million compared to Euro 1,213.7 million for the year ended 31 December 2024.

Cost of services mainly related to the distribution network compensation, which amounted to Euro 880.9 million for the year ended 31 December 2025, an increase of Euro 52.5 million compared to Euro 828.4 million for the year ended 31 December 2024. This trend was mainly attributable to the supply chain remuneration model (linked to a percentage of bets and/or revenue sharing mechanisms), resulting in the cost item substantially varying in line with revenues.

The fee on gaming platform licenses was Euro 132.5 million for the year ended 31 December 2025, an increase of Euro 15.8 million compared to Euro 116.7 million for the year ended 31 December 2024. The fee on gaming platform licenses represents amounts payable to the VLT platform providers to use their systems.

The concession fee payable to the ADM for the Gaming Franchise, Sports Franchise and Online concessions was Euro 64.0 million for the year ended 31 December 2025, an increase of Euro 5.6 million compared to Euro 58.4 million for the year ended 31 December 2024. The increase was mainly related to the full year consolidation of PWO.

The item Other cost of services amounted to Euro 222.9 million for the year ended 31 December 2025, an increase of Euro 26.4 million compared to Euro 196.5 million for the year ended 31 December 2024. Such change was mainly due to the full year consolidation of PWO, the higher commissions on collections by credit cards following the increase in the volumes of transactions recorded, as well as higher costs for events at the gaming halls and other marketing campaigns.

8.3 Personnel expenses

The following table provides a breakdown of personnel expenses for the year ended 31 December 2025 and 2024:

	For the year ended 31 December				Change	
(In thousands of Euro)	**2025**	**% of revenues**	**2024**	**% of revenues**	**(Euro)**	**%**
Remuneration	(106,097)	(4.7%)	(99,881)	(5.0%)	(6,216)	6.2%
Social security contributions	(30,823)	(1.4%)	(26,080)	(1.3%)	(4,743)	18.2%
Other personnel costs	(17,830)	(0.8%)	(9,542)	(0.5%)	(8,288)	86.9%
Total	**(154,750)**	**(6.9%)**	**(135,503)**	**(6.8%)**	**(19,247)**	**14.2%**

Personnel expenses amounted to Euro 154.7 million for the year ended 31 December 2025, an increase of Euro 19.2 million compared to Euro 135.5 million for the year ended 31 December 2024. The increase was mainly attributable to the increase in the average number of employees, in particular to the effect of the full year consolidation of PWO.

8.4 Other operating costs

Other operating costs amounted to Euro 40.1 million for the year ended 31 December 2025, an increase of Euro 0.6 million compared to Euro 39.5 million for the year ended 31 December 2024. The change was mainly attributable to (i) the higher write offs compared to the previous year, partially offset by (ii) the lower ancillary costs for purchase of investments and (iii) the lower purchases of goods for gaming halls.

8.5 Depreciation, amortization and impairments

The following table provides a breakdown of depreciation, amortization and impairments for the years ended 31 December 2025 and 2024:

	For the year ended 31 December				Change	
(In thousands of Euro)	**2025**	**% of revenues**	**2024**	**% of revenues**	**(Euro)**	**%**
Amortization of intangible assets	(185,106)	(8.2%)	(176,104)	(8.8%)	(9,002)	5.1%
of which PPA	*(70,303)*	*(3.1%)*	*(73,079)*	*(3.6%)*	*2,776*	*(3.8%)*
Depreciation of property, plant and equipment	(52,406)	(2.3%)	(47,146)	(2.4%)	(5,260)	11.2%
Depreciation of investment property.	(27)	(0.0%)	(27)	(0.0%)	-	0.0%
Impairments of property, plant and equipment and intangible assets	(165)	(0.0%)	(244)	(0.0%)	79	(32.4%)
Depreciation of right of use	(23,565)	(1.0%)	(20,832)	(1.0%)	(2,733)	13.1%
Total	**(261,269)**	**(11.6%)**	**(244,353)**	**(12.2%)**	**(16,916)**	**6.9%**

Depreciation, amortization and impairments amounted to Euro 261.3 million for the year ended 31 December 2025, as compared to Euro 244.4 million in the previous year. The increase was mainly due to the full year consolidation of PWO.

Amortization of intangible assets for the year ended 31 December 2025 includes Euro 70.3 million related to amortization of intangible assets recognized during the purchase price allocation (Euro 73.1 million for the year ended 31 December 2024).

8.6 Accruals and impairments

Accruals and impairments amounted to Euro 25.3 million for the year ended 31 December 2025, an increase of Euro 24.3 million compared to the previous year, mainly related to the impairment of receivables from the supply chain related to 2015 Italian Stability Law, amounting to Euro 23.8 million. For further details please refer to Notes 9.9 and 11.7.5 to the Consolidated Financial Statements.

8.7 Net finance expenses

The following table provides a breakdown of net finance expenses for the year ended 31 December 2025 and 2024:

	For the year ended 31 December				Change	
(In thousands of Euro)	**2025**	**% of revenues**	**2024**	**% of revenues**	**(Euro)**	**%**
Non recurring finance income	437	0.0%	6,215	0.3%	(5,778)	(93.0%)
Other interest income	2,838	0.1%	2,823	0.1%	15	0.5%
Total finance income	**3,275**	**0.1%**	**9,038**	**0.4%**	**(5,763)**	**(63.8%)**
Non recurring finance expenses	(53,461)	(2.4%)	(58,575)	(2.9%)	5,114	(8.7%)
Interest expense on senior secured notes (including IRS)	(110,535)	(4.9%)	(127,192)	(6.3%)	16,657	(13.1%)
Amortized cost on senior secured notes	(4,253)	(0.2%)	(6,646)	(0.3%)	2,393	(36.0%)
Commission on sureties	(6,341)	(0.3%)	(10,052)	(0.5%)	3,711	(36.9%)
Interest expense on Revolving Loan	(4,787)	(0.2%)	(5,689)	(0.3%)	902	(15.9%)
Leasing interest expense	(4,364)	(0.2%)	(4,296)	(0.2%)	(68)	1.6%
Amortized costs on deferred purchase consideration for acquisition	(407)	(0.0%)	(1,404)	(0.1%)	997	(71.0%)
Other interest expense	(9,274)	(0.4%)	(1,546)	(0.1%)	(7,728)	>100%
Total finance expenses	**(193,422)**	**(8.6%)**	**(215,400)**	**(10.7%)**	**21,978**	**(10.2%)**
Net finance expenses	**(190,147)**	**(8.5%)**	**(206,362)**	**(10.3%)**	**16,215**	**(7.9%)**

Net finance expenses amounted to Euro 190.1 million for the year ended 31 December 2025, a decrease of Euro 16.2 million compared to Euro 206.3 million for the year ended 31 December 2024.

The change was mainly attributable to:

- a decrease in non-recurring finance expenses from Euro 58.6 million for the year ended 31 December 2024 to Euro 53.4 million for the year ended 31 December 2025 (for further details of 2025 non-recurring finance expenses see Note 8.8 to the Consolidated Financial Statements);
- lower interest expenses and amortized cost on senior secured notes of Euro 19.1 million;
- lower commission on sureties of Euro 3.7 million.

partially offset by:

- lower non-recurring finance income of Euro 5.8 million related to interests income accrued on the escrow account in 2024; and
- higher interest expenses arising from the discounting of the liability related to the renewal of concessions for Euro 5.5 million.

"Amortized cost on Notes" and "Amortized cost on deferred purchase consideration for acquisition" are not monetary costs. For further details on the item, see Note 8.8 to the Consolidated Financial Statements.

8.8 Income tax expense

Income tax for the year ended 31 December 2025 amounted to Euro 95.9 million, an increase of Euro 18.8 million as compared to Euro 77.1 million for the year ended 31 December 2024. For further details, see Note 8.10 to the Consolidated Financial Statements.

9. Group economic performance – Adjusted EBITDA, Adjusted EBIT and Adjusted Net Profit

The following table shows the reconciliation of Adjusted EBITDA for the years ended 31 December 2025 and 2024:

(In thousands of Euro)	For the year ended 31 December 2025	2024
Net profit for the year	**179,836**	**103,839**
Income tax expense	95,940	77,052
Finance income	(3,275)	(9,038)
Finance expenses	193,422	215,400
Share of loss / (profit) of equity accounted investments	110	(1,663)
Depreciation, amortization and impairment	261,269	244,353
Adjusted EBITDA from equity accounted investments and/or of businesses disposed of or in the process of disposal	2,948	-
Cost related to M&A and international activities * (a)	8,266	8,298
Integration costs** (b)	40,543	33,713
Other non-recurring (income)/expense*** (c)	77,100	34,968
Total non-recurring not included in Adjusted EBITDA (a+b+c)	125,909	76,979
Of which:		
- Monetary costs not included in Adjusted EBITDA	*89,397*	*68,491*
- Non-monetary costs not included in the Adjusted EBITDA	*36,512*	*8,488*
Adjusted EBITDA	**856,159**	**706,922**

* The item mainly refers to consultancy costs amounting to Euro 5.5 million for the year ended 31 December 2025 (Euro 8.0 million for the year ended 31 December 2024), primarily attributable to strategic consulting services in the IT and tax area.

** Primarily represents costs incurred for the integration of acquired companies and associated expenses on corporate restructuring and redundancy.

*** For the year ended 31 December 2025, the item mainly includes one-off costs for specific activities in relation to the concession tender, costs incurred in connection with employee termination arrangements, the impairment of receivables from the supply chain related to 2015 Italian Stability Law, the write-off of gaming platform previously used by PWO and other.

The following table shows the reconciliation of Adjusted EBIT for the year ended 31 December 2025 and 2024:

(In thousands of Euro)	For the year ended 31 December 2025	2024
Net profit for the year	**179,836**	**103,839**
Income tax expense	95,940	77,052
Finance income	(3,275)	(9,038)
Finance expenses	193,422	215,400
Share of loss / (profit) of equity accounted investments	110	(1,663)
Amortization of assets resulting from business combinations	70,303	73,079
Other non-recurring costs and income excluded from Adjusted EBITDA	125,909	76,979
Adjusted EBIT	**662,245**	**535,648**

The following table shows the reconciliation of Adjusted Net Profit for the years ended 31 December 2025 and 2024:

(In thousands of Euro)	For the year ended 31 December	
	2025	**2024**
Net profit for the year	**179,836**	**103,839**
Amortization of assets resulting from business combinations	70,303	73,079
Other non-recurring costs and income excluded from Adjusted EBITDA*	125,909	75,316
Adjustments related to refinancing and SKS365 Acquisition	47,342	52,360
Of which:		
- Make-whole on senior secured notes repaid	*21,018*	*26,443*
- Effect of acceleration of the unamortized costs and net charge IRS on senior secured notes repaid	*26,324*	*21,663*
- Negative carry (net of accrued interest received from escrow account)	*-*	*4,254*
Other non-recurring finance expenses	5,682	-
Other non-monetary items including in finance expenses	11,787	8,375
Tax effect (IRES + IRAP)**	(71,471)	(58,709)
Adjusted Net Profit	**369,388**	**254,260**
Adjusted Net Profit per Share***	1.55	1.01

* The item included non-recurring income from equity accounted investments of Euro 1.7 million for the year ended 31 December 2024.

** Tax effect is calculated based on the applicable tax regulations as of the periods illustrated.

*** Calculated based on number of outstanding at the reporting date, net of any treasury shares held.

10. Group economic performance – by operating segment

The following table shows information relating to income statement items by operating segment for the periods indicated.

(in thousands of Euro, except percentages)	Online		Sports Franchise		Gaming Franchise		Total reportable segment	
	FY'25	FY'24	FY'25	FY'24	FY '25 [a]	FY'24	FY'25	FY'24
Bets (including other concessionaires)	**29,818,150**	**24,492,740**	**3,907,321**	**3,578,320**	**10,944,643**	**11,089,823**	**44,670,114**	**39,160,883**
Bets (Lottomatica Group)	29,818,150	24,492,740	3,907,321	3,578,320	10,127,044	10,415,944	43,852,515	38,487,004
GGR	**1,687,694**	**1,354,990**	**673,380**	**581,337**	**2,374,377**	**2,456,613**	**4,735,451**	**4,392,940**
Revenues toward third parties	954,506	780,230	527,163	460,755	773,623	763,740	2,255,292	2,004,725
Other income toward third parties	3,229	3,206	3,938	3,623	9,121	8,122	16,288	14,951
Intragroup Revenues and income	19,408	22,894	5,773	6,297	10,754	8,988	35,935	38,179
Total Revenues and income	**977,143**	**806,330**	**536,874**	**470,675**	**793,498**	**780,850**	**2,307,515**	**2,057,855**
Adjusted EBITDA [c]	**528,963**	**418,566**	**141,798**	**108,642**	**185,398**	**179,714**	**856,159**	**706,922**
Adjusted EBITDA Margin [b]	*55.4%*	*53.6%*	*26.9%*	*23.6%*	*24.0%*	*23.5%*	*38.0%*	*35.3%*

(a) Includes the results of the Cristaltec group, in line with the approach adopted by management to monitor the results of the operating segments.
(b) Adjusted EBITDA Margin is calculated as Adjusted EBITDA / Revenues toward third parties.
(c) The main cost component for the determination of Adjusted EBITDA relates to costs for distribution network compensation, which amounted to approximately Euro 233.9 million for Online operating segment in 2025 (Euro 204.7 million for the year ended December 31, 2024), Euro 300 million for the Sport Franchise operating segment in 2025 (Euro 271.7 million for the year ended December 31, 2024) and Euro 352.9 million for the Gaming Franchise operating segment in 2025 (Euro 350.1 million for the year ended December 31, 2024). The total amount was Euro 880.3 million in 2025 (Euro 822.1 million for the year ended December 31, 2024), net of intragroup costs of approximately Euro 6.5 million in 2025 (Euro 4.3 million for the year ended December 31, 2024).

The following table shows the reconciliation of total revenues for the periods indicated:

(In thousands of Euro)	For the year ended 31 December	
	2025	2024
Total Revenues and Other income for reportable segment	2,307,515	2,057,855
Elimination of intragroup revenues and income	(35,935)	(38,179)
Elimination of revenues and other income from equity accounted investments	(9,576)	-
Consolidated Total revenues and income	**2,262,004**	**2,019,676**

For the reconciliation of Adjusted EBITDA, please refer to paragraph “9. Group economic performance – Adjusted EBITDA, Adjusted EBIT and Adjusted Net Income“ of this document.

10.1 Adjusted EBITDA

Online

Adjusted EBITDA of the Online segment was Euro 529.0 million for the year ended 31 December 2025, representing 61.8% of total Adjusted EBITDA, compared to Euro 418.6 million for the year ended 31 December 2024. The increase was driven by the contribution from PWO and a favorable sports betting payout for the year ended 31 December 2025, in addition to the factors previously discussed in relation to the increase in bets and revenues, as well as the synergies realized on PWO. Adjusted EBITDA margin for the year ended 31 December 2025 increased from 53.6% for the year ended 31 December 2024 to 55.4% for the year ended 31 December 2025.

Sports Franchise

Sports Franchise Adjusted EBITDA for the year ended 31 December 2025 was Euro 141.8 million, compared to Euro 108.6 million for the year ended 31 December 2024, representing approximately 16.6% of total Adjusted EBITDA. Adjusted EBITDA for the year ended 31 December 2025, was affected by the contribution from PWO, and to favorable payout on sports betting recorded for the year ended 31 December 2025, as well as the synergies realized on PWO. Adjusted EBITDA margin increased from 23.6% for the year ended 31 December 2024, to 26.9% for the year ended 31 December 2025.

Gaming Franchise

Gaming Franchise segment Adjusted EBITDA increased from Euro 179.7 million for the year ended 31 December 2024, to Euro 185.4 million for the year ended 31 December 2025 while Adjusted EBITDA margin increased from 23.5% for the year ended 31 December 2024 to 24.0% for the year ended 31 December 2025.

11. Cash flows

The following table shows details of the Group's cash flows for the year ended 31 December 2025 and 2024:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Cash flow from operating activities (a)	635,017	524,338
Cash flow used in investing activities (b)	(295,801)	(341,348)
Cash flow used in financing activities(c)	(359,474)	(313,516)
Net cash flow (a+b+c)	**(20,258)**	**(130,526)**
Cash and cash equivalents at the beginning of the year	**164,156**	**294,682**
Cash and cash equivalents at the end of the year	**143,898**	**164,156**

11.1 Cash flow from operating activities

Cash flow generated by operating activities was Euro 635.0 million for the year ended 31 December 2025, an increase of Euro 110.7 million compared to Euro 524.3 million for the year ended 31 December 2024 and mainly related to:

- cash flow from operating activities before the changes in net working capital of Euro 766.9 million for the year ended 31 December 2025, an increase of Euro 124.9 million compared to Euro 642.0 million for the year ended 31 December 2024. Such increase was substantially in line with the increase in Adjusted EBITDA (which increased by Euro 149.2 million from Euro 706.9 million for the year ended 31 December 2024 to Euro 856.1 million for the year ended 31 December 2025) partially offset by an increase of non-recurring monetary costs, from Euro 68.5 million to Euro 89.4 million;
- cash outflow from changes in net working capital of Euro 35.5 million mainly attributable to payments related to certain tax disputes, partially offset by the collection of PWO's security deposits;
- taxes paid during the year, amounting to Euro 93.7 million.

11.2 Cash flow used in investing activities

Cash flow used in investing activities was Euro 295.8 million for the year ended 31 December 2025, a decrease of Euro 45.5 million compared to Euro 341.3 million for the year ended 31 December 2024.

For the year ended 31 December 2025, cash flows used in investing activities were mainly related to:

- recurring capital expenditure of Euro 86.3 million, mainly related to software development and software licensing costs, AWP cabinets and motherboards as well as the renovation of betting PoS, owned and indirect gaming halls;
- concession capital expenditure amounting to Euro 112.7 million, mainly related to the renewal of Gaming Franchise (Euro 43.7 million), Sports Franchise (Euro 33.8 million), Bingo (Euro 0.2 million) and the nine-year renewal of the five Online concessions (Euro 35.0 million);
- extraordinary capital expenditure amounting to Euro 62.3 million, mainly related to (i) bolt-on M&A, distribution insourcing and deferred price components of previous acquisitions and (ii) PWO integration;
- the payment of the deferred price component related to the acquisition of Goldbet (now GBO Italy S.p.A.) amounting to Euro 20.6 million.

For the year ended 31 December 2025, the item also included Euro 13.9 million related to the investments for the acquisition of an equity interest in Cristaltec S.p.A. and Sportbet S.r.l. and the investments in retail initiatives.

Cash flow from investing activities for the year ended 31 December 2024 also included: (i) the payment of the deferred price component related to the acquisition of Betflag amounting to Euro 50.0 million and (ii) net investment for the SKS365 Acquisition of Euro 87.4 million.

The following table presents a breakdown of the Group's Cash Capital Expenditures for the periods indicated and a reconciliation with cash flows used in investing activities as reported in the Group's consolidated cash flow statement:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Recurring capex	(86,328)	(86,881)
Concession capex	(112,697)	(63,210)
Extraordinary capex	(62,283)	(61,410)
Of which:		
- Integration	*(24,017)*	*(10,265)*
- Bolt-ons (including deferred consideration) and other	*(38,266)*	*(51,145)*
Deferred price Betflag	-	(50,000)
Deferred price Goldbet	(20,576)	-
Cash Capital Expenditures	**(281,884)**	**(261,501)**
Adjustments for:		
- Investments in equity accounted entities	*(13,917)*	*-*
- Net disposal in financial assets	*-*	*1,764*
- SKS365 Acquisition (net of escrow account)	*-*	*(87,443)*
- Acquisition of Billions Italia and New Matic	*-*	*5,832*
Cash flow from investing activities	**(295,801)**	**(341,348)**

The following table shows the calculation of Operating Cash Flow for the years ended 31 December 2025 and 2024:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Adjusted EBITDA	856,159	706,922
Capital expenditures in recurring capex	(86,328)	(86,881)
Capital expenditures in concessions capex	(112,697)	(63,210)
Operating Cash Flow	**657,134**	**556,831**

11.3 Cash flow used in financing activities

Cash flow used in financing activities was Euro 359.5 million for the year ended 31 December 2025 compared to Euro 313.5 million for the previous year.

In relation to the 2025 Refinancing, cash flow used in financing activities amounted to Euro 3.4 million for the year ended 31 December 2025 and mainly related to:

- the proceeds from the issuance of the May 2025 Notes of Euro 1,100 million;
- the payment of transaction costs for the issuance of the May 2025 Notes amounting to Euro 12.8 million;

- the early repayment of the 2025 Notes Repaid for an aggregate amount of Euro 1,065 million and the payment of the make-whole as a result of the early repayment of the June 2023 Notes amounting to Euro 21.0 million;
- the payment of the charge arising from the closing of hedging derivatives following the early repayment of the December 2023 Notes, amounting to Euro 4.0 million;
- the payment of arrangement fees related to the amendment of the existing revolving credit facility agreement of Euro 0.6 million.

In relation to the ordinary activities, cash flow used in financing activities amounted to Euro 356.1 million for the year ended 31 December 2025 and mainly related to:

- net finance expenses paid of Euro 120.6 million, mainly related to (i) interest on the senior secured notes and (ii) finance expenses related to the revolving credit facility amounting to Euro 4.8 million;
- share buyback of Euro 127.3 million;
- dividends paid of Euro 78.2 million;
- lease payments of Euro 28.1 million.

12. Group financial position

12.1 Net financial indebtedness – ESMA

The following table shows a breakdown of Net Financial Indebtedness – ESMA, calculated in accordance with the recommendations contained in ESMA 32-382-1138 released on 4 March 2021, for the periods indicated:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
A. Cash	143,898	164,156
B. Cash equivalent	-	-
C. Other current financial assets	31,570	30,396
D. Liquidity (A+B+C)	**175,468**	**194,552**
E. Current financial debt	174,813	3,155
F. Current portion of non-current financial debt	91,499	97,236
G. Current Financial Indebtedness (E+F)	**266,312**	**100,391**
H. Net Current Financial Indebtedness (G-D)	**90,844**	**(94,161)**
I. Non-current financial debt	90,319	114,345
J. Debt instruments	1,979,460	1,934,091
K. Non-current trade and other payables	-	-
L. Non-Current Financial Indebtedness (I+J+K)	**2,069,779**	**2,048,436**
M. Net Financial Indebtedness - ESMA (H+L)	**2,160,623**	**1,954,275**

Other current financial assets as of 31 December 2025 mainly include (i) cash held by operators, mainly related to cash in machines (i.e., in the hoppers and change machines) owned by Gamenet S.p.A., Lottomatica Videolot Rete S.p.A. and Big Easy S.r.l. but managed by external operators, amounting to

Euro 25.4 million, and (ii) the escrow account related to the acquisition of Goldbet (now GBO Italy S.p.A.) of Euro 5.0 million.

As of 31 December 2025, Current financial debt mainly relates to the payables for the share buyback and to the portion of the interest rate swap accrued as of 31 December 2025.

The items Non-current financial debt and Current portion of non-current financial debt as of 31 December 2025, mainly related to:

- the current payable relating to the deferred price component in relation to the acquisition of Goldbet (now GBO Italy S.p.A.), amounting to Euro 7.0 million;
- the payable relating to the acquisition of Distante, amounting to Euro 4.3 million;
- the payable relating to the acquisition of Dondolino S.r.l. business unit, amounting to Euro 3.5 million;
- the payable relating to the acquisition of Rete Gioco Italia S.r.l., amounting to Euro 2.1 million;
- payables relating to other acquisitions, totaling Euro 8.3 million;
- the payable relating to the potential exercise of put options on minority interests, amounting to Euro 60.4 million;
- the payable related to bank borrowings, amounting to Euro 2.6 million;
- the liability for accrued and unpaid interest on the senior secured notes issued for an aggregated amount of Euro 12.3 million;
- the lease liability recognized following the adoption of IFRS 16 of Euro 75.7 million.

“Debt Instruments” refers to:

- the May 2025 Notes for a principal amount of Euro 1,100 million (recognized at amortized cost of Euro 1,088 million as of 31 December 2025), bearing interest at a fixed annual rate of 4.875%, to be paid semiannually, commencing on 1 November 2025;
- the senior secured notes issued on 29 May 2024 for a total principal nominal amount of Euro 900 million (recognized at amortized cost of Euro 891.4 million as of 31 December 2025) of which (i) Euro 500 million bearing interest at a fixed annual rate of 5.375%, to be paid semiannually, commencing on 1 December 2024 and (ii) Euro 400 million bearing interest equal to the sum of three-month EURIBOR (with a 0% floor) plus 3.250% per annum to be paid quarterly, commencing on 1 September 2024 (the “**May 2024 Notes**”).

As of 31 December 2024, the item included the 2025 Notes Repaid and the May 2024 Notes, for a total principal amount of Euro 1,965.0 million (recorded at amortized cost for Euro 1,934.1 million).

For further details regarding the item, see Note 9.16 to the Consolidated Financial Statements.

12.2 Net financial debt

The following table shows a breakdown of Net Financial Debt, as monitored by the Group, for the periods indicated:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
June 2023 Notes*	-	565,000
December 2023 Notes*	-	500,000
May 2024 Notes*	900,000	900,000
May 2025 Notes*	1,100,000	-
Buyback liabilities	173,421	-
IFRS 16	75,679	81,169
Cash and cash equivalents**	(143,898)	(173,344)
Net Financial Debt	**2,105,202**	**1,872,825**

* Represents the principal amount of the debt.

** As of 31 December 2024, the item included Euro 9.2 million relating to PWO guarantee deposits, collected in January 2025.

13. Reconciliation between shareholder's equity and net profit of the company and consolidated shareholders' equity and net profit

The table below shows a reconciliation of the Shareholders' equity and Net profit of the Company and consolidated Shareholders' equity and Net profit as of and for the years ended 31 December 2025 and 2024:

	Shareholders' Equity as of 31 December	Net profit for the year ended 31 December	Shareholders' Equity as of 31 December	Net profit / (loss) for the year ended 31 December
(In thousands of Euro)	**2025**		**2024**	
Company financial statements	**417,863**	**5,354**	**777,615**	**311,683**
Share of equity and net profit of consolidated subsidiaries, net of carrying amount of the related investments	232,926	338,819	10,971	283,721
Elimination of dividends from subsidiaries	-	(120,000)	-	(448,249)
Elimination of intercompany profits and losses included in fixed assets	(959)	360	(1,318)	109
Consolidation entries	(324,760)	(50,238)	(269,299)	(48,667)
Shareholders' equity and net profit for the year attributable to the Group	**325,070**	**174,295**	**517,969**	**98,597**
Non-controlling interests	52,418	5,541	47,534	5,242
Total shareholders' equity and net profit for the year	**377,488**	**179,836**	**565,503**	**103,839**

14. Information on corporate governance

The Group is committed to maintaining a consistent ethical conduct standard, while respecting the cultures and business practices of the countries and communities in which it operates. Compliance with the Code of Ethics by directors, managers, employees, as well as by all those who work to achieve the objectives of the Group, each within their own area of responsibility, is essential to the efficiency, the reliability and reputation of the Group, factors that are decisive for its success.

The principles and guidelines set out in the Code of Ethics are addressed and analyzed in other company policies and procedures.

The Company adheres to the Corporate Governance Code issued by the Italian Corporate Governance Committee (2020 edition), available on the website of Borsa Italiana S.p.A. (www.borsaitaliana.it); accordingly, the Company's corporate governance system is based on compliance with the principles and recommendations set forth therein.

Pursuant to Article 123-bis of Legislative Decree No. 58/1998 (the "**TUF**"), the Company prepares a Report on Corporate Governance and Ownership Structure (the "**CG Report**"), which contains, *inter alia*, a general description of the corporate governance system adopted and information on the ownership structure and on compliance with the Corporate Governance Code, including the features of the internal control and risk management system in relation to the financial reporting process, including consolidated financial reporting. The above mentioned CG Report is available on the Company's website at www.lottomaticagroup.com, in the section "Governance/Shareholders' Meeting".

The Board of Directors, upon proposal of the Appointments and Remuneration Committee, defines the remuneration policy, in compliance with applicable regulatory provisions and the recommendations of the Corporate Governance Code. Pursuant to Article 123-ter of the TUF, the remuneration and compensation policy constitutes the first section of the Report on the remuneration policy and remuneration paid and will be submitted to the binding vote of the Shareholders' Meeting convened to approve the financial statements as of and for the year ended 31 December 2025; the second section of the Report on the remuneration policy and remuneration paid, containing the remuneration paid in 2025 to directors, statutory auditors and executives with strategic responsibilities, will instead be submitted to the non-binding vote of the Shareholders' Meeting convened to approve the financial statements as of and for the year ended 31 December 2025.

15. Main risks and uncertainties

15.1 Operational risk

On 26 February 2025, Lottomatica Group S.p.A. approved the current revision of its Organizational, Management and Control Model pursuant to Legislative Decree No. 231/2001, in light of the organizational and regulatory changes that have occurred. The Model was originally adopted on 27 February 2023, together with the approval of the Group Code of Ethics, the "Anti-Bribery & Corruption Policy and Guidelines" and the "Whistleblowing Management" procedure, as well as with the appointment of the Supervisory Body.

On 18 September 2025, the Board of Directors of Lottomatica Group S.p.A. also approved a new revision of the “Whistleblowing Management” procedure which governs the process for the receipt, analysis and managing reports of violations that become known in the work-related context, namely conduct, acts or omissions that harm the public interest or the integrity of Lottomatica Group S.p.A. and/or the Group companies. This document had already been revised and approved on 27 July 2023 in order to incorporate the regulatory changes introduced by Legislative Decree No. 24/2023 – implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions concerning the protection of persons who report breaches of national laws – as well as on 18 June 2024.

With regard to anti-corruption matters, Lottomatica Group S.p.A. and the main concessionaire companies of the Group (Gamenet S.p.A., Lottomatica Videolot Rete S.p.A., GBO Italy S.p.A., PWO S.p.A., Totosì S.r.l. and Betflag S.p.A.) obtained in June 2025 the renewal of the UNI ISO 37001:2016 Anti-Bribery Management System certification , an international standard for management created in order to reduce the risks and costs associated with possible corruption phenomena, issued by an accredited certification body.

With reference to risk management, it should be noted that in 2017 the Group adopted an Enterprise Risk Management (ERM) Model in alignment with the principles and components set out in the “Enterprise Risk Management Framework – Integrating with Strategy and Performance” (CoSO ERM 2017), identifying a specific set of Key Risk Indicators.

Over the years, the Group has updated the ERM Model in order to reflect organizational changes within the Group and has digitalized the management and reporting process of its set of Key Risk Indicators through the use of a dedicated tool (“Digital ERM”), which enables the detection and monitoring of the level of exposure to the main risks within the Model. Furthermore, in 2025, the ERM Model underwent an in-depth system review aimed at assessing its adequacy and effectiveness. To this end, an independent audit firm was engaged to conduct a detailed assessment, the results of which were presented to both the Control and Risk Committee and the Board of Directors of Lottomatica Group S.p.A. The assessment led to the introduction of new risks relating to Artificial Intelligence and highlighted how the Group’s ERM Model stands out for the adoption of dedicated digital tools for monitoring key risk indicators and for its ability to continually update the risk inventory, thereby supporting proactive and informed risk management.

The current ERM Model includes 106 risks and 46 “Risk Areas”, each associated with the relevant process and owner. Their positioning within the Risk Control Panel is determined on the basis of two assessment drivers: inherent risk and the effectiveness of mitigating controls.

15.2 Environmental risk

The Group considers as a strategic priority the prevention and management of risks that could jeopardize the achievement of objectives and business continuity. In this regard, the Group has identified the main risks related to climate change or environmental issues that may have implications or an impact on business activities. The potential risks identified are those related to climate change, both in terms of physical risks, more frequent extreme weather events or gradual changes in the climate (e.g., floods, rising temperatures, dwindling resources, etc.) and/or related to increased operating costs for extraordinary maintenance activities (e.g., for restoring the condition of assets following damage incurred), and in terms of transition risks, i.e., related to the transition to a low-carbon and/or more environmentally sustainable economy.

However, considering the Group's activities and the low likelihood that the identified climate risks will impact the business, the Group's current exposure to the consequences of climate change is considered to be limited in terms of the impacts on strategy and financial cash flows (see the Consolidated sustainability statement for more details).

15.3 Financial risk

The Group's activities are exposed to a series of risks and uncertainties that may affect its financial position, economic performance and cash flows. With regard to the Group's exposure to financial risks, please refer to Note 3 to the Consolidated Financial Statements.

16. Other information

16.1 Research and development

Research and development activities are related to the conception, creation, development and implementation of software applications, IT systems and platforms on behalf of the Group. For further details, see Notes 8.4 and 9.1 to the Consolidated Financial Statements.

16.2 Intragroup and related party transactions

The transactions between the Group and related parties, identified in accordance with the criteria defined by IAS 24 - "Related Party Disclosures", are mainly of a commercial and financial nature and are carried out at normal market conditions.

For a detailed disclosure of the transactions during the year ended 31 December 2025, please refer to the information in Note 10 to the Consolidated Financial Statements.

The Board of Directors of the Company, on 5 May 2023, has approved a procedure for transactions with related parties ("**RPT Procedure**"), subject to the favorable opinion of the Related Parties Committee, pursuant to the provisions on related party transactions adopted by CONSOB. The RPT Procedure can be consulted, together with the other documents on corporate governance, on the website https://lottomaticagroup.com/it.

16.3 Parent company's own shares held by it or its subsidiaries

On 6 May 2025, the Company's Board of Directors resolved to initiate a share buyback program, as authorized by the Shareholders' Meeting held on 30 April 2025. The program is aimed at acquiring shares in order to remunerate the shareholders, meet the commitments deriving from the share-based incentive plans or financing potential acquisition opportunities. For further details please see Note 11.7.14 to the Consolidated Financial Statements.

As of 31 December 2025, the Company held 13,595,712 treasury shares, equal to 5.403% of the outstanding ordinary shares. For further details please see Note 9.14 to the Consolidated Financial Statements.

16.4 Atypical and/or unusual transactions

In accordance with the disclosures required by Consob Communication DEM/6064293 dated 28 July 2006, the Company did not carry out any atypical and/or unusual transactions during 2025.

16.5 Outlook

For the year ended 2026, the Group expects to reach consolidated results of:

- Revenues: Euro 2,390 – 2,460 million[14];
- Adjusted EBITDA: Euro 940 – 980 million[14];
- Capex:
  - Recurring: approximately Euro 85 – 90 million;
  - Concession: approximately Euro 78 million.

17. Significant events occurring after 31 December 2025

For details of significant events occurring after 31 December 2025, see Note 11.8 to the Consolidated Financial Statements.

[14] Calculated assuming a normalised sports betting payout of 80.5% for retail and 85.5% for online.

18. Management and coordination activities

Lottomatica Group S.p.A. is not subject to management and coordination by companies or entities and defines its general and operational strategic guidelines in full autonomy. Pursuant to art. 2497 bis of the Civil Code, the Italian subsidiaries have identified Lottomatica Group S.p.A. as the entity that exercises management and coordination activity.

This activity consists in indicating the Group's general and operational strategic guidelines and takes the form of defining and adapting the internal control system and the governance model and corporate structures.

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Exception from the obligation to publish information documents

Exception from the obligation to publish information documents in accordance with the provisions of Article 70, paragraph 8, and Article 71, paragraph 1bis, of Consob Regulation No 11971/1999 ("**Issuers' Regulation**"), the Company has waived its obligation under Article 70, paragraph 6, and Article 71, paragraph 1, concerning the publication of an information document drawn up in accordance with Annex 3B of the Issuers' Regulation, in the event of significant mergers, carve out, capital increase through the contribution of assets in kind, significant acquisitions and disposals.

On behalf of the Board of Directors

Chief Executive Officer

Guglielmo Angelozzi

CONSOLIDATED SUSTAINABILITY STATEMENT

1. General Information

Innovation, reliability and sustainability are at the core of Lottomatica's vision. Over the years, the Group has embarked on a demanding and challenging journey in the management of ESG issues, with the ambition of generating positive impacts on people, the environment and for the benefit of all stakeholders.

Aware of its role as a leading company in the public gaming sector in promoting virtuous behaviour throughout the value chain, Lottomatica has built solid governance and a structured ESG strategy aimed at integrating sustainability drivers into the corporate business model. This consists of a comprehensive Sustainability Plan based on the strategic pillars of Responsibility, People, and Community and Environment, together with a set of dedicated Policies and Programmes. In order to further strengthen and structure the company's commitment to combating climate change, in 2025 the Group also integrated a new transition plan into its environmental strategy aimed at significantly reducing its carbon footprint in the medium term and promoting sustainable models of conduct within the supply chain.

The Group's commitment also encompasses projects aimed at creating value for the community, with the ambition of promoting the socio-economic development of the territories in which it operates, and improving people's quality of life by fostering the development of human capital and actively involving stakeholders and employees. Lottomatica also pursues objectives of public interest, such as the protection of legality and consumers, paying particular attention to the protection of minors, namely through the promotion of a solid model of legal and responsible gaming integrated into its strategies and daily activities, and through the adoption of the highest standards of ethics and integrity, supported by strong governance geared towards the protection of all stakeholders.

Lottomatica looks to the future with responsibility, aware that its success must also be measured by its ability to generate positive and measurable impacts that go beyond financial results. For this reason, with a view to ensuring the transparency and accuracy of its ESG performance, the information contained in this Consolidated sustainability statement has been prepared in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and Legislative Decree 125/2024, as well as with the European Sustainability Reporting Standards (ESRS).

1.1 Criteria for preparation

DISCLOSURE REQUIREMENT BP-1

General criteria for the preparation of the Consolidated sustainability statement

Lottomatica Group's 2025 Consolidated sustainability statement has been **prepared on a consolidated basis**, and the reporting scope, consisting of the Parent Company and all fully consolidated companies, corresponds to that of the consolidated financial statements. In addition, the Consolidated sustainability statement also includes information on **Lottomatica's value chain**, which has been identified on the basis of the guidance provided by EFRAG, in accordance with Article 29(a)(3) of the Corporate Sustainability Reporting Directive. Specifically, this document contains the information required by the standards concerning upstream and downstream actors in the value chain, relating to:

- the double materiality analysis process, with particular regard to the identification of material impacts, risks and opportunities;
- the Group's policies, actions and targets, with a level of detail that varies based on the degree of control and influence;
- the identification of the metrics, with particular regard to Scope 3 emissions reporting.

With regard to the period in question, it should be noted that this document does not omit any information that is subject to intellectual property rights, results from innovation, or concerns imminent developments or matters under negotiation.

DISCLOSURE REQUIREMENT BP-2

Disclosure in relation to specific circumstances

Lottomatica Group has defined its **time horizons** in line with the Group's Enterprise Risk Management (ERM) framework: 1 year for the short term, 1-3 years for the medium term and over 3 years for the long term. This choice differs from the time horizons defined by ESRS 1, but reflects the reference period adopted in the Group's financial statements and strategic planning. Finally, it should be noted that the time horizons considered in the Climate Risk Assessment do not coincide with those indicated throughout the Consolidated sustainability statement and are as follows: 2026 for the short term, 2030 for the medium term and 2050 for the long term.

Estimates

The Group has used estimates for performance metrics relating to waste data, the gender pay gap, average supplier payment times, and Scope 1, 2 and 3 emissions. Further details are provided in the relevant sections[15].

[15] For further details on the calculation methods used, please refer to the following sections: E1-6 (Scope 3); E5-5 (waste); S1-15 (gender pay gap); G1-6 (average payment time).

Changes in the preparation and presentation of sustainability information

Compared to the previous reporting period, please note that certain adjustments have been made to the data regarding greenhouse gas (GHG) emissions, with particular reference to the calculation of Scope 3 Categories 2 and 8. Similarly, changes have been made to waste data reporting, with particular reference to the estimation of municipal waste, and to reporting on the EU Taxonomy, following developments in the regulatory framework. The nature of these changes and considerations regarding previous periods are detailed in the relevant paragraphs[16].

Disclosures required by other sustainability regulations or provisions

Certain information has also been reported in accordance with other recognised regulations, standards and frameworks for sustainability reporting, such as EU Regulation 2020/852 (EU Taxonomy), the UN Global Compact (UNGC), the Greenhouse Gas Protocol (GHG Protocol) and ISO 14064:2018.

Transitional provisions

In line with its 2024 reporting, the Group has decided to avail itself of the applicable phase-in provisions listed in Appendix C of ESRS 1, further extended for the 2025 financial year by Commission Delegated Regulation (EU) 2025/1416 of the Commission, amending Delegated Regulation 2023/2772, with the exception of the following requirements relating to:

Standard	Disclosure requirement
ESRS E1 Climate change	• **E1-9** "*Expected financial effects of significant physical and transition risks and potential climate-related opportunities*", with specific reference to requirement 65(a)
ESRS S1 Own workforce	• **S1-7** "*Characteristics of non-employee workers in the company's own workforce*" • **S1-8** "*Coverage of collective bargaining and social dialogue for employees in non-EEA countries*" • **S1-11** "*Social protection*" • **S1-12** "*Percentage of employees with disabilities*" • **S1-13** "*Training and skills development*" • **S1-14** "*Cases of occupational disease, number of days lost and information on non-employees*" • **S1-15** "*Work-life balance*"

Additional considerations

For the purposes of preparing this Consolidated sustainability statement, the second prepared in accordance with the CSRD and ESRS, comparative data has been provided as required by ESRS 2-BP 2. Furthermore, certain disclosures in this report make explicit reference to specific sections of the Annual Report, which are duly indicated in the relevant cross-references. With regard to the actions implemented by the Group and reported under the various ESRS topics, operating expenditure (OpEx) and capital expenditure (CapEx) are disclosed only where such amounts have been deemed material. In particular, actions with a value exceeding a threshold of Euro 100,000 were considered material,

[16] For further details on these adjustments, please refer to section E1-6 "Gross Scope 1, 2, 3 and total GHG emissions" within the "Climate Change [ESRS E1]" chapter, E5-5 "Resource outflows [ESRS E5]" and chapter 2 section "2.1 The EU Taxonomy".

based on the Group's professional judgement following a detailed economic assessment of each individual initiative. With reference to the financial resources that the Group expects to allocate to the above-mentioned actions, the amounts currently indicated relate to estimates for 2026. Lastly, it should be noted that the metrics reported in the sections "Environmental Information", "Social Information" and "Governance Information" have not been subject to independent assurance by an external body.

1.2 Governance

DISCLOSURE REQUIREMENT GOV-1

Role of the administrative, management and control bodies

The Parent Company, Lottomatica Group S.p.A., has adopted the **traditional Italian administration and control system**, divided into two corporate bodies appointed by the Shareholders' Meeting: the **Board of Directors** (BoD), consisting of 11 members and vested with the broadest powers for the ordinary and extraordinary administration of the Company, and the **Board of Statutory Auditors**, consisting of 3 standing auditors and 2 alternate auditors, entrusted with the tasks of supervising the administration and ensuring compliance with the law and the Articles of Association[17]. The BoD is also the body responsible for defining and implementing the management and coordination of the other Group companies.

Administrative, management and control bodies	*u.m.*	2025[18]			2024		
		Men	Women	Total	Men	Women	Total
Members of the administrative, management and control bodies	*No.*	7	7	14	7	7	14
of which executive		3	0	3	1	0	1
of which non-executive		4	7	11	6	7	13

[17] The Lottomatica Group does not provide for the representation of its employees or the other workers within its administrative, management and control bodies.

[18] Following the resignation of four non-independent directors on 30 June 2025, the Board of Directors appointed, by co-optation pursuant to Article 2386 of the Italian Civil Code and Article 13.18 of the Articles of Association, two new executive directors and two new non-executive directors who meet the independence requirements set out in the current legislation and the Corporate Governance Code.

As of 31 December 2025, the BoD has an **average age of 58**, with **55%** of its members **being women**[19] and **73% being independent** pursuant to the Consolidated Law on Finance and the Corporate Governance Code.

Members of the Board of Directors	*u.m.*	2025			2024		
		Men	Women	Total	Men	Women	Total
Members of the Board of Directors	*No.*	5	6	11	5	6	11
of which executive		3	0	3	1	0	1
of which non-executive		2	6	8	4	6	10
of which independent		2	6	8	0	4	4
Gender diversity[20]	%	45	55	100	45	55	100
Independent members		18	55	73	0	36	36

Without prejudice to the general knowledge required for all areas covered by current legislation, the members of the Board of Directors have expertise in a number of areas, including **legal, financial**, **strategy and planning** matters, as well as **ESG**, including aspects relating to climate change, human rights and corporate conduct. Many members of the Board have also gained significant experience in the **sectors in which the Group operates**, having previously held senior executive and managerial roles in leading Italian and European regulated gaming companies. The international dimension is ensured not only by the presence of members of foreign nationality, but also by members who have acquired substantial experience in international contexts.

In order to ensure the continuous updating of skills and competences, the members of the administrative and control bodies participate in initiatives aimed at providing adequate knowledge of the sectors in which the Company operates, the corporate dynamics and their evolution, also with a view to the sustainable success of the Company, and the principles of sound risk management and the relevant regulatory and self-regulatory framework. Moreover, with specific regard to the ESG Committee, pursuant to the relevant regulations, the Committee will interact with the Company's Operational/Managerial Sustainability Committee and, more generally, with any corporate function responsible for the governance of ESG strategies and programmes, and will have the right to access the information and corporate functions necessary to perform its duties, including the ability to make use of external consultants whose independence of judgement is not compromised.

Finally, the Board of Directors receives periodic updates on the activities of the ESG Committee and on the progress of the Company's Sustainability Plan.

In line with the recommendations of the Corporate Governance Code, Lottomatica Group pursues the objective of **ensuring corporate integrity and the highest levels of transparency** in decision-making, including with regard to the **management of sustainability-related impacts, risks and opportunities**. In addition, the Company has adopted a mission that integrates the **17 Sustainable Development Goals**, covering all areas of social, economic and environmental development, considered in an integrated and coherent manner, to the achievement of which Lottomatica intends to make an active contribution.

[19] For further information on the Group's Board of Directors' diversity policy, please refer to the "Summary of Policies" section in the "General Information" chapter.

[20] Gender diversity within the Board of Directors is calculated as the average ratio between female and male members of the Board.

In this regard, the main ESG responsibilities of Lottomatica Group's bodies and structures are outlined below:

- **Board of Directors, with a strategic role and a position of absolute centrality** within the Company's Corporate Governance system, vested with broad powers, including those relating to the organisation of the Company and the Group and the Internal Control and Risk Management System. The Board defines the strategic guidelines and objectives of the Company and the Group, including those relating to the Sustainability Plan, in pursuit of sustainable success. At the same time, the Board defines the nature and level of risk compatible with the Company's strategic objectives, considering all elements that may be relevant to sustainable success in its assessments. In addition, this body examines and approves the Company's and the Group's Business Plan and related budgets, also taking into consideration topics relevant to long-term value creation, with the support of the various Committees, and periodically monitors their implementation.
- **Board's Internal ESG Committee**, which supports the Board of Directors in carrying out tasks related to **promoting the integration of sustainability into the Group's strategy and corporate culture**, overseeing the integration of ESG issues into the business model and their dissemination to all stakeholders. The Committee provides investigative, proactive and advisory support on sustainability guidelines and objectives, supervising the initiatives and programmes promoted by the Company to achieve them, monitoring their results and ensuring ongoing dialogue with stakeholders. The ESG Committee also examines and assesses developments in international sustainability guidelines and principles, providing guidance for the adjustment of medium- to long-term strategies and monitoring the progress of actions undertaken, as well as reviewing the Consolidated sustainability statement and assessing the adequacy of the periodic non-financial information.
- **Board's Internal Control and Risk Committee** is responsible for supporting the Board of Directors through investigative, propositional and advisory functions in **assessments and decisions relating to the internal control and risk management system**, as well as those concerning the approval of the periodic financial reports and the performance of tasks relating to:
  - the definition of the guidelines for the internal control and risk management system in line with the Company's strategies;
  - the periodic verification, at least once a year, of the adequacy and effectiveness of the internal control and risk management system in relation to the Company's characteristics and risk profile.

In addition, to support these activities, the Group has established the ESG Office, the ESG Management Committee, the Responsible Gaming Committee, the Environmental Sustainability Committee, the Cultural Innovation Committee and the Gender Equality Steering Committee.

Lottomatica acknowledges the importance of regularly informing the corporate governance bodies — including the administrative, management and supervisory bodies, together with their respective committees — on the implementation of the Company's sustainability policies, as well as on the outcomes and effectiveness of the actions undertaken. This approach ensures that corporate decisions are consistently supported by a thorough assessment of risks and opportunities, thereby enabling a proactive and well-informed management of ESG matters. In line with this commitment, the Board of Directors continuously monitors relevant impacts, risks and opportunities through its Committees, primarily the Control and Risk Committee and the ESG Committee.

DISCLOSURE REQUIREMENT GOV-2

Information provided to the company's administrative, management and control bodies and sustainability issues addressed by them

Lottomatica recognises the importance of regularly informing the administrative, management and control bodies, together with their respective Committees, about the implementation of the corporate sustainability policies, as well as the results achieved and the effectiveness of the actions undertaken. This approach ensures that corporate decisions are consistently supported by an **accurate assessment** of risks and opportunities, thereby enabling **proactive and informed management** of ESG issues. In line with this commitment, the Board of Directors continuously monitors material impacts, risks and opportunities through its internal committees, primarily the Control and Risk Committee and the ESG Committee. These bodies meet periodically with the Company's management for in-depth discussions and updates on business activities and, every six months or annually, submit a detailed report to the Board of Directors listing the activities carried out and the results of the controls performed, the analyses conducted in relation to impacts, risks and opportunities, and any critical issues to be brought to the attention of the Board of Directors

Through the joint work of the Control and Risk Committee and the ESG Committee, during the year the Board of Directors monitored the updating of the assessment of the impacts of climate change-related risks and opportunities on the activities of Lottomatica Group companies. Similarly, the Company's Board of Statutory Auditors, which participates in the ESG Committee's meetings, was able to monitor the activities carried out by the Committee and, also during its own independent meetings, to examine in greater depth the topics deemed material, also in collaboration with the internal management committees and the structures responsible for sustainability reporting.

Finally, during 2025, the ESG Committee promoted an assessment in support of the governing body, focusing on developments in the ESG regulatory framework, key sustainability trends and the expectations of the rating agencies, as well as the practices adopted by peers in this area. The main findings were brought to the attention of the Board of Directors and the Board of Statutory Auditors, and were subsequently implemented by the relevant company structures.

DISCLOSURE REQUIREMENT GOV-3

Integration of sustainability performance into incentive schemes

Lottomatica Group's Remuneration Policy, which applies to **members of the Board of Directors**, **Statutory Auditors** and **Executives with Strategic Responsibilities** (DRS), supports the implementation of the Company's strategy through short- and long-term incentive schemes and the definition of objectives that promote the creation of sustainable value for shareholders and other stakeholders. The main features of the 2025 incentive schemes include:

- Short Term Incentive (STI), whose KPIs include a wide range of operational, financial and non-financial indicators, ensuring a holistic assessment of performance:
  - Management by Objectives (MBO), base and over-performance;
  - VIP Incentive Plan;
  - Sales Incentive Plan (SIP);
  - Collector Incentive Plan.
- Long Term Incentive (LTI), structured as a three-year stock option plan with vesting conditions linked to financial, market and sustainability KPIs, including a two-year lock-up mechanism designed to strengthen retention and promote alignment with the Company's strategic objectives:
  - Cumulated Operating Cash Flow vs. Business Plan approved in 2024 for the period 2025-2027;

- Total Shareholder Return (TSR) vs Gaming Peers;
- Total Shareholder Return (TSR) vs FTSE MIB;
- ESG Bonus/Malus.

Moreover, in order to maintain alignment between management objectives and shareholder interests, a mechanism has been introduced to increase the options assigned upon reaching "kick factor", which allows for a 40% increase in the total number of shares allocated if Lottomatica Group share price exceeds Euro 20 for more than 20 consecutive trading days.

During 2025, the terms and conditions of the incentive schemes were approved and updated by the Board of Directors, with a significant portion of the incentive targets dedicated to sustainability KPIs, focusing in particular on:

- *reducing environmental impact*: reducing emissions compared to 2024;
- *inclusion and diversity*: improving pay equity by reducing the Gender Pay Gap with respect to 2024;
- *renewal of key ESG-related certifications:* ISO 37001 (Anti-bribery); ISO 27001 (Data protection); G4 Online (Responsible gaming); ISO 45001 (Health and safety); UNI/PDR 125:2022 (Gender equality); ISO 14001 (Environmental).

Specifically, these sustainability metrics have been integrated into both the STI and LTI schemes:

- in the STI scheme, ESG KPIs represent a significant portion of the objectives framework, with an average weighting of 15% of variable remuneration;
- in the LTI scheme, the achievement of ESG objectives directly affects the number of stock options awarded through a bonus/malus mechanism.

DISCLOSURE REQUIREMENT GOV-4

Statement on due diligence

		Disclosure relating to	
Key elements of sustainability due diligence	**Disclosure requirements – Paragraphs**	**People**	**Environment**
a. Integration of due diligence into governance, strategy and business model	ESRS 2 GOV-2 – Information provided to the company's administrative, management and control bodies and sustainability issues addressed by them	X	X
	ESRS 2 GOV-3 – Integration of sustainability performance into incentive systems	X	X
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with the company's strategy and business model	X	X
	ESRS 2 SBM-3-E1 – Material impacts, risks and opportunities and their interaction with the company's strategy and business model		X
	ESRS 2 SBM-3-S1 – Material impacts, risks and opportunities and their interaction with the company's strategy and business model	X	
	ESRS 2 SBM-3-S2 – Material impacts, risks and opportunities and their interaction with the company's strategy and business model	X	
	ESRS 2 SBM-3-S4 – Material impacts, risks and opportunities and their interaction with the company's strategy and business model	X	
b. Stakeholder engagement	ESRS 2 GOV-2 – Information provided to the company's administrative, management and control bodies and sustainability issues addressed by them	X	X
	ESRS 2 SBM-2 – Interests and views of stakeholders	X	X
	ESRS 2 IRO-1 – Description of the process for identifying and assessing material impacts, risks and opportunities	X	X
	ESRS 2 IRO-2 – ESRS disclosure requirements covered by the company's consolidated sustainability reporting	X	X
	ESRS 2 MDR-P – Policies adopted to manage material sustainability issues	X	X
	S1-2 – Processes for engaging the organisation's workforce and worker representatives on impacts	X	
	S2-2 – Processes for engaging with value chain workers regarding impacts	X	
	S4-2 – Processes for engaging with value chain workers regarding impacts	X	
c. Identification and assessment of negative impacts on people and the environment	ESRS 2 IRO-1 – Description of processes for identifying and assessing material impacts, risks and opportunities	X	X
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with the company's strategy and business model	X	X
	ESRS 2 SBM-3-E1 – Material impacts, risks and opportunities and their interaction with the company's strategy and business model		X

		ESRS 2 SBM-3-S1 – Material risks and opportunities and their interaction with the business strategy and model	X	
		ESRS 2 SBM-3-S2 – Material risks and opportunities and their interaction with the business strategy and model	X	
		ESRS 2 SBM-3-S4 – Material risks and opportunities and their interaction with the business strategy and model	X	
d.	Adoption of measures to address negative impacts	E1-1 – Transition plan for climate change mitigation		X
		E1-3 – Actions and resources related to climate change policies		X
		E5-2 – Actions and resources related to resource use and the circular economy		X
		S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	X	
		S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	X	
		S4-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	X	
e.	Monitoring the effectiveness of these efforts	MDR-T/E1-4 – Monitoring the effectiveness of policies and actions through targets		X
		MDR-T/S1-5 – Monitoring the effectiveness of policies and actions through targets		
		E1-6 – Scope 1, 2 and 3 gross GHG emissions and total GHG emissions		X
		E5-5 – Resource outflows		X
		S1-6 – Characteristics of the company's employees	X	
		S1-8 – Coverage of collective bargaining and social dialogue	X	
		S1-10 – Adequate wages	X	
		S1-11 – Social protection	X	
		S1-14 – Health and safety metrics	X	
		S1-16 – Remuneration metrics (pay gap and total remuneration)	X	
		S1-17 – Incidents, complaints and serious impacts on human rights	X	

DISCLOSURE REQUIREMENT GOV-5

Risk management and internal controls on sustainability reporting

As part of the broader project to adapt the sustainability reporting process to the innovations introduced by Legislative Decree no. 125/2024, which transposed Directive (EU) 2022/2464, and to the new European Sustainability Reporting Standards (ESRS), in 2024 Lottomatica Group defined and began the gradual implementation of a **control model for sustainability reporting**. This control model is designed to monitor the reliability of the Consolidated sustainability statement prepared annually by the Company, supporting the Chief Executive Officer and the Financial Reporting Officer of Lottomatica Group S.p.A. in issuing statements to the market regarding the Consolidated sustainability statement's compliance with the European Sustainability Reporting Standards (ESRS) and the specifications adopted pursuant to Article 8, paragraph 4, of Regulation (EU) 2020/852 (the EU Taxonomy). In this regard, on 5 February 2025, the Board of Directors approved an updated version of the "Regulations for the Financial Reporting Officer", which incorporates aspects relating to sustainability reporting.

In defining the Sustainability Reporting Control Model, Lottomatica took into account the principles set out in the national and international best practices and, in particular, the framework developed by the Committee of Sponsoring Organisations of the Treadway Commission (the "CoSO Report"), which in March 2023 published a specific supplementary guide dedicated to sustainability reporting entitled "*Achieving Effective Internal Control of Sustainability Reporting (ICSR)*". In line with the principles of the CoSO Report, the methodology used for risk assessment and prioritisation is based on the following approach:

- Definition of the scope of analysis: this is determined by the indicators included in Lottomatica's Consolidated sustainability statement prepared in accordance with Legislative Decree no. 125/2024.
- Risk analysis: the indicators are assessed and classified following a risk and materiality analysis based on a series of drivers, including:
  - the centrality of the KPI with respect to the Group's ESG strategy and/or Sustainability Plan;
  - the materiality of the KPI in relation to the rating agency assessments;
  - the materiality of the KPI in relation to the potential reputational impacts;
  - the materiality of the KPI in relation to the financial instruments adopted by the Group;
  - the complexity of the KPI.

For indicators assessed as having higher risk or materiality, and for Group companies that contribute significantly to them, Lottomatica's approach involves analysing the business processes from which they originate, the risks of non-compliance with the requirements of materiality, faithful representation, comparability, verifiability and understandability that sustainability information provided in accordance with the ESRS must meet, and the related controls in place. The outcome of this analysis is represented by the **procedures for the generation and communication of sustainability data and information** (known as KPI formation procedures).

According to this approach, the main risks identified concerned the completeness and integrity of the data, the accuracy of the estimates, the accuracy and relevance of the descriptions, and the availability and timeliness of the data, with particular regard to information involving third parties.

In light of these risks, the following main types of **controls** are envisaged:

- approval and management review controls;
- data reconciliation controls;
- automated controls to monitor the calculation and correct allocation of data within the IT systems;
- controls on logical access to systems and the traceability of operations carried out on the system used for sustainability reporting;

- checks on the consistency of the data reported for the purposes of consolidated sustainability reporting with the ESRS reference standards;
- analysis of deviations in the reported data with respect to available historical series.

It should also be noted that the process of preparing Lottomatica's consolidated sustainability reporting is managed through the use of a dedicated IT system which, on the one hand, has enabled greater efficiency and improved governance of the process and, on the other, has enhanced control activities through the use of automated controls and specific reporting functionalities. Finally, the Sustainability Reporting Control Model is based on Lottomatica's broader **Internal Control and Risk Management System** ("SCIGR"), which is characterised by the following key elements:

- the establishment of ethical values and standards of conduct, to which the behaviour of employees and all those contributing to the achievement of the Company's objectives (partners) must conform. This objective is ensured by the provisions of the Group's Code of Ethics and Anti-Bribery & Corruption Guidelines, approved by the Company's Board of Directors by resolution dated 27 February 2023, which also apply to the subsidiaries and are communicated both internally and externally;
- the clear definition of roles and responsibilities, as well as the relationships between departments and business areas, within the adopted organisational structure, together with signing powers and internal delegations consistent with the hierarchical level, the organisational unit supervised and the objectives assigned.

In 2025, the implementation of the Sustainability Reporting Control Model continued, expanding the scope of the indicators mapped and the related procedures, as well as initiating verification activities on procedures already formally adopted through the implementation of an independent testing plan defined according to a risk-based approach and based on priority and rotation criteria. The results of the activities carried out highlighted the absence of critical aspects and an overall profile of maturity of the internal control system designed to achieve the company's objectives regarding the reliability of sustainability reporting.

During the course of the year, specific information flows were also directed to the administrative, management and control bodies in order to illustrate the progress of the CSRD compliance programme, including activities relating to internal control and risk management processes in connection with the Consolidated sustainability statement.

1.3 Strategy

DISCLOSURE REQUIREMENT SBM-1

Strategy, business model and value chain

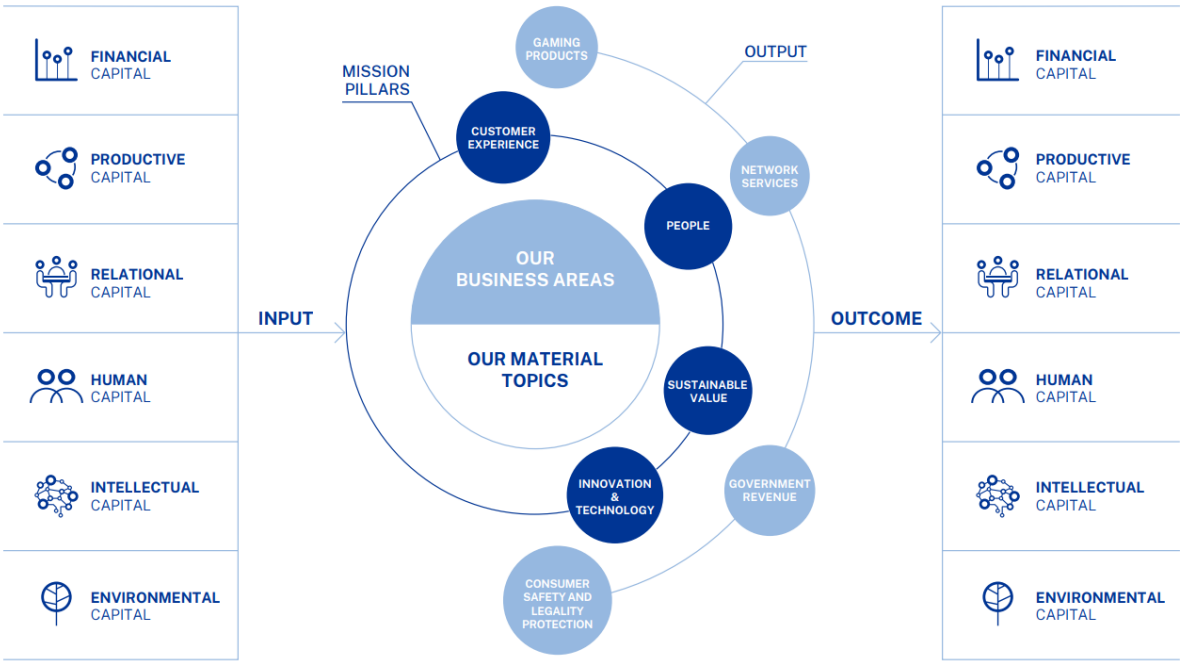
Lottomatica Group is the **leading operator in Italy in the public gaming market** authorised by the Customs and Monopolies Agency (ADM), and operates through subsidiaries belonging to the holding company Lottomatica Group S.p.A. As at 31 December 2025, the Group employs a total of **2,565 employees**.

Employees by geographical area	u.m	2025	2024
Northern Italy	No.	502	615
Central Italy		1,400	1,432
Southern Italy		287	205
Abroad		376	415
Total		**2,565**	**2,667**

Lottomatica conducts its business on the basis of strong **principles of environmental, social and governance responsibility**, and believes that success in generating sustainable value depends primarily on the ability to respond effectively to the demands of the environment in which it operates, managing all forms of capital involved in value creation in a conscientious and balanced manner. Specifically, Lottomatica Group identifies the following classes of capital:

- financial capital, which includes the capital and the economic and financial resources necessary for the organisation's activities;
- productive capital, which includes owned spaces and properties, equipment and all tangible assets functional to the performance of the business;
- relational capital, which includes the set of relationships established by the Group;
- human capital, which includes the wealth of skills, abilities and knowledge of those who work for the Company;
- intellectual capital, which includes internal management processes and procedures, as well as intellectual property and information systems;
- environmental capital, which includes the environmental dimension affected by the Group's activities.

The **value creation model** describes the process of transforming the different classes of capital with which the Group interacts, both in the context of its business activities and in the pursuit of its ESG objectives. Through the Company's activities, the distinctive features of the Group's DNA and its focus on sustainability topics identified as material by the double materiality analysis, capital inputs are able to produce effective outputs and generate positive outcomes, creating value for all stakeholders in the short, medium and long term.



Specifically, Lottomatica operates in the following **operating segments**, identified in accordance with IFRS 8:

- Online, which includes the offering of a wide range of online products through the websites Goldbet.it, Better.it, Lottomatica.it, Betflag.it, Totosì.it and Planetwin365.it, defined as follows:
  - iSports: sports, virtual and horse racing betting;
  - iGaming: online casinos;
  - other online products: such as bingo, poker, betting exchange and skill games.
- Sports Franchise, which consists of the collection of sports, virtual and horse racing bets through a network of franchised points of sale operating under the Goldbet, Intralot, Better and Planetwin365 brands.
- Gaming Franchise, which includes concession activities for VLTs and AWPs, as well as the direct management of gaming halls and AWPs owned by the Group.

In order to provide a comprehensive description of its business model, in 2025 the Group updated the **detailed mapping of its value chain**, based on the analysis of internal documents such as the Annual Financial Report and records of the main operating and capital expenditure items. In line with the previous year, the activities and actors involved in the three phases (own operations, upstream actors and downstream actors) were mapped and organised with reference to the Group's operations and in accordance with the criteria adopted in the financial documentation examined. Within this breakdown, activities were identified and classified according to materiality and dependency, taking into account their strategic importance for the Group and the degree of dependency that Group companies have on upstream and downstream players. Below is the mapping of Lottomatica Group's value chain, broken down into three business sectors.

On-line

Lottomatica Group is the Italian leader in the **online gaming** segment, where it operates under the Lottomatica, Better, Goldbet, Betflag and Planetwin365 brands. Characterised by the highest security standards, the Group's online offering features a complete and innovative portfolio of remote games, accessible both via the web and through numerous dedicated applications for smartphones and tablets. The online games are authorised and certified by the Customs and Monopolies Agency to ensure the highest levels of security and are provided by selected international partners capable of offering not only the most popular content, but also the most secure and reliable gaming platforms.

<table>
<tr><th colspan="3">Upstream</th><th>Own operations</th><th>Downstream</th></tr>
<tr><th>Tier 3</th><th>Tier 2</th><th>Tier 1</th><th>Betting
and online gaming</th><th>Customers</th></tr>
<tr>
<td>● Raw material suppliers (for energy production and manufacturing)
● Hardware component manufacturers</td>
<td>● Software development companies
● Hardware suppliers and manufacturers (e.g. PCs and other components)
● Computer servers
● Certification and authorisation bodies (e.g. ADM)

Tier 2 physical network points of sale
● Shareholders
● Gaming software suppliers (virtual games)
● Other software suppliers (management systems, applications)
● Hardware suppliers (e.g. totems, gaming terminals)
● Computer servers
● Furnishings and improvements to gaming rooms
● Ho.re.ca. suppliers
● Marketing and communication
● Certification and authorisation bodies
● Retailers</td>
<td>● Shareholders
● Gaming software suppliers (skill games/casino games, virtual games)
● Other software suppliers (management systems, applications)
● IT hardware suppliers (e.g. PCs)
● Computer servers
● Certification and authorisation bodies
● Marketing and communication
● Physical points of sale network</td>
<td rowspan="3">Primary operations
● Sports betting
● Skill games / casino games
● Virtual games

Secondary operations
● Gaming software development (skill games / casino games)</td>
<td>Primary customers
● Players

Secondary customers
● Skill game concessionaires and providers</td>
</tr>
<tr><td colspan="3">Service providers (utilities, waste management, consulting)</td><td>End users</td></tr>
<tr><td colspan="3">● Utilities
● Waste management
● Consulting (IT, legal, communication, etc.)
● Electronic money institutions/financial intermediaries</td><td>● Players</td></tr>
</table>

- Online operations mainly consist of online betting and gaming activities (skill games/casino games and virtual games) carried out through the Group's websites. Although residual, for mapping purposes, B2B activities carried out within this operating segment by subsidiaries such as Giocaonline, which mainly develop gaming software (skill games/casino games), are also taken into account.
- Upstream activities mainly involve suppliers of betting odds and games (skill games, casino games and virtual games), suppliers of software applications and IT hardware, suppliers of IT servers, gaming product authorisation and certification bodies such as ADM, and marketing and communication companies. Upstream elements of the value chain also include the physical network of points of sale, due to the services provided for the opening and recharging of online gaming accounts. Finally, service providers include utility operators (internet and telephone services, electricity, etc.), waste management companies and consulting firms.
- Downstream, the customer is mainly identified as the player, who is also the end user of the Group's products. For mapping purposes, customers also include companies that are recipients of B2B products developed by the subsidiary Giocaonline, such as other remote gaming concessionaires.

Sports Franchise

The Group leads the **physical betting and gaming network sector** through four brands with a strong presence throughout the country: Better, Goldbet, Intralot and Planetwin365. A network of thousands of points of sale dedicated to sports betting, horse racing and other gaming products such as virtual games, combined with the professionalism of thousands of specialised operators, makes Lottomatica the leading betting operator in Italy. The betting network's points of sale are divided into shops and corners: shops are dedicated to sports betting, while corners are smaller spaces, usually located within other commercial establishments such as bars or tobacconists.

<table>
<tr><th colspan="3">Upstream</th><th>Own operations</th><th>Downstream</th></tr>
<tr><th>Tier 3</th><th>Tier 2</th><th>Tier 1</th><th>Betting and gaming on the physical network</th><th>Customers</th></tr>
<tr><td>• Raw material suppliers (for energy production and manufacturing)
• Hardware component manufacturers</td><td>• Software development companies
• Hardware manufacturers
• Computer servers
• Certification and authorisation bodies (e.g. ADM)
• Materials (furniture, marketing, ho.re.ca.)</td><td>• Shareholders
• Gaming software suppliers (virtual games)
• Other software suppliers (management systems, applications)
• Hardware suppliers (e.g. totems, gaming terminals)
• Computer servers
• Furnishings and improvements to gaming rooms
• Ho.re.ca. suppliers
• Marketing and communication
• Certification and authorisation bodies
• Retailers</td><td rowspan="3">• Sports betting
• Virtual games</td><td>• Players</td></tr>
<tr><td colspan="3">Service provision (utilities, waste management, logistics, consulting)</td><td>End users</td></tr>
<tr><td colspan="3">• Utilities
• Waste management
• Logistics
• Consulting (IT, legal, communication, etc.)</td><td>• Players</td></tr>
</table>

- Operations mainly consist of offering sports betting and virtual games through the Group's network of points of sale.
- Upstream, there are primarily suppliers of betting odds and virtual games, suppliers of software applications and IT hardware for gaming halls, suppliers of IT servers, suppliers of furnishings and improvements for halls, and authorisation and certification bodies such as ADM. In line with the financial statements, the value chain also includes point-of-sale operators (betting shops and establishments hosting corners) as suppliers of the physical spaces in which the Group offers its gaming products. Finally, service providers include utility operators (internet and telephone services, electricity, etc.), waste management companies, logistics companies required for the transport of equipment to points of sale, and consulting firms.
- Downstream, the customer is mainly identified as the player, who is also the end user of the Group's products.

Gaming Franchise

Lottomatica connects and monitors **amusement and entertainment machines** installed in public establishments and dedicated halls throughout Italy, thanks to advanced infrastructure and technology designed to ensure maximum player protection. The Group is also active in the **direct management of machines** (Street Operations) and **gaming halls** (Retail). Present throughout Italy, the halls managed

by Lottomatica are characterised by distinctive and recognisable brands and represent a benchmark for high levels of service and customer care, as well as for the quality and safety of their offering.

<table>
<tr><th colspan="3">Upstream</th><th>Own operations</th><th>Downstream</th></tr>
<tr><th>Tier 3</th><th>Tier 2</th><th>Tier 1</th><th>AWP/VLT machines and direct management of gaming halls and owned AWPs</th><th>Customers</th></tr>
<tr>
<td>• Raw material suppliers (for energy production and manufacturing)
• Hardware component manufacturers</td>
<td>• Software development companies
• Hardware manufacturers
• Computer servers
• Certification and authorisation bodies (e.g. ADM)
• Materials (furniture, marketing, horeca)
• Raw material suppliers</td>
<td>• AWP game card suppliers
• VLT gaming platform suppliers
• Gaming hardware suppliers (AWP/VLT cabinets and spare parts, cash desks, coin changers)
• Software suppliers (management software, applications)
• Computer servers
• Furnishings and improvements to gaming rooms
• Ho.re.ca. suppliers
• Marketing and communication
• Certification and authorisation bodies
• Retailers (VLT/betting shops, bars/tobacconists)
• AWP machine operators
• TIR and QIR
• Hardware component suppliers
• Suppliers of semi-finished products</td>
<td rowspan="3">Primary customers
• AWP/VLT telematic network management
• Direct management of AWPs
• Direct management of gaming halls
• Bingo

Secondary customers
• Production of gaming cards and AWP devices</td>
<td>Primary customers
• Players

Secondary customers
• Concessionaires
• AWP machine operators</td>
</tr>
<tr><td colspan="3">Service provision (utilities, waste management, logistics, consulting)</td><td>End users</td></tr>
<tr><td colspan="3">• Utilities
• Waste management
• Logistics
• Consulting (IT, legal, communication, etc.)</td><td>• Players</td></tr>
</table>

- Operations mainly consist of managing the telematic network required for the operation of AWP and VLT devices, the direct management of AWP devices, and the direct management of gaming halls. This operating segment also includes the management of certain Bingo halls owned by the Group. For mapping purposes, B2B activities carried out within this operating segment by subsidiaries such as Marim are also considered, mainly relating to the direct production of gaming cards and AWP machines.
- Upstream, there are mainly suppliers of AWP cards, VLT gaming platforms and gaming hardware such as AWP and VLT cabinets, cash desks and coin changers; suppliers of software and IT servers; suppliers of furnishings and improvements for halls; ho.re.ca. suppliers for catering services offered at certain points of sale; and authorisation and certification bodies such as ADM. In line with the financial statements, upstream of the value chain there are also operators of points of sale (VLT halls, betting shops and bars or tobacconists where AWPs are installed) as suppliers of the physical spaces in which the Group offers its gaming products. Similarly, AWP rental and management companies are included upstream, as well as the Third and Fourth Parties Responsible for Collection (TIR and QIR), which are responsible for the periodic collection of amounts wagered through the machines. For mapping purposes, certain categories of suppliers essential to the B2B activity of manufacturing AWP gaming boards and devices were also included, such as suppliers of hardware components for gaming board production and suppliers of semi-finished products for cabinet manufacturing. Finally, among the service providers, utility operators (internet and telephone services, electricity, etc.), waste management companies, logistics companies required for the handling of gaming machines and other equipment destined for points of sale, and consulting firms are considered.

- Downstream, the customer is mainly identified as the player, who is also the end user of the Group's products. For mapping purposes, customers also include companies receiving B2B products and services (AWP cards and equipment), including other concessionaires and AWP equipment management companies.

Operating under the strict supervision of the Customs and Monopolies Agency and through an IT connection with SOGEI, which tracks all gaming activities both online and offline, enables the Group to ensure that all business activities are carried out in **full compliance with the Italian regulations** and the **highest standards of legal compliance**, thereby helping to create a **responsible and safe gaming environment** for all customers. Lottomatica's main objective is to generate sustainable value and positive impacts for the community, the environment and all stakeholders. Accordingly, over the years the Group has developed a **pathway of progressively integrating sustainability** into a clearly defined strategy.

In this context, with the aim of integrating sustainability drivers into its business model, Lottomatica has established a comprehensive **Sustainability Plan** intended to formalise ESG objectives and guidelines for a pathway of sustainable growth, ensure adequate information and communication on the importance of achieving sustainability objectives, and involve and empower all Group personnel on these matters. Specifically, the Sustainability Plan is based on **three strategic pillars** on which the Company's sustainability programmes and objectives focus through a series of actions and initiatives across the various operating sectors:

- **Responsibility**: promoting legal, safe and sustainable gaming, while upholding the values of integrity and transparency;
- **People**: creating shared value through professional development, well-being and inclusion;
- **Community and Environment**: reducing environmental impact and promoting energy efficiency and sustainable practices throughout the supply chain.

DISCLOSURE REQUIREMENT SBM-2

Interests and views of stakeholders

As a leading company in a highly strategic and sensitive sector such as public gaming, the Group's activities attract the attention and interest of a **wide range of stakeholders**. Lottomatica maintains transparent relationships with these stakeholders, based on **dialogue** and an awareness of the importance of their **active involvement** in building a sustainable business model focused on value creation.

The internal and external stakeholders identified by the Group are divided into ten macro-categories and are mainly located in Italy.

EMPLOYEES AND COLLABORATORS of offices, points of sale, and other workplaces	**LOTTOMATICA' S STAKEHOLDERS**
SHAREHOLDERS AND THE FINANCIAL COMMUNITY including: credit institutions, investment funds, shareholders, bondholders, potential investors, rating agencies and other financial entities	
SUPPLIERS including: raw material suppliers, hardware and software technology suppliers, service providers, logistics companies, ho.re.ca suppliers	
PARTNERS AND OTHER OPERATORS including: commercial partners, managers, operators, certification bodies, consulting firms	
CUSTOMERS online and physical sales network	
REGULATORY BODIES AND CONTROL AUTHORITIES including: Customs and Monopolies Agency, National supervisory authorities (privacy, competition, communications), law enforcement agencies	
PUBLIC ADMINISTRATIONS including: Ministry of Economy and Finance, Ministry of Health, Ministry of the Environment, Central and Local Administrations	
COMMUNITIES including: local communities, universities, medical and scientific research institutes, media, civil society	
ASSOCIATIONS including: Confcommercio, Unindustria, Assonime, consumer associations, environmental and social associations, cultural and sporting bodies	
GAMING INDUSTRY including: industry operators and national and international associations (AGIC, EASG, G4, WLA, ULIS)	

Maintaining constant **dialogue with stakeholders** is essential for the Group, as their interests guide its daily operations and corporate strategy. Accordingly, Lottomatica uses a range of informal and formal channels and methods to maintain lasting and trust-based relationships, adapting its approach according to the stakeholder group involved.

Category	Methods of engagement	Purpose
Employees and collaborators	Internal communication tools; events; periodic meetings; meetings with workers' representatives; first and second level bargaining; satisfaction surveys and polls; training and skills development programmes	To increase employees' sense of belonging; to promote inclusion; to recognise and reward talent
Shareholders and the financial community	Shareholders' Meeting; corporate and financial reports; institutional website; press releases	To communicate the creation of shared value; to strengthen trust-based relationships; to ensure integrity and transparency
Suppliers	Specific meetings; communication portals; qualification and evaluation processes; supplier register; audits and checks	To integrate ESG topics into the supply chain
Sector operators and other suppliers	Specific meetings; communication portals	To ensure service quality and compliance throughout the supply chain
Customers	Periodic communications; company websites; satisfaction surveys and polls	To build customer loyalty; to improve the quality and safety of services offered
Regulatory bodies and Supervisory authorities	Specific meetings; periodic communications; events	To ensure full regulatory compliance; to maintain proactive and collaborative dialogue
Public administrations	Specific meetings; consultations events	To maintain proactive and collaborative dialogue
Community	Community projects; partnerships; press releases; dialogue with local institutions	To strengthen ties with local communities; to support research
Associations	Participation in working groups; consultations; collaborations on social and environmental initiatives; partnerships; press releases	To promote social inclusion; to support the local area; to generate shared value
Gaming industry	Participation in round tables; consultations; partnerships; press releases	To promote integrity, legality and innovation; to contribute to the dissemination of common standards; to strengthen responsible gaming and sustainability

The outcomes of stakeholder engagement activities are taken into account by the Group when **defining strategic decisions and the business model**. In particular, identifying stakeholder interests and opinions through the materiality analysis makes it possible to determine the most significant impacts of Lottomatica Group and, consequently, the material sustainability topics, influencing the Company's strategy and business model. This process is described in greater detail in Disclosure Requirement IRO-1. The Board of Directors is regularly informed of stakeholder interests, at least annually during the reviews of the double materiality process, ensuring timely action to align interests and the continuous development of Lottomatica's strategy and business.

DISCLOSURE REQUIREMENT SBM-3

Significant impacts, risks, and opportunities and their interaction with the company's strategy and business model

Based on the specific characteristics of the sector in which the Group operates and the main players identified along the value chain, the **IROs material to Lottomatica** have been defined and assessed[21].

ESRS (SUB-TOPIC)	IRO	DESCRIPTION	POSITIVE / NEGATIVE ACTUAL / POTENTIAL	TIME HORIZON	VALUE CHAIN
ESRS E1 – CLIMATE CHANGE					
Climate change mitigation	I	Generation of greenhouse gas emissions across all stages of Lottomatica Group production chain	Negative Actual	Short Medium Long	Own Operations Upstream Downstream
	R	Inadequate or partial compliance with the environmental legislation		Short Medium Long	Own Operations
Energy	I	Energy consumption from renewable sources across all stages of the production chain	Positive Actual	Short Medium Long	Own Operations Upstream Downstream
	R	Inadequate or partial compliance with the environmental legislation		Short Medium	Own Operations
ESRS E5 – CIRCULAR ECONOMY					
Waste	I	Generation of waste that requires disposal (incineration/landfill) rather than recycling	Negative Actual	Short Medium Long	Own Operations Upstream Downstream
	R	Inadequate or partial compliance with the environmental legislation		Short Medium	Own Operations
ESRS S1 – OWN WORKFORCE					
Working conditions	I	Employment stability and work-life balance	Positive Actual	Short Medium Long	Own operations
	I	Violations of rights and regulations relating to working conditions	Negative Potential	Medium Long	Own operations
	O	Adoption of flexible and hybrid working models		Short Medium Long	Own operations
	I	Raising employee awareness of occupational health and safety issues	Positive Actual	Short Medium Long	Own operations
	I	Workplace accidents involving employees	Negative Actual	Short Medium Long	Own operations
	R	Inadequate or partial compliance with occupational health and safety legislation		Short Medium	Own operations
Equal treatment and opportunities for all	I	Incidents of discrimination and gender pay inequality	Negative Actual	Short Medium Long	Own operations
	I	Attracting, developing and training employees	Positive Actual	Short Medium Long	Own operations
	O	Training and professional development programmes, including financial training and e-learning		Short Medium Long	Own operations

[21] In 2025, the Group confirmed the results of the impact assessment carried out in the previous year, having identified no significant changes in the internal and external context, while voluntarily involving additional stakeholders to gather more comprehensive feedback. With regard to risks and opportunities, however, the analysis was updated to align financial materiality with the ERM framework and climate risk assessment.

Other work-related rights	I	Incidents of human rights violations	Negative Potential	Medium Long	Own operations
	I	Cyberattacks and/or information theft	Negative Potential	Medium Long	Own operations
	R	Incorrect/lack of management of logical access constraints		Short Medium	Own operations
	R	Untimely, incomplete and/or incorrect implementation of the established security policies and specifications		Short	Own operations
	R	Inadequate or partial compliance with personal data protection legislation		Short Medium	Own operations
	R	Lack of, or inadequate, protection of personal data for Machine Learning and Artificial Intelligence applications, potentially leading to data breaches or theft, or business impacts that could compromise the reliability of the gaming systems		Short Medium	Own operations
	R	Failure to identify actions to prevent cyber attacks or theft of information and data		Short Medium	Own operations
	R	Inadequate establishment, implementation, review, maintenance or improvement of the Information Security Management System (ISMS) within the context of the implementation and management of information systems and services related to the legally required retention activities		Short Medium	Own operations
	R	Inadequate data management, in terms of: confidentiality, integrity and availability		Short Medium	Own operations
ESRS S2 – VALUE CHAIN WORKERS					
Working conditions	I	Heightened awareness of occupational health and safety issues among value chain workers	Positive Potential	Medium Long	Upstream Downstream
	I	Accidents at the workplace of suppliers, logistics sites, and points of sale	Negative Actual	Short Medium Long	Upstream Downstream
Equal treatment and opportunities for all	I	Expansion and updating of the skills of the workers in the production chain	Positive Potential	Medium Long	Upstream Downstream
Other work-related rights	I	Human rights violations along the value chain	Negative Potential	Medium Long	Upstream Downstream
	I	Cyber attacks and/or information theft along the value chain	Negative Potential	Medium Long	Upstream Downstream
ESRS S4 – CONSUMERS AND END USERS					
Impacts related to information provided to consumers and/or end users	I	Cyber attacks and/or theft of consumer information	Negative Potential	Medium Long	Downstream
	R	Incorrect/lack of management of logical access constraints		Short Medium	Own operations
	R	Untimely, incomplete and/or incorrect implementation of the established security policies and specifications		Short	Own operations
	R	Failure to identify actions to prevent cyber attacks or theft of information and data		Short Medium	Own operations
	R	Inadequate establishment, implementation, review, maintenance or improvement of the Information Security Management System (ISMS) within the context of the implementation and management of information systems and services related to the legally required retention activities		Short Medium	Own operations
	R	Inadequate or partial compliance with personal data protection legislation		Short Medium	Own operations
	R	Lack of, or inadequate, protection of personal data for Machine Learning and Artificial Intelligence applications, potentially leading to data breaches or theft, or business impacts that could compromise the reliability of the gaming systems		Short Medium	Own operations
	R	Inadequate data management, in terms of: confidentiality, integrity and availability		Short Medium	Own operations
Personal safety of consumers and/or end users	I	Presence of cases of gambling disorder in the areas where the Group operates	Negative Actual	Short Medium Long	Downstream
Social inclusion of consumers and/or end users	R	Inability to ensure the reliability and availability of ICT systems and critical software, with negative impacts on operations due to IT system malfunctions, interruptions or delays that could affect business performance		Short Medium	Own operations

	R	Lack of Software Factory flows and processes, useful for aligning business objectives with the evolution of IT systems		Short Medium	Own operations
	R	Failure to adopt best practices in development, MLOps and DevOps, leading to slow and unstable releases, poor software quality in Machine Learning and Artificial Intelligence, difficulties in error management and limited scalability, with negative effects on delivery times, system reliability and user satisfaction		Short Medium	Own operations
	R	Inadequate management of installation, replacement, maintenance, and decommissioning activities related to the technological infrastructures present at the network's points of pale (e.g. PoS, Gaming Machines, Terminals)		Short Medium	Own operations
	I	Adoption of responsible business and consumer protection practices	Positive Actual	Short Medium Long	Downstream
	O	Safe gaming environment and legal channels		Short Medium Long	Own operations Downstream
ESRS G1 – BUSINESS CONDUCT					
Corporate culture	I	Episodes of conduct not aligned with Lottomatica's Code of Ethics and mission	Negative Potential	Medium Long	Upstream, Own operations
	R	Non-compliance with regional gaming industry regulations, resulting in significant fines, legal disputes and reputational damage		Short	Own operations
	R	Failure to comply with, or partial compliance with, Artificial Intelligence (AI Act) regulations		Short	Own operations
	R	The risk associated with inadequate data quality procedures in ML and AI applications is that models may be trained on incomplete, inaccurate or biased data, leading to unreliable results, bias, poor decision-making and a loss of trust in the system, with potential legal, ethical and reputational impacts		Short	Own operations
Whistleblower protection	I	Episodes of conduct not aligned with Lottomatica's Code of Ethics and mission	Negative Potential	Medium Long	Upstream, Own operations
	R	Failure to comply with, or partial compliance with, insider trading regulations pursuant to the Market Abuse Regulation		Short	Own operations
	R	Inadequate or partial compliance with the relevant legislative provisions of Legislative Decree no. 231/01		Short Medium	Own operations
Political engagement and lobbying	I	Transparency in relations with institutions and trade associations	Positive Actual	Short Medium Long	Own operations
Management of relations with suppliers, including payment practices	I	Compliance with Lottomatica's values and principles throughout the supply chain (e.g. Supplier Code of Conduct, Code of Ethics, 231 Model)	Positive Actual	Short Medium Long	Upstream
	R	Lock-in refers to dependence on a supplier, technology or platform such that changing solutions entails high costs, technical difficulties, data loss or significant operational disruption		Short	Own operations
	R	Procurement processes not aligned with business needs due to unstructured management of accounts payable and/or unstructured information flows between the Purchasing & Shared Services function and other functions involved in the process		Short	Upstream, Own operations
	R	Identification of unqualified suppliers or suppliers lacking the appropriate technical capabilities		Short	Upstream, Own operations
	R	Inadequacy of the supplier contracting process		Short	Own operations
	I	Empowerment of the supply chain on sustainability issues	Positive Actual	Short Medium Long	Upstream
Corruption and bribery	I	Fulfilment of tax obligations and the payment and collection of taxes due to the Tax Authorities	Positive Actual	Short Medium Long	Own operations
	R	Failure to comply with, or partial compliance with, regulations governing transactions with related parties		Short Medium	Own operations
	R	Inadequate or partial compliance with the anti-corruption legislation		Short Medium	Own operations
	R	Inadequate or partial compliance with the relevant legislative provisions of Legislative Decree no. 231/01		Short Medium	Own operations

R	Failure to implement, or inadequate implementation of, anti-money laundering controls (231/07)	Short Medium	Own operations
R	Failure or inadequate use, during monitoring activities, of anomaly indicators defined in accordance with the regulations, the UIF guidelines and the ADM Guidelines	Short Medium	Own operations
R	Potential economic damage arising from intentional dishonest or deceptive activities carried out by individuals within the Company	Short	Own operations
R	Inadequate or erroneous allocation of bonuses	Short Medium	Own operations
R	Potential economic damage arising from intentional dishonest or deceptive activities carried out by individuals outside the Company	Short Medium	Upstream

Continuous monitoring of material impacts, risks and sustainability issues enables Lottomatica Group to guide its corporate strategy and promptly identify any sustainability-related critical issues, thereby strengthening the resilience of its business model.

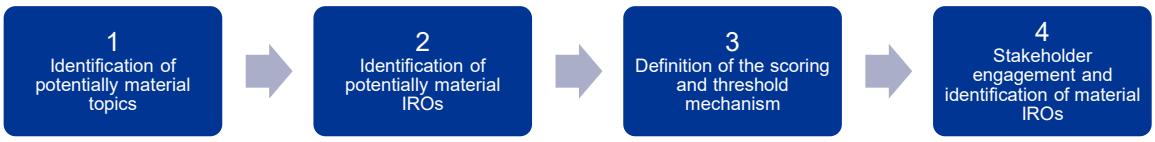
With regard to the risks and opportunities identified as material for the Group, no significant current financial effects have been identified in relation to the thresholds defined within the Group's ERM framework. It should be noted that, in accordance with the ESRS and the Guideline on the implementation of double materiality, inherent risks have been considered, meaning they were assessed independently of the control measures and safeguards adopted to mitigate their effects and/or reduce their likelihood of occurrence.

1.4 Management of impacts, risks and opportunities

DISCLOSURE REQUIREMENT IRO-1

Description of the process for identifying and assessing material impacts, risks and opportunities

During 2025, Lottomatica carried out an in-depth **analysis of the internal and external context** in order to assess the **potential need to update the double materiality analysis process** conducted in the previous year, in line with the ESRS standards and the Materiality Assessment Implementation Guidance (MAIG). In particular, the Group carefully analysed the updated company documentation, regulatory developments in the ESG field and key sustainability trends, and conducted a benchmarking analysis with peers and across sectors, in order to verify the continued validity of the conditions underlying the 2024 results and the robustness of the methodology adopted, which was structured into the following phases:



1. Identification of potentially material topics

In 2024, an in-depth analysis was conducted of the sustainability topics, sub-topics and sub-sub-topics set out in the table in ESRS 1 (Application Requirement 16 – *Sustainability issues to be included in the materiality assessment*). Subsequently, the Group analysed the material topics identified in previous materiality assessment processes and the external context (regulatory framework, topics identified by peers, sustainability trends, etc.), and, following alignment with the ESRS topics, defined an initial list of topics potentially material to the Group.

2. Identification of potentially material IROs

Based on previous materiality assessments, in 2024 the impacts that the Group's activities and value chain may or could potentially have on people and the environment were identified. These impacts were considered gross of any prevention, mitigation and remediation actions. Furthermore, they were classified as actual or potential, positive or negative, and associated with the sub-topics and sub-sub-topics defined by the standard. The impacts were further broken down by the different stages of the value chain (own operations, upstream actors and downstream actors) in order to ensure a more comprehensive analysis and provide a detailed overview of the effects generated by the various value chain actors.

With regard to risks, the identification methodology followed the Group's ERM process[22]; specifically, sustainability risks included in the Group's risk library and the related Key Risk Indicators (KRIs) were selected. In line with the ERM methodology, most risks were associated with the Group's own operations, while in certain cases they were linked to upstream (Tier I and service providers) and downstream stages of the value chain. Opportunities, by contrast, were identified by the Corporate Sustainability Function in collaboration with the 231 Compliance & Risk Management Function and opportunity owners, through benchmarking analyses, starting from positive impacts and defining the related quantitative metrics and the potentially affected stages of the value chain. As with impacts, risks and opportunities were also associated with the sub-topics and sub-sub-topics defined by ESRS 1.

Accordingly, a list of potentially material IROs was defined and assessed using appropriate scoring mechanisms. Moreover, in line with the double materiality implementation guidance, given that risks and opportunities may arise from generated impacts, correlations among IROs were analysed in order to identify potential linkages and ensure the robustness of the process.

In 2025, following an analysis of the internal and external context, the Group **fully reaffirmed the list of potentially material impacts**, as no significant changes were identified in the organisational structure, operational scope or external factors that could generate new impacts or alter those already recognised. With regard to risks and opportunities, however, the list was supplemented with additional risks and one opportunity to reflect updates in the ERM framework during the year and the results of the climate risk assessment conducted.

3. Definition of the scoring and threshold mechanism

To ensure consistency and comparability between the two perspectives, starting in 2024, Lottomatica Group aligned its system for assessing impact materiality and financial materiality with the ERM methodology. Specifically, for impact materiality, the scoring mechanism considers the severity of negative impacts (defined by magnitude, scope and irremediability) or the benefit of positive impacts

[22] For further information on the Group's Enterprise Risk Management model, please refer to the section entitled "Operational risks" in the chapter "Main risks and uncertainties" of the Management Report.

(defined by magnitude and scope) and their respective probability. For financial significance, the scoring considers the potential magnitude of the financial effects (determined through four impact drivers) and the likelihood of occurrence.

Subsequently, using the ERM framework as a reference, the same materiality threshold was defined for both perspectives. A threshold was established above which, following appropriate assessments, IROs are considered material.

4. Stakeholder engagement and identification of material IROs

To assess positive and negative impacts, the Group mapped its stakeholders, distinguishing between:

- *Affected*: employees; suppliers (including hardware and software technology suppliers, logistics, maintenance, ho.re.ca., utilities, consulting and certifiers); managers; operators; customers of the physical network and online gaming.
- *Users*: financial community (including shareholders, credit institutions, bondholders, rating agencies, Consob, Borsa Italiana); regulatory bodies and public administrations (including MEF, ADM, Sogei, law enforcement agencies, local administrations, Ministry of Health); training and scientific research institutes; consumer associations; and media.

In 2024, Lottomatica developed an interactive questionnaire on an online engagement platform, tailored to each stakeholder category, asking respondents to rate, on a scale from 1 to 5, the previously defined assessment criteria:

- employees (front-line, committees and functions most directly involved in ESG issues);
- suppliers (providers of hardware and software technology solutions, logistics, maintenance, ho.re.ca. and utilities companies);
- financial community (main shareholder and principal credit institutions);
- business partners and operators of gaming and betting retailers.

The probability of impacts was defined in line with the ERM framework:

- actual impacts were assigned maximum probability;
- potential impacts were assessed by the Corporate Sustainability Function in collaboration with the Risk Management Function and risk owners, based on existing controls.

Following assessments of significance and probability, to further align with the ESRS and MAIG requirements, the methodology assigned an additional score to impacts with potential human rights effects and an extra weighting to those related to human rights violations.

For risks, the inherent risk assessment is conducted jointly by the Risk, Ethics & Compliance Department and the risk owners, and is associated with the risk areas identified according to defined drivers and rated on a scale of 1 to 5 based on:

- the impact associated with the risk, which can be economic, operational/quality, compliance and image;
- the probability of occurrence within a specified time horizon.

Opportunities, meanwhile, and their associated impacts and probability, were assessed jointly by the Corporate Sustainability Function and the Risk Management Function, also considering the opinions of the opportunity owners, in accordance with the ERM framework.

Finally, after analysing all assessments associated with each potentially material impact, risk and opportunity, IROs with a medium/high level of materiality were considered material, calculated as the product of severity/benefit and probability for impacts, and of entity and probability for risks and opportunities.

In 2025, although the Group reaffirmed the continuation of the conditions justifying the previous year's impact materiality results, it voluntarily expanded the involvement of certain stakeholder categories (employees and the financial community) to gather broader and more representative feedback. Since the list of significant impacts had already been validated in the prior assessment, new stakeholders were asked to confirm the overall adequacy and materiality of the previously identified impacts, focusing on verifying the validity and significance of the previous conclusions. The consultation results unanimously confirmed the soundness of the prior conclusions, as all newly involved stakeholders validated the list of material impacts previously identified.

The results of the process were subsequently shared with the Committees and employee representatives.

Conclusions

The double materiality process considered potential dependence on natural, human and social resources that could affect the Group's ability to continue using or acquiring resources necessary for its activities and/or to rely on essential relationships under sustainable conditions (such as raw materials used by suppliers for AWP boards, energy resources, etc.). Lottomatica's dependencies on natural and social resources are considered within the risk of "*Unavailability of factors (e.g., information and telecommunications technologies; physical infrastructure, workspaces and electricity; human resources) essential to ensuring the functioning of various business processes.*" The entire impact analysis and assessment process has been shared with senior corporate figures, including top management, and is updated annually, demonstrating how the double materiality analysis and the process of identifying, assessing and managing relevant IROs are integrated into the overall management process of the company. The results of the analysis were shared with the ESG Management Committee (including the heads of Finance, External Communications, HR, the ESG Office, and Corporate and Legal Affairs), which meets at least once a month and regularly consults with the ESG Board Committee.

With regard to ESRS E2 "*Pollution*", the double materiality analysis identified a single potential impact, limited to entities operating upstream in the Group's value chain, related to the production of air pollutants during the manufacture of raw materials for hardware components. Although managed within the broader context of the Green Procurement Policy, this impact was found to be below the materiality threshold based on the analyses conducted and considering the prevailing nature of the Group's activities, and has therefore not been reported in this document. Lottomatica nevertheless intends to monitor this issue , with a view to disclosing it in the future should its materiality in terms of impacts, risks and/or opportunities increase.

With regard to ESRS E3 "*Water and Marine Resources*", given the Group's predominantly service-oriented operations, only water consumption for civil use in offices and gaming halls is recorded, with no significant impact on water sources. Nevertheless, the Group seeks to manage water efficiently, implementing concrete measures to reduce consumption and promote responsible use to prevent waste.

With regard to ESRS E4 "*Biodiversity and ecosystems*", the analysis identified biodiversity as essentially irrelevant given the nature, activities and sector in which Lottomatica Group operates.

With regard to ESRS E5 "*Resource use and circular economy*", the analysis identified two potentially significant impacts associated with the sub-theme "Resource inflows, including resource use". These impacts were found to be below the materiality threshold and therefore no related disclosures were reported. However, the Group oversees the sustainable management of procurement processes in the manner described in the disclosure relating to the reporting requirement "G1-2 - Management of supplier relationships", to which reference should be made for further details.

Finally, the double materiality analysis identified ESRS S3 "*Affected Communities*" as not materially significant. Given the provisions of Annex II of Delegated Regulation 2023/2772 [23] of the EU Commission and given the nature of Lottomatica Group as a service provider, whose activities do not have a direct structural or physical impact on the territories, no significant impacts have been identified: therefore, the issue is not subject to disclosure.

DISCLOSURE REQUIREMENT ESRS 2 IRO-1

Description of processes for identifying and assessing material climate-related impacts, risks and opportunities

Environmental protection is a strategic priority for creating sustainable value for the Group and its stakeholders in the short, medium and long term. For this reason, Lottomatica Group pursues impact mitigation targets and encourages the adoption of responsible practices by its partners and suppliers. In this regard, in 2025 Lottomatica defined its transition plan integrated into the Group's environmental strategy "LESS" (Lottomatica Environmental Sustainability). In the disclosure on climate change impacts, particularly regarding Lottomatica's greenhouse gas emissions (carbon footprint referred to in section E1-6), the largest contribution arises from Scope 3 activities, notably from the use of products sold (Category 11 of the GHG Protocol) and the acquisition of technology, i.e. capital goods necessary for Lottomatica's operations (Category 2 of the GHG Protocol), representing the categories with the greatest overall impact on the carbon footprint. The process involved a significance analysis to identify, assess and calculate the GHG impacts generated by each Group company. For further information on climate change impacts, particularly the company's GHG emissions, see section ESRS E1-6; for assessments of climate-related risks and opportunities, see ESRS 2 SBM-3.

DISCLOSURE REQUIREMENT ESRS 2 IRO-1

Description of processes for identifying and assessing material impacts, risks and opportunities related to resource use and the circular economy

For Lottomatica, **responsible management of waste** from offices and gaming halls involves disposing of waste in an appropriate and sustainable manner, and promoting the use of recyclable and reusable resources. This commitment is maintained through a **structured waste management and monitoring system**, including periodically updated procedures, both within the company's own activities and those outsourced to external organisations, as well as communication and awareness initiatives for employees aimed at reducing waste. Lottomatica Group's impact is significant because, in its analysis, the Company considers not only the negative impact of its own activities but also, with a forward-looking approach, its impact along the value chain, including suppliers and customers.

[23] "People or groups who live or work in the same area and who have been or could be affected by the operations of the reporting company or its upstream or downstream value chain. The term 'affected communities' refers to both those living in the vicinity of the company's operations (local communities) and those further away. Affected communities also include indigenous peoples who are affected or potentially affected."

DISCLOSURE REQUIREMENT ESRS 2 IRO-1

Description of processes for identifying and assessing material impacts, risks and opportunities

In conducting its double materiality analysis, the Group took into full consideration both its own activities and business model, as well as the environment in which it operates. In particular, the Italian public gaming sector is shaped by a complex regulatory framework that over the last twenty years has defined the requirements for games, methods of offering them, characteristics of the distribution network and points of sale, and criteria for allocating collections and revenues among the various parties involved in the supply chain (consumers, the State, concessionaires, operators, retailers), **in line with the fundamental public interest objectives** ensured by the sector. Lottomatica has always engaged proactively with all public institutions, particularly the Customs and Monopolies Agency, to ensure compliance with the regulatory and legislative framework and to promote its adequacy in response to market developments and sector challenges.

1.5 Summary of Policies

Below is a list of **Policies and Codes adopted by Lottomatica Group** for each material ESRS topic identified, aimed at preventing, mitigating and managing actual and potential impacts, addressing risks, and seizing opportunities. Moreover, in defining its policies, Lottomatica considers stakeholder interests through an approach combining continuous dialogue, risk monitoring, and listening initiatives directed at the company's workforce, including as part of the certification maintenance process. These policies are regularly reviewed in light of specific regulations, reference standards, audit evidence, and monitoring of national and international trends.

Policy	Description of key elements	Scope	Person(s) responsible for implementation	Internationally recognised standards	Accessibility	ESRS Topics
Environmental Sustainability Policy	Compliance with environmental laws and regulations Topics related to responsible resource and waste management, including promoting paper-saving initiatives Commitment to: ● reducing environmental impact ● cutting emissions ● monitoring and optimising energy consumption ● procuring and using renewable energy Promotion of environmental awareness among staff and stakeholders	Employees, internal consultants, suppliers and business partners	Board of Directors	17 United Nations Sustainable Development Goals 2030 Agenda 2015 Paris Agreement COP26 Climate Conference Fundamental Conventions of the International Labour Organisation, OECD Guidelines	Company website; Training sessions	E1 / E5
Green Procurement Policy	Selection of suppliers that provide goods or services with lower environmental impact, incentivised through mechanisms based on: ● compliance with environmental criteria ● possession of certified environmental management systems (EMAS – ISO 14001) ● emissions reporting ● existence of decarbonisation plans	Employees, internal consultants, suppliers and business partners	Board of Directors	17 United Nations Sustainable Development Goals 2030 Agenda 2015 Paris Agreement COP26 Climate Conference	Company website; Training sessions	E1 / E5 / G1
Policy on the Protection and Safeguarding of Human Rights	To define, structure and develop a clear approach to the protection and safeguarding of human rights that goes beyond the requirements of the law, through compliance with the following principles: ● safeguarding and protection of the rights of employees, suppliers and partners, including non-discrimination, fair and favourable working conditions, health and safety at work, freedom of association and the right to collective bargaining, combating child and forced labour, and working hours policy; ● customer protection, including privacy and responsible gaming.	All parties belonging to the Group's value chain	Board of Directors	Universal Declaration of Human Rights and subsequent international conventions on civil and political rights and economic, social and cultural rights Declaration on Fundamental Principles and Rights at Work and the eight fundamental Conventions of the International Labour Organisation (ILO) Agenda 2030 and related SDGs	Company website; Training sessions	S1 / S2 / S4 / G1
Board of Directors' Diversity Policy	Valorisation of diversity as a fundamental element of sustainability, including with regard to the Company's administrative body, pursuing the objective of integrating diverse managerial and professional	Board of Directors	Board of Directors	Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance) MiFID	Company website	S1

	profiles into its composition, while also maintaining a balanced presence of independent members and a balanced representation of genders and ages			Market Abuse Regulation		
Smart working policy	Facilitation of work-life balance in exchange for greater accountability for results and environmental benefits thanks to the reduction of CO_2 emissions	Group employees	Chief People Officer	-	Company intranet	S1
Code of Ethics	Establishment of the general principles that must be upheld by the Recipients, such as: ● compliance with laws and regulations; ● protection of personal integrity; ● impartiality in relations with counterparties; ● promotion of human rights; ● guarantee of working conditions that respect individual dignity. Promotion of responsible gaming to protect players Responsibility of Recipients to report any non-compliance to the Supervisory Body pursuant to Legislative Decree no. 231/01	Representatives of shareholders, members of the Board of Directors and the Board of Statutory Auditors, employees, collaborators, and all those who have commercial or financial relations of any kind with the Company	Board of Directors	United Nations Universal Declaration Fundamental Conventions of the International Labour Organisation OECD Guidelines	Company website	S1 / S2 / S4 / G1
Data protection policy	Establishment of internal processes to ensure the compliance of the activities in question with the standards outlined in EU Regulation 679/2016 (GDPR) Includes the main regulations, privacy policies and procedures in use within the company, which all recipients undertake to comply with	Personal data of customers, employees, suppliers, users, job applicants, investors, partners and other third parties	Data Protection Officer	GDPR Regulation Provisions of the Data Protection Authority Privacy Code Civil Code	Company website	S1 / S2 / S4 / G1
Diversity and Inclusion Policy	Promotion of a pluralistic and inclusive culture, ensuring that all company resources have equal access to the same opportunities regardless of personal, social or cultural characteristics Focuses specifically on different areas of diversity: ● gender equality; ● sexual orientation and gender identity; ● intergenerational valorisation; ● disability and accessibility; ● promotion of an intercultural vision.	Group company	Board of Directors	2030 Agenda and related SDGs Universal Declaration of Human Rights Declaration on Fundamental Principles and Rights at Work Fundamental Conventions of the International Labour Organisation ILO Convention on Violence and Harassment of June 2019	Company website; Company intranet	S1
Gender Equality Policy	Protection and valorisation of gender differences and equal opportunities in the workplace, encouraging female empowerment through activities and programmes aimed at promoting gender equality, closing the gender pay gap and spreading an inclusive and conscientious culture Promotion of: ● equal social rights for men and women;	Group company	Board of Directors	UNI/PdR 125:2022 National and international standards on gender equality	Company website; Company intranet	S1

	● equality in participation and representation; ● career development policies aimed at overcoming the gender gap; ● greater balance between men and women in organisational processes and working groups.					
Volunteering Policy	Promotion of volunteer work in favour of associations supported by Lottomatica Group, recognising the importance of social contribution and the positive impact it has on both the community and the employees themselves	All employees of Lottomatica Group companies	People Management & Development Director	Legislative Decree no. 231/01	Company intranet	S1
Car Policy	Defines the rules for the allocation, use and management of company cars	Employees	Procurement & Shared Services Director	Legislative Decree no. 231/01 UNI ISO 37001:2016 – Management Systems for the Prevention of Corruption UNI EN ISO 9001:2015 – Quality Management Systems	Company intranet	S1
Information Security Policy	Establishment and assurance of a plan for service continuity Assurance of protection of employee and customer privacy Assurance of compliance with the applicable regulations Preservation and enhancement of the company's image as a reliable and competent supplier	Lottomatica Group S.p.A., Gamenet S.p.A., GBO Italy S.p.A., Betflag S.p.A., PWO S.p.A., Totosì S.r.l.	Chief Executive Officers	UNI CEI EN ISO/IEC 27001:2022	Company website Company intranet	S1 / S4
Secure Software Development Policy	Promotion of the development of secure IT applications throughout the software lifecycle, through guidelines and best practices, in order to prevent any security issues in the source code, and provision of a useful tool for identifying possible vulnerabilities in the code	Organisational structures of the Operations & Technology department involved in software development for Lottomatica Group companies	Technology Security Director	OWASP ASVS 4.0 OWASP SecureDLC OWASP Dependency Check OWASP SAMM AGID Secure Development Guidelines	Company intranet	S1 / S4
Supplier Code of Conduct	Maintenance of rigorous environmental and commercial ethical standards, in compliance with the national regulations on tax fraud, anti-corruption and anti-money laundering, and promotion of the goals of Agenda 2030 Compliance with all applicable laws and international standards on environmental, social and governance matters Compliance with the following principles: ● diversity and inclusion; ● professional ethics and regulatory compliance; ● compliance with anti-corruption regulations; ● human rights and working conditions;	Group suppliers and their parent companies, subsidiaries, affiliates, subcontractors and other entities in the supply chain	Board of Directors	2030 Agenda ILO Declaration Applicable anti-corruption laws	Company website; Niuma platform	S2

	● environmental regulations and protection; ● health and safety; ● confidential and proprietary information.					
Responsible Marketing Policy	Establishment of reference standards for responsible marketing, providing principles relating to product development and/or selection, product information and communication, and product marketing, in compliance with current legislation and the company's commitment to promoting Responsible Gaming Guarantees compliance with the current legislation for product development and selection, product communication and marketing Promotes responsible gaming practices as key to business sustainability Commits the Group to compliance with the principles of legality, transparency, attention to minors, attention to excessive gaming, promotion of a responsible gaming model, and respect for the territory Defines guidelines for: ● the development of the gaming products and services; ● communication and information for players and potential users; ● the promotion of initiatives through physical and online channels.	Group companies and therefore all employees, collaborators and suppliers, with particular regard to business management and promotion activities and the related functions involved	Board of Directors	Decree Law No. 58 of 2012 (Balduzzi Decree) Decree Law No. 87 of 12 July 2018 (Dignity Decree) Legislative Decree No. 41 of 23 March 2024	Company website; Company intranet	S1 / S2 / S4
Responsible Gaming Policy	Main objectives: ● compliance with laws and regulations ● reduction of the impact of the business ● internal awareness, education and continuous training for all employees ● tools for the prevention of problem gambling within products and services and tools for monitoring player behaviour ● compliance with the Responsible Marketing Policy	Group companies and all employees, collaborators and suppliers	Board of Directors	G4 certification, developed by the Global Gambling Guidance Group WLA certification, developed by the World Lottery Association's Gaming Framework Manager	Company website; Company intranet; Training sessions	S1 / S2 / S4
Quality and Safety Policy	Establishment of quality standards for all parties concerned, ensuring that stakeholder needs are met Integration of occupational health and safety principles into all company activities, protecting the health of workers and adopting effective measures to prevent accidents, injuries and occupational diseases Selection of suppliers also based on the guarantees offered in terms of occupational health and safety Integrated Quality and Safety Management System compliant with the UNI EN ISO 9001 and UNI EN ISO 45001 standards	Group company	Managing Directors and Employer	Applicable Health and Safety laws and regulations; Legislative Decree 81/2008 (Consolidated Law on Occupational Safety)	Company website	S1 / S4

The 231 Model	Adoption of an Organisation, Management and Control Model (Legislative Decree no. 231/2001) to ensure transparency and fairness in company management Identification of company activities potentially at risk under Legislative Decree no. 231/01 Establishment of an internal regulatory framework for the prevention of offences under Legislative Decree no. 231/01 Promotion of an organisational structure that inspires and monitors fair conduct Identification of financial resource management and control processes Adequate training and information for employees on the Model	Shareholder representatives, members of the Board of Directors and the Board of Statutory Auditors, employees and collaborators, and all those who have relations with the Company	Board of Directors	Legislative Decree no. 231 Confindustria guidelines	Company website	G1
Whistleblowing management procedure	Regulation of the process of receiving, analysing and managing reports of violations that have come to light in the workplace, i.e. conduct, acts or omissions that harm the public interest or the integrity of Lottomatica Group	Group companies, members of corporate bodies, staff and third parties that have dealings with the Group	Board of Directors	Legislative Decree no. 231/2991 Law 179/2017 Law 127/2022 Legislative Decree no. 24/2023 UNI ISO 37001:2016 UNI PdR 125:2022 Law 162/2021	Company website	G1
Anti-Bribery & Corruption Policy	Promotion of the fight against corruption in all its forms and of a culture that discourages corrupt activities, facilitating the prevention and detection of such conduct Continuous improvement of the awareness of those who collaborate with the Group in various capacities in recognising corrupt practices, as well as their responsiveness in taking an active role in preventing, combating and reporting possible violations of the regulations	Group Companies, Corporate Bodies, Employees, Collaborators, and Third Parties connected to the Group in any way	Board of Directors	Global Compact	Company website, Training	G1
Anti-Money Laundering (AML) Policy	Identification and management of money laundering and terrorist financing risks Regulates and monitors: ● the management of tax and financial flows; ● procurement ● relations with public institutions and bodies ● corporate affairs; ● the organisation of events; ● trade fairs; ● sponsorships and advertising; ● gifts, entertainment and hospitality expenses; ● staff selection and management; ● commercial and business activities; ● litigation management; ● relations with the board of statutory auditors and the auditing firm.	Group companies, employees, and gaming service providers both on physical and online networks	Board of Directors	Legislative Decree 231/2007	Company website	G1

1.6 Index of ESRS contents and contents from other EU legislative acts

DISCLOSURE REQUIREMENTS IRO-2 ESRS

ESRS disclosure requirements covered by the company's consolidated sustainability reporting

Declaration of use	Lottomatica has submitted a consolidated sustainability statement in accordance with the ESRS standards for the 2025 financial year
ESRS 1 used	ESRS 1 – General Requirements

General information

Standard	Indicator	Description (paragraph)
ESRS 2	Disclosure requirement BP-1	General criteria for preparing the Consolidated sustainability statement
	Disclosure requirement BP-2	Disclosure in relation to specific circumstances
	Disclosure requirement GOV-1 G1 Disclosure requirement relating to ESRS 2 GOV-2	Role of the administrative, management and control bodies
	Disclosure requirement GOV-2	Information provided to the administrative, management and control bodies of the company and sustainability issues addressed by them
	Disclosure requirement GOV-3 E1 Disclosure requirement relating to ESRS 2 GOV-3	Integration of sustainability performance into incentive systems
	Disclosure requirement GOV-4	Statement on due diligence
	Disclosure requirement GOV-5	Risk management and internal controls over sustainability reporting
	Disclosure requirement SBM-1	Strategy, business model and value chain
	Disclosure requirement SBM-2	Stakeholder interests and opinions
	Disclosure requirement SBM-3	Significant impacts, risks and opportunities and their interaction with the business strategy and model
	Disclosure requirement IRO-1	Description of the process for identifying and assessing material impacts, risks and opportunities
	E1 Disclosure requirement relating to ESRS 2 IRO-1	Description of the processes for identifying and assessing material climate-related impacts, risks and opportunities
	E5 Disclosure requirement relating to ESRS 2 IRO-1	Description of the processes for identifying and assessing material impacts, risks and opportunities related to resource use and the circular economy
	G1 Disclosure requirement relating to ESRS 2 IRO-1	Description of the processes for identifying and assessing material impacts, risks and opportunities
	Minimum disclosure requirement – MDR-P Policies	Summary of Policies
	Disclosure requirement IRO-2	ESRS disclosure requirements covered by the company's consolidated sustainability reporting

Environmental information

Standard	Indicator	Description (paragraph)
EU Taxonomy Disclosure		The EU Taxonomy
E1	Disclosure requirement E1-1	Transition plan for climate change mitigation
	E1 disclosure requirement ESRS 2 SBM-3	Significant impacts, risks and opportunities and their interaction with the business strategy and model
	Disclosure requirement E1-2	Policies relating to climate change mitigation and adaptation
	Minimum disclosure requirement – MDR-A Actions Disclosure requirement E1-3	Actions and resources related to climate change policies
	Minimum disclosure requirement – MDR-T Targets Disclosure requirement E1-4	Targets relating to climate change mitigation and adaptation
	Disclosure requirement E1-5	Energy consumption and energy mix
	Disclosure requirement E1-6	Gross GHG emissions from Scope 1, 2, 3 and total emissions
	Disclosure requirement E1-9	Expected financial effects of significant physical and transition risks and potential climate-related opportunities
E5	Disclosure requirement E5-1	Policies relating to resource use and the circular economy
	Minimum disclosure requirement – MDR-A Actions Disclosure requirement E5-2	Actions and resources related to resource use and the circular economy
	Minimum disclosure requirement – MDR-T Targets Disclosure requirement E5-3	Targets related to resource use and the circular economy
	Disclosure requirement E5-5	Outgoing resource flows

Social information

Standard	Indicator	Description (paragraph)
S1	S1 disclosure requirement ESRS 2 SBM-3	Significant impacts, risks and opportunities and their interaction with the strategy and business model
	Disclosure requirement S1-1	Policies relating to own workforce
	Disclosure requirement S1-2	Processes for involving its own workforce and employee representatives in relation to impacts
	Disclosure requirement S1-3	Processes to remedy negative impacts and channels for employees to raise concerns
	Minimum disclosure requirement – MDR-A Actions Disclosure requirement S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
	Minimum disclosure requirement – MDR-T Targets Disclosure requirement S1-5	Targets related to the management of significant negative impacts, the enhancement of positive impacts and the management of significant risks and opportunities
	Disclosure requirement S1-6	Characteristics of the company's employees
	Disclosure requirement S1-7	Characteristics of non-employee workers in the company's own workforce
	Disclosure requirement S1-8	Coverage of collective bargaining and social dialogue
	Disclosure requirement S1-9	Diversity metrics
	Disclosure requirement S1-10	Adequate salaries
	Disclosure requirement S1-11	Social protection
	Disclosure requirement S1-12	Persons with disabilities
	Disclosure requirement S1-13	Training and skills development metrics
	Disclosure requirement S1-14	Health and safety metrics
	Disclosure requirement S1-15	Work-life balance metrics
	Disclosure requirement S1-16	Remuneration metrics (pay gap and total remuneration)
	Disclosure requirement S1-17	Incidents, complaints and serious impacts on human rights
S2	S2 disclosure requirement ESRS 2 SBM-3	Significant impacts, risks and opportunities and their interaction with the strategy and business model

	Disclosure requirement S2-1	Policies related to value chain workers
	Disclosure requirement S2-2	Processes for engaging with value chain workers about impacts
	Disclosure requirement S2-3	Processes for addressing negative impacts and channels for value chain workers to raise concerns
	Minimum disclosure requirement – MDR-A Actions Disclosure requirement S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions
	Minimum disclosure requirement – MDR-T Targets Disclosure requirement S2-5	Targets related to the management of significant negative impacts, the enhancement of positive impacts and the management of significant risks and opportunities
S4	S4 disclosure requirement ESRS 2 SBM-3	Significant impacts, risks and opportunities and their interaction with the strategy and business model
	Disclosure requirement S4-1	Policies related to consumers and end users
	Disclosure requirement S4-2	Processes for engaging with consumers and end users about impacts
	Disclosure requirement S4-3	Processes for addressing negative impacts and channels for consumers and end users to raise concerns
	Minimum disclosure requirement – MDR-A Actions Disclosure requirement S4-4	Actions taken in response to significant impacts on consumers and end users, approaches to managing significant risks and realising significant opportunities in relation to consumers and end users, and the effectiveness of these actions
	Minimum disclosure requirement – MDR-T Targets Disclosure requirement S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Governance information

Standard	Indicator	Description (paragraph)
G1	Disclosure requirement G1-1	Policies on corporate culture and business conduct
	Disclosure requirement G1-2	Management of supplier relationships
	Disclosure requirement G1-3	Prevention and detection of corruption and bribery
	Minimum disclosure requirement – MDR-A Actions	MDR-A Actions
	Disclosure requirement G1-4	Cases of corruption or bribery
	Disclosure requirement G1-5	Political influence and lobbying
	Disclosure requirement G1-6	Payment practices
	Minimum disclosure requirement – MDR-T Targets	MDR-T Targets

List of data points derived from other EU legislation

Disclosure requirements and related data	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference
ESRS 2 GOV-1 Gender diversity on the board, paragraph 21(d)	Annex I, Table 1, Indicator 13	N/A	Commission Delegated Regulation (EU) 2020/1816 (5), Annex II	N/A
ESRS 2 GOV-1 Percentage of independent members of the board of directors, paragraph 21(e)	N/A	N/A	Commission Delegated Regulation (EU) 2020/1816, Annex II	N/A
ESRS 2 GOV-4 Due diligence statement, paragraph 30	Annex I, Table 3, Indicator 10	N/A	N/A	N/A
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40(d)(i)	Annex I, Table 1, Indicator 4	Article 449 bis of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6), Table 1 – Qualitative information on environmental risk and Table 2 – Qualitative information on social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II	N/A
ESRS 2 SBM-1 Involvement in activities related to the production of chemicals, paragraph 40(d)(ii)	Annex I, Table 2, Indicator 9	N/A	Commission Delegated Regulation (EU) 2020/1816, Annex II	N/A
ESRS 2 SBM-1 Participation in activities related to controversial weapons, paragraph 40(d)(iii)	Annex I, Table 1, Indicator 14	N/A	Article 12(1) of Delegated Regulation (EU) 2020/1818(7) and Annex II to Delegated Regulation (EU) 2020/1816	N/A
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco, paragraph 40(d)(iv)	N/A	N/A	Article 12(1) of Delegated Regulation (EU) 2020/1818 and Annex II to Delegated Regulation (EU) 2020/1816	N/A
ESRS E1-1 Transition plan to achieve climate neutrality by 2050, paragraph 14	N/A	N/A	N/A	Article 2(1) of Regulation (EU) 2021/1119
ESRS E1-1 Companies excluded from benchmarks aligned with the Paris Agreement, paragraph 16(g)	N/A	Article 449 bis of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Indicators of potential transition risk related to climate change: Credit quality of exposures by sector, issues, and residual maturity	Article 12(1)(a)(d) to (g) and (2) of Delegated Regulation (EU) 2020/1818	N/A
ESRS E1-4 GHG emission reduction targets, paragraph 34	Annex I, Table 2, Indicator 4	Article 449 bis of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Indicators of potential transition risk related to climate change: alignment metrics	Article 6 of Delegated Regulation (EU) 2020/1818	N/A
ESRS E1-5 Energy consumption from fossil fuels, disaggregated by source (only sectors with high climate impact), paragraph 38	Annex I, Table 1, Indicator 5 and Annex I, Table 2, Indicator 5	N/A	N/A	N/A
ESRS E1-5 Energy consumption and mix, paragraph 37	Annex I, Table 1, Indicator 5	N/A	N/A	N/A
ESRS E1-5	Annex I, Table 1, Indicator 6	N/A	N/A	N/A

Energy intensity associated with activities in sectors with high climate impact, paragraphs 40-43				
ESRS E1-6 Gross emissions from Scopes 1, 2, and 3, and total GHG emissions, paragraph 44	Annex I, Table 1, Indicators 1 and 2	Article 449 bis of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Indicators of potential transition risk related to climate change: Credit quality of exposures by sector, issues, and residual maturity	Article 5(1), Article 6, and Article 8(1) of Delegated Regulation (EU) 2020/1818	N/A
ESRS E1-6 Gross GHG emission intensity, paragraphs 53-55	Annex I, Table 1, Indicator 3	Article 449 bis of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Indicators of potential transition risk related to climate change: alignment metrics	Article 8(1) of Delegated Regulation (EU) 2020/1818	N/A
ESRS E1-7 GHG removals and carbon credits, paragraph 56	N/A	N/A	N/A	Article 2(1) of Regulation (EU) 2021/1119
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	N/A	N/A	Annex II to Delegated Regulation (EU) 2020/1818 and Annex II to Delegated Regulation (EU) 2020/1816	N/A
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66(a) ESRS E1-9 Position of significant assets at material physical risk, paragraph 66(c)	N/A	Article 449 bis of Regulation (EU) No. 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Template 5: Banking book – Indicators of potential physical risk related to climate change: exposures subject to physical risk	N/A	
ESRS E1-9 Breakdown of the carrying amount of real estate assets by energy efficiency class, paragraph 67(c)	N/A	Article 449 bis of Regulation (EU) No. 575/2013; point 34 of Commission Implementing Regulation (EU) 2022/2453; Template 2: Banking book – Indicators of potential transition risk related to climate change: loans secured by real estate – Energy efficiency of collateral	N/A	N/A
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69	N/A	N/A	Annex II to Delegated Regulation (EU) 2020/1818	N/A
ESRS E2-4 Quantity of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) released into air, water, and soil, paragraph 28	Annex I, Table 1, Indicator 8; Annex I, Table 2, Indicator 2; Annex I, Table 2, Indicator 1; Annex I, Table 2, Indicator 3	N/A	N/A	N/A
ESRS E3-1 Water and marine resources, paragraph 9	Annex I, Table 2, Indicator 7	N/A	N/A	N/A
ESRS E3-1 Dedicated policy, paragraph 13	Annex I, Table 2, Indicator 8	N/A	N/A	N/A
ESRS E3-1 Sustainability of oceans and seas, paragraph 14	Annex I, Table 2, Indicator 12	N/A	N/A	N/A
ESRS E3-4 Total water recycled and reused, paragraph 28(c)	Annex I, Table 2, Indicator 6.2	N/A	N/A	N/A

ESRS E3-4 Total water consumption in cubic metres relative to net revenue from own operations, paragraph 29	Annex I, Table 2, Indicator 6.1	N/A	N/A	N/A
ESRS 2 IRO-1 – E4 paragraph 16(a)(i)	Annex I, Table 1, Indicator 7	N/A	N/A	N/A
ESRS 2 IRO-1 – E4 paragraph 16(b)	Annex I, Table 2, Indicator 10	N/A	N/A	N/A
ESRS 2 IRO-1 – E4 paragraph 16(c)	Annex I, Table 2, Indicator 14	N/A	N/A	N/A
ESRS E4-2 Sustainable agricultural or land use policies or practices, paragraph 24(b)	Annex I, Table 2, Indicator 11	N/A	N/A	N/A
ESRS E4-2 Sustainable sea or ocean use policies or practices, paragraph 24(c)	Annex I, Table 2, Indicator 12	N/A	N/A	N/A
ESRS E4-2 Policies addressing deforestation, paragraph 24(d)	Annex I, Table 2, Indicator 15	N/A	N/A	N/A
ESRS E5-5 Non-recycled waste, paragraph 37(d)	Annex I, Table 2, Indicator 13	N/A	N/A	N/A
ESRS E5-5 Hazardous and radioactive waste, paragraph 39	Annex I, Table 1, Indicator 9	N/A	N/A	N/A
ESRS 2 – SBM3 – S1 Risk of forced labour, paragraph 14(f)	Annex I, Table 3, Indicator 13	N/A	N/A	N/A
ESRS 2 – SBM3 – S1 Risk of child labour, paragraph 14(g)	Annex I, Table 3, Indicator 12	N/A	N/A	N/A
ESRS S1-1 Human rights policy commitments, paragraph 20	Annex I, Table 3, Indicator 9 and Annex I, Table 1, Indicator 11	N/A	N/A	N/A
ESRS S1-1 Due diligence policies covering International Labour Organisation core conventions 1 to 8, paragraph 21	N/A	N/A	Commission Delegated Regulation (EU) 2020/1816, Annex II	N/A
ESRS S1-1 Procedures and measures to prevent human trafficking, paragraph 22	Annex I, Table 3, Indicator 11	N/A	N/A	N/A
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Annex I, Table 3, Indicator 1	N/A	N/A	N/A
ESRS S1-3 Complaints and grievance mechanisms, paragraph 32(c)	Annex I, Table 3, Indicator 5	N/A	N/A	N/A
ESRS S1-14 Number of fatalities, and number and rate of work-related injuries, paragraph 88(b) and (c)	Annex I, Table 3, Indicator 2	N/A	Commission Delegated Regulation (EU) 2020/1816, Annex II	N/A
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities, or illnesses, paragraph 88(e)	Annex I, Table 3, Indicator 3	N/A	N/A	N/A

ESRS S1-16 Unadjusted gender pay gap, paragraph 97(a)	Annex I, Table 1, Indicator 12	N/A	Commission Delegated Regulation (EU) 2020/1816, Annex II	N/A
ESRS S1-16 Excessive pay gap in favour of the Chief Executive Officer, paragraph 97(b)	Annex I, Table 3, Indicator 8	N/A	N/A	N/A
ESRS S1-17 Incidents related to discrimination, paragraph 103(a)	Annex I, Table 3, Indicator 7	N/A	N/A	N/A
ESRS S1-17 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 104(a)	Annex I, Table 1, Indicator 10 and Annex I, Table 3, Indicator 14	N/A	Annex II to Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	N/A
ESRS 2 SBM-3 – S2 Serious risk of child labour or forced labour in the labour chain, paragraph 11(b)	Annex I, Table 3, Indicators 12 and 13	N/A	N/A	N/A
ESRS S2-1 Human rights policy commitments, paragraph 17	Annex I, Table 3, Indicator 9 and Annex I, Table 1, Indicator 11	N/A	N/A	N/A
ESRS S2-1 Policies relating to value chain workers, paragraph 18	Annex I, Table 3, Indicators 11 and 4	N/A	N/A	N/A
ESRS S2-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	Annex I, Table 1, Indicator 10	N/A	Annex II to Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	N/A
ESRS S2-1 Due diligence policies covering International Labour Organisation core conventions 1 to 8, paragraph 19	N/A	N/A	Commission Delegated Regulation (EU) 2020/1816, Annex II	N/A
ESRS S2-4 Human rights issues and incidents in the upstream and downstream value chain, paragraph 36	Annex I, Table 3, Indicator 14	N/A	N/A	N/A
ESRS S3-1 Human rights policy commitments, paragraph 16	Annex I, Table 3, Indicator 9 and Annex I, Table 1, Indicator 11	N/A	N/A	N/A
ESRS S3-1 Failure to comply with the UN Guiding Principles on Business and Human Rights, ILO principles, or OECD Guidelines, paragraph 17	Annex I, Table 1, Indicator 10	N/A	Annex II to Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	N/A
ESRS S3-4 Human rights issues and incidents, paragraph 36	Annex I, Table 3, Indicator 14	N/A	N/A	N/A
ESRS S4-1 Policies regarding consumers and end users, paragraph 16	Annex I, Table 3, Indicator 9 and Annex I, Table 1, Indicator 11	N/A	N/A	N/A
ESRS S4-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Annex I, Table 1, Indicator 10	N/A	Annex II to Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	N/A
ESRS S4-4 Human rights issues and incidents, paragraph 35	Annex I, Table 3, Indicator 14	N/A	N/A	N/A

ESRS G1-1 United Nations Convention against Corruption, paragraph 10(b)	Annex I, Table 3, Indicator 15	N/A	N/A	N/A
ESRS G1-1 Protection of whistleblowers, paragraph 10(d)	Annex I, Table 3, Indicator 6	N/A	N/A	N/A
ESRS G1-4 Fines imposed for violations of laws against corruption and bribery, paragraph 24(a)	Annex I, Table 3, Indicator 17	N/A	Annex II to Delegated Regulation (EU) 2020/1816	N/A
ESRS G1-4 Rules to combat corruption and bribery, paragraph 24(b)	Annex I, Table 3, Indicator 16	N/A	N/A	N/A

2. Environmental Information

2.1 The EU Taxonomy

Regulatory context

In recent years, attention to ESG issues has accelerated significantly. In this context, Regulation (EU) **2020/852** (hereinafter also referred to as the "**Taxonomy Regulation**") was adopted in June 2020, introducing a unique classification system aimed at defining **environmentally sustainable economic activities**, promoting comparability among market operators and directing investments towards sustainable development models.

Under the Taxonomy Regulation, an economic activity is considered environmentally sustainable if it meets all of the following criteria:

- it contributes substantially to the achievement of at least one of the six **environmental objectives** set out in Article 9 of the Regulation;
- **it does not cause significant harm** ('Do No Significant Harm" – DNSH) to any of the other environmental objectives;
- it complies with the **minimum social safeguards**, as defined by the principles and guidelines contained in the main international conventions and treaties.

The six environmental objectives identified by the Regulation are:

1. climate change mitigation;
2. adaptation to climate change;
3. sustainable use and protection of water and marine resources;
4. transition to a circular economy;
5. prevention and reduction of pollution;
6. protection and restoration of biodiversity and ecosystems.

For each environmental objective, the European Commission has adopted specific delegated acts containing technical annexes that identify potentially eligible sectors and economic activities, as well as the relevant technical screening criteria (TSC) and conditions for compliance with the DNSH principle.

In particular:

- Delegated Regulation (EU) **2021/2139** defines the technical criteria for the first two environmental objectives (climate change mitigation and adaptation);
- Delegated Regulation (EU) **2021/2178** regulates the reporting of key performance indicators (KPIs) relating to turnover, capital expenditure (CapEx) and operating expenditure (OpEx);
- in 2023, Delegated Regulation (EU) **2023/2485**, which supplements the Climate Delegated Act, and Delegated Regulation (EU) **2023/2486**, relating to the remaining four environmental objectives, were published.

Finally, on 4 July 2025, the European Commission adopted Delegated Regulation (EU) **2026/73**, amending Delegated Regulation (EU) 2021/2178, with the aim of simplifying the content and

presentation of the required information, reducing the reporting burden on non-financial companies and introducing, among other changes, the possibility of refraining from assessing eligibility and alignment where economic activities are not financially relevant to the reference KPI.

Lottomatica Group has decided to **avail of these simplifications** starting from the current financial year; therefore, for the purposes of disclosing key performance indicators (KPIs), Annex I of Delegated Regulation (EU) 2021/2178, as amended by the aforementioned Regulation 2026/73, has been applied, allowing non-financial companies to refrain from assessing economic activities where their cumulative impact is less than **10%** of the total KPI denominator.

Following this update, the process adopted by the Group to verify the financial significance of its activities involved a detailed qualitative and quantitative analysis. In fact, through a thorough screening of the financial statement items relating to the denominators of the three KPIs, it was possible to associate the individual accounting components with the sectors and economic activities of Lottomatica Group. In light of the results of the analysis, and as described in more detail in the section 'Contextual information', **considering the prevailing nature of the Group's activities attributable to the gaming sector – not included among those mapped by the EU Taxonomy** – certain economic activities were considered irrelevant and therefore exempted from the eligibility and alignment process with the Taxonomy, as their cumulative weight was less than 10% of the denominator of the individual reference KPIs (Turnover, CapEx). With regard to operating expenses, based on the provisions of Annex I, section 1.1.3, of Regulation (2026/73), Lottomatica Group considered operating expenses to be irrelevant to its business model and therefore refrained from assessing whether the operating expenses related to its economic activities as a whole are eligible for the Taxonomy or aligned with the Taxonomy.For the remaining KPIs, Lottomatica Group conducted an eligibility analysis, which found that there were no economic activities eligible for the Taxonomy and consequently aligned. Despite this, given the commitment made over time in the context of the European Taxonomy, it would still guarantee compliance with the minimum safeguards. In fact, the Group has carried out its activities in compliance with the provisions of Article 18 of EU Regulation 852/2020, adhering to the principles and guidelines contained in international conventions and treaties. In support of compliance with the minimum safeguards, the Group has also taken into account the issues identified by the Platform on Sustainable Finance: Human Rights, Corruption, Taxation and Competition.

In particular, the Group implements due diligence procedures in the conduct of its economic activities and has adopted specific tools, such as the Code of Ethics and the Supplier Code of Conduct, which clearly define the values and principles with which all parties with whom it has relationships must comply, as well as an Organisation, Management and Control Model in accordance with Legislative Decree no. 231/2001. In addition, Lottomatica has adopted various policies[24] aimed at protecting human rights, including the Company Policy on the Protection and Safeguarding of Human Rights, the Diversity and Inclusion Policy and the Gender Equality Policy.

[24] For further information on policies relating to Social Minimum Safeguards, please refer to the "Summary of Policies" section in the "General Information" chapter.

Specifics of the disclosure accompanying the KPIs of non-financial companies

Accounting principles

This section describes the criteria for determining the KPIs for Revenue, CapEx and OpEx in accordance with Annex I of Delegated Regulation (EU) 2021/2178, as amended by Delegated Regulation (EU) 2026/73. Specifically:

KPI	Description	Consolidated financial statements References
Turnover	The **numerator** is represented by net revenues from the sale of the Group's products and services attributable to eligible activities and/or aligned with the EU Taxonomy. The **denominator** is identified by reference to the "revenues" item in the Consolidated Comprehensive Income Statement for 2025, prepared in accordance with IAS 1. 82(a).	Note 8.1: Revenues
CapEx	The **numerator** represents the portion of capital expenditure recorded under assets in the consolidated financial statements that is associated with eligible and/or aligned activities. The **denominator** includes increases in tangible and intangible assets during the year before depreciation, amortisation, impairment and any revaluation, including those resulting from remeasurements and write-downs, and excludes changes in fair value. The denominator also includes increases in tangible and intangible assets arising from business combinations.	Notes 9.1, 9.3, and 9.4: Intangible Assets; Tangible Assets; Right of Use
OpEx	The **numerator** corresponds to the portion of operating expenses included in the denominator that is associated with eligible and/or aligned activities. The **denominator** includes non-capitalised direct costs related to research and development, building renovation measures, short-term leasing, maintenance and repair, as well as any other direct expenses related to the day-to-day maintenance of property, plant and equipment, carried out by the company or by third parties to whom these activities are outsourced, necessary to ensure the continuous and effective functioning of these assets.	The OpEx defined by the European Taxonomy differs from that reported in the consolidated financial statements, as it only includes the direct costs of maintenance and repair of tangible assets, excluding many other operating expenses. This makes direct reconciliation difficult, as these costs may be distributed across different accounting items in the consolidated financial statements.

The data relating to turnover, capital expenditure and operating expenditure used to calculate the KPIs were extracted from the Group's general and analytical accounting systems.

Contextual information

In accordance with Annex I of Delegated Regulation (EU) 2021/2178, as amended by Delegated Regulation (EU) 2026/73, and in line with the methodology defined above, Lottomatica carried out a detailed analysis of each KPI in order to assess its materiality with respect to the 10% threshold. The analysis was conducted starting from the individual components of the denominators, with the aim of identifying any associations with the economic activities provided for in the Taxonomy and determining their cumulative financial relevance.

The contextual information for each KPI under the Taxonomy is therefore provided below.

Contextual information on the KPI relating to turnover

With regard to **Turnover**, in accordance with paragraph 1.1.1 of Delegated Regulation 2021/2178 and Delegated Act 2026/73, following an in-depth analysis of revenues from the Operating Sectors and their association with the economic activities of the Taxonomy, no eligible activities were identified. In particular, since the activities related to the Group's core business differ from those identified in the Climate Delegated Act and the Environmental Delegated Act, for the current financial year, the entire turnover is attributable to activities that are not eligible for the EU Taxonomy. The denominator of turnover, as described in the previous paragraph, corresponds to the Group's revenues reported under “Revenues” in the Consolidated Comprehensive Income Statement as at 31 December 2025, amounting to € 2,247 million.

Contextual information on the CapEx KPI

With regard to the **CapEx** KPI, in accordance with paragraph 1.1.2 of Delegated Regulation 2021/2178 and Delegated Act 2026/73, the Group carried out a detailed analysis of the components and investment lines of the KPI denominator, examining in particular increases in tangible and intangible assets, business combinations and rights of use. This analysis made it possible to identify potential associations with the areas of the Taxonomy and with sectors such as "Transport", "Construction and real estate activities" and "Information and communication", as well as with the related potentially eligible economic activities, including ancillary activities related to the Group's corporate fleet, the renovation and efficiency improvement of buildings, and activities related to data processing and management.

However, the cumulative capital expenditure associated with them was below the materiality threshold of 10%, amounting to approximately 8.5% of total CapEx KPI (€329 million), and was therefore not significant from a financial point of view. In light of the provisions of Article I of Delegated Act 2026/73, the Group has therefore decided to refrain from assessing the eligibility and alignment with the Taxonomy for these activities, as they are not relevant to the reference denominator.

Contextual information on the OpEx KPI

With regard to the **OpEx** KPI, in accordance with paragraph 1.1.3 of Delegated Regulation 2021/2178 and Delegated Act 2026/73, the Group carried out a detailed analysis of cost lines, identifying those attributable to the categories expressly mentioned in the Delegated Regulation and reported in the paragraph “Accounting principles”. The result of this analysis determined a value of €30.5 million for the denominator, corresponding to 2.1% of the Group's total operating expenses.

In light of the provisions of the Delegated Regulation and considering the low value of this ratio, which highlights the reduced incidence of the cost categories required by the Taxonomy, generally geared towards rewarding business models not strictly equivalent to that of the Group, the OpEx KPI is to be considered financially immaterial. This result reflects the nature of the Group's operating model, in which costs related to, for example, “Services from operators and collectors”, “Gaming platform licence fees”, “Concession fees” and “Marketing expenses” are more significant.

Taxonomy Template

Model 1

Share of turnover, capital expenditure (CapEx), operating expenditure (OpEx) deriving from products or services associated with economic activities eligible for or aligned with the taxonomy – Disclosure for the year 2025 (summary KPI)

Financial year (2025)															
KPI	Total	Share of activities eligible for the taxonomy	Activities aligned with the taxonomy	Share of activities aligned with the taxonomy	Breakdown of activities aligned with the taxonomy by environmental objective						Share of enabling activities	Share of transition activities	Activities considered immaterial and not assessed	Activities aligned with the taxonomy in the previous financial year (2024)	Share of activities aligned with the taxonomy in the previous financial year (2024)
					Climate change mitigation	Adaptation to climate change	Water	Circular economy	Pollution	Biodiversity					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	€ million	*%*	*€ million*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*€ million*	*%*
Turnover	2,247	-	-	-	-	-	-	-	-	-	-	-	-	**0**	**0**
CapEx	329	-	-	-	-	-	-	-	-	-	-	-	**8.5**	**0**	**0**
OpEx	30.5	-	-	-	-	-	-	-	-	-	-	-	-	**0**	**0**

Column (2) shows the denominators of the KPIs in question.
Column (3) shows the share of the KPI denominator associated with the total eligible economic activities, whether or not they are aligned with the taxonomy.
Column (5) shows the share of the KPI denominator associated with the total economic activities aligned with the taxonomy.
Columns (6) to (11) show the share of the KPI denominator associated with economic activities aligned with the taxonomy that contribute substantially to the environmental objective in question.
Column (12) shows the share of the KPI denominator associated with economic activities aligned with the taxonomy that are enabling economic activities.
Column (13) shows the share of the KPI denominator associated with economic activities aligned with the taxonomy that are transitional economic activities.
Column (14) shows the share of the KPI denominator associated with economic activities that are considered irrelevant for the purposes of the KPI in question and are not assessed in terms of eligibility and alignment with the Taxonomy.
Column (16) shows the share of the KPI denominator for the 2024 financial year associated with the total economic activities aligned with the taxonomy in the 2024 financial year.

2.2 Climate change [ESRS E1]

Environmental protection is a fundamental pillar of the company's strategy and is essential to ensuring sustainable and lasting growth over time, which the Group aims to achieve by paying particular attention to energy consumption and greenhouse gas emissions, and by ensuring virtuous behaviour throughout the value chain. Below is a list of IROs identified as material through the double materiality analysis, which Lottomatica is committed to managing through specific policies and concrete actions based on the concepts of climate change mitigation and energy consumption.

ESRS E1 – CLIMATE CHANGE					
ESRS (SUB-TOPIC)	**IRO**	**DESCRIPTION**	**POSITIVE / NEGATIVE ACTUAL / POTENTIAL**	**TIME HORIZON**	**VALUE CHAIN**
Climate change mitigation	I	Generation of greenhouse gas emissions across all stages of Lottomatica Group production chain	Negative Actual	Short Medium Long	Own Operations Upstream Downstream
	R	Inadequate or partial compliance with the environmental legislation		Short Medium Long	Own Operations
Energy	I	Energy consumption from renewable sources across all stages of the production chain	Positive Actual	Short Medium Long	Own Operations Upstream Downstream
	R	Inadequate or partial compliance with the environmental legislation		Short Medium	Own Operations

Strategy

DISCLOSURE REQUIREMENT E1-1

Transition plan for climate change mitigation

Although the Company has not formalized a transition plan for climate change mitigation as defined in Delegated Regulation (EU) 2023/2772, Annex 2, Table 2, in 2025 Lottomatica defined a new transition plan integrated into its broader environmental strategy, known as **LESS** (Lottomatica Environmental Sustainability Strategy), approved by the Chief Executive Officer and the Board of Directors. This strategy is structured into three areas, with related objectives and macro-activities, in line with the requirements of the new ESRS:

- **Climate Change**: measuring and minimising the Group's emissions, and conducting business activities according to criteria aimed at preventing and mitigating climate change;
- **Resource & Circular Economy**: monitoring and reducing resource consumption, including through the promotion of circular economy initiatives;
- **Governance**: ensuring compliance with the national and European regulations, while fostering the growth and dissemination of environmental awareness and a sense of responsibility.

The transition plan sets **reduction targets** compared to the estimated greenhouse gas emissions generated by activities in the base year 2024 verified in accordance with ISO 14064-1:2018. It is based on the results of the greenhouse gas emissions inventory and scenario analyses developed as part of

the project to define decarbonisation levers, providing a reference framework for industrial and financial planning. This plan is overseen by the External Relations & Communication function in collaboration with the Environmental Sustainability Committee, has been shared with the Board's Internal ESG Committee and subsequently approved by the Chief Executive Officer in December 2025.

The transition plan represents a structured climate strategy exercise extended across the entire value chain, including Scope 3 emissions, which account for the majority of the Group's overall emissions footprint (approximately 90%). Compared to the base year 2024, Lottomatica is committed to **reducing Scope 1 and Scope 2 emissions by 14% and Scope 3 emissions by 16% by 2030**. These targets have been defined with reference to the Science Based Targets initiative (SBTi) framework and, although not yet fully aligned with the 1.5°C global warming limitation scenario set out in the Paris Agreement, they reflect the Group's progressive approach to decarbonisation, aimed at furthering the goal of "Well below 2 degrees" enshrined by the same Agreement, and will be further strengthened in light of developments in the regulatory, technological and market environment.

In this regard, it should be noted that the Scope 1 emissions from Lottomatica's headquarters derive mainly from a fossil gas-fired trigeneration plant. In the Italian context, this solution is generally considered energy-efficient; however, the use of natural gas still entails significant Scope 1 emissions. As it is not currently possible to plan investments in the head office or to switch to biomethane, these emissions represent a constraint on the achievement of more ambitious reduction targets. By contrast, Scope 2 emissions have already been reduced to zero through the purchase of electricity from certified renewable sources.

Following an analysis of the main emission sources and feasibility assessments of the actions that can be implemented, specific initiatives have been identified to reduce Scope 1, Scope 2 and Scope 3 emissions, organised by area of intervention: Energy Impact, Green IT, Green Mobility, Green Procurement & Supply Chain Engagement, Resources and Waste, and Circular Economy. Specifically, the Group has identified the following decarbonisation levers, which have been integrated into the emission reduction curves and considered for the achievement of the climate targets[25]:

- **Energy Impact**: maintenance and strengthening of the high coverage of electricity consumption from certified renewable sources (Guarantees of Origin) for operational sites and points of sale;
- **Green IT**: efficiency improvement of the technological infrastructure and progressive adoption of digital and hosting services powered by renewable energy;
- **Green Mobility**: reduction of emissions linked to corporate mobility through fleet renewal with lower-impact vehicles and the promotion of sustainable mobility solutions for commuting between home and work;
- **Green Procurement & Supply Chain Engagement**: integration of environmental criteria into supplier qualification, evaluation and monitoring processes and implementation of structured value chain engagement programmes.

The identification of decarbonisation trajectories also took into account the evolution of the reference context, through the use of climate and energy scenarios developed by internationally recognised institutions (including the IEA, IPCC, the Ministry of Enterprise and Made in Italy and other authoritative sources).

[25] For further details on individual initiatives, implementation methods and the related emission impacts, please refer to the "Actions and resources related to climate change policies" and "Objectives related to climate change mitigation and adaptation" sections in chapter "2.2 Climate change [ESRS E1]".

In addition, Lottomatica has identified further internal initiatives that contribute to the overall sustainability process and climate change mitigation, which fall within the following areas:

- **Resources & Waste**: reduction of material use through the progressive digitisation of processes and the adoption of paperless operating models;
- **Circular Economy**: extension of the life cycle of electronic products and related components through repair, reuse and material recovery.

Lottomatica Group has launched a dedicated and formalised **financial plan** to support the transition plan, providing for the allocation of specific CapEx and OpEx resources for the implementation of the main decarbonisation levers identified[26]. Specifically, the Group has allocated approximately € 2 million to support the priority initiatives identified, in line with the emissions reduction trajectory for 2030.

Finally, it should be noted that the Group is not currently included in any EU climate indices formally aligned with the Paris Agreement.

Compared to the decarbonisation plan presented in the 2024 Statement, the Group has carried out an in-depth analysis of its emission targets, modifying the baseline year and the temporal horizons for achieving the objectives. The update of the plan was necessary to reflect the expansion of the Group's scope and, specifically: regulatory evolution regarding the purchase of guarantees of origin for biomethane (identified in the previous plan as the main lever for Scope 1); the achievement of the Scope 2 emissions reduction target; the methodological change for measuring Scope 3 emissions, from spend-based to activity-based.

DISCLOSURE REQUIREMENT ESRS 2 SBM-3

Material impacts, risks and opportunities and their interaction with the company's strategy and business model

In 2025, Lottomatica continued the Climate Risk Assessment process aimed at updating the **assessment of physical and transition risks related to climate change** that could affect the Group's activities. Specifically, the risks analysed include both acute and chronic physical risks, namely phenomena such as river and coastal flooding, cyclones or tornadoes, hailstorms, landslides or avalanches, forest fires, strong winds, water shortages, heat waves and cold spells. Transition risks, on the other hand, include risks related to regulatory, technological, market and reputational factors.

These risks were identified by Lottomatica within the broader context of alignment with the main climate reporting frameworks, through a detailed analysis that included the following phases:

- mapping of climate risks;
- assessment of Lottomatica's level of vulnerability to climate risks;
- analysis and quantification of the financial impacts associated with climate risks;
- possible integration into the risk management framework – ERM Model.

For the purposes of the analysis, the Group's main strategic assets were identified, including its headquarters, gaming halls, betting shops, suppliers, affiliates and production sites. In relation to their geographical distribution, these assets are potentially exposed to physical risks, primarily extreme heat waves, fires, coastal flooding and heavy rainfall, which may result in temporary interruptions to operations.

[26] Although the Group's activities fall within the scope of the "EU Taxonomy Regulation", in view of the application of amendment 2026/73, the share associated with the numerators of each KPI was below the 10% materiality threshold. Therefore, the related quantitative values were not reported. For further information, please refer to paragraph "2.1 EU Taxonomy".

A map of the main climate risks was therefore developed, defining Lottomatica's vulnerability and, where possible, providing a financial quantification in line with the guidelines of the main reference ratings, in particular the CDP (Carbon Disclosure Project), as well as the CSRD and, specifically, the ESRS E1 standard.

The Climate Risk Assessment conducted on the identified assets indicated that **there are no critical risk areas**, even when considering the worst-case climate scenario[27]. In particular, for all the assets identified, the impact in terms of business interruption days (BID) due to acute physical risks is less than ten days, and is therefore not significant. In addition, an estimate of the financial impact was carried out for the gaming halls belonging to the retail network.

Although the analysis concluded that climate-related physical and transition risks were not material, the results of the Climate Risk Assessment were nevertheless integrated into the Group's Enterprise Risk Management system in order to monitor and oversee any future developments. Moreover, the immateriality of the aforementioned risks ruled out the need to conduct an analysis of the resilience of the strategy and business model in relation to climate change

Oversight of climate change risks is entrusted to the Board of Directors, while at the managerial level the assessment of physical and transition risks is the responsibility of the Environmental function, coordinated by the Responsible Gaming, Environmental & Regulatory Evolution Senior Manager; the Risk, Ethics & Compliance function, led by the Chief Risk, Ethics & Compliance Officer, monitors the risks covered by the ERM Model, which also include environmental risks.

During the year, following internal energy efficiency analyses and assessments of technological developments in digital infrastructures, Lottomatica also identified a technological opportunity linked to the progressive adoption of more energy-efficient technologies, although not material based on the double materiality analysis. In fact, the evolution of digital technologies, together with the increasing availability of less energy-intensive equipment and services, represents a concrete lever for reducing electricity consumption and the environmental impact associated with the Group's technology park. This opportunity is particularly relevant given the extensive use of technological infrastructure to support Lottomatica's operational activities, especially in the offices, in direct and indirect sales rooms, and at the suppliers' facilities. The renewal of the technology infrastructure will therefore enable the Group to innovate processes and products, strengthen the resilience and sustainability of the value chain and reduce energy consumption, while also facilitating eventual access to future green financing instruments.

Furthermore, in order to assess how climate change may generate opportunities for its business model and economic and financial performance, the Group carried out an in-depth internal, benchmark and market analysis. In particular, the European and Italian policies, together with the market trends, indicate an increase in electricity production from renewable sources, while analyses by the International Energy Agency (IEA) show a gradual improvement in the Italian energy mix over time. Considering that Lottomatica's main strategic assets are located in Italy, this development represents a potential opportunity for the Group, although not material based on the double materiality analysis, as the lower production costs of renewable sources are expected to contribute to a reduction in the average market price of electricity, thereby also lowering electricity procurement costs with a positive short-term impact on EBITDA.

[27] The climate risk analysis was conducted considering the scenarios projected by the IPCC RCPs (Representative Concentration Pathways 2.6, 4.5, 6.0 and 8.5) over the time horizons of 2025 and 2030. The IPCC classification was also used to represent different climate transition scenarios, each with distinct implications in terms of policies and technologies.

Management of impacts, risks, and opportunities

DISCLOSURE REQUIREMENT E1-2

Policies related to climate change mitigation and adaptation

Environmental protection is a strategic priority for the Group, which is committed to preventing, managing and, where possible, reducing the environmental impact generated by its operations, whether carried out directly or through suppliers and partners, including through the adoption of **specific policies**[28]. With this in mind, the Environmental Sustainability Policy, addresses issues related to climate change mitigation, energy efficiency and the promotion of renewable energy, with the aim of reducing energy consumption and, consequently, emissions. Furthermore, Lottomatica recognises its role as an enabler of energy transition along the supply chain and, through its Green Procurement Policy, promotes preference criteria for suppliers who are attentive to environmental issues – including compliance with environmental regulations, the adoption of certified environmental management systems, emissions reporting in accordance with the GHG Protocol, the presence of decarbonisation plans – progressively orienting its supplier base towards solutions with a lower environmental impact[29].

DISCLOSURE REQUIREMENT E1-3

Actions and resources related to climate change policies

With the goal of mitigating the negative effects generated by climate-altering emissions, in line with the transition plan, the Group has identified a set of actions included in the emission reduction curves, listed below by decarbonisation lever, as well as supporting initiatives that contribute to Lottomatica's strategic path but have not been directly considered in the calculation of the emission targets[30]. In particular, the **decarbonisation levers** included in the transition plan and integrated into the emission curves relate to the following areas:

- **Energy Impact**. The energy transition is a key lever for reducing the Group's environmental impact, given its extensive network of operational sites and points of sale. Through this lever, Lottomatica intends to maintain its current level of electricity consumption coverage over time through renewable energy certified by Guarantees of Origin. In this regard, in 2025, over 90% of the emissions generated by electricity consumption will derive from GO-certified renewable sources and will include 100% of directly managed venues.
- **Green IT**. Green IT is a key strategic lever for improving technological efficiency and reducing the environmental impact of digital services, contributing to the reduction of indirect emissions associated with IT infrastructure and device usage. The planned initiatives aim to renew and enhance the efficiency of the technology park, as well as to optimise the way users employ digital tools. The main actions include:
  - **Transition to Green Hosting Services**, with the objective of adopting suppliers powered 100% by renewable energy by 2030, thereby reducing the contribution of digital infrastructure to indirect emissions;
  - **Adoption of Dark Mode** through optimised interfaces to reduce screen brightness and energy consumption;
  - **Optimisation of digital device usage**, promoting the transition from desktop to mobile use where possible, with benefits in terms of reduced energy consumption;

[28] For further information on the policies adopted by the Group regarding climate change mitigation, please refer to the "Summary of policies" section in the "General information" chapter.

[29] For further information on aspects related to Green Procurement, please refer to Disclosure Requirement G1-2 in chapter “4.1 Business Conduct [ESRS G1]”.

[30] For further details on the actions and economic amounts in terms of CapEx and OpEx related to the economic activities identified in accordance with Commission Delegated Regulation (EU) 2021/2178, please refer to section "2.1 The EU Taxonomy" of this chapter.

  - **Introduction of high-efficiency technologies** through the renewal of the device fleet and the adoption of technological solutions with lower energy consumption.
- **Green Mobility**. The Group aims to reduce climate-altering emissions through sustainable mobility initiatives targeting both the company fleet and employee commuting. The planned projects combine technological interventions, shared mobility solutions and behavioural incentive tools. In particular:
  - **Decarbonisation of the company fleet** through the use of HVO (Hydrotreated Vegetable Oil) and the gradual adoption of hybrid and electric vehicles. The Group continues to periodically renew its fleet with more efficient models with a lower environmental impact. With regard to the use of biomethane, previously considered among the potential decarbonisation solutions, it was subsequently excluded due to critical issues related to supply chain availability, the time required to develop production capacity and prevailing market conditions, which limited its effective use in the short to medium term;
  - **Corporate Mobility Management**, a platform developed by the Group that leverages MaaS (Mobility as a Service) technology to promote the use of public transport and other forms of sustainable mobility for commuting between home and work;
  - **Increase in company shuttle routes** to support collective travel by employees to operational sites.

- **Green Procurement & Supply Chain Engagement.** In order to reduce emissions across its supply chain, the Group promotes supplier management programmes by assessing suppliers' ESG performance and integrating sustainability criteria into selection, qualification and monitoring processes. The Group uses the Synesgy platform as its central assessment tool and, since 2025, has also implemented an external auditing process to verify the information provided by suppliers on the platform, carrying out more than 40 on-site audits[31].

In addition to actions directly attributable to Lottomatica, the transition plan also takes into account contextual initiatives. For example, plans are in place to increase the use of electric vehicles and HVO along the value chain, enabling Lottomatica Group to further reduce its emissions.
In addition to the levers described, the Group has implemented further initiatives within the LESS strategy that contribute to the broader context of corporate sustainability:

- **Resources and Waste**. The progressive digitisation of the processes through tools like the GoSign platform will enable a continuous reduction in paper consumption, supporting the transition towards a fully paperless operating model[32].
- **Circular Economy**. Through initiatives dedicated to the circular economy, the Group promotes the extension of the life cycle of electronic devices and the reduction of technological waste. In particular, the Repair Lab represents a key internal facility for equipment management, supporting the maintenance, repair and upgrading of devices used in business operations. Circular economy initiatives also include the reuse and donation of still-functional devices, separate material collection and the progressive digitisation of internal processes, contributing to reduced resource consumption and improved operational efficiency[33].
- **Maintenance of ISO 14001:2015 certification**. In 2025, the Group maintained its environmental management system certifications based on the risk management principle (ISO 14001), renewing all certifications subject to maintenance, audits and guaranteeing 80% coverage of the Group's business activities.

[31] For further information on aspects related to Green Procurement, please refer to Disclosure Requirement G1-2 in chapter "4.1 Business Conduct [ESRS G1]".

[32] For further information on aspects related to resources and waste, please refer to Disclosure Requirement E5-2 in chapter "2.3 Use of resources and circular economy [ESRS E5]".

[33] For further information on aspects related to the circular economy, please refer to Disclosure Requirement E5-2 in chapter "2.3 Resource use and circular economy [ESRS E5]".

- **GHG emissions verification in accordance with ISO 14064-1:2019**. In support of its carbon management policies and commitment to environmental sustainability, during the year the Group obtained verification of its greenhouse gas emissions for 2024 in accordance with the UNI EN ISO 14064-1:2019 standard, certifying their correct quantification and reporting in line with the international standards;
- **E – GAP**: Through its partnership with E-GAP, launched in 2023 and continuing in 2025, the Group enables employees at its headquarters to recharge their electric vehicles on the move and at a reduced rate, contributing to climate change mitigation.

The tables below summarise the initiatives launched by Lottomatica in relation to climate change. In particular, the scope of application and related time frames are indicated for each action. The type and amount of financial resources used for their implementation are reported only for actions considered material from a financial point of view[34].

Main actions	Field of application	Time horizons
Initiatives related to the transition plan launched		
Coverage through Guarantees of Origin for the use of electricity from renewable sources *(Energy Impact area)*	Dealer's direct network showrooms; Offices	2030
Hosting services: 100% renewable energy supply *(Green IT area)*	Hosting service providers for Lottomatica Group S.p.A. and Agesoft S.r.l.	2030
Mobile vs desktop *(Green IT area)*	WebApp and mobile digital platforms	2030
Replacement of the company's diesel fleet with electric and hybrid cars *(Green Mobility area)*	Replaceable non-commercial vehicles of Lottomatica Group	2030
Corporate Mobility Management: Company app for carpooling incentives *(Green Mobility area)*	Movement of employees at the headquarters	2028*
Corporate Mobility Management: shuttle incentive *(Green Mobility area)*	Movement of employees at the headquarters	2028*
Supplier involvement in ESG assessment *(Green Procurement area)*	Lottomatica Group suppliers	2030
Initiatives related to the transition plan to be launched		
Use of HVO *(Green Mobility area)*	Lottomatica Group, including commercial vehicles	2030
Dark Mode *(Green IT area)*[35]	WebApp and mobile digital platforms	2028
High-efficiency technologies and renewal of device fleets (Raspberry) *(Green IT area)*	Virtual PCs and Virtual Decoders in the halls	2028
Corporate Mobility Management: Public transport discounts *(Green Mobility area)*	Movement of employees at the headquarters	2028*
Additional initiatives		
Maintenance of ISO 14001:2015 certification	Betflag S.p.A.; Big Easy S.r.l.; GBO Italy S.p.A.; Gamenet S.p.A.; Lottomatica	Each year

[34] For further information on the materiality threshold identified by the Group for reporting the financial amounts of the actions, please refer to the paragraph 'Further considerations' in chapter "1.1 Criteria for preparation".

[35]It should be noted that, with reference to the subsidiary Totosì, the preliminary activities for the implementation of the initiative have already commenced. The 'to be launched' classification reflects the implementation status at a Group level.

	Videlot Rete S.p.A.; Marim S.r.l.; PWO S.p.A.; Totosì S.r.l..	
GHG verification in accordance with ISO 14064-1:2018	Lottomatica Group	Each year
E – GAP *(Green Mobility area)*	Headquarters	2025

*The investment plan has been approved for a three-year period (2025-2028) and may be subject to updates.

Main actions[36]	**Type of financial resources**	**CapEx (€)**	**OpEx (€)**	**Link with financial statement items**	**Future financial resources (€)**
Initiatives related to the transition plan					
Hosting services: 100% renewable energy supply	Provision of Services	-	480,000.00	Cost of services - Technical assistance and network management	480,000.00
Corporate Mobility Management: shuttle service incentive	Provision of Services	-	146,293.00	Personnel costs - Other personnel costs	254,540.00

The Group's ability to implement the actions described is closely linked to the availability of human, technological, organisational and financial resources, which are taken into account in the definition of the transition plan. Furthermore, access to competitive sources of financing that are also aligned with ESG criteria is an enabling factor for the implementation of these initiatives.

[36] With regard to climate change mitigation initiatives and actions, these have been reported without monetary reconciliation to the KPIs of Regulation (EU) 2021/2178. This approach stems from the adoption in FY 2025 of amendment 2026/73, which provides for the non-reporting of taxonomic KPI numerators if the materiality threshold is less than 10%.

Metrics and targets

DISCLOSURE REQUIREMENT E1-4

Objectives related to climate change mitigation and adaptation

Lottomatica Group is committed to actively contributing to climate change mitigation through a **decarbonisation process** with a time horizon in 2030, in line with **IPCC** recommendations, **SBTi** guidelines and **key European regulations**. The transition plan supports the provisions of the Group's Environmental Sustainability Policy and reinforces its commitment to the progressive reduction of direct and indirect emissions across the entire value chain. Through the levers described above, the Group plans to **reduce Scope 1 and Scope 2 emissions by 14% by 2030**, with a significant contribution deriving from initiatives relating to the company fleet and energy procurement. In addition, the Company has set a target to reduce **Scope 3 emissions by 16% by 2030** through targeted actions along the value chain, with particular reference to the areas of Green IT, Mobility Management and Green Procurement.

Emissions	Base year	Base value	Target year	Target value	% reduction
Scope 1 & 2 Emissions	2024	6,677 tCO_2e	2030	5,749 tCO_2e	-14%
Scope 3 Emissions	2024	73,673 tCO_2e	2030	61,683 tCO_2e	-16%

Methodologies and assumptions for setting targets

The definition of the decarbonisation targets is based on the Group's **carbon footprint** for FY 2024, verified in accordance with the **ISO 14064 standard** and consistent with the consolidated scope. The year 2024 has been identified as the base year for defining the transition plan and emission reduction targets, as it represents a financial year with an updated organisational scope that is more representative of the Group's structure and incorporates a methodological framework capable of ensuring a more solid, accurate and reliable database.

Compared with the targets set in the previous financial year, the target of reducing emissions related to the energy purchased for offices and points of sale, set at 95%, was fully achieved, standing at approximately 97% in relation to the considered scope.[37]

Furthermore, in 2025 the Group reviewed and updated its Scope 1, 2 and 3 emissions reduction targets, in light of the reasons described above. The targets, approved in December 2025 and currently in force, reflect a more advanced methodological and strategic framework than that of the previous year and form the basis for monitoring, starting from 2026, the Group's emissions performance.

In order to define future emission trajectories, the Group's development dynamics were taken into account and a **Business As Usual (BAU) reference scenario** was established, representing the expected evolution of the emissions in the absence of further structural decarbonisation measures beyond those already planned. Emissions were projected to 2030 using a compound annual growth rate (CAGR) in order to realistically represent the evolution of the Group's scope and business volumes. In addition, the definition of the targets was informed by the principles and methodologies of the SBTi

[37] The scope included the Rome headquarters and all national sites where Group companies have direct control over utilities, with the exception of Distante S.r.l. (acquired by the Group during 2025).

framework, used as a technical reference to assess the consistency of the targets with the internationally recognised climate scenarios.

The target-setting process also involved internal stakeholders, including the relevant corporate functions (in particular External Relations & Communication, Purchasing & Shared Services, and Digital & Betting) and the Environmental Committee, as well as external stakeholders, namely some of the Group's main suppliers.

The emission reduction targets can be achieved through reduction levers, as described in Disclosure Requirement E1-3, which include both initiatives already in place within Lottomatica and actions that may be implemented in the medium term, as well as potential contextual developments that could contribute to the target's achievement. The contribution of each individual lever that enabled the development of the transition plan from the base year 2024 to the target year 2030 is shown below:

Scope 1 and 2

1. Increased use of HVO for the company fleet (-7%);
2. Introduction of plug-in hybrid and electric models (-1%);
3. Procurement of renewable electricity through Guarantees of Origin (GO) (-6%).

Overall, the combined effect of the levers described above enables the Group to forecast an overall reduction in Scope 1 and Scope 2 emissions of 14% by 2030 compared to the base year 2024, in line with the decarbonisation curves developed.

Scope 3

- Increase in the percentage of recycled materials in IT and Cabinet spare parts, both for the purchase of goods and capital goods (-0.2%);
- Hosting services: use of electricity from renewable sources by suppliers (-0.2%);
- Increased use of HVO by transport and logistics providers (-4%);
- Mobility management initiatives (-1.7%);
- Greater use of electric vehicles and HVO by customers travelling to points of sale (-6.6%);
- Evolution of the national energy mix towards renewable sources, optimisation of digital device usage and introduction of dark mode (-1.5%);
- Technological renewal of devices with more energy-efficient solutions and the introduction of new devices to replace traditional PCs (-0.6%).

Overall, the combined effect of directly implementable levers and contextual developments has enabled the Group to forecast an overall reduction in Scope 3 emissions of 16% by 2030 compared to the base year 2024, in line with the decarbonisation curves developed.

DISCLOSURE REQUIREMENT E1-5

Energy consumption and energy mix

Electricity consumption in the offices, gaming rooms and points of sale represents the largest sources of direct and indirect energy use, the values of which have been aggregated in the following table and calculated in MWh.

Fuel consumption	u.m.	2025	2024
From non-renewable sources			
Methane gas for heating	MWh	15,498.50	15,303.74
Natural gas for transport		141.94	0.16
Diesel fuel for motor vehicles		10,379.88	8,284.91
Petrol for motor vehicles		3,654.18	2,342.06
LPG for motor vehicles		78.28	41.42
From renewable sources			
HVO biodiesel for transport		87.22	26.19
Total fuel consumption		**29,840.00**	**25,998.50**

Purchased energy	u.m.	2025	2024
Electricity purchased from non-renewable sources	MWh	1,247.98	1,544.14
Electricity purchased from nuclear sources		**0**	0
Electric energy purchased from renewable sources		27,938.71	26,392.00
Heat purchased for district heating		89.95	64.96
Total energy purchased		**29,276.64**	**28,001.10**

Total energy consumption	u.m.	2025	2024[38]
Total energy consumption from fossil fuels	MWh	**31,090.71**	**27,581.41**
Total energy consumption from nuclear sources		**0**	**0**
Total energy consumption from renewable sources		**28,025.93**	**26,418.19**
of which: consumption of fuels from renewable sources, including biomass (which also includes industrial and urban waste of biological origin), biofuels, biogas, hydrogen from renewable sources		*87.22*	*26.19*
of which: consumption of electricity, heat, steam and cooling from renewable sources, purchased or acquired		*27,938.71*	*26,392.00*
of which: consumption of renewable energy self-produced without the use of fuels		*0*	*0*

[38] For the sake of completeness, it should be noted that the figures for the 2024 financial year have been restated following some minor refinements in the calculation methodology.

DISCLOSURE REQUIREMENT E1-6

Gross GHG emissions from Scope 1, 2, 3 and total emissions

Total emissions	u.m.	2025	2024
Scope 1 Emissions			
Scope 1 gross emissions	tCO_2e	7,003.48	5,956.46
Scope 1 emissions covered by regulated emissions trading schemes	%		0
Scope 2 Emissions			
Scope 2 gross emissions (location-based)	tCO_2e	5,871.65	6,666.06
Scope 2 gross emissions (market-based)		570,33	720.63
Scope 3 Emissions			
Total gross indirect Scope 3 emissions (location-based)	tCO_2e	73,467.70	73,868.86
Total gross indirect Scope 3 emissions (market-based)		72,247.87	73,259.59
1. Purchased goods and services		6,353.55	4,360.03
Subcategory: Cloud computing and data centre services		*240.71*	*238.54*
2. Capital goods		21,253.15	14,132.16
3. Fuel and energy-related activities (not included in Scope 1 or 2) (location-based)		2,779.43	2,537.42
3. Fuel and energy-related activities (not included in Scope 1 or 2) (market-based)		1,559.61	1,928.10
4. Upstream transport and distribution		5,755.24	6,250.43
5. Waste generated during operations		23.26	209.01
6. Business travel		269.71	351.50
7. Employee commuting		3,727.57	3,058.46
8. Upstream leasing activities		N.A.	3,668.29
9. Downstream transport		8.180,58	10,001.84
11. Use of products sold		19,585.20	23,114.71
13. Downstream leasing activities		5,299.29	5,946.54
Total emissions			
Total emissions (location-based)	tCO_2e	**86,342.83**	**86,491.45**
Total emissions (market-based)		**79,821.68**	**79,936.68**

The intensity of greenhouse gas emissions in relation to net revenues[39] is a key indicator for assessing the Group's environmental efficiency.

Emissions intensity relative to net revenues	u.m.	2025	2024
Total emissions (location-based) relative to net revenues	tCO_2e / €	0.0000384	0.0000431
Total emissions (market-based) relative to net revenues		0.0000355	0.0000398

With the exception of Scope 1 emissions, which in absolute terms show an increase in 2025 compared to the previous year mainly due to business growth and the expansion of the commercial network, overall emissions show a reduction compared to 2024, reflecting the improvement in carbon efficiency relative to business growth.

[39] For further details on net revenues used to calculate emissions intensity, please refer to the section entitled "Revenues" in the chapter entitled "Group financial performance" in the Management Report.

Estimates and assumptions for calculation

The corporate scope of Lottomatica Group has changed significantly in recent years; therefore, the **methodology used to calculate GHG emissions has been progressively refined**. In particular, starting in 2024, Lottomatica initiated a process of organisational and procedural restructuring that enabled more detailed data collection, replacing the spend-based approaches with methodologies more closely aligned with the specific and physical analysis of the emission sources (activity-based, production-based and distance-based).

In order to ensure the correct interpretation of the greenhouse gas emission trends and their comparability with the previous period, the following significant changes occurred in 2025:

- **Change in the organisational scope (M&A)**: during 2025, the Group continued its vertical and horizontal integration process through the acquisition of new companies[40]. This expansion of the consolidation scope resulted in a natural increase in absolute emissions (Scopes 1, 2 and 3) due to the inclusion of the activities of the newly acquired companies. It should also be noted that some directly managed venues were temporarily closed and subsequently reopened with expanded operating areas, resulting in an increase in energy consumption, particularly gas and electricity. Therefore, comparison with the previous year's figures must take into account this structural discontinuity, which, on the basis of a like-for-like comparison, reflects the Group's growth rather than a change in emissions performance.
- **Change in the accounting criterion for capital goods (Scope 3, Category 2)**: the methodological approach for calculating emissions from capital goods was revised. While in the 2024 financial year the impact was estimated by allocating an annual share proportional to depreciation, from 2025 onwards the full carbon impact relating exclusively to capital goods acquired in the reference year has been reported. As a result of this change, the 2025 figure reflects the volume of the investments made during the year. However, it was not feasible to apply the same considerations to 2024 for the purposes of a possible adjustment of the emissions reported in that category, due to objective difficulties in reconstructing historical data caused by numerous changes in the company's scope.
- **Refinement of the impact assessment of acquired logistics (Scope 3, Category 4):** for upstream transport, a weighted conversion factor was used, calculated for 37% of the journey by van and 63% by heavy goods vehicle (refined compared to last year's reporting, where a conservative margin of 30% for van journeys was assumed), for typical express courier routes in Italy (based on ISTAT data). Again, in order to refine the emission factors, for the heavy goods vehicle (HGV) component, rigid vehicles with a mass between 3.5 and 7.5 tonnes were considered, which represents a significant reduction compared to that adopted for 2024.
- **Methodological and value chain review (Scope 3, Category 8):** with a view to continuous improvement and alignment with CSRD requirements, ESRS standards and the GHG Protocol, a review of the relevant emission categories was conducted. In particular, the accounting methodology for gaming devices and terminals was modified. Unlike in the previous financial year, the impact of these assets was reported focusing only on their operating phase (energy consumption during use, therefore reporting in Scope 1 and Scope 2 in the case of assets used within the organisational perimeter, or Scope 3, category 11 'Use of products sold' in the case of assets used in the indirect network), thus excluding the 'Cradle-to-Gate' (C2G) impact of assets acquired through rental or similar forms (see 'revenue share'). This consideration included VLT gaming machines, which are structurally acquired in such forms. For this reason, category 8 'Upstream leased assets' of Scope 3 has not been valued for 2025, as it is completely linked to the C2G impact (optional according to

[40] For further details on changes in the structure of Lottomatica Group, please refer to the section "Scope of consolidation and consolidation criteria" in the chapter "Summary of accounting principles" in the Notes to the consolidated financial statements.

the GHG Protocol). Furthermore, it was not feasible to apply the same considerations to 2024 for the purpose of a possible adjustment of the emissions reported in this category.

For the purposes of calculating the Group's Carbon Footprint, in 2025 Lottomatica adopted a dual reference framework, enabling greenhouse gas emissions to be reported in accordance with both the **GHG Protocol** and the **ISO 14064:2018 standard**. The methodological procedure adopted to collect and systematise the data and measure the GHG emissions involved the following steps, applied to each Group company within the organisational and consolidation boundaries:

1. **GHG analysis**: for this phase, a training and support workshop was organised by the specialised team to analyse the main emission sources arising from the activities of the individual legal entities of Lottomatica Group. In particular, the business analysis focused on defining the main activities carried out by each company in order to determine the emissions impact profile of each entity. This was achieved through the active participation of both Lottomatica's Environmental Sustainability Committee and the designated representatives (senior management or cross-functional organisational figures with in-depth knowledge of the specific business). As a result, through the analysis of the Scope 1 and Scope 2 emission sources, it was possible to identify the "plants" (single plant, set of plants, or stationary or mobile production processes) within the organisational boundary from which one or more GHG emission sources originate. For indirect Scope 3 emissions, a significance analysis (magnitude, influence and reportability) was also carried out, enabling certain categories to be included or excluded from the subsequent data collection and GHG inventory phases.
2. **GHG data collection**: this phase involved the structured collection of the primary data for all Group companies. By way of example and without limitation, data were collected on activities generating emissions, such as quantities of energy in the form of methane gas (m^3), motor fuels (l) or electricity consumed (kWh), materials produced by asset type (kg), and capital goods purchased by asset type (kg), covering over 400 activities with a significant climate-related environmental impact across approximately 110 types of GHG emission sources.
3. **GHG inventory**: for this phase, a list of significant GHG sources was prepared, with the quantification of the relative emissions for each legal entity. The data were subsequently aggregated at Group level. The main emission factors used were those provided by ISPRA and DEFRA, considered appropriate for calculating the Organisation's carbon footprint through the application of activity-based and production-based methodologies. Sector-specific studies were also used for certain GHG-generating activities, such as Cradle-to-Gate factors relating to vehicles and trucks and those associated with the operation of cloud services.

There are no time misalignments in the reporting period with respect to the primary data collected for the measurement of GHG emissions for 2025.

The main contractual instrument used by Lottomatica Group for the purchase of electricity is Guarantees of Origin (GO), electronic certifications issued by the GSE that certify the renewable origin of the sources used for electricity generation. With regard to Scope 2 emissions, under the market-based method, electricity consumption covered by Guarantees of Origin is accounted for using an emission factor of zero, in line with the provisions of the *Greenhouse Gas Protocol – Scope 2 Guidance*. For the remaining portion not covered by Guarantees of Origin, the emission factor associated with the non-renewable residual fossil fuel mix is applied. At the same time, the location-based method quantifies Scope 2 emissions based on the average Italian energy mix, country in which most of the Group's operations take place. With regard to biogenic emissions, one emission source was identified in the combustion process of HVO (Hydrotreated Vegetable Oil) biodiesel, as it is produced from biological and renewable raw materials, such as waste vegetable oils or animal fats. The calculation of total biogenic emissions used the DEFRA emission factor reported in the "outside the scope" group, as detailed below:

Biofuel	Activity	UOM	GHG/Unit	GHG Conversion Factor 2025	Total Biogenic Emissions (TCO2e)
Biodiesel HVO	9,149.66	litres	kg CO_2e of CO_2 per unit	2.43	22.23

All companies within the Lottomatica Group's CSRD reporting scope were included in the materiality analysis underlying the data collection for the Group's Carbon Footprint. The materiality analysis carried out for each company identified the main categories of GHG emission sources. The Scope 3 emission categories are listed below in the order and nomenclature specified by the GHG Protocol, together with the corresponding calculation methodology adopted.

Cat. 1. Purchased goods and services: weights and quantities were defined based on data relating to the purchase of recurring products or products characteristic of the specific business, which were subsequently converted using material-use conversion factors. In addition to material goods, the services considered relevant and included in the analysis are those of Data Centre and Cloud Services, for which the open-source Cloud Carbon Footprint methodology was applied.

Cat. 2. Capital goods: in this category are included material goods and capital goods capitalised in the asset register and directly related to Lottomatica's business activities, mainly represented by electrical and electronic equipment (i.e. Information Technology), electromechanical equipment (e.g. gaming equipment) and vehicles used for commercial and logistics activities. GHG emissions were calculated using conversion factors relating to the use of IT materials and metals or by applying product carbon footprint values (as per the "Low Carbon Vehicle Partnership" source). Furnishings were considered for the large Billions and Big Easy direct halls and for the Gamenet and Lottomatica Videolot Rete concessionaires. For capital goods, the allocation of GHG emissions for the reference year is calculated entirely, i.e. for the entire C2G of the acquired asset.

Cat. 3. Activities related to fuels and energy (not included in Scope 1 or 2): based on the consumption data reported in Scope 1 and 2, emissions associated with the production and transport of purchased energy were calculated by considering network losses in line with ARERA indicators of 10% for low voltage (LV) and 3.8% for medium voltage (MV). Well-to-tank (WTT) conversion factors were applied for fuels and other forms of imported energy.

Cat. 4. Upstream transport and distribution: based on the kilometres travelled for upstream transport, a weighted conversion factor was applied, calculated as 37% of the journey by van and 63% by heavy goods vehicle, considering typical routes for express couriers in Italy (based on ISTAT data).

Cat. 5. Waste generated during operations: for each of its sites, a Group company is only able to report data on outgoing resources with adequate accuracy where recovery or disposal activities are supported by processes that ensure reliable quantification, either as a result of regulatory requirements or established operational practices. If, for example, the company procures services from authorised private operators for the collection and treatment of materials and waste (including waste similar to municipal solid waste, or special or hazardous waste) due to regulatory obligations or operational agreements in relation to the local public service available, these operators issue the appropriate documentation which, where applicable, also contributes to reporting through the Single Environmental Declaration Form (MUD). For this reason, at present, the GHG emissions impact can only be calculated for companies that have processes in place for the classification and quantification of outgoing resources as described above. Consequently, operational sites that rely solely on a municipal collection service compliant with Ta.Ri., outside the aforementioned form/MUD cases, may be classified as not generating a significant GHG emissions impact for 2024, also due to the inability to quantify outgoing resources (unless the local public waste manager issues appropriate certification of the quantities of materials collected and their respective destinations). Finally, it should be noted that the distribution of

municipal waste between recovery and disposal operations is carried out using the national municipal waste management mix published by ISPRA. In particular, based on the most recent statistics available, 66% of municipal waste is considered to be sent for separate collection, while the remaining portion is attributed to the main disposal methods, divided between incineration (18%) and landfill (15%).**Cat. 6. Business travel**: for each recorded mode of transport (short-term car hire, train or plane), the total number of kilometres travelled is converted using the corresponding emission factors. Furthermore, in 2025, the calculation model was further refined to include overnight stays for business trips. As in previous years, the estimated daily mileage for each hire is 150 km.

Cat. 7. Employee commuting: for each mode of transport recorded in kilometres, or for hours of home working, the corresponding GHG emissions impact is calculated.

Cat. 9. Downstream transport: this category also conventionally includes emissions related to the transport of customers and visitors to Lottomatica's direct sales rooms larger than 1,000 square metres, in accordance with subcategory 3.4 of ISO 14064:2018. The average distances travelled and the number of customers are also estimated on the basis of market analysis, and conversion factors relating to travel by private vehicle are applied to these values.

Cat. 11. Use of products sold: usage scenarios for the products and services generating the Lottomatica Group's main revenues were traced to those of the physical gaming business, with an associated estimate of the consumption of gaming machines managed by Group companies (considering specific operating times depending on the type of device or channel) and typical power consumption values for each type of gaming device, as well as to the online business, with an estimate of user device consumption based on the number of users and the average duration of the gaming sessions. It should be noted that this category includes all energy consumption relating to gaming machines operated at locations outside Lottomatica; as a result, a portion of the GHG emissions that were classified in Category 13 in the 2023 reporting year, relating to downstream leasing activities, are now included in Category 11, relating to the use of products sold.

Cat. 12. End-of-life treatment of products sold: the analysis of this emissions category shows that the Lottomatica Group carries out a specific and intensive activity of regenerating electronic gaming boards (performed by specialised Group companies) and gaming machines more generally, which are therefore characterised by a long life cycle. Conversely, the Lottomatica Group provides digital services that do not generate waste materials. Accordingly, all significant end-of-life materials are disposed of and reported under Category 5.

Cat. 13. Downstream leasing activities: this category has been specifically assessed for GHG emissions related to electricity consumption generated by terminals and IT equipment used within the Lottomatica Group's betting sales network. These include capital goods made available to the network to carry out sales activities, provide information to users, and promote and deliver services through indirect physical channels.

Categories 8 (Upstream leasing activities), 10 (Transformation of products sold), 14 (Franchising) and 15 (Investments) were not identified as having a significant or quantifiable GHG emissions impact.

DISCLOSURE REQUIREMENT E1-9

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

For further information on the expected financial effects of physical climate risks arising from the Climate Risk Assessment, please refer to Disclosure Requirement E1 ESRS 2 SBM-3.

2.3 Resource use and circular economy [ESRS E5]

Lottomatica Group considers **environmental protection** a **strategic priority** for creating sustainable value and is continuously committed to the **efficient use and management of natural resources and waste**, promoting virtuous practices throughout the value chain. Below is a list of IROs identified as material through the double materiality analysis, which the Group manages through specific policies and concrete actions based on circular economy principles, aimed at responsible resource use and waste management.

ESRS E5 – USE OF RESOURCES AND CIRCULAR ECONOMY					
ESRS (SUB-TOPIC)	**IRO**	**DESCRIPTION**	**POSITIVE / NEGATIVE ACTUAL / POTENTIAL**	**TIME HORIZON**	**VALUE CHAIN**
Waste	I	Generation of waste that requires disposal (incineration/landfill) rather than recycling	Negative Actual	Short Medium Long	Own Operations Upstream Downstream
	R	Inadequate or partial compliance with the environmental legislation		Short Medium	Own Operations

The offices and gaming rooms of Lottomatica Group produce almost exclusively urban waste, which is properly sorted and largely disposed of via public collection services, in line with the local Municipal guidelines. The disposal of special waste (hazardous and non-hazardous) and waste similar to municipal waste that is not managed at the municipal level is entrusted to qualified companies that ensure the application of the current regulations.

Management of impacts, risks, and opportunities

DISCLOSURE REQUIREMENT E5-1

Policies related to resource use and the circular economy

Lottomatica's commitments and policies[41] on the circular economy focus on minimising resource consumption, reducing waste, and encouraging Group suppliers to comply with environmental laws while implementing circular practices, thereby continuously improving management systems and performance in this area.

[41] For further information on the Group's circular economy policies, please refer to the "Summary of Policies" section in the "General Information" chapter.

DISCLOSURE REQUIREMENT E5-2

Actions and resources related to resource use and the circular economy

In 2025, the Group continued various initiatives launched in previous years, focusing on circularity and sustainable resource management to mitigate the negative impacts of waste production:

- **Repair Lab (repair and disposal of electronic devices)**: The internal Repair Lab carries out the repair, maintenance and disposal of company electronic assets in accordance with ISO 14001-certified procedures, enabling the Group to reduce its environmental impact, extend product life cycles and limit waste generation, while ensuring compliance with the applicable regulations. In 2025, 15,412 electronic assets were processed, an increase of 13% over 2024, of which 10,337 were repaired (67.07%), 2,822 repaired under warranty (18.31%), and the remainder scrapped (14.62%).
- **Redemption and donation of electronic devices**: Lottomatica Group offers employees the opportunity to redeem company computers and phones for non-work use through a dedicated procedure, thereby promoting the extension of the useful life of company assets and reducing their environmental impact. In this regard, 87 devices were redeemed in 2025 compared to 40 in 2024, with further allocations also planned for 2026. Unredeemed or discarded equipment, by contrast, is donated to third-sector organisations in order to extend the life cycle of company assets and reduce waste generation.
- **Separate waste collection**: the Group carries out separate collection of urban waste in accordance with the local regulations, in order to ensure proper disposal and contribute to reducing its environmental impact.
- **Become Green (Clean-up day)**: Become Green is an internal awareness campaign launched in 2020 with the aim of encouraging virtuous behaviour and strengthening environmental culture within the Group. Over the years, numerous resources have been produced for employees under the Become Green campaign, covering topics from good practices in waste separation to proper water use to avoid waste in 2025. As part of the programme, two "clean-up days" were organised in 2024 and 2025 in collaboration with the Ambiente Mare Italia association on Rome's Ostia coastline, open to voluntary participation by Group employees.
- **GoSign**: Launched in 2022, GoSign is a progressive dematerialisation project aimed at reducing paper consumption in office activities and consequently a portion of the urban waste produced. In particular, through the InfoCert Group's GoSign platform, which enables digital document signing, Lottomatica has eliminated most paper usage, for example for contracts with suppliers and the sales network, purchase orders, employment contracts, and procedure and policy approval processes. In 2025, approximately 240,000 pages were processed through GoSign, a 30% increase over the previous year.
- **FSC Paper**: Lottomatica Group is committed to reducing paper consumption and to using FSC-certified paper from responsibly and sustainably managed forests. FSC-certified paper is used in particular for office and stationery purposes (100% of the office paper purchased for the Rome head office) printing materials for points of sale and for gaming receipts.

The tables below summarise the initiatives launched by Lottomatica in the field of the circular economy. In particular, the scope of application and the relevant time frames are indicated for each action. The type and amount of financial resources used for their implementation are reported only for actions considered material from a financial point of view[42].

[42] For further information on the materiality threshold identified by the Group for reporting the financial amounts of the shares, please refer to the section "Additional considerations" in chapter "1.1 Criteria for preparation".

Main actions	Field of application	Time horizons
Repair Lab (repair)	Concessionaires	Each year
Repair Lab (disposal)	Concessionaires	Each year
Redemption/donation of electronic devices	Headquarters; Lottomatica Group	Each year
Waste separation	Headquarters	Each year
Become Green (Clean-up day)	Headquarters	Each year
GoSign	Lottomatica Group	Each year
FSC Paper	Headquarters; Gamenet S.p.A.; GBO Italy S.p.A.; Lottomatica Videolet Rete S.p.A.; PWO S.p.A.	Each year

Main actions	Type of financial resources	CapEx (€)	OpEx (€)	Link with financial statement items	Future financial resources (€)
Repair Lab (repair)	Purchase of goods	118,340.00	-	Goods and other purchases	340,000.00
FSC Paper	Purchase of goods	-	2,572,418.46	Other operating costs and expenses – purchases of goods and other items	2,920,200.00

Metrics and targets

DISCLOSURE REQUIREMENT E5-3

Objectives related to resource use and the circular economy

In line with the Environmental Sustainability Policy, the Group is committed to preventing and reducing waste production and ensures waste is managed correctly according to legislation and internal regulations. In this regard, no specific quantitative targets for waste have been set, given that the company primarily produces waste similar to municipal waste. However, the Group monitors KPIs to assess the effectiveness of its Environmental Sustainability Policy and initiatives to reduce waste impact, and is considering setting specific targets as part of its sustainability strategy.

DISCLOSURE REQUIREMENT E5-5

Resource outflows

The Group has implemented a **structured waste management and monitoring system**, including periodic updates to procedures for both internal operations and activities outsourced to external organisations, alongside communication and awareness-raising initiatives for employees aimed at reducing waste. In 2025, 519,27 tonnes of waste were generated, of which 95.80 tonnes were hazardous, mainly attributable to two types:

- municipal waste, generated through standard office, gaming hall, and warehouse operations, which is sorted and mostly managed by public collection services according to Municipal guidelines;
- hazardous and non-hazardous special waste, mainly resulting from activities at the Repair Lab, and the AWP and VLT divisions.

Disposal of waste similar to municipal waste not managed municipally, and special waste (hazardous and non-hazardous), is **entrusted to qualified companies** that guarantee compliance with the current regulations. The main type of waste produced, consistent with the Group's sector, is electrical/electronic

waste, primarily from AWP and VLT machines and gaming room equipment. This waste may be hazardous or non-hazardous and mainly consists of electrical/electronic components, printer ink, and lithium batteries.

Waste diverted from disposal	u.m.	2025		2024	
		Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste
Preparation for re-use	t	0	40.88	0	41.89
Recycling		0	12.37	0	80.69
Other recovery operations		94.69	309.03	164.16	341.93
Total		**94.69**	**362.28**	**164.16**	**464.51**
		456.97		**628.66**	

Waste directed to disposal	u.m.	2025		2024	
		Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste
Incineration	t	0	26.04	0	0
Landfill disposal		0	23.59	0.06	19.31
Other disposal operations		1.11	11.56	182.00	0
Total		**1.11**	**61.19**	**182.06**	**19.31**
		62.30		**201.37**	

Non-recycled waste	u.m.	2025	2024
Non-recycled waste	t	62.30	201.37
Total waste		519.27	830.03
Percentage of waste not recycled	**%**	**12.00**	**24.26**

In order to estimate the amount of municipal waste, in the absence of a system for accurately measuring the quantities actually delivered to each Group site, the methodology took into account the official data published by Eurostat on the amount of non-hazardous waste (expressed in kilograms per capita) relating to the services sector. Specifically, the estimate was made by distinguishing employees by country (Italy, Malta, Austria and Serbia) and applying the corresponding per capita value published by Eurostat (55 for Italy, 254 for Malta, 306 for Austria and 47 for Serbia) to each national perimeter. The breakdown of municipal waste between recovery and disposal operations is carried out using the national municipal waste management mix published by ISPRA. In particular, based on the most recent statistics available, 66% of municipal waste is considered to be sent for separate collection, while the remaining share is attributed to the main disposal methods, divided between incineration (18%) and landfill (15%). However, it was not feasible to apply the same considerations to 2024 for the purposes of a possible adjustment of the reported municipal waste, due to objective difficulties in reconstructing historical data as a result of methodological changes following changes in the ownership structure of Lottomatica Group. For special waste, the methodology was based on the Waste Identification Form (FIR) accompanying transport, particularly the "fourth copy", which reports the quantities, types, and treatment of waste entrusted by the Group to authorised companies for recovery or disposal.

3. Social Information

3.1 Own workforce [ESRS S1]

Lottomatica Group considers the **protection** and **well-being** of **its workforce** a **strategic priority** for creating sustainable value and is continuously committed to ensuring **fair, safe, and inclusive working conditions** while promoting respect for employee rights. Below is a list of IROs identified as relevant by the double materiality analysis, which the Group is committed to managing through specific policies and concrete actions aimed at promoting fairness, skills development, organisational well-being, and the protection of diversity and inclusion.

ESRS S1 – OWN WORKFORCE					
ESRS (SUB-TOPIC)	**IRO**	**DESCRIPTION**	**POSITIVE / NEGATIVE ACTUAL / POTENTIAL**	**TIME HORIZON**	**VALUE CHAIN**
Working conditions	I	Employment stability and work-life balance	Positive Actual	Short Medium Long	Own operations
	I	Violations of rights and regulations relating to working conditions	Negative Potential	Medium Long	Own operations
	O	Adoption of flexible and hybrid working models		Short Medium Long	Own operations
	I	Raising employee awareness of occupational health and safety issues	Positive Actual	Short Medium Long	Own operations
	I	Workplace accidents involving employees	Negative Actual	Short Medium Long	Own operations
	R	Inadequate or partial compliance with occupational health and safety legislation		Short Medium	Own operations
Equal treatment and opportunities for all	I	Incidents of discrimination and gender pay inequality	Negative Actual	Short Medium Long	Own operations
	I	Attracting, developing and training employees	Positive Actual	Short Medium Long	Own operations
	O	Training and professional development programmes, including financial training and e-learning		Short Medium Long	Own operations
Other work-related rights	I	Incidents of human rights violations	Negative Potential	Medium Long	Own operations
	I	Cyberattacks and/or information theft	Negative Potential	Medium Long	Own operations
	R	Incorrect/lack of management of logical access constraints		Short Medium	Own operations
	R	Untimely, incomplete and/or incorrect implementation of the established security policies and specifications		Short	Own operations

R	Inadequate or partial compliance with personal data protection legislation	Short Medium	Own operations
R	Lack of, or inadequate, protection of personal data for Machine Learning and Artificial Intelligence applications, potentially leading to data breaches or theft, or business impacts that could compromise the reliability of the gaming systems	Short Medium	Own operations
R	Failure to identify actions to prevent cyber attacks or theft of information and data	Short Medium	Own operations
R	Inadequate establishment, implementation, review, maintenance or improvement of the Information Security Management System (ISMS) within the context of the implementation and management of information systems and services related to the legally required retention activities	Short Medium	Own operations
R	Inadequate data management, in terms of: confidentiality, integrity and availability	Short Medium	Own operations

Strategy

DISCLOSURE REQUIREMENT ESRS 2 SBM-3

Material impacts, risks and opportunities and their interaction with the company's strategy and business model

The Group's workforce consists primarily of employees, and all those on whom Lottomatica could have a significant impact are included in the disclosure pursuant to ESRS 2, as they are covered by the IRO analysis conducted through the double materiality process. Furthermore, the significant **negative impacts** identified are not structurally attributable to Lottomatica but relate to individual, isolated incidents, as they are specific situations that mainly affect individuals rather than the entire organisational structure. At the same time, the Group generates **positive impacts** through initiatives aimed at meeting employees' daily needs and ensuring the protection and valorisation of their rights. The main measures adopted include inclusive and robust contractual policies, people care and welfare programmes, an occupational safety management system compliant with ISO 45001, health and safety awareness campaigns, coaching and professional development programmes, as well as projects and collaborations with higher education and specialist training institutions.

Lottomatica constantly **monitors risks and opportunities** related to workforce management across three main areas:

- **training**: by implementing professional development programmes and valorising the skills of talented individuals, including through funded training and e-learning, the Group aims to attract and retain a highly qualified and diverse workforce;
- **smart working**: with a flexible working model, the Group seeks to improve the work-life balance of its people;
- **retention**: adequate salaries and job stability help retain talent, thereby reducing staff turnover and shortening the time delay needed to replace employees.

These initiatives enable the Group to proactively address the challenges of resource management, optimising allocation, improving engagement, and strengthening corporate resilience, while creating a sustainable, inclusive, and growth-oriented work environment.

In line with its "LESS" environmental strategy, Lottomatica promotes environmental awareness through in-depth programmes and initiatives as part of its "Become Green" programme, which guides the Group and its employees on a journey of increasing awareness. Involving employees in these projects strengthens their sense of belonging and motivation, fostering the perception of the company as an active player in creating a sustainable future. Awareness of environmental issues thus becomes a key element of corporate cohesion and identity, directly impacting well-being and collective commitment. Among the concrete initiatives, Lottomatica promotes separate waste collection in offices, the use of thermal water bottles through the installation of water dispensers at its headquarters, and the recycling of plastic bags (in Serbia), encouraging responsible behaviour among employees. In 2025, engagement events continued, including Clean-up Day in collaboration with the Ambiente Mare Italia association, as well as similar activities in Serbia in support of the BELhospice charity. In addition, an internal campaign against water waste was launched at the end of the year, which will continue in 2026 with new content and activities. Finally, in the area of awareness-raising, the “Dominate The Water” project was presented at MEDFEST in Olbia, where LottomaticaSport, as main sponsor, promoted amateur open water swimming, in support of Gregorio Paltrinieri’s initiative.

It should be noted that in 2025 there were no operations involving a serious risk of forced or compulsory labour. Furthermore, Lottomatica has not identified any categories of its own workers who are particularly exposed to negative effects related to specific characteristics, working contexts, or types of activities, nor has it identified any significant risks or opportunities affecting specific groups of workers in a manner distinct from the entire workforce.

Management of impacts, risks, and opportunities

DISCLOSURE REQUIREMENT S1-1

Policies related to own workforce

Lottomatica has adopted specific policies[43] for managing its workforce, aimed at ensuring **respect for human rights** and promoting a **safe and fair working environment**. In particular, the Human Rights Protection Policy, approved by the Board of Directors, applies to all parties in the Group's value chain, including its own employees, suppliers, partners, and customers. It focuses on non-discrimination, fair and favourable working conditions, health and safety, training, and freedom of association and collective bargaining, explicitly addressing the fight against child and forced labour.

Lottomatica's workforce **policies** comply with the internationally recognised instruments and are updated annually based on assessments and monitoring of national and international trends in the protection of fundamental rights. In particular, through its policies and Code of Ethics, the Group adheres to the principles of the **Universal Declaration of Human Rights**, the **International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work**, and the **eight fundamental ILO Conventions**, including those on forced labour (Conventions Nos. 29 and 105), freedom of association (Nos. 87 and 98), equal remuneration (No. 100), discrimination in employment (No. 111), and the abolition of child labour (Nos. 138 and 182).

[43] For further information on the policies adopted by the Group regarding own workforce, please refer to the "Summary of policies" section in the "General information" chapter.

Lottomatica adopts structured tools for **engaging and listening** to employees, including discussions with the HR team, periodic surveys, and onboarding processes, with the aim of enhancing active employee participation in company decisions. **Reporting mechanisms** are in place to ensure the protection of workers' rights, alongside **procedures** for managing and remedying any negative impacts on human rights within the company, such as the whistleblowing system, which is also governed by the reporting management procedure[44]. In addition, the Group has implemented a **workplace safety management system** that provides for constant monitoring of working conditions, risk training, and the provision of accident prevention tools.

The Group has introduced targeted policies to **eliminate discrimination and promote equal opportunities**, expressly stating that Lottomatica operates impartially and does not tolerate any form of direct, indirect, multiple, or interconnected discrimination based on gender, age, disability, ethnicity, social or geographical background, trade union membership, language, religion, political or sexual orientation, gender identity, nationality, marital status, or socio-cultural background. The promotion of diversity and inclusion is supported by a dedicated policy which, in addition to ensuring fair treatment, provides specific measures for the most vulnerable categories of the workforce.

The implementation of these policies is reinforced by company procedures designed to prevent and manage incidents of discrimination, fostering an inclusive and respectful environment.

- **HR processes**. The recruitment process values diversity and inclusion, ensuring transparent and impartial selection. Job postings include explicit statements against all forms of discrimination.
- **Certifications**. In line with previous year, Lottomatica has obtained UNI/PdR 125:2022 Certification for gender equality and Top Employer Italia certification for the second consecutive year.
- **D&I governance**. Lottomatica has established a Cultural Innovation Committee and a Cultural Innovation Manager, supported by five thematic working groups that develop and implement the Cultural Innovation Action Plan for the relevant year. These bodies are complemented by the Gender Equality Committee, which supports the definition of the Gender Equality Policy, promotes inclusion, integration and equal opportunities within the organisation, and identifies initiatives aimed at overcoming all forms of workplace discrimination.
- **Training and awareness**. In 2025, the Group launched a training course open to all employees at its Italian offices entitled "Play Your Skills", the first module of which is dedicated to "Cultural Innovation". In addition, through the Younicity platform, employees can access further training courses, concise lessons, seminars, and sharing labs related to diversity and inclusion issues. In Serbia, the HR team also conducted training on Gender Equality aimed at promoting inclusive and respectful behaviour.

In terms of accessibility, particular attention is paid to removing architectural barriers in order to support the inclusion of people with disabilities. The Venice office has been relocated to an accessible building, while in Rome, two evacuation slides have been installed to ensure safety in case of emergency, accompanied by specific training for floor staff.

Lottomatica **communicates its policies clearly and transparently** through various channels, including the company intranet and institutional website, ensuring accessibility for all stakeholders, including vulnerable groups. To facilitate understanding of the published content, the Company also provides materials translated into multiple languages, as well as infographics, videos, and motion graphics, which are disseminated through various communication channels (email, intranet, screens). From 2024, the MyLottomatica Intranet will be bilingual, featuring texts and subtitles in English for international colleagues. With this integration in mind, Italian language classes have been launched in

[44] For further information on the whistleblowing system, please refer to the section “Policies on corporate culture and business conduct – ESRS G1 G1-1 disclosure requirement” in the chapter “Business conduct [ESRS G1]”.

Serbia for key personnel, aiming to break down cultural barriers and foster a cohesive and inclusive working environment.

Between December 2024 and January 2025, the Group conducted the Disability & Accessibility Survey among its entire workforce in Italy to gather employees' perspectives on inclusion and accessibility for people with disabilities, whether visible or invisible, within the organisation. Over 900 colleagues responded, confirming widespread awareness of the issue and the Group's strong commitment to promoting an increasingly inclusive corporate culture attentive to diverse needs and focused on the well-being of all employees.

The effectiveness of the diversity and inclusion policies is monitored through structured procedures, periodic risk assessments, a system for reporting violations (including whistleblowing), and a system of sanctions. The Group also collects employee feedback through surveys and the "Talk to HR" tool on the intranet. In line with this approach to valuing people, in 2025 the Group renewed its Corporate DNA by introducing its Purpose, which constitutes the Group's profound raison d'être, and redefining its Vision and Mission to represent its evolution in an even more authentic way.

People Strategy

In defining its workforce strategy, Lottomatica has adopted an integrated approach aimed not only at mitigating the risks associated with workforce management but also at seizing new opportunities for professional and personal development for employees. With this in mind, Lottomatica's **People Strategy** was launched in 2022: a medium- to long-term programme that, grounded in the corporate DNA and aimed at further consolidating a sense of belonging to a single large Group, outlines the direction of development for people and the Organisation in terms of culture, tools, systems, and processes, and in relation to the company's sustainable growth objectives. The Group's People Strategy has three priorities:

- **Enable**. Investing in people development, and cultivating the staff's potential and skills through dedicated learning plans, projects, and programmes.
- **Empower**. Promoting excellent organisational behaviour, performance, and processes through a strong leadership and responsibility model consistent with the company's DNA.
- **Engage**. Fuelling everyone's passion and energy, while at the same time promoting a sense of team spirit and personal well-being, so that the staff are increasingly proud of their Group and the work they do every day.

These drivers do not constitute a functional or organisational verticalisation but serve as nodes of a "network" system that synergistically connects activities involving all employees in the Group. In 2026, Lottomatica plans to review and update its People Strategy to make it even more integrated with the Corporate DNA and ESG Strategy, in the belief that sustainability begins with people.

Continuous training is a fundamental pillar, with professional development programmes accessible via digital platforms and personalised courses designed to meet the needs of both technical and cross-functional skills development. Another key element is the promotion of **work-life balance** and active respect for diversity and human rights, ensuring equal opportunities for all employees. Although these policies apply to the entire workforce, specific plans or interventions may be activated to address the particular needs of certain employee groups.

Occupational health and safety risk management

Lottomatica has set out clear **guidelines** for **protecting health and safety in the workplace** through specific internal policies, adopting **advanced risk prevention protocols** and ensuring a working environment that meets the **highest standards**. In this regard, the accident prevention policy is based on an **assessment of risks** present at the workplace. This assessment is carried out by the Occupational Health and Safety Manager (OHMS), on behalf of the Employer, for each Group company, and involves identifying hazards, evaluating risks present in the working environment, and determining prevention and protection measures to minimise these risks, such as the requirement to use Personal Protective Equipment (PPE) for certain homogeneous groups. In addition, the OHSM prepares and updates, as necessary, the Emergency and Evacuation Plan (EEP) to define the measures required to manage any emergencies. Where the EEP is not provided, specific emergency sheets are drawn up as an alternative, serving the same purpose. Finally, the OHSM and the Competent Doctor carry out annual inspections at each of the Group's sites to assess the health conditions of the work environments and identify any corrective actions required.

Workers and the environment

Lottomatica clearly communicates changes to its policies, providing context on strategies to mitigate risks and negative impacts on workers arising from the transition to more sustainable operations. In line with its Environmental Sustainability Policy, Lottomatica promotes **awareness initiatives** aimed at employees to encourage participation, while negative impacts on workers are also managed through the Environmental Sustainability Committee. In this way, **professional retraining and the creation of new employment opportunities** are fostered, ensuring fair, inclusive, and sustainable change.

Skills development

Lottomatica focuses on the growth and development of its people through its People Strategy. Training initiatives include access to platforms such as goFluent for language learning, HRC's Learning Square for soft and hard skills development, Younicity, in collaboration with Valore D, to promote diversity and inclusion. All courses are available at any time. Ad hoc providers are also engaged for specific requests, such as Udemy for technical and professional courses, or training projects are structured using interprofessional funds. In 2025, training hours increased by 36% compared to 2024. Additionally, the StepUp programme has been strengthened to enhance the employees' potential through experiential training, networking, webinars, and professional and language development courses. In 2025, the "Continuous Feedback" project was also launched to develop and promote a culture of feedback within the company, alongside the "Play Your Skills" project, a structured upskilling programme focused on Cultural Innovation, Data Management, Client Focus, Digital Transformation, Soft Skills, and Cyber Security.

The Group keeps records of all training activities. For in-person courses, the "Attendance Register Form" is completed by participants and collected at the end of the course, ensuring accurate monitoring of attendance. For e-learning courses, participation is recorded through detailed reports provided directly by the digital platform provider. All training courses delivered during the year, regardless of the method, are recorded in the "Training Summary File", which serves as a structured archive. This file includes essential information such as the type of course, participant names, period, and duration of attendance. The archive is kept up to date and maintained to ensure the transparent and traceable management of the employees' professional development paths.

DISCLOSURE REQUIREMENT S1-2

Processes for engaging with own workers and workers' representatives about impacts

Lottomatica is committed to considering the perspectives of its workforce when managing significant actual and potential impacts. The company collects feedback and comments from employees and their representatives on issues potentially affecting their working conditions. The **perspectives of the workforce guide company decisions**, ensuring that human resource management policies respond to employee needs and emerging workplace challenges, with a particular **focus on positive and negative impacts** on working conditions.

Engagement occurs both directly with employees, through digital tools such as surveys, the "Talk to HR" tool, and meetings with the HR team, and indirectly through dialogue with employee representatives, including Employee Safety Representatives (ESRs), with whom annual meetings are held to review workplace health and safety.

The Group actively promotes **employee involvement and listening** through tools that encourage dialogue and participation. The onboarding process for new hires includes multiple opportunities for interaction with HR, such as Personal Onboarding Day, Coffee with HR, and Monthly Onboarding Day, as well as digital tools such as surveys and questionnaires to gather ongoing feedback. An annual pulse survey is also conducted, and exit interviews are used to gather insights into reasons for employee departures. In terms of training, employees complete evaluation forms to assess course quality and the effectiveness of the skills acquired. Interviews are also conducted to assess work-related stress risks, and employees actively participate in emergency drills. In Serbia, the Company uses surveys and the Yammer channel to gather ideas and suggestions from colleagues as part of its internal listening initiatives.

Operational responsibility for employee engagement rests with the HR department, which coordinates activities across its various areas. The Chief People Officer (CPO) ensures that workforce inclusion is structured and that the HR policies are aligned with business objectives.

Lottomatica has adopted a **Policy of Inclusion and Respect for Human Rights** for all employees, establishing principles and guidelines to ensure a fair and respectful working environment. Although the company does not have a global framework agreement on human rights with employee representatives, its policy provides structured mechanisms for listening. One example of this is the second-level agreement with employee representatives at the Rome headquarters.

The Group ensures an **inclusive and accessible working environment**, with particular regard to vulnerable groups such as women, migrants, and people with disabilities. Lottomatica ensures that all employees have equal access to channels for dialogue and feedback, valuing their opinions and needs to create a fair and non-discriminatory workplace. Policies supporting diversity and inclusion, together with regular medical examinations, allow for monitoring and improved working conditions for employees with specific needs, including health-related requirements. The company addresses obstacles that could limit employee engagement, such as language, cultural, or gender barriers, by adopting an inclusive approach that considers the needs of specific groups, including people with disabilities, parents, and caregivers.

DISCLOSURE REQUIREMENT S1-3

Processes to remediate negative impacts and channels for own workers to raise concerns

Lottomatica has established structured processes to prevent and address negative impacts on its workforce. The company operates an **integrated governance and control system**, which includes procedures for identifying and periodically assessing internal and external risks, aimed at detecting any critical issues related to employee rights. In the event of incidents affecting workers, Lottomatica follows a defined procedure that involves identifying the issue, analysing its causes, and implementing corrective measures. The effectiveness of these measures is regularly monitored through internal audits, company surveys, and direct dialogue with employees.

To encourage direct communication between the company and its workforce, Lottomatica has established various **reporting and listening channels**, including:

- **Whistleblowing**, available to employees, collaborators, business partners, and third parties, allowing confidential reports to be submitted via the EthicsPoint platform or the 24/7 telephone line;
- **People Survey**, used by the HR team to monitor key indicators such as credibility, respect, fairness, cohesion, and company pride;
- **Talk to HR**, a digital function on the company intranet for submitting confidential requests to the Human Resources team;
- **Exit Interviews**, conducted to gather feedback from departing employees and improve engagement and business processes;
- **Specific health and safety channels**, such as dedicated email addresses to contact the company physician or the occupational health and safety Service.

DISCLOSURE REQUIREMENT S1-4

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Lottomatica has adopted a **structured approach to managing workforce impacts**, implementing **actions to prevent and mitigate negative effects** while promoting **initiatives that provide tangible benefits** for employees. The Company takes prompt action to address and resolve critical issues, continuously monitoring the effectiveness of measures through assessment and continuous improvement systems. The main actions taken, planned, and in progress are described below, along with the methods used to monitor and evaluate results.

Regarding occupational health and safety, the Group pursues a continuous improvement approach through regular updates to prevention and protection measures, periodic staff training, and health checks conducted by the Competent Physician. In the event of an accident, the OHSM (Occupational Health and Safety Manager) analyses the causes, implements corrective actions, and monitors their effectiveness.

In terms of inclusion, the Company maintains its existing Cultural Innovation programme, supported by the internal programme “Become Younique” and five dedicated working groups committed to fostering an inclusive culture through communication and concrete actions. In addition, in 2025 the "Play Your Skills" training project was launched, with a module dedicated entirely to Cultural Innovation.

In collective bargaining and social dialogue, Lottomatica maintains an **ongoing dialogue with employee representatives**, both directly and via employer associations, ensuring a collaborative and proactive work environment.

The **protection of personal data** and **cybersecurity** remain key priorities, as demonstrated by measures implemented to safeguard privacy and confidentiality. The Group takes steps to prevent IT risks and data loss by continuously monitoring and updating the company policies. Periodic internal or third party tests and checks are also scheduled to ensure security and compliance with the international regulations. In this context, management regularly submits formal reports on cybersecurity and data protection to the Board of Directors.

Monitoring and reporting actions are fundamental to the success of these initiatives. Lottomatica has implemented continuous monitoring mechanisms, including company climate surveys and listening channels, to gather workforce feedback. Based on this analysis, specific action plans are developed, which may include mediation or adjustments to company policies. Quantitative KPIs are reviewed monthly (training) or quarterly (health and safety, welfare & well-being, and job stability) and serve as the basis for implementing action plans. In its monitoring, Lottomatica has adopted an integrated approach involving internal functions such as HRO, Legal, and Internal Audit. This approach ensures that all company policies adhere to the highest standards of responsibility, ethics, and sustainability.

Lottomatica has reaffirmed its ongoing commitment to best practices, ensuring that all activities prevent or mitigate significant negative impacts on the workforce. The Group pays particular attention to critical areas such as procurement, sales, and data use to ensure that its operations consistently meet the highest standards of responsibility and ethics. Dedicated professionals and organisational structures manage key areas such as remuneration, workplace safety, and overall employee well-being. A specific budget is allocated to support these activities, ensuring sufficient resources to develop and implement initiatives, promote continuous improvement, and maintain compliance with the highest standards. This integrated approach allows the Group to address workforce needs effectively, with a particular focus on creating a safe and fair working environment for all employees.

Accordingly, the Group has developed and implemented targeted action plans to achieve its objectives. These initiatives are strategically structured, considering available resources, timelines, and critical issues, to ensure concrete and effective results.

Human rights

- **CCNL**: the Group applies the national collective labour agreements, guaranteeing employees working conditions that comply with sector standards and regulations. Additionally, the company robustly protects the right to freedom of association and trade union expression, ensuring all workers can freely organise and participate in trade union activities without restriction or intimidation.
- **Local communities**:
  - **People & Communities:** Lottomatica actively engages in social inclusion and community support projects, carried out throughout the year via the Lottomatica Foundation. These initiatives include: Fight the Stroke; the Ripartenze project; Banco Alimentare; participation in Race for the Cure and Run4Rome in support of scientific research; blood donation campaigns in Italy and Serbia; CePID; the Mobile Angel project in collaboration with the Carabinieri; social research initiatives; clean-up events; bottle cap collection; volunteering at the Salvamamme association headquarters; collection of gifts and clothing for hospitalised children or those in difficult circumstances, both in Italy and abroad; and the inauguration of the red bench at the Rome headquarters as a symbol of commitment to combating gender-based violence.
  - **Collaborations with third-sector organisations**: in 2025, Spazio Dono was launched, an initiative in which the Rome office opened its doors to local organisations and their fundraising

projects, offering over 1,200 colleagues the opportunity to contribute to these causes in a more informed and participatory way. Thanks to this initiative, colleagues were able to support Associazione KIM, Bea a Colori and Banco Alimentare. In addition, Lottomatica supported the ELIS Young Lab project, a dedicated space for gathering, welcoming, and raising awareness for minors and young adults. In Serbia, support continued in 2025 for the BELhospice initiative, which provides palliative care to adult patients with malignant diseases and children with life-limiting conditions, as well as organising sports tournaments for humanitarian purposes and supporting the Youth with Disabilities Centre, which aims to improve the quality of life and social inclusion of people with disabilities while providing mentoring opportunities.

- **Education and scientific research**: the Group is committed to promoting cultural development and dialogue with younger generations to facilitate their access to the world of work. The projects carried out in 2025, also through the Lottomatica Foundation, included: “Digitalmente attivi” (Digitally Active), a partnership with leading Italian universities to support research and innovative projects (European University of Rome, Roma Tre, La Sapienza, University of Rome Foro Italico, University of Milan, eCampus University); Summer Job TRED, in which the Rome headquarters hosted 25 students from the Liceo per la Transizione Ecologica e Digitale (High School for Ecological and Digital Transition), introducing them to Lottomatica’s activities in digital transformation, innovation, AI, cyber security, and ESG; Participation in the Luiss Summer Internship programme to welcome summer interns; Placement of a person with refugee status in an internship; Participation in university career days (nine in 2025), offering opportunities to engage with young students and recent graduates, and contributing to recognition as Best Employer 2025 from Luiss. During the year, the Company also hosted a group of American students from the IES Foundation as part of a seminar on Italian professional culture, providing opportunities to discuss corporate values, innovation, and career development.

- **Training**: continuous training is a cornerstone of the Group's human rights protection policy and serves as the tool through which Lottomatica promotes human capital development, with initiatives aimed at ensuring the professional and cultural growth of employees and participants in its activities.

D&I

- **Fair-pay project**: the Group has implemented initiatives to adjust the lowest salaries, ensuring fair compensation aligned with industry standards. In 2025, 9% of the Group's workforce participated in the Fair Pay Project.
- **Training**: The Group promotes diversity and inclusion principles training and awareness initiatives for all employees, fostering a corporate culture of respect for differences and equal opportunities.
- **Partnerships**: the Group collaborates with "Valore D", providing employees access to the Younicity portal, a platform for developing diversity and inclusion skills through courses, seminars, and resources addressing social responsibility issues.
- **Food collection**: the Group organises annual food collection campaigns for charitable organisations to help alleviate hunger, marginalisation, and poverty. 700 kilograms of food and essential items were collected in 2025.
- **Partnership with Rosso for blood donation**: Lottomatica collaborates with Rosso, a start-up aiming to eliminate the blood emergency in Italy by 2030, organising periodic blood donation campaigns for Group employees. In 2025, two campaigns were held in April and October, with more than 50 employees from the Rome headquarters participating. For its commitment, Lottomatica received the "Corporate Lifesaver" recognition from Rosso. In addition, in 2025 the Group launched a pilot initiative enabling all employees in Italy to donate blood at the nearest donation centre through the Rosso platform.

Gender equality

- **Gender pay gap**: the Group is gradually reducing the gender pay gap, aiming for full equality by 2030. This commitment is reflected in steady annual improvement, with the gap narrowing from -3.5% in 2024 to -2.7% in 2025. For further information, please refer to the “Remuneration metrics” section.
- **Female managers**: the Group encourages greater female representation in managerial positions through targeted recruitment strategies and development and coaching programmes for women already in the company, supporting professional growth and access to leadership roles. This approach increased the proportion of women in managerial positions from 29% in 2024 to 32% in 2025.

Smart working

- To promote work-life balance, the Group offers flexible working up to two days per week, with exceptions allowed under company policy. In 2025, 92% of employees took advantage of smart working, consistent with previous years.

Awards and certifications

- **ISO 45001 – Occupational Health and Safety Management System**: renewed for all companies within the scope of consolidation and extended to include the Mestre office of GBO Italy S.p.A.
- **UNI/PdR 125:2022**: renewed again in 2025, certifying adherence to quality standards and practices that promote gender equality at the workplace.
- **ISO 26000:2020**: renewed again in 2025, confirming responsible management in areas such as governance, human rights, and working conditions.
- **Best HR Team**: Recognition promoted by HRC Community, obtained for the third consecutive year.
- **Top Employer Italia 2025**: awarded to organisations achieving the highest standards in HR practices, obtained for the second consecutive year.

The following tables summarise the initiatives launched by Lottomatica with regard to its workforce. In particular, the scope of application and the relevant time frames are indicated for each action. The type and amount of financial resources used for their implementation are reported only for actions considered material from a financial point of view[45].

[45] For further information on the materiality threshold identified by the Group for reporting the financial amounts of the shares, please refer to the section “Additional considerations” in chapter “1.1 Criteria for preparation”.

Main actions	Field of application	Time horizons
Human rights – CCNL	All Lottomatica Group employees in countries where collective bargaining exists	Each year
Human rights – Local communities	Local communities	Each year
Human rights – Training	Lottomatica Group	Each year
D&I – Fair pay project	Lottomatica Group	Each year
D&I Training	Lottomatica Group	Each year
D&I Partnerships	Lottomatica Group	Each year
D&I – Food collection	12 sites in 6 different regions	Each year
D&I – Partnership with Rosso for blood donation	Gruppo Lottomatica	Each year
Gender equality – Gender pay gap	Lottomatica Group	Each year
Gender equality – Female managers	Lottomatica Group	Each year
Adoption of smart working	Lottomatica Group	Each year
Maintenance of ISO 45001 certification	Betflag S.p.A.; Gamenet S.p.A.; GBO Italy S.p.A.; Lottomatica Group S.p.A.; Lottomatica Videolot Rete S.p.A.; PWO S.p.A.; Totosì S.r.l.	Each year
UNI/PdR 125	Lottomatica Group	Each year
ISO 26000:2020 certification	Lottomatica Group	Each year
Best HR Team	Lottomatica Group	Each year
Top Employer	Lottomatica Group	Each year

Main actions	Type of financial resources	CapEx (€)	OpEx (€)	Link with financial statement items	Future financial resources (€)
Human rights – Training	Provision of Services	-	355,250.00	Costs for services - Other	438,282.72
D&I - Fai pay project	-	-	114,206.21	-	-
Gender equality – Gender pay gap	Personnel costs	-	253,788.96	-	-
Gender equality – Female managers	Prestazione di servizi-	-	100,228.16	-	-

The following actions are planned or already underway to pursue relevant opportunities.

With regard to flexible working and work-life balance, as well as welfare and well-being, 2025 saw the enrichment of the "Become Healthy" programme with new activities, reinforcing the Group's commitment to promoting healthy and active lifestyles.

The main new developments for the year included:

- **Healthy eating**: in collaboration with Miomeal, and with the support of a nutritionist and a well-known digital content creator, Lottomatica launched "Chef in Action", an initiative that transforms cooking into an interactive experience. Through guided video recipes and a gamified mechanism, participants put themselves to the test, experiencing first-hand the importance of a balanced diet. A fun and engaging way to learn how to make more informed nutritional choices. In addition, a twice-weekly fresh fruit delivery service was introduced at the Rome office in all break areas to encourage healthier breaks for colleagues;
- **Physical well-being**: exercise is a key component of well-being, and in addition to the Gaming Cup – the annual five-a-side football and padel tournament involving major public gaming companies – the Group also enhanced its programme with monthly training classes. With the support of expert trainers, colleagues could participate in varied and dynamic sessions designed to meet different needs and interests. Sports tournaments were also organised in Serbia, achieving widespread participation;
- **Creativity Lab**: creativity and well-being are closely linked. During the year, two ceramics and sewing workshops were held, stimulating creativity and offering participants a relaxing, hands-on experience. These workshops were organised in collaboration with the KIM Association, which provides shelter and assistance to sick children and their families.

Regarding foreign countries, in 2025 Serbia continued implementing its "disconnection" programme, aimed at promoting well-being and work-life balance. The programme allows colleagues to benefit from reduced working hours on the second Friday of each month and every Friday during the summer, providing regular opportunities for rest. Also in Serbia, the "Baby Pack" initiative continued in 2025, offering a gift to new parents to support them during a particularly significant and delicate period in their lives. In addition to being a tangible gesture of care for employees and their families, this initiative is also part of a broader corporate strategy aimed at promoting an inclusive culture attentive to employee needs, supporting parenthood and a better work-life balance. In 2025, in Serbia significant attention was also given to financial well-being, recognised as a key factor in overall employee well-being, with two training workshops being held to promote financial literacy and provide participants with practical tools for more informed management of their resources. Additionally, a physical well-being programme dedicated to health and prevention continued.

With regard to training, the main initiatives currently underway or planned include:

- **The StepUp programme.** Continuing in 2025, StepUp is an 18-month structured programme designed to develop the skills of selected employees based on specific potential KPIs. In this edition, the programme was divided into three categories (Young, Senior, and Middle), with main objectives including:
  - cultivating and developing participants' potential;
  - creating a distinctive leadership style aligned with Lottomatica's competency model;
  - building personalised paths to foster professional growth and career aspirations;
  - improving retention of high-potential employees;
  - developing language skills through tailor-made courses.

- **Individual coaching/mentorship paths and development programmes.** Lottomatica has developed coaching and development programmes for strategic figures. These programmes aim to address skills gaps identified through evaluation and feedback processes or potential assessments, and to develop key role-specific characteristics such as leadership and change management.
- **Starting New Managers.** Lottomatica offers a CFMT-funded training programme for new managers. This programme aims to:
  - support participants in taking on their new roles;
  - strengthen strategic skills such as motivating employees, adaptability to change, decision-making speed, and long-term strategic vision.
- **Training courses for new Middle Managers.** Lottomatica has developed a specific programme to strengthen managerial skills, focusing on:
  - horizontal and meta-skills based on Lottomatica's three-level model (Foundational, Strategic, and Competitive/Advanced);
  - the ability to perform their roles effectively and manage associated responsibilities.
- **Continuous Feedback.** Launched in 2025 and partly funded through interprofessional funds, this programme develops and promotes a culture of feedback within the company through three experiential workshops for selected employees.
- **Potential assessment.** An evaluation of employees in terms of model and role skills, to define development paths aligned with identified gaps.
- **Cyberguru.** In 2025, all employees in Italy participated in IT security training via a revamped experience and a new platform. The programme provides modules to raise awareness of cyber risks and improve security in personal and professional contexts, with content accessible at any time and progress monitored via assessment tests at the end of each module.
- **Training programme on ESG (Environmental, Social, Governance) issues.** In 2024, Lottomatica organised a training programme to raise awareness of sustainability, consisting of 7 webinars and related summary training capsules. Thanks to the option to follow the content synchronously or asynchronously, the programme remained widely accessible in 2025, encouraging broad participation.
- **Ad hoc training courses.** Following the 2024 MyEvaluation internal assessment process, ad hoc training courses were implemented in 2025 in specific areas (soft skills, technical, administrative, specialist, and linguistic) to fill gaps or strengthen skills on particular topics and/or work tools.
- **GROW.** The programme, aimed at employees in key roles, was launched in Serbia to address both individual development needs and the challenges arising from the company's strategic objectives.

During the year, mandatory annual training on regulatory compliance was also carried out for all colleagues, focusing on four main topics: AML, Responsible Gaming, Information Security, and GDPR. In addition, ad hoc courses were organised for the HR team, particularly on internal and external communication and gender equality, and for colleagues in the Operations & Technology area, focusing on machine learning, analytics, and web development frameworks.

Privacy and confidentiality

Lottomatica Group continues to implement robust measures to prevent and mitigate IT risks and any loss of personal data or unauthorised access, and regularly delivers mandatory training courses on data privacy and cybersecurity, alongside communication initiatives aimed at raising awareness. These measures, aligned with the national and international best practices, are continuously monitored and updated. Tests and checks, including penetration tests, vulnerability assessments, IT infrastructure reviews, and evaluations of data protection policies, are repeated annually to ensure that the measures remain appropriate to the actual risks, with regular internal and third party audits being conducted as well.

The Group’s compliance system and policies on personal data processing and cybersecurity are supported by a robust governance structure involving the main company departments, each with clearly defined responsibilities. In particular, the Legal Department is responsible for fulfilling all requirements imposed by the current legislation to ensure compliance and accountability, while the Control and Risk Committee oversees, among other matters, privacy and data protection aspects. The Group has also appointed a Data Protection Officer and introduced a cyclical Security Governance process to define the Security Development Strategy and the relative Security Development Plan. The relevant policies and systems are constantly evolving to meet stakeholder and consumer needs and to ensure alignment with new EU regulations on technology, data, and innovation. This commitment is demonstrated by the achievement of ISO 27701:2019 certification for personal data management and protection by several Group companies (GBO Italy S.p.A., Betflag S.p.A., Totosì S.r.l., and Gamenet S.p.A.), with plans to extend the certification to other concessionaire companies: Lottomatica Videolot Rete S.p.A., PWO S.p.A., and the parent company Lottomatica Group S.p.A.

Employment stability – Fair Pay

In 2025, the Fair Pay project continued, maintaining its goal of guaranteeing all Lottomatica employees a minimum wage threshold aligned with the cost of living, particularly for lower-income employees. Considering recent increases in the cost of living and the limitations of gross disposable income per capita in ensuring a decent standard of living, the initiative adjusted the lowest wages accordingly, independently of work performance.

World Health and Safety Day

On World Health and Safety Day, the Group launched the "Think twice: don't drink & drive" campaign in Italy, aimed at promoting road safety and responsible driving. This initiative included the distribution of disposable alcohol tests to all employees at Italian sites and an informative meeting on road safety. In addition, mandatory legal training courses were held in both Italy and Serbia.

Metrics and targets

DISCLOSURE REQUIREMENT S1-5

Targets related to managing significant negative impacts, enhancing positive impacts, and managing material risks and opportunities

Through specific annual measures aimed at reducing the gender pay gap, the Group has **committed to eliminating it entirely by 2030**. In 2025, the Group maintained its methodology for calculating the gender pay gap based on relative position classes.

This approach, aligned with the **Mercer IPE international evaluation system**, assigns different weights to organisational positions based on qualitative and quantitative criteria. To analyse the data meaningfully and consistently, Lottomatica has organised their aggregation into homogeneous bands by role and organisational weight. The gender pay gap is then calculated using these bands in comparison with the Market Reference. It should be noted that, starting from a base value of -6.90% in 2022, the **gender pay gap has decreased to -2.7%** using this approach. The indicator is monitored quarterly through the HR Dashboard in order to assess its trend and promptly define any necessary corrective actions.

DISCLOSURE REQUIREMENT S1-6

Characteristics of the company's employees

The information on the **composition of the Lottomatica Group's workforce** is provided below. The data includes the total number of employees broken down by gender. In addition, the different types of contracts are detailed, distinguishing between permanent employees, fixed-term employees, and employees with variable working hours, with a breakdown by gender.

Employee characteristics	u.m.	2025					2024				
		Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total
Permanent employees	No.	823	1,596	0	0	**2,419**	830	1,610	0	0	2,440
Fixed-term employees		70	76	0	0	**146**	109	117	0	0	226
Variable-hour employees		0	0	0	0	**0**	1	0	0	0	1
Total employees	**No.**	**893**	**1,672**	**0**	**0**	**2,565**	**940**	**1,727**	**0**	**0**	**2,667**

Employee characteristics	u.m.	2025					2024				
		Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total
Full-time employees	No.	810	1,634	0	0	2,444	819	1,675	0	0	2,494
Part-time employees		83	38	0	0	121	121	52	0	0	173
Total employees	**No.**	**893**	**1,672**	**0**	**0**	**2,565**	**940**	**1,727**	**0**	**0**	**2,667**

Employee characteristics	u.m.	2025	2024
Number of employees	No.	2,565	2,667
Number of departures		467	382
Employee turnover rate[46]	%	18.21	14.32

The FTE (Full-Time Equivalent) is calculated by proportionally adjusting the working hours of the part-time employees (e.g.: 1 employee is considered 0.5 FTE if they work half the total hours stipulated in their contract); furthermore, the data reported reflects the consolidation of Group data at the end of the reference period (31/12/2025).

DISCLOSURE REQUIREMENT S1-7

Characteristics of non-employees in the company's workforce

The information on the total number of non-employees within the company's workforce is provided below. The data reported corresponds to the end of the reference period (31/12/2025) and includes both self-employed workers with collaboration contracts (including directors) and temporary agency workers.

Characteristics of non-employee workers	u.m.	2025	2024
Self-employed non-employees	No.	31	20
Workers supplied by companies engaged in personnel recruitment, selection, and supply		6	2
Total non-employees		**37**	**22**

DISCLOSURE REQUIREMENT S1-8

Coverage of collective bargaining and social dialogue

Lottomatica monitors and communicates information relating to collective bargaining coverage and social dialogue, which are fundamental to ensuring fair and transparent working conditions. In particular, information is provided on the percentage of employees covered by collective agreements and the proportion of workers represented by trade union bodies. These data provide an overview of employee involvement in negotiation and social dialogue processes, contributing to a more participatory and inclusive work environment.

The information on the **contractual coverage** of the employees and social dialogue within the company is provided below. In particular, the data indicate the percentage of total employees covered by collective agreements, offering an overview of their prevalence within the organisation, and the total number of employees represented by workers' representative bodies.

[46] The turnover rate calculation considers not only employees who left voluntarily, but also those who departed due to dismissal, retirement, or death.

Collective bargaining and social dialogue	u.m.	2025	2024
Number of employees covered by collective bargaining agreements	No.	2,190	2,253
Number of employees covered by workers' representatives		2,141	2,193
Number of employees		2,565	2,667
Percentage of employees covered by collective agreements	%	**85.38**	**84.48**
Social dialogue coverage		**83.47**	**82.23**

There are no agreements in place for representation by a European Works Council (EWC), a European Company (EC) Works Council, or a European Cooperative Society (ECS) Works Council.

	Coverage of collective bargaining		Social dialogue
Coverage rate[47]	**Employees – EEA (for countries with >50 employees representing >10% of total employees)**	**Employees – Non-EEA (estimate for regions with >50 employees representing >10% of total employees)**	**Workplace representation (EEA only) (for countries with >50 employees representing >10% of total employees)**
0-19%	-	Serbia	-
20-39%	-	-	-
40-59%	-	-	-
60-79%	-	-	-
80-100%	Italy	-	Italy

DISCLOSURE REQUIREMENT S1-9

Diversity metrics

Recognising diversity as a key driver of growth, Lottomatica has adopted a Diversity Policy and specific programmes aimed at promoting diversity, primarily gender diversity, strengthening management responsibilities, and monitoring company performance in this area. In this regard, the Group monitors the composition of its workforce, paying particular attention to **gender diversity in senior management** and the **distribution of employees by age group**. With regard to the first metric, the company reports both the number and percentage of men and women in leadership positions, providing an overview of gender equality in senior management. Specifically, for senior management, the Group has considered the Chief Executive Officer and his direct reports (first and second level). Regarding the distribution of employees by age group, Lottomatica divides its workforce into three main groups to monitor intergenerational balance, aiming to leverage the experience and skills of older employees while fostering innovation and new perspectives from younger generations.

[47] It should be noted that the coverage rates for collective bargaining and social dialogue were the same for 2024 and 2025.

Gender diversity in senior management	u.m.	2025	2024
Senior management employees	No.	**14**	**13**
of which: women		5	5
of which: men		9	8
of which: other		0	0
of which: not disclosed		0	0
Percentage of women in senior management	%	**35.71**	**38.46**
Percentage of men in senior management		**64.29**	**61.54**

Distribution of employees by age group	u.m.	2025 < 30 years	2025 30-50 years	2025 > 50 years	2025 Total	2024 < 30 years	2024 30-50 years	2024 > 50 years	2024 Total
Managers	No.	0	29	27	**56**	0	29	30	**59**
Middle Managers		0	149	87	**236**	2	144	83	**229**
White collar workers		228	1,351	363	**1,942**	236	1,405	345	**1,986**
Blue collar workers		37	194	100	**331**	81	216	96	**393**
Total employees		**265**	**1,723**	**577**	**2,565**	**319**	**1,794**	**554**	**2,667**
Managers	%	0	1.13	1.05	2.18	0	1.09	1.12	**2.21**
Middle Managers		0	5.81	3.39	9.20	0.07	5.40	3.11	**8.59**
White collar workers		8.89	52.67	14.15	75.71	8.85	52.68	12.94	**74.47**
Blue collar workers		1.44	7.56	3.90	12.90	3.04	8.10	3.60	**14.74**
Total employees		**10.33**	**67.17**	**22.50**	**100.00**	**11.96**	**67.27**	**20.77**	**100.00**

DISCLOSURE REQUIREMENT S1-10

Adequate wages

All Group employees receive an adequate salary, in line with the applicable benchmarks, i.e. the minimum wages defined by the National Collective Labour Agreements (CCNL). It should be noted that Lottomatica applies various CCNLs with specific minimum salary levels and guarantees that all employees receive remuneration above the minimum established by the CCNL applicable to their position. In particular, the adequate salary is € 20,226, corresponding to the weighted average of the minimum wages set out in the CCNLs adopted by the Group. The lowest salary, which still complies with the contractual minimum, is € 17,891.66.

Salaries	u.m.	2025	2024
Lowest salary	€	17,892	16,171
Adequate salary[48]		20,226	19,580
Ratio		**0.88**	**0.83**

[48] The adequate salary was calculated as the average of the company's minimum contractual salaries.

DISCLOSURE REQUIREMENT S1-11

Social protection

Lottomatica aims to support employees during key moments in their personal lives, ensuring that **all employees are covered by social protection against income loss** due to illness, unemployment, workplace accidents, acquired disability, parental leave, and retirement.

DISCLOSURE REQUIREMENT S1-12

Persons with disabilities

The Group recognises **equal opportunities for all employees**, regardless of sensory, cognitive, or motor disabilities, committing to creating accessible work environments and implementing concrete measures to promote the integration and inclusion of people with disabilities, fully valuing their talents and skills, and helping remove cultural, sensory, and physical barriers.

Persons with disabilities	u.m.	2025	2024
Number of employees with disabilities	No.	**112**	**92**
of which: women		55	48
of which: men		57	44
of which: other		0	0
of which: not disclosed		0	0
Percentage of employees with disabilities	%	**4.37**	**3.45**
of which: women		2.14	1.80
of which: men		2.22	1.65
of which: other		0	0
of which: not disclosed		0	0

DISCLOSURE REQUIREMENT S1-13

Training and skills development metrics

Professional development is crucial to the Group's competitiveness, not only for attracting and retaining high-quality talent but also for developing skills and establishing appropriate career paths. In this regard, the Group has adopted **periodic review systems** that account for both employees who participate in performance reviews and those whose remuneration is linked to the assessment of individual objectives.

Periodic reviews of employee performance and career development broken down by gender	u.m.	2025					2024				
		Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total
Employees who participated in periodic reviews	No.	620	1,230	0	0	**1,850**	646	1,299	0	0	**1,945**
Employees who participated in periodic reviews	**%**	69.43	73.56	0	0	**72.12**	68.72	75.22	0	0	**72.93**

Periodic reviews of employee performance and career development broken down by category	u.m.	2024 Managers	Middle Managers	White collar workers	Blue collar workers	Total
Employees who participated in periodic reviews	No.	59	189	1,544	153	**1,945**
Employees who participated in periodic reviews	**%**	100	82.53	77.74	38.93	**72.93**

Periodic reviews of employee performance and career development broken down by category	u.m.	2025 Managers	Middle Managers	White collar workers	Blue collar workers	Total
Employees who participated in periodic reviews	No.	52	202	1,485	111	**1,850**
Employees who participated in periodic reviews	**%**	92.86	85.59	76.47	33.53	**72.12**

Periodic reviews of the performance and career development of non-employees	u.m.	2025 Non-employees	2024 Non-employees
Number of non-employees who participated in reviews	No.	2	2
Percentage of non-employees who participated in reviews	%	5.41	9.09

Furthermore, Lottomatica considers training and the development of highly qualified and specialised profiles to be key strategic drivers of success and invests decisively and consistently in these areas, supporting employees in both their personal and professional growth. Specifically, in 2025, a total of 41,581 hours of training were provided, averaging 16.21 hours per employee, highlighting the Group's commitment to ensuring equal opportunities for development and skills enhancement among employees. In addition, Lottomatica measured the average number of training hours for non-employees for the first time, which amounted to 0.39 hours per non-employee worker.

Training hours for employees	u.m.	2025 Training hours	Average training hours	2024 Training hours	Average training hours
Women	No.	14,981.00	16.78	14,154.62	15.06
Men		26,600.00	15.91	16,319.70	9.45
Other		0.00	0.00	0.00	0.00
Not disclosed		0.00	0.00	0.00	0.00
Total		**41,581.00**	**16.21**	**30,474.32**	**11.43**

Training hours for non-employees	u.m.	2025 Non-employees
Non-employees trained	No.	**12**
Number of non-employees		**37**
Average training hours		**0.39**
Training hours		**14.36**

DISCLOSURE REQUIREMENT S1-14

Health and safety metrics

Lottomatica is committed to maintaining a safe work environment by ensuring the adoption of all the prevention and protection measures necessary to avoid, or at least minimise, any risks to health or physical safety, and by optimising the working conditions through the selection of suitable work equipment and the adoption of appropriate working methods. The Group recognises that **protecting health and safety** requires not only adequate training and the provision of appropriate tools and equipment in the workplace, but also the implementation of a robust management system aimed at improving prevention policies and effectively mitigating accidents and occupational illnesses. With this in mind, internal and third-party audits were carried out in 2025 on the Occupational Health and Safety Management System to maintain ISO 45001 certification for the seven Group companies already certified and to extend certification to the Mestre headquarters of GBO Italy S.p.A..

Health and safety	u.m.	2025			2024		
		Employees	Non-employees	Total	Employees	Non-employees	Total
Workers covered by the health and safety management system based on legal requirements and/or recognised standards or guidelines	%	100	100	100	100	100	**100**
Workers covered by the health and safety management system based on legal requirements and/or recognised standards or guidelines and subject to internal audit and/or external audit or certification[49]		52	N/A	52	47.32	N/A	**47.32**
Deaths due to work-related injuries and illnesses	No.	0	0	0	0	0	**0**
Recordable accidents at work		18	0	18	15	0	**15**
Hours worked		3,540,735	47,863	3,588,598	3,409,127.26	27,413.14	**3,436,540.40**
Recordable accident rate	**%**	**5.08**	**0.00**	**5.02**	**4.40**	**0.00**	**4.36**
Cases of work-related illnesses detected during the reference period among those previously part of the workforce	No.	0	0	0	0	0	**0**
Cases of recordable work-related illnesses		0	0	0	0	0	**0**
Days lost due to injuries and deaths at work		0	0	0	0	0	**0**

[49] This percentage refers only to employees of ISO 45001 certified companies.

DISCLOSURE REQUIREMENT S1-15

Work-life balance metrics

All Group employees are entitled to take leave for family reasons.

Family leave	u.m.	2025 Women	Men	Other	Not disclosed	Total	2024 Women	Men	Other	Not disclosed	Total
Number of employees entitled to take leave for family reasons	No.	893	1,672	0	0	**2,565**	940	1,727	0	0	**2,667**
Number of eligible employees who took family leave		102	65	0	0	**167**	99	125	0	0	**224**
Percentage of employees entitled to take leave for family reasons	%	100	100	0	0	**100**	100	100	0	0	**100**
Percentage of eligible employees who took family leave		11.42	3.89	0	0	**6.51**	10.53	7.24	0	0	**8.40**

DISCLOSURE REQUIREMENT S1-16

Remuneration metrics (pay gap and total remuneration)

The gender pay gap is determined by the Group based on the average gross hourly pay for male and female employees, according to the methodology defined by the relevant standard[50].

Average gross hourly wage	u.m	2025	2024
Gender pay gap	%	11	13
Complementary or variable components	**u.m.**		
Ratio between the total annual remuneration of the highest-paid individual and the median total annual remuneration of all employees (excluding the aforementioned individual)	-	54.65	60.04

In 2025, the Group continued to use the position class-based calculation method to measure the gender pay gap. This approach, in line with the Mercer IPE international evaluation system, assigns different weights to different organisational positions based on qualitative and quantitative criteria. To analyse the data meaningfully and consistently, Lottomatica has organised their aggregation into homogeneous bands by role and organisational weight. The gender pay gap was therefore calculated based on these bands and the Market Reference. Using this approach, the gender pay gap was 2.7% as at 31 December 2025. Employees' remuneration in countries other than Italy was adjusted by applying a

[50] As indicated by ESRS S1, the gender pay gap is calculated as follows: (average gross hourly pay for male employees – average gross hourly pay for female employees) / average gross hourly pay for male employees × 100. To calculate the pay gap, the total remuneration of all employees was considered, including the Chief Executive Officer and Executives with Strategic Responsibilities. In addition, Lottomatica calculates the ratio of the Chief Executive Officer's total remuneration to the median total annual remuneration of all employees.

multiplier equal to the ratio between Italy's purchasing power index (62.8) and the purchasing power index of the relevant country (Serbia 1.09; Malta 1.02; Austria 0.98).[51]

DISCLOSURE REQUIREMENT S1-17

Incidents, complaints and serious impacts on human rights

In the two-year period 2024-2025, **there were no incidents of discrimination**[52] **or serious human rights violations**[53], nor were any complaints filed through dedicated channels or national contact points; consequently, no fines, penalties, or compensation were recorded in these areas.

[51] Sources: Eurostat, CPI Indexes, 31/12/2025.

[52] It should be noted that the following forms of discrimination, among others, were considered: gender, race or ethnic origin, age, sexual orientation, and harassment.

[53] It should also be noted that the following cases were considered: failure to comply with the United Nations Guiding Principles on Business and Human Rights; failure to comply with the ILO Declaration on Fundamental Principles and Rights at Work; failure to comply with the OECD Guidelines for Multinational Enterprises.

3.2 Workers in the value chain [ESRS S2]

Lottomatica Group considers the **protection** and **valorisation** of **value chain workers** to be a **strategic priority** for creating sustainable value and is committed to ensuring **fair, safe, and inclusive working conditions**. The Group promotes the well-being of employees and collaborators, encourages virtuous behaviour throughout the value chain, and fosters the professional and personal growth of all stakeholders involved. Below is a list of IROs identified as material by the double materiality analysis, which the Group manages through specific policies and concrete actions to protect workers' rights, ensure a safe and inclusive work environment, and promote skills development, thus contributing to a fair and sustainable professional ecosystem.

ESRS S2 – VALUE CHAIN WORKERS					
ESRS (SUB-TOPIC)	**IRO**	**DESCRIPTION**	**POSITIVE / NEGATIVE ACTUAL / POTENTIAL**	**TIME HORIZON**	**VALUE CHAIN**
Working conditions	I	Heightened awareness of occupational health and safety issues among value chain workers	Positive Potential	Medium Long	Upstream Downstream
	I	Accidents at the workplace of suppliers, logistics sites, and points of sale	Negative Actual	Short Medium Long	Upstream Downstream
Equal treatment and opportunities for all	I	Expansion and updating of the skills of the workers in the production chain	Positive Potential	Medium Long	Upstream Downstream
Other work-related rights	I	Human rights violations along the value chain	Negative Potential	Medium Long	Upstream Downstream
	I	Cyber attacks and/or information theft along the value chain	Negative Potential	Medium Long	Upstream Downstream

Strategy

DISCLOSURE REQUIREMENT ESRS 2 SBM-3

Material impacts, risks and opportunities and their interaction with the company's strategy and business model

Within the scope of disclosure pursuant to ESRS 2, Lottomatica Group includes all value chain workers who may be significantly impacted by Group companies, whether directly connected to operations and the value chain, through products or services, or through commercial relationships.

The main types of workers included in the analysis are:

- workers who perform activities on company premises but are not part of the company's own workforce; and
- workers employed by entities in the upstream and downstream value chain.

Through its analyses, **no geographical area or product type was identified that presents significant risks of child**, **forced, or compulsory labour** in relation to value chain workers, and no

negative impacts emerged from the transition to greener operations. Moreover, no significant negative systemic impacts were identified in the Group's operations or procurement activities, as any such impacts would be linked to specific and limited events; nor were there any significant risks or opportunities arising from impacts on workers in the value chain or from dependencies on them. At the same time, the Group's commitment to generating positive impacts is also reflected in the companies and value chain workers, namely through the improvement of skills and training in the fields of health and safety.

Management of impacts, risks, and opportunities

DISCLOSURE REQUIREMENT S2-1

Policies related to value chain workers

The Group places primary emphasis on **protecting human rights and workers in the value chain** and has adopted **specific policies**[54] in this area, including the Code of Ethics and the Supplier Code of Conduct, which comply with the United Nations Guiding Principles on Business and Human Rights, and are available on the company website to ensure broad dissemination. In this regard, thanks to the effectiveness of the tools adopted, no cases of non-compliance with the international principles, standards, or guidelines involving workers in the value chain, including those issued by the United Nations, the International Labour Organisation (ILO), or the OECD, were reported in 2025.

The **Group's human rights commitments** in relation to value chain workers are outlined in the Code of Ethics, the Company Policy on the Protection and Promotion of Human Rights, and the Supplier Code of Conduct, even in the absence of global framework agreements. These documents describe the approach adopted to ensure respect for the human and labour rights of all individuals, including employees, suppliers, and partners, and explicitly reference the prohibition of forced and child labour. With specific regard to suppliers, in line with the Supplier Code of Conduct, they are required to ensure safe, suitable, and hygienic working facilities and resources for their employees and for workers employed through third parties or subcontractors, providing adequate personal protective equipment and ensuring appropriate health and safety training. Lottomatica suppliers must also adopt effective health, safety, prevention, and remediation policies and procedures in accordance with the applicable national, international, and industry regulations. In addition to being publicly accessible on the Group's institutional website, the Code of Ethics and the Supplier Code of Conduct are also integral parts of contracts with suppliers and business partners, and are expressly referenced within the Supplier and Operator Portal. These documents are therefore made available to all relevant parties, ensuring proper dissemination and accessibility.

In order to proactively identify any critical issues, Lottomatica is committed to adopting concrete measures to prevent and remedy potential impacts on human rights through an integrated governance and control system, which includes procedures for identifying and periodically assessing risks both within the Group and along the value chain. In cases of violations, Lottomatica has provided a dedicated reporting system, accessible to all workers employed by entities supplying goods or services or carrying out work on behalf of Group companies[55].

[54] For further information on the policies adopted regarding value chain workers, please refer to the "Summary of Policies" section in the "General Information" chapter.

[55] For further information on the whistleblowing system, please refer to the section "Policies on corporate culture and business conduct – ESRS G1 G1-1 disclosure requirement" in the chapter "Business conduct [ESRS G1]".

In this context, and with a preventive approach, the Group promotes specific training initiatives aimed at collaborators and managers of the points of sale to increase their awareness of the risks of money laundering and terrorist financing (ML/TF) associated with their roles, while also ensuring access to dedicated channels for reporting any violations or non-compliant conduct[56].

Lottomatica also aims to maintain an **open relationship based on collaboration and dialogue** with the players in its value chain, including its network of commercial partners and points of sale throughout the country, promoting the virtuous sharing of know-how and the strengthening of responsible standards throughout the supply chain, while always ensuring maximum protection and security.

DISCLOSURE REQUIREMENT S2-2

Processes for engaging with value chain workers about impacts

Lottomatica Group considers the **views of value chain workers** when guiding activities aimed at managing the material impacts that affect them. In fact, resources that collaborate with the Group in various capacities, for example because they carry out their work at entities that supply goods or services or perform work on behalf of Group companies, are included among the recipients of the reporting management procedure, and may therefore submit reports and express their opinions through dedicated channels.

As part of the double materiality analysis carried out in 2024 and confirmed in 2025, **key actors in the value chain were involved in assessing the impacts** associated with the Group's activities. This process involved **representatives from around 40 companies** (including hardware and software providers, logistics, maintenance, hospitality and food service companies, and utilities) **and approximately 300 points of sale**, which provided assessments of various ESG impacts related to Lottomatica Group activities, some explicitly linked to the value chain. Responsibility for engagement was assigned to the Corporate Sustainability department, supported by corporate departments that interact most directly with upstream and downstream value chain participants.

In 2024, Lottomatica also adopted a "Vendor Rating" Procedure to regulate the evaluation of suppliers and monitor their technical, organisational, and managerial capabilities, as well as their adherence to the Group’s quality, reliability, and performance expectations. Suppliers assessed under this procedure receive specific feedback on performance and any improvement plans and, in the spirit of collaboration and dialogue, can provide comments and share their own perspectives. The periodic evaluation of suppliers allows the Group to continuously strengthen supplier relationships, promote sustainable and compliant practices, and foster a performance-driven culture.

DISCLOSURE REQUIREMENT S2-3

Processes for addressing negative impacts and channels for value chain workers to raise concerns

Lottomatica Group has provided all stakeholders, including workers in the value chain, with a Whistleblowing management system for reporting any concerns or needs they may have[57]. The existence of this channel and its governing procedure is also specified in the Supplier Code of Conduct, which all companies and partners doing business with Lottomatica Group are required to accept, undertaking to ensure that their employees, representatives and subcontractors fully understand and comply with the same.

[56] For further information on anti-money laundering training, please refer to the section "MDR-A Actions" in the chapter "Business Conduct [ESRS G1]".

[57] For further information on the whistleblowing system, please refer to the section “Policies on corporate culture and business conduct – ESRS G1 G1-1 disclosure requirement” in the chapter “Business conduct [ESRS G1]”.

DISCLOSURE REQUIREMENT S2-4

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

To enhance the positive effects of expanding and updating the skills of workers in the production chain, in 2025 the Group continued with the implementation of various **training initiatives**, including courses on responsible gaming, regulatory updates and anti-money laundering provisions. Participation in these courses constitutes an explicit contractual obligation.

- **Training for betting and indirectly managed VLT points of sale**: in collaboration with CePID, the Integrated Psychiatric Centre for Research, Treatment and Prevention of Addictions, established through a partnership between the Agostino Gemelli IRCCS University Hospital Foundation and the Lottomatica Foundation in 2023, the Group launched a comprehensive responsible gaming training and awareness programme aimed at its betting network, including directly managed points of sale and indirectly managed VLT sales. Following the gradual expansion of the initiative in 2023–2024, which extensively covered both the indirect network and the entire direct network, the programme in 2025 reached an even wider audience, involving over 80% of betting points of sale, around 90% of indirectly managed VLT halls, and 100% of directly managed halls.
- **Responsible gaming section on the Group website**: in 2025, the Group revised and updated the responsible gaming section on its institutional website, organising it into topics covering the Responsible Gaming Committee, relevant certifications, protection of minors, and player support.
- **Responsible gaming material:** in 2025, all Responsible Gaming information materials were made available in digital format on the portal dedicated to operators, organised into different thematic areas and including assessment tests and useful contacts for gaming-related issues. During the year, the same materials were also distributed in paper format to the betting and VLT retail network, including a dedicated brochure containing operational guidelines, instructions for the protection of minors and references to support services. The initiative aims to further strengthen the network's ability to promote responsible behaviours and foster a conscious and balanced relationship with customers. In addition, the kit includes a reprint of the 2024 corporate campaign "Non Giocare Se" and a graphically updated version of the self-assessment test to be displayed at points of sale.

The table below summarises the initiatives launched by Lottomatica regarding workers in the value chain, specifying the scope of application and related timeframes for each initiative. The type and amount of financial resources allocated to their implementation are not indicated, as none of the actions undertaken were considered material from a financial point of view[58].

Main actions	Field of application	Time horizons
Training for betting and indirectly managed VLT points of sale	Betting network; Indirectly managed VLT network; Directly managed VLT network	Each year
Responsible gaming section on the Group website	All stakeholders (Group website)	2025
Responsible gaming material	Betting network and VLTs	2025

[58] For further information on the materiality threshold identified by the Group for reporting the financial amounts of the shares, please refer to the section "Additional considerations" in chapter "1.1 Criteria for preparation".

If the Group becomes aware of any significant negative impacts on value chain workers, it implements a process that includes timely identification of the problem, analysis of potential causes, and adoption of the necessary corrective measures. In this regard the Group has adopted the following **measures**:

- In relation to the impact "*Human rights violations along the value chain*", with particular reference to child and forced labour, in addition to the commitments expressed in the Code of Ethics and Policy for the protection and safeguarding of human rights, the Supplier Code of Conduct, adopted in 2022, prohibits all companies that maintain commercial relationships with the Lottomatica Group from using child or forced labour, obliging them to combat all forms of discrimination and to ensure fair, favourable, and safe working conditions;
- with regard to the impact of "*Cyber attacks and/or theft of information along the value chain*," the commercial contracts entered into by the Group include specific confidentiality obligations and security measures to ensure the protection of the individuals, information systems and/or operational processes used for the processing of personal data. These obligations are reinforced by the provisions of the aforementioned Supplier Code of Conduct, which, in addition to requiring suppliers to ensure the protection of all sensitive information, also requires them to adopt appropriate security systems and mechanisms for all information subject to electronic transfer, and to notify Lottomatica of any data breaches, whether presumed or real;
- with regard to the impact of "*Accidents at the workplace of suppliers, logistics sites and points of sale*," the aforementioned Supplier Code of Conduct includes specific commitments to protect the health and safety of workers. Suppliers must ensure safe, suitable and hygienic working facilities and resources for their employees, adopt effective health, safety prevention and remediation policies and procedures, and provide their employees, suppliers and subcontractors with the protective equipment and training necessary to carry out their duties in complete safety.

With particular reference to the positive impact of "*Raising awareness among value chain workers on occupational health and safety issues*", the Supplier Code of Conduct includes commitments to provide employees, suppliers, and subcontractors with the protective equipment and training necessary to perform their duties safely.

No serious human rights issues or incidents related to its upstream or downstream value chain were reported to the Group in 2025.

Furthermore, it should be noted that the update of the double materiality analysis carried out in 2025 did not identify any significant risks and/or opportunities for the Company in relation to value chain workers.

In addition to maintaining transparent and dialogue-based relationships with partners and suppliers, the Group regularly updates its Code of Conduct and the provisions contained in contracts and commercial agreements, intervening where necessary to strengthen obligations or introduce new commitments, such as requiring point-of-sale managers and their employees to participate in responsible gaming training sessions.

Management of issues concerning the value chain and its workforce is distributed across multiple functions and departments, including the Procurement & Shared Services structure, responsible for the company's supplier registry and procurement processes, as well as specific business units managing relations with the commercial network of partners and points of sale across the territory.

Metrics and targets

DISCLOSURE REQUIREMENT S2-5

Targets related to managing significant negative impacts, enhancing positive impacts, and managing material risks and opportunities

The Group is committed to preventing violations of workers' and human rights throughout the value chain and, to this end, has adopted complaint mechanisms consisting of procedures for internal and external risk identification and periodic assessment, a reporting system, a sanctions framework, stakeholder dialogue, and the training and information activities described previously. With this approach, Lottomatica has not defined specific metrics or quantitative objectives, also considering that no significant risks and/or opportunities have been identified regarding value chain workers, nor has the Group received reports of human rights violations. However, vigilance remains high, and workers' rights are central to many of Lottomatica's policies, as detailed in chapters S1 and S2.

3.3 Consumers and end-users [ESRS S4]

The Group considers the **protection of consumers** and **end users** a **strategic priority** for creating sustainable value and is committed to ensuring a responsible, **safe, and transparent gaming experience**, promoting virtuous behaviour throughout the value chain. Below is a list of IROs identified as material by the double materiality analysis, which the Group manages through specific policies and concrete actions aimed at protecting consumer rights, ensuring high standards of safety and transparency, and fostering a responsible approach to entertainment.

ESRS S4 – CONSUMERS AND END USERS					
ESRS (SUB-TOPIC)	**IRO**	**DESCRIPTION**	**POSITIVE / NEGATIVE ACTUAL / POTENTIAL**	**TIME HORIZON**	**VALUE CHAIN**
Impacts related to information provided to consumers and/or end users	I	Cyber attacks and/or theft of consumer information	Negative Potential	Medium Long	Downstream
	R	Incorrect/lack of management of logical access constraints		Short Medium	Own operations
	R	Untimely, incomplete and/or incorrect implementation of the established security policies and specifications		Short	Own operations
	R	Failure to identify actions to prevent cyber attacks or theft of information and data		Short Medium	Own operations
	R	Inadequate establishment, implementation, review, maintenance or improvement of the Information Security Management System (ISMS) within the context of the implementation and management of information systems and services related to the legally required retention activities		Short Medium	Own operations
	R	Inadequate or partial compliance with personal data protection legislation		Short Medium	Own operations
	R	Lack of, or inadequate, protection of personal data for Machine Learning and Artificial Intelligence applications, potentially leading to data breaches or theft, or business impacts that could compromise the reliability of the gaming systems		Short Medium	Own operations
	R	Inadequate data management, in terms of: confidentiality, integrity and availability		Short Medium	Own operations
Personal safety of consumers and/or end users	I	Presence of cases of gambling disorder in the areas where the Group operates	Negative Actual	Short Medium Long	Downstream
Social inclusion of consumers and/or end users	R	Inability to ensure the reliability and availability of ICT systems and critical software, with negative impacts on operations due to IT system malfunctions, interruptions or delays that could affect business performance		Short Medium	Own operations
	R	Lack of Software Factory flows and processes, useful for aligning business objectives with the evolution of IT systems		Short Medium	Own operations
	R	Failure to adopt best practices in development, MLOps and DevOps, leading to slow and unstable releases, poor software quality in		Short Medium	Own operations

	Machine Learning and Artificial Intelligence, difficulties in error management and limited scalability, with negative effects on delivery times, system reliability and user satisfaction			
R	Inadequate management of installation, replacement, maintenance, and decommissioning activities related to the technological infrastructures present at the network's points of pale (e.g. PoS, Gaming Machines, Terminals)		Short Medium	Own operations
I	Adoption of responsible business and consumer protection practices	Positive Actual	Short Medium Long	Downstream
O	Safe gaming environment and legal channels		Short Medium Long	Own operations Downstream

Strategy

DISCLOSURE REQUIREMENT ESRS 2 SBM-3

Material impacts, risks and opportunities and their interaction with the company's strategy and business model

Within the scope of the ESRS 2 disclosure, Lottomatica Group includes all consumers and/or end users who may be significantly impacted by the activities of the Group companies through products, services, or commercial relationships, including those directly connected to their operations and the value chain.

The main categories of consumers and/or end users included in the analysis are:

- users of services that could have a negative impact on their rights to privacy and personal data protection; and
- individuals who require accurate and accessible information to avoid the potentially harmful use of the Group's products and services.

The analyses conducted did not reveal any significant negative impacts of a systemic nature, as the occurrence of such impacts would be linked to specific and limited events, nor did they reveal any significant risks or opportunities related to specific groups of consumers and/or end users. It should also be noted that **the operation and collection of public games with cash prizes are intended exclusively for adults**, in accordance with the sector regulations.

With specific regard to the negative impact associated with problem and pathological gambling, in collaboration with the Integrated Psychiatric Centre for Research, Treatment and Prevention of Addictions (CePID) of the Gemelli Polyclinic in Rome, Lottomatica has implemented a **data analysis methodology** aimed at accurately identifying consumers within its online customer base who, due to individual characteristics and/or usage patterns, are more exposed to the risk of excessive and/or problematic gambling. This methodology has enabled the identification of **13 Observed Behaviour Indicators** (so-called ICO), divided into primary and secondary indicators to be monitored, including, for example, gaming time slots, amounts wagered, amounts withdrawn and other parameters designed to identify more accurately those consumers who are most intensive in their gaming activity, in order to minimise exposure risks. With regard to the direct network, the Group has developed a proprietary

software capable of monitoring gaming behaviour in gaming halls through the completion of a monthly model by appropriately trained hall managers (so-called "Smart Gaming System").

At the same time, the adoption of responsible commercial practices to protect consumers represents one of the Group's main **material positive impacts**. All gaming solutions offered are carefully designed, developed and selected in accordance with the highest international standards of reliability and security. Product and service safety forms part of a broader commitment to responsible gaming, overseen by the Responsible Gaming function and the Responsible Gaming Committee, which ensures that the objectives of the Responsible Gaming Programme are achieved. In this context, Lottomatica has established a Responsible Marketing Policy aimed at maximising customer awareness so that they can approach gaming in a safe and responsible manner, and in 2025 adopted a Secure Software Development Policy to ensure the highest level of product security.

Finally, the legalisation of public gaming with cash winnings through concessions to private entities represents the main commercially relevant opportunity. Legal gaming allows consumers to engage in gaming in a safe and controlled environment, ensuring full compliance with the regulatory requirements and providing an effective alternative to illegal gaming, which remains concentrated in certain regions of Italy.

Management of impacts, risks, and opportunities

DISCLOSURE REQUIREMENT S4-1

Policies related to consumers and end users

Lottomatica Group is committed to effectively managing the impacts, risks and opportunities associated with its business activities. To ensure **high standards of protection and transparency** towards consumers and end users, in addition to the Code of Ethics, the Group has also adopted several dedicated policies[59] aligned with the United Nations Guiding Principles on Business and Human Rights, which are posted on the institutional website to ensure maximum dissemination. Thanks to the effectiveness of these tools, Lottomatica has not encountered any violations of the principles of the United Nations Global Compact or the OECD guidelines in its downstream value chain.

Consumer protection forms part of a broader commitment to the well-being of individuals who work within the Group, collaborate with it, or are part of the community in which Lottomatica operates. The Group recognises and promotes human rights, the valorisation of individuals, and diversity, in line with the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the 2030 Agenda for Sustainable Development, and is also a signatory to the United Nations Global Compact. In this context, the Group's companies strictly adhere to their human rights Policy, ensuring the protection of customers' privacy and personal information, in full compliance with the current regulations. These principles are supported by a strong **commitment to consumer protection** and the **promotion of a safe and responsible gaming experience**. Moreover, to ensure the security and protection of user data, the Group has implemented an advanced technological infrastructure capable of maintaining high standards of security, operational continuity, and information protection. In this context, the policies adopted by Lottomatica Group enable the proactive identification of critical issues and the implementation of concrete measures to prevent and remedy potential negative impacts, including those on human rights, through processes for identifying and periodically assessing risks within its own operations and along the value chain. In the event of violations, the Group provides

[59] For further information on the policies adopted by the Group regarding consumers and end users, please refer to the "Summary of policies" section in the "General information" chapter.

a dedicated reporting system. Moreover, to maintain continuous dialogue with its users, Lottomatica has developed specific **communication and listening channels** aimed at collecting feedback, promptly identifying any critical issues and continuously improving the quality of the services offered and the protection measures in place.

DISCLOSURE REQUIREMENT S4-2

Processes for engaging consumers and end users regarding impacts

In 2025, Lottomatica Group strengthened its **consumer and end-user engagement** processes by conducting specific surveys on responsible gaming issues, aimed not only at customers — particularly in the online channel — but also at managers and operators of points of sale, as well as Group employees. In this regard, additional informational materials[60] were made available this year to support retailers and operators in promoting a responsible and safe approach. The initiative aimed to deepen understanding and perceptions of these issues in order to more effectively guide the dissemination of information concerning legal and responsible gaming. Lottomatica intends to repeat this activity annually to monitor the impact of the initiatives over time and track the evolution of awareness and perceptions regarding responsible gaming, including among consumers.

With specific regard to the online channel, the Group directly engages consumers at least every six months, particularly through its Customer Relationship Management (CRM) and Contact Centre functions. In fact, satisfaction surveys are periodically administered, with the aim of improving the range of products and services, while a dedicated Contact Centre is always available to provide assistance. In the direct network, on the other hand, consumers can report issues via a dedicated email address, with the hall manager acting as the point of contact between the company and customers.

Operational responsibility for ensuring consumer engagement is assigned to a dedicated function tasked with coordinating the Operational Committee for responsible gaming, which analyses results and plans subsequent activities within the annual plans. The effectiveness of the responsible gaming initiatives and projects is also assessed through external certification activities conducted by international organisations such as G4 (Global Gambling Guidance Group) and the WLA (World Lottery Association). The periodic audits required to maintain certification (every 18 months for G4 and every 3 years for WLA) ensure continuous monitoring of performance in terms of product and service security and highlight any areas for improvement, which the Group subsequently addresses through appropriate supplementary action plans. In addition, the responsible gaming certification audits regularly test the emergency procedures designed to ensure product safety and protect players.

In addition to the aforementioned surveys and the involvement of the relevant departments, measures to better understand the perspective of consumers and/or end users who may be particularly vulnerable include responsible gaming training, which the Group delivers in collaboration with CePID, enabling staff in contact with customers to recognise signs of vulnerability and to collect evidence and feedback in a structured manner to guide prevention and support actions.

Furthermore, as part of the double materiality analysis carried out in 2024, the results of which were also confirmed in 2025, **the main actors in the downstream value chain were involved in the assessment of impacts associated with the Group's activities**, some of which explicitly referred to consumers and/or end users.

[60] For more information, please refer to paragraph "Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions - Disclosure requirement S2 S2-4" within the chapter "Workers in the value chain [ESRS 2]".

DISCLOSURE REQUIREMENT S4-3

Processes for addressing negative impacts and channels for consumers and end users to raise concerns

The negative impacts that may arise from the operation and collection of cash prize games include, in particular, those related to data security and privacy, as well as problem and pathological gambling. The latter has been included in the Essential Levels of Assistance (known as ELA) since March 2017, ensuring that services provided by the National Health Service (NHS) are available nationwide, either free of charge or with a co-payment. In this regard, fully aware of the risks associated with public games, Lottomatica Group is committed through a comprehensive Responsible Gaming Programme to **preventing excessive gaming** and **strictly prohibiting access to minors**, in full compliance with the national and European personal data protection legislation.

Specifically, **the Responsible Gaming Programme is structured around three main guidelines**:

- **protection of minors**, through specific measures preventing their access to gaming;
- **prevention of excessive gaming**, through training, monitoring tools, and support for problem gamblers;
- **promotion of a responsible gaming model** based on transparency, awareness, and comprehensive information.

The programme has been integrated across all company activities, and is divided into four macro areas:

1. **training and awareness-raising** for internal resources on responsible gaming;
2. **information and support** for players, with initiatives to highlight the risks associated with gambling;
3. **preventing and mitigating** the impacts of inappropriate gaming behaviour;
4. **research and development** to further explore and improve responsible gaming practices.

A central element of the programme is regular **training** on product and service safety, delivered as part of responsible gaming training, which is mandatory for all employees and the network of points of sale, and is particularly in-depth for staff in direct contact with customers, in order to better understand the needs of the most vulnerable consumers and develop targeted actions. The network of points of sale also receives specific training to equip managers with the information needed to support their customers effectively.

Lottomatica Group also actively promotes **study and research on legal and responsible gaming**, creating opportunities for in-depth analysis and discussion on the role of the legal gaming industry, particularly regarding public order, legality, and consumer protection. This includes **collaboration with CePID**, which, through its scientific activities, contributes to the analysis and understanding of phenomena related to gambling disorders. Lottomatica also cooperates with **leading universities and research centres** in order to come up with solutions to remedy, or help remedy, cases of problem or pathological gaming. The Group’s companies operating in this channel have equipped their gaming platforms with tools to assess the propensity for problem gambling and monitoring systems to track the use of self-limitation and self-exclusion tools. With regard to physical gaming, operators and managers of directly managed gaming halls are equipped with proprietary software designed to monitor and identify any situations at risk of problem gambling, with results shared monthly with the Responsible Gaming Operational Committee.

Finally, across all its channels, both physical and online, Lottomatica Group promotes the **National Gambling Helpline** (TVNGA), an anonymous and free service managed by the National Institute of Health. The service is available not only to players seeking professional assistance but also to those seeking information on health services for gambling-related issues or on services capable of managing socio-economic and/or legal problems related to debt. Points of sale also display **references to SERDs and regional local health authorities (ASLs)**, ensuring that problem gamblers can contact specialised centres in their area. The availability of these channels is supported through various tools aimed at customers, gaming halls and points of sale, including physical and online information campaigns and communications via email or other means. The Group has also adopted specific service levels, in accordance with the ADM service charter contained in the concession agreements, to ensure timely monitoring of reported issues and verification of the effectiveness of the channels, including through engagement with consumers and international certification bodies.

Information on the availability of these channels is clearly visible in both physical gaming areas and on the remote channels. During 2025, the Group also created, printed, and distributed additional materials to support consumers and strengthen information on responsible gaming. The gaming halls and points of sale receive regular training and information on responsible gaming issues, enabling them to assist their consumers and support them with the available tools. Policies to protect individuals from retaliation are unnecessary, as the communication channels related to problem and pathological gambling guarantee complete anonymity.

Finally, Lottomatica Group has provided all stakeholders, including consumers and end users, with a Whistleblowing management system for reporting any concerns or needs they may have[61].

DISCLOSURE REQUIREMENT S4-4

Taking action on material impacts on consumers and end-users, approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

In 2025, to mitigate the negative effects of cyberattacks and gambling addiction, increase the positive impacts of responsible commercial practices and consumer protection, and manage related risks and opportunities, **the Group continued and launched several initiatives** focused on training, interactive self-assessment tests, and obtaining certifications.

- **The "Safe Plai" System**: through the creation of the "Safe Plai" system for segmenting online customers, the Group measures gaming behaviour and predicts intensive gaming activity by online players, in compliance with the GDPR requirements and in line with its policy of awareness, transparency, and responsibility. Following the initial release in 2024 and subsequent refinements from the first data processing, an intervention protocol was defined in 2025, detailing actions to ensure the correct information and protection of players, tailored to the different clusters identified by the algorithm.
- **First-level training for employees and points of sale:** the Group runs a comprehensive training and awareness programme on responsible gaming, developed with CePID and aimed at the Group's employees and sales network. Since December 2024, responsible gaming has been included in the onboarding process for new employees, and training on this topic has been added to the contractual commitments signed by both the betting network and the indirectly managed network. During 2025, the responsible gaming course became mandatory for all employees, covering over 80% of betting

[61] For further information on the whistleblowing system, please refer to the section “Policies on corporate culture and business conduct – ESRS G1 G1-1 disclosure requirement” in the chapter “Business conduct [ESRS G1]”.

points of sale, approximately 90% of indirectly managed VLT halls, and 100% of directly managed halls.

- **Second-level training for employees in contact with customers**: for staff interacting directly with customers, the Group introduced specific second-level training, available both via e-learning and in-person sessions. In 2025, this training was provided to 100% of new employees in the Digital and Digital Customer Service areas.
- **Responsible gaming functionality for online gaming accounts**: After launching a new interactive self-assessment test and a dashboard displaying online gaming account information (particularly regarding amounts deposited and limits set) in 2024, these initiatives continued in 2025 with the definition of new requirements and the development of additional features, in order to make players increasingly aware of their gaming activity.
- **Responsible Gaming Survey.** During the course of the year, Lottomatica conducted multiple surveys to assess knowledge and perceptions regarding responsible gaming. The surveys, administered digitally, targeted approximately 2,150 employees, over 2.6 million online players, and nearly 4,000 customers from the physical network.
- **G4 certification for responsible gaming**: in recent years, Lottomatica Group has consistently submitted its subsidiaries to G4 certification processes to validate its responsible gaming safeguards and ensure compliance with the regulatory standards. In order to ensure consistent quality standards across the Group, an agreement was signed with G4 in 2025, reaffirming the Group's commitment to extending certification to all its concessionary companies from 2026 onwards.
- **ISO 27001 certification**: Lottomatica Group has implemented an Information Security Management System (ISMS) in accordance with the international standard ISO/IEC 27001:2013. Maintenance audits were conducted in 2025, and the extension of the certification to additional Group companies for 2026 is currently under evaluation.

The following table summarises the initiatives launched by Lottomatica in relation to consumers and end users, specifying the scope of application and the relevant timeframes for each initiative. The type and amount of financial resources allocated to their implementation are not indicated, as none of the actions undertaken were considered material from a financial point of view[62].

Main actions	Field of application	Time horizons
"Safe Plai" system	Customer base online	Each year
First-level training for employees and points of sale	Lottomatica Group employees; Directly managed VLT rooms; Indirectly managed VLT rooms	Each year
Second-level training for employees in contact with customers	Lottomatica Group employees	2025
Responsible gaming features on the online gaming account	Customer base online	2025
Responsible Gaming Survey	Lottomatica Group employees; Online customer base; Physical network customer base	2025
G4 certification for responsible gaming	Lottomatica Group	Each year
ISO 27001 Certification	Betflag S.p.A.; Gamenet S.p.A.; GBO Italy S.p.A.; PWO S.p.A.; Totosì S.r.l.	Each year

[62] For further information on the materiality threshold identified by the Group for reporting the financial amounts of the shares, please refer to the section "Further considerations" in chapter "1.1 Criteria for preparation".

These actions are coordinated by the Responsible Gaming Operational Committee, which prepares the activity plan by proposing projects based on feedback from key stakeholders (including customers, regulatory bodies, and gaming hall operators). The plan is then reviewed by the ESG Committee, approved by the Chief Executive Officer, and communicated to the Board of Directors. The Operational Committee also monitors and evaluates initiatives, meeting monthly to ensure the continuous improvement of the Responsible Gaming Programme and the achievement of the expected results. The same Committee monitors and assesses the effectiveness of actions and initiatives related to the adoption of responsible commercial practices for consumer protection, as defined by the Responsible Marketing Policy, and identifies new projects and initiatives to promote the continuous development of Responsible Gaming.

As previously noted, in developing its Responsible Gaming activities, Lottomatica has adopted **specific protocols** for its sales network and contact centre operators, including administering self-assessment tests based on the PGSI (Problem Gambling Severity Index), providing tools for greater control of gaming activity (physical timers in gaming halls and self-limitation tools for online accounts), and inviting players on remote channels to self-exclude, with references to national and local support services. Lottomatica also invests annually in training its operators to ensure that they are aware of all the intervention tools available to protect and safeguard their customers. Training activities are also carried out in partnership with leading specialist centres, such as CePID, and internationally recognised institutions such as Gambling Therapy.

To manage actual or potential negative impacts on consumers, Lottomatica Group has defined a structured identification and assessment process and established a specific governance framework for responsible gaming, entrusted to the aforementioned Operational Committee for Responsible Gaming. This committee, which oversees the Group's business plans, periodically analyses survey results collected from the network and online customer base to monitor stakeholder perceptions and identify potential negative impacts. The Committee supplements these findings with ongoing benchmarking of leading international best practices, guiding interventions based on the materiality of the identified impacts.

Aware of the risks to users' rights and freedoms, the Group has implemented and continually reviews organisational and security measures proportionate to the level of risk. This is further evidenced by certifications held by Group companies, such as **ISO/IEC 27701:2019 certification** for Gamenet S.p.A., GBO Italy S.p.A., PWO, Totosì and Betflag, which confirms compliance with the international standards for information security and privacy management systems.

Finally, it should be noted that no serious human rights issues or incidents relating to consumers and/or end users have been reported to the Group.

Metrics and targets

DISCLOSURE REQUIREMENT S4-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group has implemented Responsible Gaming programmes and is committed to ensuring a safe, regulated gaming environment with high ethical standards, preventing cyber attacks, protecting consumer data, and combating gambling addiction. In this regard, no specific metrics have been defined, nor quantitative objectives established. However, in addition to implementing and monitoring the effectiveness of its policies and actions through the measures described in the previous sections, Lottomatica is evaluating the definition of objectives within its sustainability strategy.

4. Governance information

4.1 Business Conduct [ESRS G1]

Management of impacts, risks, and opportunities

Lottomatica Group considers **respect for the ethical values** of **integrity**, **transparency**, and **accountability** to be fundamental, and is committed to conducting its business in accordance with the principles set out in the Code of Ethics, the 231 Model, and the Anti-Bribery and Corruption Policy and guidelines, with a particular focus on preventing corruption and illegal activities at all stages of the value chain. Below is a list of IROs identified as material by the double materiality analysis, which the Group is committed to managing through specific policies and concrete actions in corporate conduct, with particular regard to supplier relations and corruption and bribery.

ESRS G1 – BUSINESS CONDUCT					
ESRS (SUB-TOPIC)	**IRO**	**DESCRIPTION**	**POSITIVE / NEGATIVE ACTUAL / POTENTIAL**	**TIME HORIZON**	**VALUE CHAIN**
Corporate culture	I	Episodes of conduct not aligned with Lottomatica's Code of Ethics and mission	Negative Potential	Medium Long	Upstream, Own operations
	R	Non-compliance with regional gaming industry regulations, resulting in significant fines, legal disputes and reputational damage		Short	Own operations
	R	Failure to comply with, or partial compliance with, Artificial Intelligence (AI Act) regulations		Short	Own operations
	R	The risk associated with inadequate data quality procedures in ML and AI applications is that models may be trained on incomplete, inaccurate or biased data, leading to unreliable results, bias, poor decision-making and a loss of trust in the system, with potential legal, ethical and reputational impacts		Short	Own operations
Whistleblower protection	I	Episodes of conduct not aligned with Lottomatica's Code of Ethics and mission	Negative Potential	Medium Long	Upstream, Own operations
	R	Failure to comply with, or partial compliance with, insider trading regulations pursuant to the Market Abuse Regulation		Short	Own operations
	R	Inadequate or partial compliance with the relevant legislative provisions of Legislative Decree no. 231/01		Short Medium	Own operations
Political engagement and lobbying	I	Transparency in relations with institutions and trade associations	Positive Actual	Short Medium Long	Own operations
Management of relations with suppliers, including payment practices	I	Compliance with Lottomatica's values and principles throughout the supply chain (e.g. Supplier Code of Conduct, Code of Ethics, 231 Model)	Positive Actual	Short Medium Long	Upstream
	R	Lock-in refers to dependence on a supplier, technology or platform such that changing solutions entails high costs, technical difficulties, data loss or significant operational disruption		Short	Own operations
	R	Procurement processes not aligned with business needs due to unstructured management of accounts payable and/or unstructured information flows between the		Short	Upstream, Own operations

		Purchasing & Shared Services function and other functions involved in the process			
	R	Identification of unqualified suppliers or suppliers lacking the appropriate technical capabilities		Short	Upstream, Own operations
	R	Inadequacy of the supplier contracting process		Short	Own operations
	I	Empowerment of the supply chain on sustainability issues	Positive Actual	Short Medium Long	Upstream
Corruption and bribery	I	Fulfilment of tax obligations and the payment and collection of taxes due to the Tax Authorities	Positive Actual	Short Medium Long	Own operations
	R	Failure to comply with, or partial compliance with, regulations governing transactions with related parties		Short Medium	Own operations
	R	Inadequate or partial compliance with the anti-corruption legislation		Short Medium	Own operations
	R	Inadequate or partial compliance with the relevant legislative provisions of Legislative Decree no. 231/01		Short Medium	Own operations
	R	Failure to implement, or inadequate implementation of, anti-money laundering controls (231/07)		Short Medium	Own operations
	R	Failure or inadequate use, during monitoring activities, of anomaly indicators defined in accordance with the regulations, the UIF guidelines and the ADM Guidelines		Short Medium	Own operations
	R	Potential economic damage arising from intentional dishonest or deceptive activities carried out by individuals within the Company		Short	Own operations
	R	Inadequate or erroneous allocation of bonuses		Short Medium	Own operations
	R	Potential economic damage arising from intentional dishonest or deceptive activities carried out by individuals outside the Company		Short Medium	Upstream

DISCLOSURE REQUIREMENT G1-1

Policies on corporate culture and business conduct

Lottomatica has adopted and disseminated a series of **policies**[63] aimed at **promoting a corporate culture based on responsible conduct both within and outside the Organisation**, as well as managing the material IROs identified. The Code of Ethics represents the cornerstone of the corporate culture, outlining the Group's commitment to compliance with the legislation and defining fundamental standards and values, such as personal integrity, impartiality, and the fight against corruption, which are to be upheld and encouraged.

The Board of Directors is responsible for approving and adopting the Control Model, the Code of Ethics and all Group policies and procedures relating to business ethics, and ensures that these documents are disseminated so that all directly or indirectly controlled companies formally adopt them. Business ethics matters are also overseen by the Risk, Ethics & Compliance Department, which, among other responsibilities, monitors the adequacy and effectiveness of the internal control and risk management System.

To strengthen corporate culture and reduce exposure to ethical risks, the Code of Ethics, the 231 Model, the Anti-Bribery and Corruption Policy and Guidelines, and the Whistleblowing procedure are subject to specific training for all employees, are available on the Group’s main websites, the company intranet

[63] For further information on the policies adopted by the Group in business conduct, please refer to the "Summary of policies" section in the "General information" chapter.

and portals dedicated to partners and commercial suppliers, and explicitly referenced in every contract. Passing a specific assessment test is also mandatory at the end of each course. As part of the corruption management system and 231 Model, the Group periodically analysed areas potentially at risk of corruption and bribery, and concluded that, given the mitigation measures implemented, no functions are considered at high risk of corruption.

In order to operate in accordance with the highest standards of ethics and integrity through a governance framework based on models and procedures protecting all stakeholders, in line with the 231 Model and the regulatory requirements, Lottomatica Group has adopted a **system for managing whistleblower reports**[64]. The whistleblowing system ensures the highest level of **confidentiality** and is available to employees, collaborators, business partners and third parties. Reports may be submitted via the EthicsPoint platform or through a dedicated telephone channel, available 24/7.

This mechanism provides a formal framework for receiving, analysing and managing the issues raised. All reports received follow a transparent management process, which includes a preliminary review within seven days of receipt. Where deemed relevant, reports are investigated and addressed within three months, with subsequent feedback provided to the reporting party. The process is managed by the Risk, Ethics & Compliance Department and the Legal Department, which coordinate the checks, involving the relevant company departments, where necessary, as well as the reporting and reported parties, and providing appropriate information to the CEO of Lottomatica Group and the CEOs of any companies involved in the report. All reports that are deemed relevant following the preliminary investigation are subject to further investigation by:

- the Supervisory Body which, in cases relevant pursuant to Legislative Decree no. 231/01, may operate independently or avail itself of the support of the Risk, Ethics & Compliance Department, other company Departments/Areas or third parties;
- the Chief People Officer, who, in cases relevant pursuant to UNI PdR 125:2022, may act independently or with the support of the Risk, Ethics & Compliance Department, other company Departments/Areas or third parties.

At the end of the verification phase, even where a report is found to be unfounded, the Risk, Ethics & Compliance Department and the Legal Department, with the support of the department responsible for the verifications, prepare a summary report of the investigations carried out and the findings that emerged. Subsequently, the Risk, Ethics & Compliance Department and the Legal Department submit the results of the investigations to the Company Bodies and/or the relevant Departments for assessment, so that appropriate measures can be taken and, where deemed appropriate, may:

- agree with the Head of the relevant Department on any “action plan” required to remedy any weaknesses identified in the internal control system;
- agree with the other departments concerned on any initiatives to be undertaken to safeguard the Group’s interests (e.g. legal action).

The whistleblowing system ensures that employees and external parties can **report violations in a protected and anonymous manner**. The Procedure protects individuals who, at the time of reporting, filing a complaint with the judicial or accounting authorities, or making a public disclosure, have reasonable grounds to believe that the information on the reported, disclosed or complained-about violations is true and falls within the scope of application. Whistleblower protection applies not only while the legal relationship is ongoing, but also when the report is made in the following circumstances:

- when the legal relationship has not yet commenced, if the information on the violations was obtained during the selection process or other pre-contractual phases;

[64] The process complies with the regulatory provisions introduced by Legislative Decree no. 24 of 23 March 2023 implementing EU Directive 2019/1937 on the protection of persons reporting breaches of Union law and national legislation.

- during the probationary period;
- after the termination of the legal relationship, if the information on the violations was acquired during the relationship itself.

The protection measures also extend to:

- the facilitator (a natural person who assists the whistleblower in the reporting process, operating within the same working environment and whose assistance must remain confidential);
- persons in the same working environment as the whistleblower, the reporting person or the person who made a public disclosure, who are linked to them by a stable emotional bond or kinship up to the fourth degree;
- the colleagues of the whistleblower or the person who has filed a complaint or made a public disclosure, who work in the same workplace and maintain a regular and ongoing relationship with that person;
- entities owned by the reporting person or for which that person works, as well as entities operating in the same working environment as the aforementioned persons.

Lottomatica promotes awareness of the reporting channels and ensures their availability through a range of internal communication tools. Information on reporting mechanisms is disseminated via institutional emails, the company intranet and onboarding materials. The whistleblowing channel is also accessible from personal devices, ensuring flexible and remote use. Lottomatica also ensures that all reporting channels are accessible and inclusive, and has adopted measures to overcome any cultural or organisational barriers that could limit the use of these tools. The effectiveness of the reporting processes is continuously monitored through best practice analysis, internal audits and regulatory updates.

In addition, the Group has adopted an Integrated Management System for Quality, Safety and the Environment (SGI), which brings together the management systems for quality (ISO 9001), safety (ISO 45001) and the environment (ISO 14001). Governed by the Quality and Safety Policy, this organisational model enables the Group to implement an effective process control system aimed at preventing and managing risks, safeguarding the health and safety of workers and ensuring end customer satisfaction, while reducing environmental impact and consolidating a corporate culture focused on quality, safety and environmental protection.

Finally, the Group has adopted a Tax Strategy, approved by the Board of Directors, with the aim of fulfilling its tax obligations and paying taxes in a timely and transparent manner, while adopting a prudent approach to responsible tax risk management and conducting its operations with the utmost transparency and fairness.

The effectiveness of the controls implemented has been reaffirmed in 2025 by the absence of any significant cases of non-compliance with laws and regulations resulting in material penalties for Lottomatica Group.

DISCLOSURE REQUIREMENT G1-2

Management of supplier relationships

Lottomatica selects, evaluates, and manages commercial relationships with partners and suppliers according to **criteria of fairness**, **equity**, and **transparency**, ensuring **ESG compliance** throughout its supply chain. Specifically, counterparties are selected on the basis of objective, transparent and verifiable parameters, such as reliability, quality, professionalism and integrity. They are also required to adhere to the Group's Code of Ethics and to commit to operating in compliance with the applicable regulations, particularly in the areas of tax fraud prevention, anti-corruption and anti-money laundering, as well as to promoting the objectives of Agenda 2030, in order to mitigate supply chain risks and

prevent potential negative impacts. In addition, the Group has implemented procurement processes designed to ensure compliance with the agreed payment terms, supported by a monitoring system aimed at preventing delays through monthly planning of due dates and weekly checks of the budget and outstanding amounts owed to suppliers. As **head of the supply chain**, Lottomatica also considers additional key elements when selecting and monitoring suppliers to prevent risks and negative impacts. These include monitoring quality, verifying production capacity, assessing corporate reputation and financial stability, and encouraging sustainable practices.

With particular regard to the latter, the Group is committed to promoting a sustainable supply chain and therefore subjects suppliers listed in the Register to **ESG assessments via the SynESGy platform**, which also incorporates the minimum criteria defined by the Voluntary Sustainability Reporting Standards for SMEs, namely the voluntary sustainability reporting standards designed for European SMEs. The assessment includes **social risks**, such as child labour or unsafe working conditions, and **environmental criteria**. The selection process **rewards** suppliers who adopt low-impact technologies and production processes, use renewable energy, and hold recognised certifications such as ISO 14001, EMAS, or equivalent. A representative sample of suppliers is also subject to on-site audits to verify compliance with the Supplier Code of Conduct, the Group's Environmental Sustainability Policy, and the broader ESG policies adopted. In 2025, as in previous years, the proportion of suppliers accredited and assessed according to ESG criteria through the Synesgy platform remained above 80%.

DISCLOSURE REQUIREMENT G1-3

Prevention and detection of corruption and bribery

During 2025, Lottomatica renewed the UNI ISO 37001 certificate for the **Corruption Prevention Management System** adopted by the Group and its main concessionaire companies. The system, introduced and certified in 2022, includes measures and controls to prevent and mitigate corruption risks and led to the creation of the Anti-Bribery & Corruption function, headed by the Anti-Bribery and Corruption Officer within the Risk, Ethics & Compliance Department. The Group has also adopted a specific **Anti-Bribery and Corruption Policy and Guidelines** laying out its commitments to preventing corruption, rules of conduct, procedures for reporting violations, and related training and information activities. It also includes checks on the reliability, reputation, and suitability of any third parties with whom Lottomatica considers establishing business relationships. This Policy is posted on the Group's institutional website and on the company intranet and is referenced, through specific clauses, in commercial contracts together with the Code of Ethics and the 231 Model, in order to ensure its dissemination and understanding by stakeholders. The reporting of corruption cases is handled through the reporting management system, with cases managed by the Chief Risk, Ethics & Compliance Officer and the Chief Legal Officer.

Lottomatica also provides **specific training courses on the 231 Model and corruption prevention**, with mandatory refresher sessions every three years and a final assessment test. These programmes cover 100% of the functions, and also target the Group's executives and the main administrative, management, and control bodies (OADC).

Anti-corruption training	u.m.	2025				2024			
		Functions at risk	Managers	OADC	Other employees	Functions at risk	Managers	OADC	Other employees
Extension of training									
Total	No.	**28**	**56**	**32**	**2,384**	**28**	**59**	**40**	**2,078**
Total number of training recipients		28	56	32	2,384	28	59	40	2,078
Delivery method and duration[65]									
E-learning	h	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Frequency									
Frequency at which training is required		Every three years	Every three years	Every three years	Every three years*	Every three years	Every three years	Every three years	Every three years*
Topics covered									
Anti-bribery management system in accordance with ISO 37001		x	x	x	x	x	x	x	x
231 Model		x	x	x	x	x	x	x	x
Code of Ethics		x	x	x	x	x	x	x	x

* Every quarter for new hires.

MINIMUM DISCLOSURE REQUIREMENT

MDR-A actions

To effectively manage the IROs identified through the double materiality analysis process related to corporate conduct, in 2025 the Group implemented initiatives focused on training, the whistleblowing channel, and the maintenance of the ISO 37001 and 9001 certifications:

- **Training on 231 Model and Code of Ethics.** The Company promotes awareness of 231 Model, Code of Ethics, and company procedures among all employees, who are therefore required to understand, comply with, and contribute to their implementation. Staff training on Legislative Decree no. 231/01, including updates and implementation of the Model and Code of Ethics, is mandatory and managed by the Risk, Ethics & Compliance Department in cooperation with the HR & Organisation Department. The training plan includes classroom seminars, primarily for management personnel and authorised representatives, as well as e-learning tools. New hires also receive specific training on 231 Model, Code of Ethics, and the procedural system as part of onboarding.
- **AML/CFT training**: in accordance with Article 54 of Legislative Decree 231/2007, the AML/CFT (Anti-Money Laundering/Combating the Financing of Terrorism) procedures of the Lottomatica Group's concessionaires include specific ongoing training plans, which aim to provide theoretical and practical knowledge for customer due diligence, risk assessment, and active collaboration. The courses are aimed, in particular, at operators and their employees at VLT points of sale, physical betting outlets, PVRs (recharge points), and bingo halls; at concessionaire employees who are in direct contact with customers; and at all so-called “AML-sensitive” functions of the companies that are part of Lottomatica Group (as defined by the Group AML Policy). The courses, available in Italian and translated into English and Chinese, are delivered via an e-learning platform and are always accessible from any device connected to the internet. Attendance requires a final test to be passed with at least 80% correct answers.

[65] With regard to the reported training duration, 0.50 hours refers to 30 minutes of training.

- **Whistleblowing**. In coordination with the Risk, Ethics & Compliance Department, the HR & Organisation Department sends all employees a specific email every six months containing the procedure for reporting workplace violations, including behaviours, acts, or omissions that could potentially harm the public interest or the integrity of the Lottomatica Group. In this regard, a periodic report on any whistleblowing submissions is provided annually to the Board of Directors.
- **ISO 37001 certification**: The Group has renewed its ISO 37001 certification, attesting to the compliance of its Anti-Bribery Management System. In 2025, the certification was renewed for seven Group companies.
- **ISO 9001 certification**: The Group has renewed its ISO 9001 certification, which attests to the compliance of its Quality Management System and covers approximately 83% of the Group's companies.

The table below summarises the initiatives launched by Lottomatica in the area of corporate conduct. In particular, the scope of application and the relevant time frames are indicated for each action. The type and amount of financial resources used for their implementation are reported only for actions considered material from a financial point of view[66].

Main actions	Field of application	Time horizons
Training on 231 Model and Code of Ethics	Lottomatica Group employees	Each year
Training on AML/CFT	Concessionaires' employees and their collaborators	Each year
Whistleblowing	Lottomatica Group employees	Each year
ISO 37001 Certification	Betflag S.p.A.; Gamenet S.p.A.; GBO Italy S.p.A.; Lottomatica Group S.p.A.; Lottomatica Videlot Rete S.p.A.; PWO S.p.A.; Totosì S.r.l.	Each year
ISO 9001 Certification	Ares S.r.l; Bakoo S.p.A.; Betflag S.p.A.; Big Easy Bingo S.r.l.; Big Easy S.r.l.; Distante S.r.l.; Gamenet S.p.A.; GBO Italy S.p.A.; Gnetwork S.r.l.; IMA S.r.l.; Jolly Group S.r.l.; Lottomatica Group S.p.A; Lottomatica Videlot Rete S.p.A.; Marim S.r.l.; PWO S.p.A.; Rete Gioco Italia S.r.l.; Ricreativo B S.p.A.; Tecno-Mar S.r.l.; Totosì S.r.l.	Each year

Main actions	Type of financial resources	CapEx (€)	OpEx (€)	Link with financial statement items	Future financial resources (€)
Training on AML/CFT	Provision of Services	-	106,749.96	Cost for services - other	69,845.00
ISO 9001 Certification	Provision of Services	-	147,816.32	Costs for services - Fiscal, administrative, legal and financial consultancy	151,079.82

[66] For further information on the materiality threshold identified by the Group for reporting the financial amounts of the shares, please refer to the section "Additional considerations" in chapter "1.1 Criteria for preparation".

Metrics and targets

DISCLOSURE REQUIREMENT G1-4

Cases of active or passive corruption

During 2025, there were **no incidents**, **convictions**, or **fines** for **violations of anti-corruption laws**. Furthermore, the Group was not made aware of any actual incidents of corruption directly linked to it through commercial relationships in the value chain.

Cases of corruption and bribery	u.m.	2025	2024
Convictions for violations of laws against corruption and bribery	No.	0	0
Fines imposed for violations of laws against corruption and bribery	€	0	0

DISCLOSURE REQUIREMENT G1-5

Political influence and lobbying activities

In accordance with the Code of Ethics, the Group's relations with authorities, public institutions, and other entities representing collective interests are based on **fairness**, **transparency**, **honesty**, **integrity**, and **cooperation**, in full compliance with applicable laws, regulations, and the principles outlined in the Code of Ethics and company procedures. In its dealings with public institutions, the Group undertakes to represent its interests fairly and transparently, respecting the independence and impartiality of Public Administration decisions and ensuring clarity and transparency in all acts, documents, communications, and digital files. Lottomatica **does not directly or indirectly favour or discriminate against any political or trade union organisation**, **refrains** from **making any direct or indirect contributions** in any form **to parties, movements, committees, political or trade union organisations, their representatives or candidates**, and bases all relations with such entities on transparency, fairness, and strict legal compliance. This does not apply to **solidarity initiatives**, which the Company considers essential, actively engaging with entities operating in the social sector.

Lottomatica is a member of Confcommercio – Imprese per l'Italia, Unindustria, the regional association of the Confindustria System of Rome, Frosinone, Latina, Rieti, and Viterbo, and Assonime, the association of Italian joint-stock companies. The Group is also a member of AGIC (Associazione Gioco e Intrattenimento in Concessione), affiliated with Confindustria, representing leading concessionaires in Italy's public and regulated gaming sector, promoting legality, security, and responsibility towards consumers and communities. Lottomatica is also a member of the European Association for the Study of Gambling (EASG), established to deepen and disseminate knowledge on all aspects of gaming in Europe and to foster dialogue among members and other stakeholders. The subsidiary GBO Italy S.p.A. is also a member of the World Lottery Association, an international organisation that for over twenty years has represented leading companies operating in the gaming sector in more than 80 countries, as well as the ULIS (United Lotteries for Integrity in Sport) association, which focuses on promoting and safeguarding integrity in the world of sport.

Furthermore, Lottomatica is not registered in the EU transparency register or in similar registers within Member States, and has not identified any individuals specifically responsible for monitoring lobbying activities within its administrative, management, or control bodies.

Finally, it should be noted that members of the Lottomatica Group administrative, management, and control bodies have not held comparable positions in public administration in the two years prior to their appointment during the current reference period.

DISCLOSURE REQUIREMENT G1-6

Payment practices

As an attachment to the purchase order, Group Companies provide suppliers involved in accounts payable with the general conditions of purchase for goods and services, which specify a payment term of 90 days after the end of the month in which the invoice was issued, unless otherwise agreed in writing by the parties. Any interest on late payments is calculated by applying the legal interest rate referred to in Article 1284 of the Italian Civil Code and accrues from the date of the Supplier's explicit written request.

Average payment time	u.m.	2025	2024
Average payment time	No. of days	30.03	34.34
Payments that comply with the standard terms	No.	39,129	33,757
Total payments		40,180	33,961
Percentage of payments that comply with the standard terms	%	97.38	99.40
Legal proceedings currently pending due to late payments	No.	0	0

The percentage of payments that comply with the standard terms is calculated as the ratio between payments made within the standard 90-day term and the total payments made during the year. In order to prevent any delays, a monthly plan is also prepared based on the previous month’s expiry date, while the financial budget is monitored on a weekly basis, both for amounts already paid and those still to be paid.

For the purposes of calculating the average invoice payment time, the following companies were considered: Agesoft, Ares, Betflag, Big Easy, Billions Italia, Distante, Gamenet, Gamenet Pro (until its liquidation in May 2025), GBO, GBO Italy, GGM, Giocaonline, GNetwork, Jolly Group, Lottomatica Digital Solutions (until its merger with GBO Italy in May 2025), Lottomatica Group, Lottomatica Servizi, Lottomatica Videolot Rete, Marim, Newmatic (for the months prior to its merger with Jolly Group), Planet Entertainment, PWO, Rete Gioco Italia, Ricreativo B, Totosì, and Totosì Servizi. Compared with the previous financial year, the number of companies included in the scope of analysis has been expanded, resulting in an increase in the total volume of payments considered for calculation purposes. Specifically, transactions carried out between January and December 2025 were considered for these companies, limited to debts to suppliers in the strict sense. Invoices dated in 2025 and recorded during the same financial year were considered, using the settlement date as the payment date. In the absence of a settlement date, the payment time was calculated up to 31 December 2025.

MINIMUM DISCLOSURE REQUIREMENT

MDR-T targets

The Group has adopted specific policies and procedures and implemented various initiatives to strengthen corporate governance, ensure compliance with the highest standards of ethics and integrity, manage the supply chain responsibly, and operate as a virtuous leader capable of guiding the sustainable development of the entire value chain. These targets, aligned with the principles and values of the Code of Ethics guiding the Group's business conduct and strategic development, are further reinforced by its adherence to the UN Global Compact since 2022. No specific quantitative targets have been set to date. However, in addition to implementing and monitoring the effectiveness of its policies and actions as described above, the Group is considering the introduction of specific targets as part of its sustainability strategy.

Certification of the sustainability reporting pursuant to art. 81-ter, paragraph 1, of Consob Regulation no. 11971 of May 14, 1999, as amended and supplemented

The undersigned Guglielmo Angelozzi, Chief Executive Officer of Lottomatica Group S.p.A., and Laurence Van Lancker, as executive officer responsible for the preparation of Lottomatica Group's financial statements, certify, in compliance with Article 154-bis, paragraph 5-ter, of Legislative Decree No. 58 of 24 February 1998, that the sustainability report included in the management report has been prepared:

a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of June 26, 2013, and Legislative Decree No. 125 of September 6, 2024;
b) with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020.

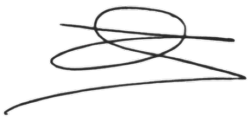
Rome, 2 March 2026

Chief Executive Officer

Guglielmo Angelozzi

Executive Officer responsible for the preparation of corporate accounting information

Laurence Van Lancker



CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2025

Consolidated statement of comprehensive income

		For the year ended 31 December*			
(In thousands of Euro)	*Note*	**2025**	*of which Related Parties (Note 10)*	**2024**	*of which Related Parties (Note 10)*
Revenues	*8.1*	2,247,116	*42*	2,004,725	
Other income	*8.2*	14,888	*6*	14,951	*10*
Total revenues and income		**2,262,004**		**2,019,676**	
Cost of services	*8.3*	(1,314,558)	*(2,032)*	(1,213,725)	
Personnel expenses	*8.4*	(154,750)	*(9,231)*	(135,503)	*(7,067)*
Other operating costs	*8.5*	(40,090)	*(343)*	(39,477)	*(71)*
Depreciation, amortization and impairments	*8.6*	(261,269)		(244,353)	
Impairment of receivables and financial assets	*8.7*	(25,562)		(243)	
Other (accruals) / releases	*8.7*	258		(785)	
Finance income	*8.8*	3,275		9,038	
Finance expenses	*8.8*	(193,422)		(215,400)	
Share of profit / (loss) of equity accounted investments	*8.9*	(110)		1,663	
Profit before tax		**275,776**		**180,891**	
Income tax expense	*8.10*	(95,940)		(77,052)	
Net profit for the year		**179,836**		**103,839**	
Net profit for the year attributable to non-controlling interests		5,541		5,242	
Net profit for the year attributable to the owners of the parent		**174,295**		**98,597**	
Earning per share – Base and diluted (in Euro)	*8.11*	0.70		0.39	

* For disclosures on non-recurring events or transactions, please refer to Note 11.4.

		For the year ended 31 December			
(In thousands of Euro)	*Note*	**2025**	*of which Related Parties (Note 10)*	**2024**	*of which Related Parties (Note 10)*
Net profit for the year		**179,836**		**103,839**	
Actuarial gains / (losses) on employee benefit liabilities	*9.15*	1,258		408	
Fiscal effect on actuarial gains / (losses) on employee benefit liabilities		(302)		(98)	
Other items that will not be classified to profit or loss		**956**		**310**	
Gain / (losses) on hedging derivatives	*9.14*	6,857		(3,889)	
Fiscal effect on gains / (losses) on hedging derivatives	*9.14*	(1,648)		928	
Gains / (losses) on conversion of financial statements of the foreign companies		(18)		21	
Other items that will be classified to profit or loss		**5,191**		**(2,940)**	
Total comprehensive profit		**185,983**		**101,209**	
Total comprehensive profit attributable to non-controlling interests		5,541		5,242	
Total comprehensive profit attributable to the owners of the parent		**180,442**		**95,967**	

(The attached notes form an integral part of these consolidated financial statements)

Consolidated statement of financial position

		As of 31 December*			
(In thousands of Euro)	*Note*	**2025**	*of which Related Parties (Note 10)*	**2024**	*of which Related Parties (Note 10)*
Intangible assets	*9.1*	745,448		697,953	
Goodwill	*9.2*	2,080,855		2,048,563	
Property, plant and equipment	*9.3*	160,397	*1,768*	148,460	
Right of use	*9.4*	69,181		74,398	
Investment property	*9.5*	408		435	
Non-current financial assets	*9.6*	1,202		2,037	
Equity accounted investments	*9.7*	14,825		-	
Non-current trade receivables	*9.9*	3,171		636	
Deferred tax assets	*9.10*	781		10,565	
Other non-current assets	*9.11*	17,986		15,815	
Total non-current assets		**3,094,254**		**2,998,862**	
Inventories	*9.8*	1,630		1,478	
Current trade receivables	*9.9*	74,070	*44*	77,349	
Current financial assets	*9.6*	31,570		30,396	
Tax receivables	*9.12*	268		2,158	
Other current assets	*9.11*	157,179		162,079	
Cash and cash equivalents	*9.13*	143,898		164,156	
Total current assets		**408,615**		**437,616**	
Total assets		**3,502,869**		**3,436,478**	
Share capital	*9.14*	10,000		10,000	
Other reserves	*9.14*	109,225		405,959	
Retained earnings	*9.14*	205,845		102,010	
Total shareholders' equity attributable to the owners of the parent		**325,070**		**517,969**	
Equity attributable to non-controlling interests	*9.14*	52,418		47,534	
Total shareholders' equity		**377,488**		**565,503**	
Employee benefit liabilities	*9.15*	27,753		26,730	
Non-current financial liabilities	*9.16*	2,069,779		2,048,436	
Provisions for risks and charges	*9.17*	41,135		6,164	
Deferred tax liabilities	*9.10*	126,077		152,130	
Other non-current liabilities	*9.18*	34,651		53,200	
Total non-current liabilities		**2,299,395**		**2,286,660**	
Current financial liabilities	*9.16*	266,312		100,391	
Current trade payables	*9.19*	131,130	*940*	133,702	
Tax payables	*9.12*	31,095		23,147	
Other current liabilities	*9.18*	397,449	*3,241*	327,075	*2,441*
Total current liabilities		**825,986**		**584,315**	
Total equity and liabilities		**3,502,869**		**3,436,478**	

* For disclosures on non-recurring events or transactions, please refer to Note 11.4.

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated statement of cash flows

(In thousands of Euro)	Note	For the year ended 31 December 2025	of which Related Parties (Note 10)	2024	of which Related Parties (Note 10)
INDIRECT METHOD					
Profit before tax		**275,776**		**180,891**	
Reconciliation of profit before tax with cash flow from operating activities:					
Depreciation, Amortization and Impairment	*8.6*	261,269		244,353	
Accruals and write-downs for impairment losses	*8.7*	25,304		1,028	
Other accruals	*8.4*	3,500		3,363	
Share of (profit)/loss of equity accounted investments	*8.9*	110		(1,663)	
Net finance expenses	*8.8*	185,783		202,066	
Leasing financial expenses	*8.8*	4,364		4,296	
Other adjustments for non-monetary items		10,791		7,696	
Cash flow from operating activities before changes in net working capital		**766,897**		**642,030**	
Changes in net working capital					
Decrease / (Increase) in inventories	*9.8*	(153)		350	
Decrease / (Increase) in trade receivables	*9.9*	3,347	*4*	21,672	*13*
Increase / (Decrease) in trade payables	*9.19*	(5,968)	*(1,435)*	7,152	*(285)*
Other changes in net working capital	*9.11-9.18*	(32,738)	*(6,548)*	(65,484)	*(6,318)*
Cash flow from changes in net working capital		**(35,512)**		**(36,310)**	
Income taxes paid		(93,684)		(79,443)	
Accruals to employee benefits and provisions for risks and charges	*9.15 - 9.17*	(2,684)		(1,939)	
Cash flow from operating activities (a)		**635,017**		**524,338**	
Cash flow from investing activities					
Investments:		(228,934)		(181,412)	
- intangible assets	*9.1*	(165,996)		(117,713)	
- property, plant and equipment	*9.3*	(62,938)	*(1,768)*	(63,699)	
Investments in equity accounted investments	*9.7*	(13,917)		-	
Escrow account	*9.6*	-		504,281	
Net disposal in financial assets	*9.6*	-		1,764	
Deferred purchase consideration for acquisition of subsidiaries/business units	*9.16*	(36,298)		(60,852)	
Acquisition net of cash and cash equivalents	9.16	(16,652)		(605,129)	
Cash flow from investing activities (b)		**(295,801)**		**(341,348)**	
Cash flow from financing activities					
Proceeds from senior secured notes issuance	*9.16*	1,100,000		900,000	
Repayment of senior secured notes	*9.16*	(1,065,000)		(900,000)	
Bridge Loan fees and make-whole costs	*9.16*	(21,018)		(32,693)	
Fees for issuance of senior secured notes	*9.16*	(12,788)		(21,031)	*(1,235)*
Net finance expenses including Revolving Credit Facility	*9.16*	(125,226)		(160,122)	
Lease payment	*9.16*	(28,132)		(24,676)	
Repayment of other bank liabilities	*9.16*	(2,683)		(2,871)	
Changes in current and non-current financial assets	*9.16*	607		822	
Share buyback		(127,259)		-	
Transactions with minorities	*9.14*	191		(5,832)	
Dividends paid	*9.14*	(78,166)		(67,113)	
Cash flow from financing activities (c)		**(359,474)**		**(313,516)**	
Net Cash flow (a+b+c)		**(20,258)**		**(130,526)**	
Cash and cash equivalents at the beginning of the year	*9.13*	164,156		294,682	
Cash and cash equivalents at the end of the year	*9.13*	143,898		164,156	

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated statement of changes in equity

(In thousands of Euro)	*Note*	**Share capital**	***Legal Reserve***	***Share premium reserve***	***Treasury shares***	***Other Reserves***	**Total Other Reserves**	**Retained Earnings / (Losses)**	**Total Shareholders' Equity Attributable to Owners of the Parent**	**Equity Attributable to Minority Interests**	**Total Shareholders' Equity**
As of 31 December 2023	*9.14*	**10,000**	**10**	**433,832**	**-**	**37,541**	**471,383**	**16,629**	**498,012**	**43,218**	**541,230**
Net profit for the year		**-**	**-**	**-**	**-**	**-**	-	98,597	98,597	5,242	103,839
Other items of comprehensive income		-	-	-	-	-	-	(2,630)	(2,630)	-	(2,630)
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**-**	**95,967**	**95,967**	**5,242**	**101,209**
Dividends distribution		**-**	**-**	(65,424)	**-**	**-**	(65,424)	-	(65,424)	(3,441)	(68,865)
Stock options plan		**-**	**-**	**-**	**-**	**-**	-	1,333	1,333	-	1,333
Other changes in equity including transactions with minorities		**-**	**-**	**-**	**-**	**-**	**-**	(11,920)	(11,920)	2,515	(9,405)
As of 31 December 2024	*9.14*	**10,000**	**10**	**368,408**		**37,541**	**405,959**	**102,010**	**517,969**	**47,534**	**565,503**
Net profit for the year		**-**	**-**	**-**	**-**	**-**	-	174,295	174,295	5,541	179,836
Other items of comprehensive income		-	-	-	-	-	-	6,147	6,147	-	6,147
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**-**	**180,442**	**180,442**	**5,541**	**185,983**
Allocation of previous year results and dividends distribution		-	1,990	-	**-**	**-**	1,990	(77,479)	(75,489)	(1,668)	(77,157)
Share buyback		**-**	**-**	**-**	(298,724)	-	(298,724)	-	(298,724)	-	(298,724)
Stock options plan		**-**	**-**	**-**	**-**	**-**	-	3,804	3,804	-	3,804
Other changes in equity including transactions with minorities		**-**	**-**	**-**	-	-	-	(2,932)	(2,932)	1,011	(1,921)
As of 31 December 2025	*9.14*	**10,000**	**2,000**	**368,408**	**(298,724)**	**37,541**	**109,225**	**205,845**	**325,070**	**52,418**	**377,488**

(The accompanying notes are an integral part of these consolidated financial statements)

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

1.1 Introduction

Lottomatica Group S.p.A. (hereinafter 'the ''**Company**'' or the ''**Parent**'' and together with its subsidiaries the ''**Group**'') is a company incorporated on 15 October 2019 and domiciled in Italy with registered offices in Rome, Via degli Aldobrandeschi, 300, organized under the laws of the Republic of Italy. The share capital of the Company amounts to Euro 10,000,000, divided into 251,630,412 ordinary shares without nominal value; it has a corporate duration until 31 December 2100. The Company is listed on Euronext Milan, a regulated market organized and managed by Borsa Italiana S.p.A., since 3 May 2023; it was included in the STOXX Europe 600 Index (SXXP), a stock index comprising 600 leading European companies, in June 2025 and in the FTSE MIB index, which includes the top 40 Italian companies by market capitalization and stock liquidity, on 22 September 2025.

The Group offers a diversified product range spread across three operating segments: (i) online betting and gaming (Online); (ii) betting and gaming through the retail network (Sports Franchise); and (iii) management of the AWP (amusement with prize machines) and VLT (video lottery terminals) entertainment device networks and management of owned gaming halls and AWPs (Gaming Franchise).

It should be noted that, on 24 April 2024, GBO S.p.A. completed the acquisition of 100% of the share capital of SKS365 Malta Holding Limited (merged into GBO S.p.A. during 2025) for a consideration of Euro 621.5 million (the "**SKS365 Acquisition**"). The company was consolidated starting from 30 April 2024. It is also noted that, SKS365 Malta Limited, a subsidiary of SKS365 Malta Holding Limited, was renamed to PWO Limited (now PWO S.p.A., hereinafter "**PWO"**) following the acquisition.

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These consolidated financial statements as of and for the year ended 31 December 2025 (hereinafter the ''**Consolidated Financial Statements**") were approved by the Company's Board of Directors on 2 March 2026 and were audited by PricewaterhouseCoopers S.p.A..

2. Summary of significant accounting policies

The most significant accounting policies and measurement criteria used in the preparation of the Consolidated Financial Statements are described below.

2.1 Basis of preparation

These Consolidated Financial Statements have been prepared in accordance with the IFRS® Accounting Standards ("**IFRS Accounting Standards**") as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (hereafter, "**EU IFRS Accounting Standards**") in force as of 31 December 2025.

The Consolidated Financial Statements have been prepared in accordance with Article 154-ter of Italian Legislative Decree 58/98, as well as the relevant provisions of Consob, and include the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity, as well as the explanatory notes.

The designation ''EU IFRS Accounting Standards'' includes all "IFRS Accounting Standards", all "International Accounting Standards" ("**IAS® Standards**") and all interpretations of the IFRS Interpretations Committee ("**IFRIC® Interpretations**"), formerly the Standing Interpretations Committee ("**SIC® Interpretations**"), adopted as of the reporting date, by the European Union in accordance with the procedures provided for in Regulation No. 1606/2002 of the European Parliament and of the Council of 19 July 2002.

The Consolidated Financial Statements have been prepared on a going concern basis, as management has confirmed the absence of financial, operational or other indicators that may suggest an inability on the part of the Group to meet its obligations in the foreseeable future and, in particular, during the 12 months following the reporting date. The Group operates in a sector characterized by a business model in which collections precede payments. This dynamic, also considering the strong cash generation, allows the Group to manage its finances efficiently and utilize cash and cash equivalents for payments also related to non-recurring transactions which may determine temporary situations, such as those at 31 December 2025, in which current assets may be lower than current liabilities.

It should be noted that the Group has applied the temporary exemption provided by the amendment to IAS 12, issued by the International Accounting Standards Board ("IASB") on 23 May 2023 (endorsed by European Commission Regulation No. 2023/2468 of 8 November 2023). The exemption concerns the recognition and related disclosure to be provided in the financial statements for deferred tax assets and liabilities arising from the application of the minimum tax (so-called "Global Minimum Tax"), under the Global Anti-Base Erosion Model Rules (so-called "Pillar 2"), which have also been implemented in Italy through Legislative Decree No. 209/2023.

Accordingly, the Group will neither recognize nor disclose deferred tax assets and liabilities arising from Pillar 2 income taxes.

2.2 Format and content of the financial statements

The Consolidated Financial Statements are presented in thousands of Euro (unless otherwise indicated), the main currency in which Group companies operate. The principal statements and related classification criteria adopted by the Group (among the options available under **IAS 1**—Presentation of financial statements) are as follows:

- the "Consolidated statement of financial position", classifies assets and liabilities based on whether they are current/non-current;
- the "Consolidated statement of comprehensive income", classifies costs and revenues according to their nature and sets out the profit or loss for the year, together with other amounts that, in accordance with EU IFRS Accounting Standards, are recognized directly in equity separately from those relating to operations with the Company's shareholders;
- the "Consolidated statement of cash flows", is prepared using the indirect method;
- the "Consolidated statement of changes in equity".

The formats used are those considered to provide the best representation of the Group's results and financial position.

2.3 Basis and principles of consolidation

The Consolidated Financial Statements include the financial statements of the Company and its subsidiaries as approved by the respective boards of directors and prepared based on the accounting records of the individual companies, adjusted as necessary to align them with EU IFRS Accounting Standards.

The following table provides details of the companies included in the scope of consolidation for the relevant periods.

	Registered office	Share capital	% direct ownership	Owned by	% ownership at Group level	Consolidation method	As of 31 December	
							2025	2024
PARENT COMPANY:								
Lottomatica Group S.p.A.	Rome	€10,000,000	-	-	-	-	X	X
SUBSIDIARIES:								
Gamenet S.p.A.	Rome	€8,500,000	100.0%	Lottomatica Gaming S.p.A.	96.5%	Line-by-line	X	X
Billions Italia S.r.l.	Rome	€200,000	100.0%	Gamenet S.p.A.	96.5%	Line-by-line	X	X
Gnetwork S.r.l.	Rome	€66,667	75.0%	Gamenet S.p.A.	72.4%	Line-by-line	X	X
GBO Italy S.p.A.	Rome	€860,000	100.0%	GBO S.p.A.	100.0%	Line-by-line	X	X
Jolly Group S.r.l.	Rome	€19,683	64.7%	Gamenet S.p.A.	62.4%	Line-by-line	X	X
Agesoft S.r.l.	Rome	€100,000	60.0%	Gamenet S.p.A.	57.9%	Line-by-line	X	X
Lottomatica Videolot Rete S.p.A.	Rome	€3,413,984	100.0%	Lottomatica Gaming S.p.A.	96.5%	Line-by-line	X	X
Big Easy S.r.l.	Rome	€2,474,219	100.0%	Lottomatica Videolot Rete S.p.A.	96.5%	Line-by-line	X	X
Lottomatica Gaming S.p.A. (formerly GGM S.p.A.)[17]	Rome	€27,238,695	96.5%	Lottomatica Group S.p.A.	96.5%	Line-by-line	X	X
GBO S.p.A.	Rome	€300,000	100.0%	Lottomatica Group S.p.A.	100.0%	Line-by-line	X	X
Gamenet PRO S.r.l.[11]	Rome	€10,000	100.0%	GBO S.p.A.	100.0%	Line-by-line	-	X
GNet Inc.[1]	Delaware (USA)	USD 264,854	100.0%	GBO S.p.A.	100.0%	Line-by-line	-	X
Lottomatica UK Ltd.[2]	London (UK)	£ 1,000	100.0%	Lottomatica Group S.p.A.	100.0%	Line-by-line	-	X
Giocaonline S.r.l.	Milan	€10,000	60.0%	GBO Italy S.p.A.	60.0%	Line-by-line	X	X

Ares S.r.l.	Rome	€10,000	80.0%	Gamenet S.p.A.	77.2%	Line-by-line	X	X
Marim S.r.l.	Rome	€583,640	85.7%	Lottomatica Gaming S.p.A.	82.7%	Line-by-line	X	X
Tecno-Mar S.r.l	Moncalieri (TO)	€1,000	70.0%	Marim S.r.l.	57.9%	Line-by-line	X	X
Lottomatica Digital Solutions S.r.l. (10)	Rome	€10,000	100.0%	GBO Italy S.p.A.	100.0%	Line-by-line	-	X
Big Easy Bingo S.r.l. (formerly Battistini Andrea S.r.l.)	Rome	€10,400	100.0%	Big Easy S.r.l.	96.5%	Line-by-line	X	X
Betflag S.p.A.	Rome	€1,500,000	100.0%	GBO S.p.A.	100.0%	Line-by-line	X	X
Ricreativo B S.p.A.	Rome	€10,000,000	100.0%	Lottomatica Gaming S.p.A.	96.5%	Line-by-line	X	X
SKS365 Malta Holding Limited (4)	St. Julian's (MT)	€10,000	100.0%	GBO S.p.A.	100.0%	Line-by-line	-	X
PWO S.p.A. (formerly SKS365 Malta Limited) (5)	Rome	€10,000,000	100.0%	GBO S.p.A.	100.0%	Line-by-line	X	X
SKS Services doo (6)	Belgrade (SRB)	RSD 1,185,000	100.0%	GBO S.p.A.	100.0%	Line-by-line	-	X
SKS365 SRB doo (6)	Belgrade (SRB)	RSD 0	100.0%	PWO S.p.A	100.0%	Line-by-line	-	X
Planet Entertainment S.r.l.	Rome	€10,000	100.0%	PWO S.p.A	100.0%	Line-by-line	X	X
Lottomatica Technology & Operations S.r.l. (formerly Totosì Servizi S.r.l.) (16)	Rome	€100,000	100.0%	Lottomatica Group S.p.A.	100.0%	Line-by-line	X	X
Totosì S.r.l.	Rome	€10,000	100.0%	GBO S.p.A.	100.0%	Line-by-line	X	X
Dea Bendata S.r.l. (9)	Rome	€10,000	100.0%	Big Easy S.r.l.	96.5%	Line-by-line	-	X
Rete Gioco Italia S.r.l.	Rome	€3,759,060	60.0%	Lottomatica Videolot Rete S.p.A.	57.9%	Line-by-line	X	X
Bakoo S.p.A. (18)	Rome	€120,000	100.0%	Marim S.r.l.	82.7%	Line-by-line	X	X
Sea S.r.l. (7)	Rome	€50,000	100.0%	Big Easy S.r.l.	96.5%	Line-by-line	-	X
IMA S.r.l. (19)	Rome	€101,000	100.0%	Marim S.r.l.	82.7%	Line-by-line	X	X
Distante S.r.l. (8)	Francavilla Fontana (BR)	€52,000	65.0%	Lottomatica Videolot Rete S.p.A.	62.7%	Line-by-line	X	-
Lottomatica Servizi S.r.l. (formerly Lottomatica Payments S.r.l.) (13)	Rome	€10,000	100.0%	GBO S.p.A.	100.0%	Line-by-line	X	-
EQUITY ACCOUNTED INVESTMENTS:								
Cristaltec S.p.A. (3)	Rome	€1,687,500	60.0%	Lottomatica Videolot Rete S.p.A.	57.9%	Equity	X	-
Luduscristaltec L.d.A. (3)	Porto (PT)	€20,000	51.0%	Cristaltec S.p.A.	49.2%	Equity	X	-
Huge Easy Nerviano S.p.A. (12)	Salò (BS)	€50,000	49.0%	Big Easy S.r.l.	47.3%	Equity	X	-
Huge Easy San Giuliano S.p.A. (12)	Salò (BS)	€50,000	49.0%	Big Easy S.r.l.	47.3%	Equity	X	-
Huge Easy Terni S.p.A. (12)	Salò (BS)	€50,000	49.0%	Big Easy S.r.l.	47.3%	Equity	X	-
Huge Easy Blu S.p.A. (14)	Salò (BS)	€50,000	49.0%	Big Easy S.r.l.	47.3%	Equity	X	-
Huge Easy Giallo S.p.A. (14)	Salò (BS)	€50,000	49.0%	Big Easy S.r.l.	47.3%	Equity	X	-
Huge Easy Nero S.p.A. (14)	Salò (BS)	€50,000	49.0%	Big Easy S.r.l.	47.3%	Equity	X	-
Huge Easy Rosso S.p.A. (14)	Salò (BS)	€50,000	49.0%	Big Easy S.r.l.	47.3%	Equity	X	-
Huge Easy Verde S.p.A. (14)	Salò (BS)	€50,000	49.0%	Big Easy S.r.l.	47.3%	Equity	X	-
Sportbet S.r.l. (15)	Rome	€10,000	20.0%	GBO S.p.A.	20.0%	Equity	X	-

1. The company entered into liquidation in November 2024, completed in 2025.
2. The company entered into liquidation on 26 November 2024. It became effective on 11 February 2025.
3. On 13 January 2025, Lottomatica Videolot Rete S.p.A. finalized the agreements for the acquisition of 60% of the share capital of Cristaltec S.p.A., a company involved in the development and distribution of online games, AWP and VLT games, which controls 51% of the company Luduscristaltec L.d.A..
4. On 4 February 2025, the company was merged into GBO S.p.A..
5. On 4 February 2025, the preparatory steps for the transformation of the company PWO Limited (formerly SKS Malta Limited) into a joint stock company under Italian law were completed, effective from 1 March 2025.
6. Liquidated company.
7. On 10 March 2025, the company was merged into Big Easy Bingo S.r.l.
8. On 25 March 2025, Lottomatica Videolot Rete S.p.A. finalized the agreement for the acquisition of 65% of the share capital of Distante S.r.l.
9. On 17 April 2025, the company was merged into Big Easy S.r.l.
10. On 20 May 2025, the company was merged into GBO Italy S.p.A.
11. The company entered into liquidation on 9 May 2025. The final liquidation balance sheet dated 17 June 2025, was approved on the same date. On 24 June 2025, the shareholders' meeting for the approval of the final liquidation balance sheet was held.
12. On 28 May 2025, the company was incorporated.
13. On 30 May 2025, the company was incorporated. On 18 November 2025, the company was renamed to “Lottomatica Servizi S.r.l..”.
14. On 2 October 2025, the company was incorporated.
15. On 16 December 2025, GBO S.p.A. finalized the agreement for the acquisition of 20% of the share capital of Sportbet S.r.l..
16. On 28 November 2025, the company was sold to Lottomatica Group S.p.A. On 26 January 2026, the company was renamed “Lottomatica Technology & Operations S.r.l.”.
17. On 1 January 2026 the company was renamed “Lottomatica Gaming S.p.A.”.
18. The company was sold with effect from 1 January 2026.
19. On 17 December 2024, Marim S.r.l. finalized the acquisition of the entire share capital of IMA S.r.l., which from December 2024 will be consolidated using the full method as a controlled company.

Please see Note 7 – Business Combinations for further details regarding acquisitions that occurred during 2025.

With reference to equity accounted investments, on 13 January 2025, Lottomatica Videolot Rete S.p.A. completed the acquisition of 60% of the share capital of Cristaltec S.p.A., which holds a 51% interest in Luduscristaltec L.d.A.. On 31 March 2025, Lottomatica Videolot Rete S.p.A. converted part of its shares into non-voting shares, reducing its voting rights to 37.40% from the original 60%. Therefore, since control requirements pursuant to IFRS 10 are not met, the investment in Cristaltec S.p.A. is recognized using the equity method, in accordance with IAS 28 – Investments in Associates and Joint Ventures, as the Group exercises significant influence over the investee.

On 16 December 2025, GBO S.p.A. completed the acquisition of 20% of the share capital of Sportbet S.r.l.. Furthermore, Big Easy S.r.l. subscribed a 49% equity interest in the share capital of the newly established companies Huge Easy Nerviano S.p.A., Huge Easy San Giuliano S.p.A. and Huge Easy Terni S.p.A. on 28 May 2025, as well as the companies Huge Easy Rosso S.p.A., Huge Easy Blu S.p.A., Huge Easy Nero S.p.A., Huge Easy Giallo S.p.A. and Huge Easy Verde S.p.A. in November 2025. These companies qualify as associates, due to the existence of significant influence, and as joint ventures and are accounted for using the equity method.

The following describes other changes in the scope of consolidation that occurred during 2025, relating to extraordinary transactions involving consolidated companies and/or to increases in shares in companies already owned.

Reorganization of the Group

As part of a project aimed at streamlining and simplifying the Group's organizational structure and corporate framework:

- the following mergers by incorporation were carried out, resulting in the elimination of the incorporated companies from the scope of consolidation:
  - SKS365 Malta Holding Limited was merged by incorporation into GBO S.p.A.;
  - Dea Bendata S.r.l. was merged by incorporation into Big Easy S.r.l.;
  - Sea S.r.l. was merged by incorporation into Big Easy Bingo S.r.l.;
  - Lottomatica Digital Solutions S.r.l. was merged by incorporation into GBO Italy S.p.A.
- the liquidation procedures of the following companies were completed and, accordingly, they were eliminated from the scope of consolidation: Gnet Inc., Lottomatica UK Ltd, SKS Services d.o.o., SKS365 SRB d.o.o., and Gamenet PRO S.r.l.;
- Lottomatica Payments S.r.l. was established and subsequently renamed Lottomatica Servizi S.r.l.;
- the procedures for the transformation of the company PWO Limited (formerly SKS Malta Limited) into a joint stock company under Italian law were completed, with effect from 1 March 2025;
- the investment in Lottomatica Technology & Operations S.r.l. (formerly Totosì Servizi S.r.l.) was transferred by GBO S.p.A. to Lottomatica Group S.p.A., with no changes to the scope of consolidation.

2.3.1 Subsidiaries

An investor controls an investee when: (i) it is exposed, or has rights, to variable returns from its involvement with the investee and ii) it has the ability to affect those returns through its control over the investee. The existence of control is verified each time that facts or circumstances indicate a change in one of the aforementioned control criteria. Subsidiaries are consolidated using the line-by-line method, from the date that control is obtained until the date that such control ceases when it is transferred to third parties. The financial statements of all the subsidiaries have the same reporting date as the Company. The principles adopted for line-by-line consolidation are as follows:

- the assets, liabilities, revenues and expenses of the subsidiaries are consolidated on a line-by-line basis, attributing to the non-controlling interests, where applicable, their share of equity and profit or loss for the year which are shown separately in equity and in the consolidated statement of comprehensive income;
- gains and losses including any tax effects resulting from transactions between fully consolidated Group companies, which have not been realized with third parties at the end of the reporting period, are eliminated, other than losses that result from transactions involving a reduction in value of the asset transferred. Receivables and payables, costs and revenues and finance income and expenses between companies included in the scope of consolidation are also eliminated;
- if the Group increases its shareholding in a subsidiary subsequent to assuming control, any difference between the acquisition cost and the corresponding share of equity acquired is recognized in equity attributable to owners of the parent. In the same way, if the Group reduces its shareholding in a subsidiary without a loss of control of the subsidiary, the effects are recognized in equity. If, on the other hand, as a result of the sale of shares in a subsidiary the Group loses control, the following are recognized in profit or loss:
  1. any gains/losses, calculated as the difference between the consideration received and the corresponding share of net equity sold;
  2. the effects of remeasuring any remaining investment to its fair value;
  3. all amounts previously recognized in other comprehensive income in relation to the subsidiary over which control was lost. If, however, it is not foreseen that such amounts would be subsequently reclassified to the income statement, they are reclassified to “Retained earnings”.

The new book value of any remaining investment is the fair value at the date of loss of control and this becomes the reference value for future measurement of the investment in accordance with relevant accounting standards.

2.3.2 Business combinations

Business combinations in which control is acquired are recorded in accordance with IFRS 3 – *Business Combinations* (“**IFRS 3**”), applying the acquisition method of accounting. Identifiable assets acquired, liabilities and contingent liabilities assumed are recognized at their fair value at the acquisition date (the “**Acquisition Date**”), except for deferred tax assets and liabilities, assets and liabilities relating to employee benefits and assets held for sale, which are recognized on the basis of the relevant accounting principles. If positive, the difference between the acquisition cost and the fair value of the assets and liabilities acquired is recognized as goodwill, if negative, after reviewing the fair value measurements of the assets and liabilities acquired, the difference is recognized directly in the consolidated statement of comprehensive income as a gain. In the event that the values of the acquired assets and liabilities are initially determined on a provisional basis, they must be confirmed within a maximum period of twelve months from the acquisition date, based solely on information relating to

facts and circumstances existing at the Acquisition Date. In the period when such values are finally determined, the provisional values are adjusted retrospectively. Transaction costs are recorded in the consolidated statement of comprehensive income when incurred.

In addition to the fair value at the Acquisition Date of the assets transferred, the liabilities assumed and any capital instruments issued for the purposes of the acquisition, the acquisition cost also includes contingent consideration, or that share of the cost, the amount and timing of which are contingent on future events. Contingent consideration is measured at fair value at the Acquisition Date; subsequent changes in fair value are recognized in the consolidated statement of comprehensive income if the contingent consideration is a financial asset or liability while, if the contingent consideration is classified as equity, the original amount is not remeasured and is recorded directly in equity when settled.

If the business combination is achieved in stages, the acquisition cost is determined by adding the fair value of the previously held equity interest and the consideration for the additional investment. Any difference between the fair value of the previously held equity interest and its acquisition-date fair value is recognized in the consolidated statement of comprehensive income. On assuming control, any amounts previously recognized in other components of comprehensive income are reclassified to the income statement or recognized under another heading in equity in the event they are not reclassified to the income statement.

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Business combinations in which all the combining entities or businesses are ultimately controlled by the same party or parties, both before and after the transaction, are known as business combinations under common control. Such combinations are not governed by IFRS 3 nor by any other IFRS. In the absence of an applicable accounting standard, an accounting policy meeting the requirements of IAS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors*, regarding the provision of relevant and reliable information must be applied. Moreover, the accounting policy chosen to represent combinations under common control must reflect the economic substance of the arrangement independently of its legal form. Economic substance, therefore, is the key driver in choosing the most appropriate method to account for such combinations. Economic substance must be considered in terms of the generation of added value and significant variations in cash flows relating to the net assets transferred. It is also important to consider existing interpretations and guidance and reference is made to the Preliminary Guidance on IFRS of the Association of Italian Auditors in relation to how to account for business combinations of entities under common control in separate and consolidated financial statements. The net assets transferred must, therefore, be recognized at the same values as their carrying amounts in the financial statements of the acquired companies or, if available, at the values reported in the consolidated financial statements of the common controlling company. In this regard, in such cases, the Company has chosen to refer to carrying amounts in the financial statements of the acquired companies.

2.3.3 Equity accounted investments

An associate is an investee over which the Group has significant influence, namely the power to participate in the financial and operating decisions of the investee, without having control or joint control[67] over it. Significant influence is presumed to exist (unless it can be clearly demonstrated otherwise) when the investor holds, directly or indirectly through subsidiaries, at least 20% of the voting rights. A joint venture is a joint arrangement in which the parties with joint control have rights to the net assets of the arrangement and, therefore, an interest in the jointly controlled entity.

Associates and joint ventures are accounted for using the equity method and are initially recorded at cost. The equity method is described as follows:

- the carrying amount of such investments is aligned to the adjusted equity, where necessary, to reflect the application of IFRS and includes recognition of the higher values attributed to the assets and liabilities and goodwill, if any, identified at the date of acquisition, following a process similar to that previously described for business combinations;
- the Group's share of the investee's profit or loss is recorded starting from the date that significant influence commences until the date that influence ceases. If, as a result of losses, the investee shows negative equity, the carrying amount of the investment is reduced to zero, any additional losses are provided for and a liability is recognized only to the extent that the Group has legal or constructive obligations or is otherwise required to settle the losses. Changes unrelated to profit or loss in the equity of investees accounted for using the equity method are recognized directly in the consolidated statement of comprehensive income;
- unrealized gains and losses, generated on transactions between the Company/its subsidiaries and the investee accounted for using the equity method are eliminated to the extent of the Group's investment in the investee, except for losses, in the case in which they represent impairment of the underlying asset, and dividends, which are eliminated in full.

When indicators of impairment exist, recoverability is considered by comparing the book value of investments with their related recoverable value calculated in accordance with the criteria indicated in "Impairment of goodwill and property, plant and equipment, intangible and investment property assets". If the reasons for the impairment cease to exist, the value of the investments is reinstated up to the amount that would have been recognized had no impairment occurred, with the effect being recorded in the income statement.

The partial disposal of investments that result in loss of control or loss of significant influence over the investee are reflected in the consolidated statement of comprehensive income with:

- any gains/losses, calculated as the difference between the consideration received and the corresponding share of net equity sold;
- the effect of realigning the remaining investment to its fair value;
- all amounts previously recognized in other comprehensive income in relation to the investment to be reclassified to the income statement.

The fair value of any remaining investment, as of the date of loss of control or loss of significant influence, becomes the new book value and therefore the reference for subsequent measurement in accordance with applicable criteria.

[67] Joint control is an arrangement whereby decisions about the relevant activities require the unanimous consent of all parties sharing control.

If an investment, or share of investment, accounted for using the equity method is classified as available for sale, such investment or share of investment is no longer measured using the equity method.

2.3.4 Treatment of put options on the non-controlling interests

The Group has issued put options to minorities that give such minorities the right to sell their shares to the Group at a future date. The treatment of put options granted to minorities is not fully governed by EU IFRS Accounting Standards. In particular, while the issuance of a put option to minorities gives rise to a liability, the corresponding entry is not defined. In this regard, in accordance with Paragraph 23 of IAS 32 - *Financial Instruments: Presentation*, a contract that contains an obligation for an entity to purchase its own equity instruments for cash or another financial asset gives rise to a financial liability. Such financial liability is recognized initially at the present value of the redemption amount and, in accordance with IFRS 9 – *Financial Instruments* ("**IFRS 9**"), subsequent adjustments to the financial liability are recognized in the statement of comprehensive income.

In order to determine the corresponding entry to reflect the aforementioned financial liability, it is first necessary to consider whether, as part of the conditions regarding exercise of the puttable financial instrument, the risks and benefits deriving from ownership of the non-controlling interest are transferred to the controlling company or remain with the owners of the non-controlling interest, as this will determine whether the non-controlling interests subject to the put option are required to be reported. If the risks and benefits are not transferred to the controlling company by the puttable option, the non-controlling interests subject to the put option require reporting: if, on the other hand, such risks and benefits are transferred, the non-controlling interests need not be recognized in the consolidated financial statements.

Given the above:

- if the non-controlling interests do not need to be recognized in the financial statements as the related risks and benefits have transferred to the controlling company, the liability relating to the put option will be reflected:
  a) against goodwill, if the put option was granted to the seller in the context of a business combination, or
  b) against equity attributable to the minorities, in the case in which the contract was entered into outside such context; on the other hand.
- if the risks and benefits have not transferred, the corresponding entry will be to equity attributable to the owners of the parent.

2.4 Accounting policies and measurement criteria

The following paragraphs briefly describe the main key accounting policies and measurement criteria adopted in preparing the Consolidated Financial Statements.

2.4.1 Current and non-current assets and liabilities

The Group classifies an asset as current when:

- it expects to realize the asset, or intends to sell or consume it, in its normal operating cycle (12 months);
- it holds the asset primarily for the purpose of trading;
- it expects to realize the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

The Group classifies a liability as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

2.4.2 Property, plant and equipment

Property, plant and equipment is recorded at acquisition or production cost (inclusive of any non-deductible VAT, which is recognized as a cost) net of accumulated depreciation and impairment. Acquisition or production cost includes costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating as well as any expected costs of dismantling and removing the asset and restoring it to its original condition if a contractual obligation exists. Finance expenses directly attributable to the acquisition, construction or production of property, plant and equipment requiring more than one year to construct or produce are capitalized and depreciated over the estimated useful lives of the assets to which they relate.

Expenses incurred for ordinary and/or cyclical maintenance and repairs are charged directly to the consolidated statement of comprehensive income in the year incurred. The capitalization of costs inherent to the expansion, modernization or improvement of facilities owned or used by third parties is recorded solely to the extent that they meet the conditions for being classified separately as an asset or part of an asset. Improvements to leased assets are depreciated over the duration of the relevant lease contract or over the specific estimated useful life of the asset, if less.

Depreciation is calculated on a straight-line basis over the estimated useful life of the individual assets. When an asset being depreciated is composed of separately identifiable elements with useful lives that

differ significantly from the other elements that comprise the asset, depreciation is calculated separately for each element, in accordance with the component approach method.

The estimated useful life by class of property, plant and equipment is as follows:

	Estimated useful life
Gaming hardware	2-8 years
Furniture	2-8 years
Leasehold improvement	Lower of estimated useful life of the asset and duration of the relevant lease contract
Other assets	4-8 years

The estimated useful life of property, plant and equipment is reviewed and adjusted as required.

Property, plant and equipment is derecognized when it is sold or otherwise disposed of or when the expected future economic benefits no longer exist. Any gains or losses (calculated as the difference between the net sale proceeds and the net book value of the asset sold) are recognized in the consolidated statement of comprehensive income at the time the asset is derecognized.

2.4.3 Intangible assets

Intangible assets include identifiable assets without physical substance that are controlled by the Group and expected to produce future economic benefits, as well as goodwill arising on business combinations. The requirement that such assets be identifiable is normally satisfied when an intangible asset is:

- based on a legal or contractual right or
- separable, in the sense that it may be separately sold, transferred, leased or exchanged.

Control over an intangible asset consists of the right to make use of the future economic benefits deriving from the asset and the ability to limit such access to others.

Intangible assets are initially recognized at acquisition or production cost (including any non-deductible VAT, which is recognized as a cost), including costs directly attributable to making the asset ready for use. All other subsequent costs are charged directly to profit or loss in the year incurred. Research costs are recognized in the income statement as they are incurred. The most significant intangible assets held by the Group are as follows:

A. Goodwill

Goodwill is recognized as an intangible asset with an indefinite useful life. It is initially measured at cost, as previously described, and subsequently tested for impairment at least annually to identify if goodwill is impaired (see the following paragraph “Impairment of goodwill and property, plant and equipment, intangible and investment property assets”). Impairment losses recognized for goodwill may not be reversed in subsequent periods.

B. Intangible assets with a finite useful life

Intangible assets with a finite useful life are recognized at cost, net of accumulated amortization and impairment losses, if any. Amortization starts when the asset is available for use and is charged systematically over the residual estimated useful life; for details regarding amounts to be amortized and the recoverability of the recognized values of such assets, see the disclosures relating to “Property, plant and equipment” and “Impairment of goodwill and property, plant and equipment, intangible and investment property assets” respectively.

The estimated useful life for the various classes of intangible assets is as follows:

	Estimated useful life
Concessions	Duration of concession
Trademarks	10 - 30 years
Software	3-10 years or on a straight-line basis
Network relationship	4-10 years
Other intangible assets	2-5 years

2.4.4 Investment property

Properties held to earn rentals or for capital appreciation are recognized under “Investment property”; as with property, plant and equipment, such properties are stated at acquisition or production cost including any ancillary costs, net of accumulated depreciation and impairment.

2.4.5 Impairment of goodwill and property, plant and equipment, intangible and investment property assets

A. Goodwill

As noted above, goodwill is tested for impairment annually or more frequently, whenever events or changes in circumstances indicate that goodwill may be impaired, in accordance with IAS 36 (*Impairment of Assets*). Impairment tests are normally performed at each year end and therefore the reference date for such tests is the reporting date.

Impairment tests are carried out for each cash-generating unit (‘‘CGU’’) or group of CGUs to which goodwill has been allocated (if events or changes in circumstances indicate that goodwill may be impaired, impairment tests are performed even in the event that the process of allocating goodwill to the CGUs has not yet been completed). An impairment loss on goodwill is recognized when the CGU’s carrying amount exceeds its recoverable amount. The recoverable amount of a CGU is the higher of its fair value less costs of disposal and its value in use, being the present value of estimated future cash flows; in calculating the value in use, the estimated future cash flows are discounted to present value using a net of tax discount rate, which reflects current market assessments of the time value of money and the risks specific to the asset. If the impairment loss is higher than the carrying amount of goodwill allocated to the CGU, the excess is applied to the other assets of the CGU in proportion to their carrying amount.

The carrying amount of an asset should not be reduced below the highest of:

- the fair value of the assets less costs of disposal;
- the value in use;
- zero.

Impairment losses recognized for goodwill may not be reversed in subsequent periods even if the conditions that gave rise to such impairment loss cease to exist.

B. Property, plant and equipment, intangible and investment property assets with a finite useful life

At each balance sheet date, the Group assesses whether there are any indications of impairment of property, plant and equipment, intangible and/or investment property assets with a finite useful life. Both internal and external sources of information are used for this purpose. Internal sources include obsolescence or physical damage, significant changes in the use of the asset and the economic performance of the asset compared to estimated performance. External sources include the market value of the asset, changes in technology, markets or laws, trends in market interest rates and the cost of capital used to evaluate investments.

When indicators of impairment exist, the recoverable amount is estimated and the carrying amount of the asset reduced accordingly, with the impairment loss being charged to the consolidated statement of comprehensive income. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. In calculating the value in use, the estimated future cash flows are discounted to present value using a net of tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets, the Group estimates the recoverable amount of the CGU to which the asset belongs.

If the carrying amount of an asset or the CGU to which it belongs exceeds the recoverable amount, an impairment loss is recognized in the consolidated statement of comprehensive income. Such impairment losses are allocated first to reduce the carrying amount of any goodwill allocated to the CGU or group of CGUs and then to other assets of the unit pro rata on the basis of their carrying amounts, while respecting their relative recoverable amounts. If the conditions that gave rise to an impairment loss no longer exist, the asset is revalued to the revised estimate of its recoverable amount, up to the value that would have been recorded, net of amortization, had no impairment loss been recognized, with the increase being recognized in the consolidated income statement.

2.4.6 Financial assets

On initial recognition, financial assets are classified in one of the three categories described below based on:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Financial assets are derecognized when, and only when, disposal involves the substantial transfer of all the risks and rewards of ownership of the financial asset. If, on the other hand, the company retains substantially all the risks and rewards of ownership of the financial asset, it must continue to recognize the financial asset, even if legal ownership has effectively been transferred.

A. Financial assets measured at amortized cost

Financial assets are measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a "Hold to collect" business model, the objective of which is to hold financial assets in order to collect contractual cash and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (i.e., that pass the SPPI test).

At initial recognition, such assets are measured at fair value including directly attributable transaction costs or income. Subsequent to initial recognition, such financial assets are measured at amortized cost, calculated using the effective interest method. The amortized cost method is not used for those assets (measured at historical cost) whose short-term nature means there is no requirement to discount to present value, available assets and revocable credit lines.

Financial assets measured at amortized cost, other than trade receivables, are considered to have a low credit risk if the counterparty has at least an investment grade rating or if it is considered that it is able to respect its financial obligations. For such assets, any loss allowance recognized is limited to that relating to 12 month expected credit losses.

B. Financial assets measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a "Hold to collect and sell" business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (i.e., that pass the SPPI test).

This category also includes equity instruments (other than investments in subsidiaries, associates or joint ventures) not held for sale, for which the option has been exercised to designate the asset at fair value through other comprehensive income.

At initial recognition, such assets are measured at fair value including directly attributable transaction costs or income. Subsequent to initial recognition, equity interests (other than investments in subsidiaries, associates or joint ventures) are measured at fair value, with the offsetting amounts

recognized in equity (Statement of comprehensive income) and not subsequently reclassified to profit or loss, even in the event of sale. Related dividends represent the only relevant component recognized in the income statement.

For securities included in this category not quoted in an active market, cost is used as an estimate for fair value under certain limited circumstances, such as when recent information to measure fair value is insufficient or there exists a broad range of possible measures of fair value and cost is considered to be the best estimate of these.

C. Financial assets measured at fair value through profit or loss

This category includes all financial assets other than those measured at amortized cost or at fair value through other comprehensive income. It includes financial assets available for sale and derivatives not classified as cash flow hedges (which are recognized as assets if the fair value is positive and liabilities if fair value is negative). At initial recognition, financial assets measured at fair value through profit or loss are measured at fair value, excluding transaction costs or income that are directly attributable to the instrument in question. Subsequently, they are measured at fair value with related gains and losses being recognized in the income statement.

2.4.7 Trade receivables

In accordance with IFRS 15 – *Revenue from Contracts with Customers*, trade receivables for the provision of services are recognized based on the terms of the relevant customer contract and classified according to the nature of the counterparty and/or the due date of the receivable (such definition includes invoices still to be issued for services already provided).

As trade receivables are typically short-term in nature and do not involve payment of interest, amortized cost is not calculated and they are accounted for at the nominal value stated on the invoice or in the customer contract: such arrangement is followed even for those receivables due after more than 12 months, so long as the effect is not significant. This is due to the fact that the value of short-term receivables is very similar whether the historical cost method or amortized cost method is adopted and the impact of discounting is insignificant.

Trade receivables are tested for impairment in accordance with the requirements of IFRS 9. For measurement purposes, trade receivables are categorized by due date. Performing receivables are measured collectively, grouping individual exposures based on similar credit risk. The measurement process involves reviewing losses suffered on assets with similar credit risk based on past experience and considers expected losses. Provisions are made against individually significant receivables for which an objective risk of partial or total non-collection is identified.

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The Group applies the simplified approach set out in IFRS 9 to estimate the recoverability of its trade receivables.

The adjustment of estimates takes into account the risk of non-collection of receivables by applying different expected loss allowances to groups of receivables, each characterized by similar risk profiles and ageing or status of actions taken to recover doubtful receivables.

2.4.8 Inventories

Inventories are valued at lower of cost and estimated realizable value.

Obsolete stock and slow turnover inventory are written down in relation to their possibility of use or realization through the establishment of a specific provision, recognized as a direct decrease in the corresponding asset item.

2.4.9 Cash and cash equivalents

Cash and cash equivalents include cash and available bank deposits as well as short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value and have original maturity, or remaining maturity at the date of purchase, not exceeding 3 months. Cash and cash equivalents are recognized at fair value with related changes recorded in the consolidated income statement. The item includes cash in the hopper of machines managed by Group companies involved in “Retail & Street Operation” product division.

2.4.10 Employee severance indemnity

The employee severance indemnity due to employees in accordance with Article 2120 of the Italian Civil Code (“TFR”) is considered a defined benefit plan. Under such plans, the amount of the benefit is only quantifiable following termination of the employment relationship and is dependent upon factors such as age, length of service and level of remuneration; for this reason, the costs charged to the income statement for a given year are determined by actuarial calculation. The liability recognized for defined benefit plans corresponds to the present value of the obligation at the reporting date. The obligations under defined benefit plans are determined each year by an independent actuary, using the projected unit credit method. The present value of defined benefit plans is determined by discounting future cash flows at an interest rate equal to high-quality corporate bonds issued in Euro which reflect the period of the relevant defined benefit plan. The actuarial gains and losses deriving from adjustments in the total liability and the effect of changes in the actuarial assumptions are recognized in the statement of comprehensive income.

With effect from 1 January 2007, the 2007 Finance Law and related decrees implementing the law introduced significant changes to the TFR regulations, including the option for each employee to choose the destination of the accruing indemnity. Specifically, employees may now allocate new TFR flows to alternative external pension plans or elect for them to be retained by the employer. If an external pension plan is chosen, the company is only obliged to make defined contributions to such plan and, accordingly, from the aforementioned date, the related new TFR flows are deemed to be payments to a defined contribution plan not subject to actuarial valuation.

2.4.11 Share based payments

In accordance with the requirements of IFRS 2, equity-settled share based payment plans are accounted for by recognizing the fair value of the options at the grant date as an expense in the income statement, with a corresponding entry in a specific equity reserve.

Where the plan includes a vesting period during which service and/or performance conditions must be satisfied for the beneficiaries to become entitled to the award, the total cost, measured on the basis of the fair value at the grant date, is recognized on a straight-line basis over the vesting period, based on the number of options expected to vest.

The fair value of the options granted is determined at the grant date, taking into account expectations regarding the achievement of performance parameters linked to market conditions, and is not subsequently adjusted. When the vesting of the award is also subject to non-market performance conditions, the estimate of such conditions is reflected by adjusting, over the vesting period, the number of options expected to vest.

2.4.12 Provisions for risks and charges

Provisions for risks and charges are recorded to cover costs and liabilities whose existence is certain or probable but which at the end of the reporting period are uncertain as to amount or as to the date on which they will arise.

Provisions are recognized only when:

- there is a current (legal or constructive) obligation for a future outflow of resources deriving from a past event;
- it is likely that the outflow of resources required to satisfy the obligation is significant;
- the amount of the obligation can be estimated reliably.

Provisions are based on best estimates at the reporting date of the present value of the expenditure required to extinguish the obligation or transfer it to third parties. If the time value of money is material and the payment date of the obligations can be reasonably estimated, provisions are calculated as the present value of the expected cash flows, taking into account the risks associated with the obligation. Increases in the amount of the provision due to changes in the time value of money are recognized as “Finance expenses” in the income statement. Provisions are adjusted periodically to reflect changes in estimated costs, timing and discount rates. Changes to estimates are recognized in the income statement in the same account as the original provision.

2.4.13 Financial liabilities, trade payables and other payables

Financial liabilities (other than derivative financial instruments), trade payables and other payables are initially recognized at fair value, net of directly attributable transaction costs, and subsequently measured at amortized cost, with any differences being recognized over the life of the liability as required by the effective interest method. If there is a change in the estimate of expected cash flows, the liabilities are remeasured to recognize the present value of the new expected cash flows calculated using the effective interest rate as initially determined.

2.4.14 Derecognition of financial assets and liabilities

A financial asset (or part of a financial asset or part of a group of similar financial assets) is derecognized when:

- rights to the cash flows from the asset have expired;
- the Group has retained the rights to the cash flows from the asset, but has assumed an obligation to pay the cash flows from the asset to third parties, wholly and without delay;
- the Group has transferred its rights to receive the cash flows from the asset and has: (a) transferred substantially all risks and rewards of ownership of the financial asset; or (b) has neither transferred substantially all risks and rewards nor retained substantially all risks and rewards but has transferred control of the asset.

A financial liability is derecognized when the obligation underlying the liability is extinguished, annulled or fulfilled.

2.4.15 Derivative financial instruments

Derivative financial instruments are accounted for in accordance with IFRS 9. At the inception of the contract, derivative instruments are initially recognized as financial assets at fair value through profit or loss when the fair value is positive, or financial liabilities at fair value through profit or loss when the fair value is negative. If the financial instruments are not designated as hedging instruments, any changes in fair value after initial recognition are treated as components of profit or loss for the year. If the derivative instruments meet the requirements to qualify as hedging instruments, subsequent changes in fair value are recognized according to the specific criteria described below.

A derivative financial instrument is classified as a hedge if the relationship between the hedging instrument and the hedged item is formally documented, including the risk management objectives, the hedging strategy and the methods that will be used to verify perspective and retrospective effectiveness. The effectiveness of each hedge is assessed both at the inception of the contract and during its life, specifically at each year-end and interim reporting date. A hedge is considered to be highly effective if at the start of the hedge and during subsequent periods, changes in the fair value (in the case of a fair value hedge) or expected future cash flows (in the case of a cash flow hedge) of the hedged item are substantially offset by changes in the fair value of the hedging instrument. IFRS 9 provides for the following three types of hedging relationship:

1. fair value hedge: when the hedge relates to exposure to changes in the fair value of a recognized asset or liability, changes in the fair value of the hedging instrument as well as changes in the fair value of the hedged item are recognized in profit or loss;
2. cash flow hedge: in the case of hedges intended to neutralize exposure to variability in cash flows attributable to future execution of commitments in place as of the reporting date, changes in the fair value of the hedging instrument relating to the portion determined to be an effective hedge are recognized in other comprehensive income, and therefore in an equity reserve. When the economic effects of the hedged item crystallize, the amounts recognized in other comprehensive income are then reclassified to profit or loss. Changes in the fair value of the hedging instrument relating to the portion not determined to be an effective hedge are recognized immediately in profit or loss;
3. hedge of a net investment in a foreign operation (net investment hedge).

If the checks do not confirm the effectiveness of the hedge, the hedge accounting is interrupted with immediate effect and the hedging derivative reclassified as a financial asset at fair value through profit or loss, or financial liability at fair value through profit or loss. Moreover, the hedging relationship shall cease when:

- the derivative matures, is sold, rescinded or exercised;
- the hedged item is sold, expires or is refunded;
- it is no longer highly probable that the future hedged transaction will take place.

2.4.16 Fair value of financial instruments

The fair value of financial instruments is determined in accordance with IFRS 13 - *Fair value measurement* ("**IFRS 13**"). Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place in the principal market for the asset or liability (i.e., the market with the highest number of transactions involving sale of such assets or transfer of such liabilities). In the absence of a principal market, it is assumed that the transaction takes place in the most advantageous market for the asset or liability to which the Group has access (i.e., the market most likely to maximize the price at which the asset can be sold or minimize the cost at which the liability can be transferred).

The fair value of an asset or liability is determined, using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Market participants are independent, informed buyers and sellers, able and willing but not obliged to enter into transactions.

In determining fair value, the Group considers the characteristics of specific assets and liabilities and in measuring the fair value of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value measurement of assets and liabilities is based on the use of appropriate valuation techniques applied to available data, maximizing the use of relevant observable inputs. IFRS 13 establishes a fair value hierarchy that categorizes into three levels the inputs to valuation techniques used to measure fair value:

- Level 1: inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., for derivatives, exchange rates published by the Bank of Italy, interest rates and yield curves, implied volatilities, credit spreads based on CDS data etc.);
- Level 3: inputs are unobservable inputs for the asset or liability (management assumptions regarding financial flows, risk-adjusted spreads etc.).

2.4.17 Treasury shares

Treasury shares are recognized at cost as a deduction from equity. No gains or losses shall be recognized in the income statement on the purchase, sale, issuance, or cancellation of an entity's own equity instruments. Transaction costs directly attributable to equity transactions are accounted for as a deduction from equity, to the extent that they represent incremental costs that would have been avoided had the equity transaction not taken place.

2.4.18 Revenues and costs

In accordance with IFRS 15, revenues from contracts with customers are recognized when the following conditions are met:

- the contract with a customer has been identified;
- the performance obligations in the contract have been identified;
- the transaction price has been determined;
- the transaction price has been allocated to the performance obligations in the contract and
- when the related performance obligation contained in the contract is satisfied

The Group recognizes revenue from contracts with customers when (or as) it satisfies its performance obligations, by transferring the promised goods or services (i.e., an asset) to the customer. An asset is transferred when (or as) the customer obtains control of that asset. The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs;
- the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced;
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, it is satisfied at a point in time.

Incremental costs of obtaining a contract with a customer are recognized as assets and, to the extent the Group expects to recover them, recovered over the duration of the underlying contract. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Group recognizes an asset from the costs incurred to fulfill a contract with a customer only if the costs incurred in fulfilling such contract are not within the scope of another Standard (for example, IAS 2 – *Inventories*, IAS 16 – *Property, Plant and Equipment* or IAS 38 – *Intangible Assets*), and if such costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

- the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future and
- the costs are expected to be recovered.

Specifically, the Group recognizes revenues as follows:

- revenues generated by Group-owned AWP machines are recognized net of the flat rate PREU tax and winnings paid but gross of amounts to be paid to operators and hall managers, the ADM concession fee and the deposit equal to 0.5% of bets on devices linked to the network. The Group has a single performance obligation that is considered to be satisfied at the point in time the bets is placed by the player. Costs attributable to the management of indirect AWPs (i.e., those for which the Group only plays the role of concessionaire, since the AWPs are owned by third parties), such as the fees paid to the owners of the AWPs and to the operators, are recorded as a direct reduction of revenues. This classification was carried out in consideration of the role actually played by the Group in the management of indirect AWPs, less incisive in the actual ability to influence the relative portion of revenues and, which leads to qualifying it as an "*agent*" rather than a "*principal*";
- VLT revenues are recognized net of winnings, amounts relating to jackpots and the PREU tax, but gross of amounts to be paid to operators, the ADM concession fee and the deposit equal to 0.5% of bet on devices linked to the network. The Group has a single performance obligation that is considered to be satisfied at the point in time the bet is placed by the player;
- Revenues arising from the management of the gaming halls "Retail" are recognized based on the share of the operator. Revenues arising from the management of AWPs owned by the Group "Street Operations" are recognized based on the owner's share. The Group has a single performance obligation that is considered to be satisfied at the point in time the bets is placed by the player;
- Online and Sports Franchise gaming revenues, other than the fixed-odds betting, are recognized net of winnings and the betting duties (“Imposta Unica”) but gross of costs related to the platform and the concession fee. In the case of online gaming (including online skill games), revenues are recognized net of winnings as well as the cost of bonuses and promotional offers during the period. The Group has a single performance obligation that is considered to be satisfied at the point in time the outcome of the event to which the bets relates is known.

The collection of both Sports Franchise and online fixed-odds bets (i.e., bets where the Group is exposed to pay-out risk) creates a financial liability representing potential winnings, which, in accordance with IFRS 9, is measured at fair value. Subsequent changes in the liability are recognized within revenues. The effect of fair value changes around the year-end was not significant and, therefore, neither the related revenues nor costs were recognized. Revenues are recognized net of betting duties and cost for bonus for the period.

Revenues from national totalizer betting games are recognized based on the percentage commissions set by the convention for betting operations.

Costs are recognized when they relate to goods or services sold or used in normal business activities; they are recognized either based on systematic allocation or when such goods and services have no further use. Non-deductible value added tax (IVA) is recognized as a cost.

2.4.19 Finance income and expenses

Finance income and expenses are recognized during the period to which they relate.

2.4.20 Income tax expense

Income taxes are based on an estimate of the taxable income for the year, based on current fiscal legislation, and are recognized in the income statement under “Income tax expense”, except in those cases where the tax effects of transactions are recognized directly in equity and the related amounts are charged or credited directly to equity. The consolidated statement of comprehensive income reports income taxes relating to each line item reported under “Other items that will not be classified to profit or loss”. Provision for taxes due on the transfer of non-distributed profits of subsidiaries is made only when there exists a real intention to transfer such profits.

Deferred tax assets and liabilities are calculated using the balance sheet liability method and are recognized on temporary differences between the carrying amount of an asset or a liability in the consolidated financial statements and its tax base, except for non-deductible goodwill and for those differences related to investments in subsidiaries when the reversal is under the control of the Group and it is probable that they will not reverse in the reasonably foreseeable future. Deferred tax assets, including those relating to unused tax losses carried forward, are recognized to the extent to which it is probable that future taxable profit will be available against which they can be utilized. Tax assets and liabilities are offset, separately for current and deferred taxes, when the income taxes are levied by the same tax authority, there is a legally enforceable right of offset and it is expected that the balance will be settled net. Deferred tax assets and liabilities are computed based on tax rates that are expected to apply in the period in which the asset is recovered or settled to the extent that such rates have been approved at the date of the consolidated financial statements. Other taxes not related to income, such as indirect taxes and levies are reported under “Other operating costs” in the consolidated income statement.

In the event of uncertainties over income tax treatments, the company proceeds as follows: (i) if it considers it likely that the tax authorities will accept an uncertain tax treatment, it determines the (current and/or deferred) income taxes to be reported in the financial statements based on the tax treatment that it has applied or expects to apply when filing its returns; (ii) if it concludes it is not probable that the taxation authority will accept an uncertain tax treatment, it reflects the effect of uncertainty in determining the related (current and/or deferred) income taxes to be reported in the financial statements. Moreover, with regard to the matter of uncertain tax liabilities and provisions relating to tax disputes, any potential liabilities relating to income tax disputes are reported as “Current tax payables”.

Lottomatica Group S.p.A., as the current Italian parent company and consolidating entity, has elected to apply the Italian domestic tax consolidation regime together with its subsidiaries that meet the requirements for the inclusion in the Group taxation scheme.

At the end of 2023, with the aim of enhancing the effectiveness of the identification, measurement, and management of tax risk within corporate processes, strengthening relevant controls and reducing the risk of tax disputes and challenges, the Group decided to implement a Tax Control Framework (“**TCF**”)

The TCF comprises the set of procedures, tools, organizational structures, internal policies, and corporate rules designed to enable, through an appropriate process of identification, measurement, management, and monitoring of key tax risks, the management of tax risk, understood as the risk of operating in violation of tax regulations or in contrast with the principles or objectives of the tax system.

In order to further strengthen transparency towards the Italian Tax Administration, during 2025 the Group initiated a review of its integrated internal tax risk control system and began promoting the enrolment of the main Group companies within the scope of the TCF into the Cooperative Compliance regime, introduced by Legislative Decree No. 128 of 5 August 2015. This regime is intended to establish

a trust-based relationship with the Tax Administration, also through ongoing and preventive dialogue, thereby increasing the level of upfront certainty with respect to significant tax matters.

As part of the TCF review, the document entitled “Group Tax Strategy” was updated to incorporate the principles set out in the Code of Conduct issued by decree of the Ministry of Economy and Finance on 29 April 2024, applicable to entities adhering to the Cooperative Compliance regime. The Group Tax Strategy is available on the website https://lottomaticagroup.com/it.

2.4.20.1 Disclosure of Pillar Two effects

Starting from the 2024 fiscal year, the Group falls within the scope of the Pillar Two (GloBE) rules. These rules became effective in Italy as 1 January 2024 pursuant to Legislative Decree No. 209/2023, which implements European Directive No. 2523/2022.
In summary, the Pillar Two rules provide that the entities within the Group (wherever located) are subject to an effective income tax rate of at least 15%, to be determined on the basis of a detailed calculation based on the accounting and tax data aggregated by country. Where the tax rate in a given country is lower than 15%, an additional tax is applied to bring the effective tax rate up to 15% (“**Top-Up Tax**”).

As required by IAS 12 (in particular, by the “Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules”), the Group has performed an assessment to identify the scope of application and the potential impact of this new regulation across the jurisdictions within its consolidation perimeter, also making use of the so-called transitional safe harbours (“**TSH**”) applicable in the 2025 fiscal year, as provided for by the OECD guidelines.

Lottomatica Group S.p.A. acts as the Group’s Ultimate Parent Entity for Pillar Two purposes. Based on the information available as of the date of these Consolidated Financial Statements, the TSH conditions are met in all jurisdictions in which the Group operates for Pillar Two purposes (including Italy, Malta, Austria, Serbia and the United Kingdom).

Furthermore, starting from the 2025 fiscal year, the Group includes a joint venture (Cristaltec S.p.A.) for Pillar Two purposes. Under the TSH framework, this joint venture constitutes a separate sub-jurisdiction for which separate calculations have been performed. Based on these calculations, the joint venture also qualifies for the TSH.

In light of the above, the Group has not recognised any Pillar Two tax expense.

2.4.21 Earnings per share - basic and diluted

Basic earnings per share is calculated by dividing the net result attributable to the Group by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares. For the purposes of calculating the diluted earnings per share, the weighted average number of shares outstanding during the year is modified by assuming the exercise by all the assignees of rights that potentially have a dilutive effect, while the result pertaining to the Group is adjusted to take into account any effects, net of taxes, of the exercise of these rights.

2.4.22 Use of accounting estimates

The preparation of financial statements in conformity with relevant accounting standards and methods in certain cases requires management to make estimates and assumptions based on subjective judgments, past experience and hypotheses considered reasonable and realistic, given the information known at the time. Such estimates have an effect on the amounts reported in the financial statements, including the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the related notes to the consolidated financial statements. Actual results may then differ, even significantly, from those reported in the consolidated financial statements due to changes in the factors considered in determining the estimates, given the uncertainties that characterize the assumptions on which estimates are based.

Many reported account balances are based on estimates and while not all constitute large amounts, the total of such balances is materially significant. Key accounting estimates involving a high degree of subjectivity and judgment on the part of management, where a change in the conditions underlying the assumptions could have a significant effect on the Group's financial results, are detailed below.

2.4.22.1 Share-based payments

The Board of Directors approved the implementation of the medium-long term management incentive plan regulation ("LTIP Regulation", and "LTIP" in relation to the medium-long term management incentive plan) already approved by the Shareholders' Meeting of 15 March 2023 and subject to examination by the Appointments and Remuneration Committee (a description of the plan is detailed in Note 8.4). In line with the Stock Option Plan Regulation, the plan has been accounted for at fair value as required by IFRS 2 – *Share Based Payment*.

With reference to the three cycles of assignments, the valuation of the assigned rights was carried out by reflecting the financial market conditions valid on the respective grant date. The methodology adopted to estimate the fair value follows the risk neutral approach; the risk-free rate curve is deducted from the interest rate swap rates present on the market at the grant date.

The following table provides details of the market related data used to determine the fair value of the stock options for the rounds of assignments.

	Vesting date	Expiration date	Strike price (Euro)	Price at valuation date (Euro)	Volatility	Expected dividend rate	Exit annual rate
1° assignments	15 June 2026	15 June 2028	9.00	8.214	45.36%	3.83%	0.00%
2° assignments	14 June 2027	14 June 2029	10.80	10.570	24.35%	3.81%	0.00%
3° assignments	3 March 2028	3 March 2030	16.034	16.65	21.94%	3.90%	0.00%

The fair value of market-based component was estimated using the stochastic simulation with the "Monte Carlo method". The valuation was carried out on no-arbitrage and risk-neutral framework assumptions common to fundamental stock option pricing models (such as the binomial model, the Black-Scholes model and so on), using the following hypotheses:

	Average annual growth rate of the stock	Stock volatility	Discount rate	Expected dividend rate
1° assignments	3.53%	45.36%	3.53%	3.83%
2° assignments	2.98%	24.35%	2.98%	3.81%
3° assignments	2.147%	21.94%	2.147%	3.90%

As regards "non-market based" component related to economic and financial performance, unlike the "market based" performance conditions and according to the accounting principle, it must be updated periodically at each reporting date to take into account the expectations relating to the number of rights that may accrue. In this regard, it is assumed that the performance condition which allows the vesting of approximately 40% of the assigned rights will be achieved.

For the ESG bonus/malus component, it is assumed that the target will be achieved.

The following table shows the fair value of the individual option rights assigned. The valuation was based on the assumption made before.

	Unit fair value (Euro)
1° assignments	2.595
2° assignments	1.852
3° assignments	2.60

The charge for the year ended 31 December 2025, amounting to Euro 3.8 million (Euro 1.3 million for the year ended 31 December 2024), was recognized in the income statement among Personnel costs, with a corresponding offset in equity reserves.

2.4.22.2 Provisions for risks and charges

Provisions representing the risk of a negative result are recorded for legal and tax risks. The value of the provisions recognized in the financial statements represents the best estimate as of that date made by the management. This estimate involves making assumptions which depend on factors which may change over time and, therefore, could have significant effects with respect to the current estimates made by the management in preparing the Consolidated Financial Statements.

2.4.22.3 Impairment of assets

Goodwill

The Group's activities are divided into three operating segments: Online, Sports Franchise and Gaming Franchise, which constitute groups of CGUs and represent the level at which management monitors goodwill. In accordance with the accounting standards used and the impairment procedure, the Group tests annually to determine whether goodwill has become impaired. The recoverable value is determined based on a calculation of value in use. This calculation requires the use of estimates. For more details on the Goodwill impairment test, please see Note 9.2 – “Goodwill”.

Property, plant and equipment and intangible assets with definite useful life

In accordance with the accounting standards applied by the Group and the impairment procedure, property, plant and equipment and intangible assets with definite useful life are subject to verification to ascertain whether impairment exists, which is recognized through a write-down, when there are indications that suggest difficulties in recovering the relative net carrying value through use. Verification of whether these indicators exist requires the Directors to make subjective assessments based on information available within the Group and on the market, as well as on historical experience. Additionally, when impairment is identified, the Group determines the amount using the appropriate measurement techniques. Proper identification of potential impairment indicators, as well as the estimation of their amount, depends on factors which may vary over time, influencing measurements and estimates made by the Directors.

2.4.22.4 Deferred tax assets

Deferred tax assets are recognized on deductible temporary differences between the carrying amount of an asset or liability in the Consolidated Financial Statements and its tax base and on unused tax losses carried forward, to the extent it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. Judgment is required on the part of management, involving estimates regarding the timing and level of future taxable profits, to determine the level of deferred tax assets that should be recognized.

2.4.22.5 Allowance for doubtful receivables

The recoverability of receivables is estimated taking into account the risk of non-collection and applying different expected loss rates to groups of receivables with similar risk profiles and ageing or based on the stage of the process being followed to recover such doubtful receivables.

2.4.22.6 Depreciation and amortization

The cost of property, plant and equipment and intangible assets is depreciated/amortized on a straight-line basis over the estimated useful life of each asset. The useful economic life of these assets is determined at the time of purchase, based on historical experience for similar assets, market conditions and expected future events which may affect them, such as technological changes. An asset’s actual useful life may, therefore, be different from its estimated useful life.

2.4.22.7 IFRS 16 “leases”

Right-of-use assets are measured as being equal to the related lease liabilities at the date of initial application, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application. The Group has elected to make use of the exemptions provided for in the standard in relation to short-term leases (for periods of less than 12 months, including those with residual duration of less than 12 months at the date of initial application) and low value assets, which in any event in total are not material. Lease payments relating to such contracts are recognized in the income statement.

Lease liabilities are measured at the present value of the outstanding lease payments at the date of first application of the standard, which are fixed over the lease term. The lease term includes the non-

cancellable periods of a lease during which the Group can exercise the right of use of the leased asset, as well as periods covered by an option to extend the lease if the Group is reasonably certain to exercise such option. Lease liabilities do not include costs other than costs directly associated with the lease (e.g., management or ancillary costs).

The discount rates used to measure lease liabilities are the Group's incremental borrowing rates, which take account of country risk, currency, the duration of the lease contract and the Group's credit risk. Similar discount rates are applied to leases with similar lease terms.

2.5 Recently issued accounting standards

2.5.1 Accounting standards, amendments effective from 1 January 2025

The following list illustrates the new standards and interpretations approved by the IASB, endorsed in Europe and applied since 1 January 2025:

	Endorsed by the EU	Effective date
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)	YES	Accounting periods beginning on or after 1 January 2025

The adoption of these amendments did not have significant impacts on the Consolidated Financial Statements.

2.5.2 Accounting standards, amendments and interpretations not yet endorsed by the EU

As of the date of approval of the Consolidated Financial Statements, the following standards and amendments had not yet been endorsed by the EU:

	Endorsed by the EU	Effective date
IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024)	NO	Accounting periods beginning on or after 1 January 2027
Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 21 August 2025)	NO	Accounting periods beginning on or after 1 January 2027
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025)	NO	Accounting periods beginning on or after 1 January 2027

The Group is evaluating the effects that the application of the aforementioned principles could have on its Consolidated Financial Statements; however, management do not expect significant impact from their adoption.

2.5.3 Accounting standards endorsed by the EU, but not yet applicable

At the approval date of the Consolidated Financial Statements, the competent bodies of the European Union have approved the following principles and amendments, but they have not yet been adopted by the Group:

	Endorsed by the EU	Effective date
IFRS 18 — Presentation and Disclosure in Financial Statements (Issued on 9 April 2024)	YES	Accounting periods beginning on or after 1 January 2027
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024)	YES	Accounting periods beginning on or after 1 January 2026
Annual Improvements Volume 11 (issued on 18 July 2024)	YES	Accounting periods beginning on or after 1 January 2026
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024)	YES	Accounting periods beginning on or after 1 January 2026

Management is currently assessing the potential impacts that application of these standards would have on the Consolidated Financial Statements and, in particular, those arising from the introduction of IFRS 18, with specific reference to the structure of the Group's income statement, the statement of cash flows, and the additional disclosures required in respect of management performance measures (MPMs), as well as the impact on the presentation of information in the consolidated financial statements.

3. Management of financial risks

The Group is exposed to the following risks: market risk (in particular interest rate risk), credit risk and liquidity risk. The Group is not involved in significant transactions that expose it to exchange rate risk.

The Group's objective is to maintain a balanced approach to managing its financial exposure by matching assets and liabilities and achieving operational flexibility through the use of liquidity generated by operating activities and bank loans.

The Group's ability to generate liquidity from operations together with its borrowing capacity enable it to satisfy its operational requirements to fund working capital, invest and meet its financial obligations.

Treasury and financial risk management are centralized within the Group. Specifically, the central finance function is responsible for evaluating and approving forecast financial requirements, monitoring trends and taking corrective action as necessary.

The following paragraphs provide qualitative and quantitative information relating to the Group's exposure to the aforementioned financial risks.

3.1 Market risk

3.1.1 Interest rate risk

Changes in interest rates on the variable component of debt and cash may result in higher or lower finance expenses/income. The Group is exposed to the risk of changes in the interest rate on the floating portion of the May 2024 Notes (as defined below). In order to hedge this risk, the Company entered into two derivative contracts with UniCredit S.p.A. and Deutsche Bank AG, respectively, each for a notional amount of Euro 200 million.

These derivative contracts hedge against the risk associated with a potential increase in interest rates by exchanging the three-month EURIBOR rate with a contractually determined fixed interest rate. Such hedging transactions are accounted for as cash flow hedges in accordance with IFRS 9 – Financial Instruments.

It should be noted that the Group was previously also exposed to the change in the interest rate arising from the December 2023 Notes, which were fully repaid during 2025.

3.1.2 Interest rate risk sensitivity analysis

With regard to the interest rate risk arising from the potential change in the interest rates of the above mentioned senior secured notes, it is considered reasonable to assume that any such change would not produce any material economic effect, as changes in interest rates and in the related hedging derivatives described above will necessarily reflect changes of opposite sign and equal amount.

3.2 Credit risk

Credit risk represents the Group's exposure to the risk of potential losses resulting from the non-fulfilment of obligations by counterparts.

The collection of wagers by points of sale and nominated third parties may generate credit risk for the Group, as the failure of, or losses incurred by, one or more members of the distribution network or the interruption of relations with any of them for whatever reason can have a negative impact on the Group's results, business activities, financial conditions and future prospects. The Group mitigates such risk by obtaining bank and/or insurance guarantees.

In accordance with IFRS 9, trade receivables are recognized net of provisions, calculated on the basis of a risk model of non-fulfilment of obligations by counterparts, in turn based on available information regarding the counterparty's solvency and historical data, in such a way as to represent the fair value of the receivables, or expected realizable value of both already impaired receivables and those that may become impaired in the future. Provisions are made against individually significant receivables for which an objective risk of partial or total non-collection is identified.

The following table provides an ageing analysis of (current and non-current) trade receivables, net of the allowance for doubtful receivables, as of 31 December 2025 and 2024.

(In thousands of Euro)	**As of 31 December 2025**	**Not yet overdue**	**Overdue 0-30 days**	**Overdue 31-90 days**	**Overdue 91-150 days**	**Overdue by more than 150 days***
Trade receivables	134,133	74,150	1,722	2,016	580	55,665
Allowance for doubtful receivables	(56,892)	(4,821)	(347)	(1,955)	(580)	(49,189)
Net	**77,241**	**69,329**	**1,375**	**61**	**-**	**6,476**
% of ECL (expected credit loss) by aging buckets		**7%**	**20%**	**97%**	**100%**	**88%**

* The increase in trade receivables overdue by more than 150 days mainly relates to receivables under the Stability Law recorded at their estimated realizable value based on the legal actions taken by the Group.

(In thousands of Euro)	**As of 31 December 2024**	**Not yet overdue**	**Overdue 0-30 days**	**Overdue 31-90 days**	**Overdue 91-150 days**	**Overdue by more than 150 days**
Trade receivables	111,987	80,822	1,971	3,124	146	25,924
Allowance for doubtful receivables	(34,002)	(4,431)	(943)	(2,558)	(146)	(25,924)
Net	**77,985**	**76,391**	**1,028**	**566**	**-**	**-**
% of ECL (expected credit loss) by aging buckets		**5%**	**48%**	**82%**	**100%**	**100%**

3.3 Liquidity risk

Liquidity risk is the risk that owing to an inability to access new funds or sell assets, the Group is unable to meet its payment obligations, leading to a negative impact on results if it is then obliged to incur additional costs to meet its obligations or deal with insolvency.

The Group manages this risk by seeking to establish a financial structure that, consistent with its business objectives and defined limits: i) ensures sufficient liquidity, while minimizing the related opportunity cost; and ii) maintains an appropriate balance in terms of duration and composition of debt.

The exposure to such risk mainly related to the commitments associated with the senior secured notes issued on 13 May 2025 for Euro 1,100 million maturing in 2031, on 29 May 2024 for a total amount of Euro 900 million maturing in 2030 for the fixed rate portion and in 2031 for the floating rate portion, as well as with the revolving credit facility of Euro 447.25 million (undrawn at the reporting date) in addition to Euro 50 million available for bank guarantees.

It should be noted that on 13 May 2025, the Company repaid in advance the senior secured notes issued respectively on 14 December 2023 and on 1 June 2023 for a total principal amount of Euro 1,065 million.

The following table provides an analysis of cash disbursements by due date based on contractual repayment obligations relating to the senior secured notes, trade payables and other liabilities, as of 31 December 2025 and 2024:

(In thousands of Euro)	**Carrying amount as of 31 December 2025**	**Within 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total**
Senior secured notes	1,991,721	104,825	905,930	1,525,536	**2,536,291**
Lease payable	75,679	27,786	52,177	4,479	**84,442**
Other current and non-current financial liabilities	268,691	229,804	38,887	-	**268,691**
Trade payables	131,130	131,130	-	-	**131,130**
Other current and non-current liabilities	432,100	397,449	34,651	-	**432,100**

Note: Senior secured notes and lease payable amounts relating to due dates “Within 1 year”, “Between 1 and 5 years” and in “Over 5 years” also include the contractual interest.

(In thousands of Euro)	**Carrying amount as of 31 December 2024**	**Within 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total**
Senior secured notes	1,942,805	126,217	1,009,645	1,486,565	**2,622,427**
Lease payable	81,169	24,848	56,345	9,927	**91,120**
Other current and non-current financial liabilities	124,853	70,125	54,728	-	**124,853**
Trade payables	133,702	133,702	-	-	**133,702**
Other current and non-current liabilities	380,275	327,075	53,200	-	**380,275**

Note: Senior secured notes and lease payable amounts relating to due dates “Within 1 year”, “Between 1 and 5 years” and in “Over 5 years” also include the contractual interest.

The expected future cashflows represent future principal capital and interest payments and are not discounted. The Group expects to meet such contractual obligations through the liquidation of financial assets, as well as through cash flows from operating activities and available cash and/or refinancing operations.

3.4 Risk related to geopolitical and macroeconomic environment

The Group did not encounter any significant issues attributable to the ongoing Russia-Ukraine conflict in terms of procurement, production and sales. As of 31 December 2025, the Group's main suppliers and customers are located outside Russia and Ukraine.

However, it cannot be ruled out that the continuation of a situation of military conflict in Ukraine and the increase in tensions between Russia and the countries in which the Group operates could negatively affect global macroeconomic conditions and the economies of those countries, leading to a possible contraction in demand and a consequent decrease in production levels, also taking into account the continuous evolution of the sanctions framework, which is constantly monitored by the Group's management.

With regard to the conflicts in the Middle East, the Group specifies that all its activities are carried out in Italy and no material impacts related to such events have been identified at the reporting date.

Finally, given the predominantly domestic nature of its activities, the Group has not identified any material impacts arising from the application of duties and/or trade barriers.

3.5 Risk related to climate change

The Group considers the prevention and management of risks which could jeopardize the attainment of the Company’s objectives and its ability to continue as a going concern as a strategic priority. The Group has therefore identified the main risks related to climate change or environmental issues that may have implications or an impact on its business. The potential risks identified are those arising from climate change, both in terms of physical risks, i.e. more frequent extreme weather events or gradual climate change (e.g. floods, increase in temperatures, decrease in resources, etc.) or increase in operating costs due to extraordinary maintenance activities (e.g. restoring assets to their original conditions following any damage suffered), and in terms of transition risks, i.e. related to the transition to a low-carbon economy and the resulting government policies.

However, the Group's current exposure to consequences of climate change is limited - in terms of its ability to influence its strategies and financial cash flows (see the Consolidated sustainability statement for more details).

4. Capital management

The Group's capital management is aimed at guaranteeing solid credit ratings and adequate capital indicators to support its investment plans, while meeting contractual obligations with lenders.

The Group ensures it has sufficient capital to finance its business development needs and meet operating requirements; to guarantee a balanced financial structure and minimize the total cost of capital, finances are sourced through a mix of risk capital and debt to the benefit of all stakeholders.

The Group is subject to certain restrictions in relation to certain financial liabilities (for further details see Note 9.16 - "Current and non-current financial liabilities").

Returns on capital are monitored by reviewing market trends and business performance, net of other commitments, including borrowing costs. In order to ensure the Group's going concern status, develop the business and provide an adequate return on capital, Management monitors the Group's debt to equity and debt to Adjusted EBITDA (as defined in Note 6) ratios on an ongoing basis, as well as monitoring debt with respect to business trends and expected future cash flows in the medium/long term.

4.1 Share buyback program

In line with the capital allocation strategy, the Board of Directors requested and obtained authorization from the Shareholders' Meeting to launch a share buyback program aimed, among other things, at providing the Company with a flexible instrument for capital remuneration and for the use of excess liquidity. The share buyback program was launched on 18 June 2025.

The implementation of the share buyback program is subject to market conditions and to compliance with the operating procedures designed to ensure equal treatment of shareholders, as required by applicable laws and regulations, including European-level provisions, as in force from time to time.

For further details, reference should be made to Note 9.14 and Note 11.7.14 of this document.

4.2 Dividend policy

The Company's objective is to pursue a long-term sustainable strategy that allows an adequate return for its shareholders, while maintaining adequate funds to finance business growth and maintain a solid capital base that allows it to deal with any changes in the reference legislation and potential economic downturns. On 15 March 2023, the Company's Board of Directors approved a shareholder remuneration policy in the medium/long term, drawn up on the basis of the economic-financial perspective and the capital structure of the Company, envisaging target dividend distribution for an amount up to 30% of the consolidated net profit attributable to the Group (subject to the required approval by the shareholders' meeting), adjusted for: (i) depreciation on the higher values of the assets of the companies or business acquired recognized in the consolidated financial statements of the Group compared to the book values at the date of acquisition; (ii) non-recurring costs and income excluded from the calculation of Adjusted EBITDA, (iii) finance income and expenses which, by their nature, should not reasonably recur in the future, (iv) other non-monetary items including in finance expenses and (v) tax effects on the aforementioned adjustments (the "Adjusted Net Profit"). This policy is subject to the achievement of the Group's strategic investment plans, the financial and investment needs and, among other things, the

compliance with any limitations from time to time set forth in the contractual documentation relating to the Group's financial indebtedness, as well as the availability of distributable profits and/or reserves resulting from the separate financial statements of the Company.

5. Financial assets and liabilities by category

The following tables show financial assets and liabilities as of 31 December 2025 and 2024 as required by IFRS 7, in accordance with the categories established by IFRS 9:

(In thousands of Euro)	**Financial assets and receivables at amortized cost**	**Financial assets at FVTOCI**	**Financial liabilities and liabilities at amortized cost**	**Financial liabilities at FVTPL**	**Financial liabilities at FVTOCI**	**As of 31 December 2025**
Current and non-current financial assets	32,769	3	-	-	-	32,772
Trade receivables	77,241	-	-	-	-	77,241
Other current and non-current assets	175,165	-	-	-	-	175,165
Cash and cash equivalents	143,898	-	-	-	-	143,898
Total	**429,073**	**3**	**-**	**-**	**-**	**429,076**
Current and non-current financial liabilities	-	-	2,270,025	60,372	5,694	2,336,091
Trade payables	-	-	131,130	-	-	131,130
Other current and non-current liabilities	-	-	432,100	-	-	432,100
Total	**-**	**-**	**2,833,255**	**60,372**	**5,694**	**2,899,321**

(In thousands of Euro)	**Financial assets and receivables at amortized cost**	**Financial assets at FVTOCI**	**Financial liabilities and liabilities at amortized cost**	**Financial liabilities at FVTPL**	**Financial liabilities at FVTOCI**	**As of 31 December 2024**
Current and non-current financial assets	32,415	18	-		-	32,433
Trade receivables	77,985	-	-		-	77,985
Other current and non-current assets	177,894	-	-		-	177,894
Cash and cash equivalents	164,156	-	-		-	164,156
Total	**452,450**	**18**	**-**		**-**	**452,468**
Current and non-current financial liabilities	-	-	2,080,806	56,614	11,407	2,148,827
Trade payables	-	-	133,702	-	-	133,702
Other current and non-current liabilities	-	-	380,275	-	-	380,275
Total	**-**	**-**	**2,594,783**	**56,614**	**11,407**	**2,662,804**

As of 31 December 2025, “Current and non-current financial liabilities” include the senior secured notes issued on 29 May 2024 and 13 May 2025, the fair value of which amounted to Euro 920,908 thousand

and Euro 1,134,170 thousand, respectively. As of 31 December 2024, the fair value of the senior secured notes issued on 1 June 2023, 14 December 2023 and 29 May 2024 amounted to Euro 594,385 thousand, Euro 508,935 thousand and Euro 925,962 thousand, respectively.

Other financial assets and liabilities are short-term or valued at market rates and, consequently, their fair value is deemed to be substantially in line with their book value.

Fair value measurement

The fair value of financial instruments listed on an active market is based on market prices at the reporting date. The fair value of instruments that are not listed on an active market is determined using valuation techniques based on a series of methods and assumptions linked to market conditions at the date of the respective financial statements. The classification of the fair value of financial instruments on the basis of the hierarchical levels that categorize the inputs to valuation techniques used to measure fair value, is shown below:

- Level 1: inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: inputs are unobservable inputs for the asset or liability.

The following table shows the financial instruments measured at fair value according to the relevant hierarchy level:

(In thousands of Euro)	**Level 1**	**Level 2**	**Level 3**	**As of 31 December 2025**
Derivative financial instruments assets	-	3	-	3
Derivative financial instruments liabilities	-	(5,694)	-	(5,694)
Put options	-	-	(60,372)	(60,372)
Total	-	**(5,691)**	**(60,372)**	**(66,063)**

(In thousands of Euro)	**Level 1**	**Level 2**	**Level 3**	**As of 31 December 2024**
Derivative financial instruments assets	-	18	-	18
Derivative financial instruments liabilities	-	(11,407)	-	(11,407)
Put options	-	-	(56,614)	(56,614)
Total	-	**(11,389)**	**(56,614)**	**(68,003)**

During the periods under review, the Group did not make any changes regarding valuation techniques for financial instruments accounted for at fair value.

6. Operating segments

The following disclosure regarding operating segments is provided in accordance with IFRS 8 – "*Operating Segments*" (hereafter "**IFRS 8**"), which requires that such disclosure reflect the approach adopted by the Chief Operating Decision Maker (CODM), identified as the Chief Executive Officer of the Company and of the Group's main concessionaire companies, in assessing the business performance and making operational decisions. Accordingly, the operating segments and related disclosures are based on internal reporting used by management to make decisions about resources to be allocated to the various operating segments and assess performance. In particular, the CODM monitors the performance of the operating segments by assuming the full consolidation of the entities in which the Group holds an interest of more than 50%, in line with the approach set out in IFRS 10 - Consolidated Financial Statements, rather than the equity method as prescribed by IAS 28 - Investments in Associates and Joint Ventures, which is applied in the preparation of the Group's consolidated financial statements.

IFRS 8 defines an operating segment as a component of an entity that: (i) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity); (ii) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and (iii) for which discrete financial information is available. The Group is one of the largest operators in the Italian public gaming sector, thanks to its diversified offer of multi-concession gaming products.

The Group operates in the following operating segments: (i) online betting and gaming ("**Online**"); (ii) betting and gaming through the retail network ("**Sports Franchise**"); and (iii) concessionary activities relating to the product lines: (a) amusement with prize machines (AWP), (b) video lottery terminals (VLT), and (c) management of owned gaming halls and AWPs (Retail & Street Operations) ("**Gaming Franchise**").

Operating segments are monitored based on: (i) total revenues and income for reportable segment and (ii) Adjusted EBITDA for reportable segment. Adjusted EBITDA is defined as net profit for the period adjusted for: (i) income tax expense; (ii) finance income; (iii) finance expenses; (iv) share of profit/(loss) of equity accounted investments; (v) depreciation, amortization and impairments; (vi) Adjusted EBITDA, (as defined herein), of equity accounted investments in which the Group holds an interest of more than 50% and/or of businesses disposed of or in the process of disposal; (vii) costs related to M&A and international activities; (viii) integration costs (including expenses on corporate restructuring, redundancy and costs incurred in relation to renegotiated contracts); and (ix) other income and expenses that, in view of their nature, are not reasonably expected to recur in future periods. Management believes that the aforementioned indicators provide a good indication of the performance of the Group's operating segments.

Given the range of services and products sold by the Group, there are no significant concentrations of revenues with individual customers. The Group currently operates for the main part in Italy (see Note 2.3 above for details regarding operations abroad during the period).

Finally, in terms of the statement of financial position, it is noted that details of assets and liabilities by segment are not included in the information periodically reviewed by management and therefore such information is not reported below.

The following table provides details of Group operating segments for the year ended 31 December 2025 and 2024:

(In thousands of Euro)	Online		Sports Franchise		Gaming Franchise		Total reportable segment	
	Dec '25	Dec '24	Dec '25	Dec '24	Dec '25 [a]	Dec '24	Dec '25	Dec '24
Revenues toward third parties [b]	954,506	780,230	527,163	460,755	773,623	763,740	2,255,292	2,004,725
Other income toward third parties	3,229	3,206	3,938	3,623	9,121	8,122	16,288	14,951
Intragroup Revenues and Other income	19,408	22,894	5,773	6,297	10,754	8,988	35,935	38,179
Total Revenues and income	**977,143**	**806,330**	**536,874**	**470,675**	**793,498**	**780,850**	**2,307,515**	**2,057,855**
Adjusted EBITDA [d]	**528,963**	**418,566**	**141,798**	**108,642**	**185,398**	**179,714**	**856,159**	**706,922**
Adjusted EBITDA Margin [c]	*55.4%*	*53.6%*	*26.9%*	*23.6%*	*24.0%*	*23.5%*	*38.0%*	*35.3%*

a) Includes the results of the Cristaltec group, in line with the approach adopted by management to monitor the results of the operating segments.

b) Revenues toward third parties in Gaming Franchise operating segment were as follows: (i) Euro 288,367 thousand for the year ended 31 December 2025 related to the AWP product line (Euro 279,839 thousand for the year ended 31 December 2024), (ii) Euro 430,077 thousand for the year ended 31 December 2025 related to the VLT product line (Euro 436,244 thousand for the year ended 31 December 2024), and (iii) Euro 55,179 thousand for the year ended 31 December 2025 related to the Retail and Street Operations product line (Euro 47,657 thousand for the year ended 31 December 2024).

c) Adjusted EBITDA Margin defined as Adjusted EBITDA / Revenues toward third parties.

d) The main cost component for the determination of Adjusted EBITDA relates to costs for distribution network compensation, which amounted to approximately Euro 233.9 million for Online operating segment in 2025 (Euro 204.7 million for the year ended December 31, 2024), Euro 300 million for the Sport Franchise operating segment in 2025 (Euro 271.7 million for the year ended December 31, 2024) and Euro 352.9 million for the Gaming Franchise operating segment in 2025 (Euro 350.1 million for the year ended December 31, 2024). The total amount was Euro 880.3 million in 2025 (Euro 822.1 million for the year ended December 31, 2024), net of intragroup costs of approximately Euro 6.5 million in 2025 (Euro 4.3 million for the year ended December 31, 2024).

The following table shows the reconciliation of total revenue and income for the years indicated:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Total Revenues and income for reportable segment	2,307,515	2,057,855
Elimination of intersegment revenues	(35,935)	(38,179)
Elimination of revenues and other income from equity accounted investments	(9,576)	-
Consolidated Revenues and income	**2,262,004**	**2,019,676**

The following table shows the reconciliation of Adjusted EBITDA for the years indicated:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Total Adjusted EBITDA for reportable segment	**856,159**	**706,922**
Elimination of Adjusted EBITDA from equity accounted investments and/or of businesses disposed of or in the process of disposal	(2,948)	-
Costs not included in Adjusted EBITDA	(125,909)	(76,979)
of which:		
- monetary	*(89,397)*	*(68,491)*
- non monetary	*(36,512)*	*(8,488)*
Depreciation, amortization and impairments	(261,269)	(244,353)
Finance income	3,275	9,038
*of which non-recurring finance income **	*437*	*6,215*
Finance expenses	(193,422)	(215,400)
*of which non-recurring finance expenses **	*(53,461)*	*(58,575)*
Share of profit/(loss) of equity accounted investments	(110)	1,663
Profit before tax	**275,776**	**180,891**

* For details of non-recurring financial income and expenses, please refer to Note 8.8.

7. Business combinations and acquisition of businesses

The following paragraphs provide brief descriptions of the acquisitions that took place during 2025 which expanded the Group's scope of consolidation. All acquisitions were made in the context of the Group's horizontal and vertical integration strategy.

7.1 Acquisition of Distante S.r.l.

On 1 April 2025, Lottomatica Videolot Rete S.p.A. finalized the acquisition of 65% of the share capital of Distante S.r.l., a company operating in the rental, management, and maintenance of AWP gaming machines. The consideration for the acquisition amounted to Euro 15.1 million, including price adjustment. Of this amount, Euro 10.7 million was paid at the reporting date, Euro 3.7 million will be paid within 25 March 2026, while the remaining portion of Euro 0.7 million will be paid through annual installments until 2031.

The aforementioned acquisition resulted in increased revenues of Euro 4.1 million, while it did not have significant impacts on the Group's net profit for the period from the acquisition date to 31 December 2025. Such amounts have been calculated based on the accounting records of the acquired company as of the date closest to the date control was assumed, namely 31 March 2025, adjusted as required to recognize any differences with respect to the accounting policies adopted by the Group.

The net asset acquired were preliminary recognized at fair value, together with goodwill amounting to approximately Euro 13.4 million, calculated as shown in the table below:

(In thousands of Euro)	**Book Value at acquisition date**	**Purchase price allocation at acquisition date**	**Fair Value at acquisition date**
Intangible assets	2	-	2
Property, plant and equipment	2,928	-	2,928
Right of use	280	-	280
Financial assets	313	-	313
Trade receivables	30	-	30
Other assets	3,053	-	3,053
Cash and cash equivalents	8,029	-	8,029
Employee benefit liabilities	(830)	-	(830)
Financial liabilities	(3,039)	-	(3,039)
Trade payables	(1,750)	-	(1,750)
Tax payables	(265)	-	(265)
Other liabilities	(6,106)	-	(6,106)
Net acquired assets (liabilities) (A)	**2,645**	**-**	**2,645**
Equity attributable to non-controlling interests (B)	926	-	926
Purchase price (C)	15,142		15,142
Goodwill (C) - (A) + (B)	**13,423**	**-**	**13,423**

As of the date of preparing this document, the final measurement of the fair value of the assets acquired and liabilities assumed, as well as the amount to be allocated to goodwill, is still ongoing and, therefore, in accordance with the provisions of IFRS 3, the Group will complete such measurement within twelve

months from the acquisition date. The provisional values of the assets acquired and liabilities assumed may be adjusted retrospectively to recognize their fair value at the acquisition date, with such adjustment involving the recalculation of goodwill.

Net cash flows relating to the acquisition are shown in the following table:

(In thousands of Euro)	
Consideration paid as of 31 December 2025	(10,796)
Cash and cash equivalents at acquisition date	8,029
Net cash flow from acquisition as of 31 December 2025	**(2,767)**

7.2 Acquisition of businesses

As part of the distribution insourcing strategy relating to the Gaming Franchise segment, the assets acquired and liabilities assumed through acquisitions of business units in the year ended 31 December 2025 are summarized below:

(In thousands of Euro)	**Fair Value at acquisition date**
Property, plant and equipment	2,715
Trade receivables	195
Cash and cash equivalents	1,646
Employee benefit liabilities	(305)
Trade payables	(808)
Other liabilities	(90)
Net acquired assets (A)	**3,353**
Purchase price (B)	21,969
Goodwill (B) - (A)	**18,616**

The difference between the purchase price and the fair value of the net assets acquired was recognized as goodwill mainly allocated to the Gaming Franchise segment. As of 31 December 2025, the cash flow relating to the total consideration paid for the acquisition of the businesses amounted to Euro 14.4 million.

8. Notes to the Consolidated statement of comprehensive income

8.1 Revenues

The following table provides a breakdown of “Revenues”:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Online	954,506	780,230
Sports Franchise	527,163	460,755
Gaming Franchise	773,623	763,740
Total Revenues for reportable segment	**2,255,292**	**2,004,725**
Elimination of revenues from equity accounted investments	(8,176)	-
Total	**2,247,116**	**2,004,725**

“Revenues”[68] amounted to Euro 2,247.1 million for the year ended 31 December 2025, an increase of Euro 242.4 million compared to Euro 2,004.7 million for the year ended 31 December 2024. The increase was mainly due to the full year consolidation of PWO in 2025, compared to only eight months in 2024 as well as to the effect of the overall favorable payout of sports betting compared to the previous year, which benefited both the Online and Sports Franchise operating segments.

8.2 Other income

“Other income” amounted to Euro 14.9 million for the year ended 31 December 2025 (Euro 15.0 million for the year ended 31 December 2024) and mainly included: (i) income from services and re-charge to the sales point operators of the Gaming Franchise and Sports Franchise network; (ii) income from the re-sale of consumables and provision of services in halls (iii) income from the transfer to the supply-chain of costs incurred in relation to the acquisition of AWP NOE and NOD concession agreements; and (iv) income from compensation, indemnification and income from other operations.

[68] Revenues from contracts with customers amounted to Euro 1,604 million for the year ended 31 December 2025 and are recognized at a point in time.

8.3 Cost of services

The following table provides a breakdown of “Cost of services”:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Distribution network compensation	(880,857)	(828,381)
Fee on gaming platform licenses	(132,480)	(116,691)
Concession Fee	(63,982)	(58,445)
Bank and insurance expenses	(58,435)	(48,974)
Marketing and advertising	(40,258)	(31,976)
Utility costs, postal and logistics costs, security services	(24,808)	(24,617)
Technical assistance and network management	(21,025)	(18,058)
Tax, administrative and legal consultancy costs	(18,698)	(18,681)
Leases and rentals	(14,313)	(13,687)
Data transmission	(10,927)	(8,923)
Pay-TV	(6,961)	(6,556)
Board of Directors remunerations and costs	(4,749)	(4,464)
Other	(37,065)	(34,272)
Total	**(1,314,558)**	**(1,213,725)**

Cost of services amounted to Euro 1,314.5 million for the year ended 31 December 2025, an increase of Euro 100.8 million compared to Euro 1,213.7 million for the year ended 31 December 2024.

“Distribution network compensation” costs are mainly influenced by the supply chain remuneration model (linked to a percentage of bets and/or revenue sharing mechanisms), which means that this cost item varies in line with revenues.

In general, other cost items are affected by the variable nature of the items in question (as they may be linked to bets trends or revenue sharing mechanisms – such as, for example, in the case of “Fee on gaming platform licenses”).

In addition to such general considerations, the following points are noted with regard to specific cost items other than “Distribution network compensation”:

- “Leases and rentals”, in line with the exemptions permitted by IFRS 16, includes fees relating to short-term lease contracts (for periods of less than 12 months, including those with residual duration of less than 12 months at the date of initial application) and lease contracts concerning low value assets as well as software license fees;
- “Marketing and advertising expenses” increased by Euro 8.3 million mainly due to costs for events at the gaming halls and other marketing campaigns and the full year contribution of PWO for the year ended 31 December 2025 compared to only eight months in 2024;
- The increase in the “Bank and insurance expenses” mainly related to the contribution of PWO and higher commissions on credit cards following the increase in the volumes recorded;
- The increase in the "Other expenses" primarily attributable to costs for betting providers, costs for digital services and anti-money laundering services. For the remaining part, the item includes recurring costs related to employees lunch vouchers and travel reimbursement expenses, costs for temporary staffing services and other expenses.

8.4 Personnel expenses

The following table provides a breakdown of “Personnel expenses”:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Remuneration	(106,097)	(99,881)
Social security contributions	(30,823)	(26,080)
Other personnel costs	(17,830)	(9,542)
Total	**(154,750)**	**(135,503)**

Personnel expenses amounted to Euro 154.7 million for the year ended 31 December 2025, an increase of Euro 19.2 million compared to Euro 135.5 million for the year ended 31 December 2024.

It should be noted that the item does not include capitalized personnel expenses related to the development of internal software, amounting to Euro 20.7 million for the year ended 31 December 2025 (Euro 16.0 million for the year ended 31 December 2024).

The item also includes the charge related to the long-term incentive plan amounting to Euro 3.8 million for the year ended 31 December 2025 (Euro 1.3 million for the year ended 31 December 2024).

The following table shows Group employee numbers by category:

	Number as of 31 December 2025	**Average number 2025**	**Number as of 31 December 2024**	**Average number 2024**
Executives	56	59	59	56
Middle managers	236	230	229	203
White collar	1,566	1,582	1,571	1,562
Blue collar	331	369	393	322
Foreign employees	376	395	415	421
Total	**2,565**	**2,635**	**2,667**	**2,564**

The following table provides a breakdown of Group employees by company:

	Number as of 31 December	
Company	**2025**	**2024**
GBO Italy	625	579
PWO [1]	474	507
Lottomatica Group	223	205
Ricreativo B	164	210
Gamenet	155	159
Jolly Group	149	156
Betflag	117	105
Lottomatica Videolot Rete	115	120
Big Easy	111	109
Big Easy Bingo (formerly Battistini Andrea S.r.l.)	105	156
Distante	83	-
Gnetwork	75	80
Rete Gioco Italia	68	73
Giocaonline	31	28
Marim	22	22
Bakoo	13	13
Agesoft	12	12
Totosì	11	2
Ares	10	10
Ima	1	1
Lottomatica Servizi (formerly Lottomatica Payments)	1	-
Planet Entertainment	-	2
Billions [2]	-	56
Lottomatica Digital Solutions [5]	-	15
Dea Bendata [3]	-	5
Sea [4]	-	42
Total	**2,565**	**2,667**

1) Includes employees of all PWO branches, specifically: PWO Serbia branch 365 employees as of 31 December 2025 (385 as of 31 December 2024), PWO Italy branch 98 employees as of 31 December 2025 (92 employees as of 31 December 2024), PWO Malta 10 employees as of 31 December 2025 (29 employees as of 31 December 2024), PWO Austria branch 1 employee as of 31 December 2025 and 2024.
2) Following a business lease transaction, Billions have no employees in 2025.
3) Merged into Big Easy in 2025.
4) Merged into Big Easy Bingo in 2025.
5) Merged into GBO Italy in 2025.

Long-term incentive plan – Stock Option Plan 2023-2025

On 15 March 2023, the shareholders meeting of the Company approved the “Stock Option Plan 2023-2025” (the “**Plan**”), effective subject to the first trading date, which provides for the assignment, on an annual basis, over a three-year period of option rights granting the right to certain members of management, identified by the Board of Directors of the Company from time to time, to subscribe to the ordinary shares of the Company.

The Plan has the following objectives: (i) align the interests of the beneficiary of the Plan with those of the shareholders and investors of the Group and with the strategic plan of the Group as a whole; and (ii) incentivize the long-term retention of those members of management benefitting from the Plan.

On 15 June 2023, the Board of Directors approved the implementation of the plan regulation.

The Plan provides for the assignment to the beneficiaries of free option rights, which entitle the right to subscribe to the Company's shares according to a 1:1 ratio (i.e., each option grants the right to subscribe one share) at a determined price (the "**Options**"), provided that the beneficiaries are still employees or directors of the Company or its subsidiaries at the time of the exercise of the Options. The Options may be assigned from 15 June 2023 until 31 December 2025. The Plan has a multiannual duration and is subdivided into three cycles, with a three-year vesting period (the "**Vesting Period**") for the Options granted under each cycle.

The Options granted to each beneficiary may be exercised within five years from the grant date. Of the shares resulting from the exercise of the Options, 20% of these will be subject to a one-year lock-up period from the end of the Vesting Period and another 20% to a two year lock-up period from the end of the Vesting Period.

Upon advice from the Appointments and Remuneration Committee, the Board of Directors, determines the total number of Options that may be assigned to beneficiaries in each cycle and may impose performance conditions to be met by the beneficiary in order for the Options to vest. The performance measurement period will ordinarily be three years.

The following table shows the movement of the Plan for the years indicated:

Number of options	**2025**	**2024**
As of 1 January	5,557,300	2,000,000
Granted during the year	6,115,708	3,635,300
Forfeited during the year	-	(78,000)
Exercised during the year	-	-
As of 31 December	**11,673,008**	**5,557,300**
of which vested and exercisable	-	**-**

The following table shows the details of the assigned Options:

		Number of options	
Grant date	**Expiry date**	**2025**	**2024**
15-jun-23	15-jun-28	1,950,000	1,950,000
14-jun-24	14-jun-29	3,607,300	3,607,300
3-mar-25	3-mar-30	6,115,708	-
		11,673,008	**5,557,300**
Weighted average remaining contractual life of options outstanding at end of year		3.66	4.10

8.5 Other operating costs

The following table provides a breakdown of “Other operating costs”:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Purchase of goods and other purchases	(11,639)	(12,659)
Taxes and sundry duties	(7,093)	(5,550)
Entertainment expenses	(2,910)	(4,046)
Fines, penalties and losses on receivables	(907)	(1,232)
Other expenses	(17,541)	(15,990)
Total	**(40,090)**	**(39,477)**

The increase of “Taxes and sundry duties” was mainly due to the contribution of the acquired companies during 2024 and the higher expenses incurred for participation in the procedure for the awarding of Online concessions.

The increase of “Other expenses” was mainly due to the higher write-offs compared to the previous year, particularly relating to the write off of the gaming platform previously used by PWO.

8.6 Depreciation, amortization and impairments

The following table provides a breakdown of “Depreciation, amortization and impairments”:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Amortization of intangible assets	(185,106)	(176,104)
of which purchase price allocation	*(70,303)*	*(73,079)*
Depreciation of property, plant and equipment	(52,406)	(47,146)
Depreciation of investment property	(27)	(27)
Impairments of property, plant and equipment and intangible assets	(165)	(244)
Depreciation of right of use	(23,565)	(20,832)
Total	**(261,269)**	**(244,353)**

Depreciation, amortization and impairments amounted to Euro 261.3 million for the year ended 31 December 2025, an increase of Euro 16.9 million compared to Euro 244.4 million for the year ended 31 December 2024.

For further details regarding movements of intangible assets, property, plant and equipment and right of use, please refer to Note 9.1, 9.3 and 9.4, respectively.

8.7 Impairment of receivables and financial assets and other (accruals) / releases

The following table provides a breakdown of "Impairment of receivables and financial assets" and "Other (accruals)/releases":

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
(Provision) / release for impairment of receivables and financial assets	(25,562)	(243)
(Provision) / release for risks and charges	258	(785)
Total	**(25,304)**	**(1,028)**

Provisions are stated net of releases. For further details regarding movements in the "Provision for impairment of receivables" and the "Provision for risks and charges" see Notes 9.9 and 9.17 respectively.

8.8 Finance income and expenses (net)

The following table provides a breakdown of "Finance income and expenses (net)":

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Other interest income	3,275	9,038
Total finance income	**3,275**	**9,038**
Interest expense on May 2025 Notes	(33,963)	-
Interest expense on May 2024 Notes	(41,420)	(26,440)
Interest expense on December 2023 Notes	(7,514)	(20,317)
Interest expense on June 2023 Notes	(14,761)	(54,461)
Interest expense on 2022 Notes	-	(14,124)
Amortized cost on May 2025 Notes	(1,416)	-
Amortized cost on May 2024 Notes	(1,459)	(990)
Amortized cost on December 2023 Notes	(12,263)	(1,513)
Amortized cost on June 2023 Notes	(8,742)	(17,931)
Amortized cost on 2022 Notes	-	(7,494)
IRS interest expense	(12,877)	(22,700)
Commission on sureties	(6,341)	(10,052)
Interest expense on Revolving Credit Facility	(4,787)	(5,689)
Leasing interest expense	(4,364)	(4,296)
Other interest expense	(43,515)	(29,393)
Total finance expenses	**(193,422)**	**(215,400)**
Net finance expenses	**(190,147)**	**(206,362)**

“Net finance expenses” amounting to Euro 190.1 million for the year ended 31 December 2025, include non-recurring finance income of Euro 0.4 million (Euro 6.2 million for the year ended 31 December 2024) and non-recurring finance expenses of Euro 53.4 million (Euro 58.6 million for the year ended 31 December 2024).

“Amortized cost on December 2023 Notes” and “Amortized cost on June 2023 Notes” included Euro 19.6 million related to the acceleration of the residual unamortized costs on the 2025 Notes Repaid (as defined below), which were fully expensed as a result of their early repayment.

“Other interest expense” mainly included the make-whole relating to the 2025 Notes Repaid (as defined below) for Euro 21.0 million (ii) financial charges related to the closing of the related hedging derivative instruments for Euro 7.1 million and (iii) non-recurring interest expenses of Euro 5.7 million.

“Other interest expense” also includes the effect of the amortized cost relating to the deferred portion of the purchase price consideration for Euro 0.4 million and Euro 5.4 million related to interest expenses arising from the discounting of the liability related to the renewal of concessions.

8.9 Share of loss of equity accounted investments

The following table provides a breakdown of “Share of profit (loss) of equity accounted investments”:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Share of loss of equity accounted investments Cristaltec	(73)	-
Share of loss of equity accounted investments Huge Easy Nerviano	(14)	-
Share of loss of equity accounted investments Huge Easy Terni	(12)	
Share of loss of equity accounted investments Huge Easy San Giuliano	(11)	-
Share of profit of equity accounted investments IMA	-	1,663
Total	**(110)**	**1,663**

8.10 Income tax expense

The following table provides a breakdown of “Income tax expense”:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Current taxes	(114,158)	(88,788)
Deferred taxes Purchase price allocation	20,239	21,071
Deferred taxes	(2,021)	(9,335)
Total	**(95,940)**	**(77,052)**

Lottomatica Group S.p.A., as the current Italian parent company and consolidating entity, has elected to apply the Italian domestic tax consolidation regime together with its subsidiaries that meet the requirements for the inclusion in the Group taxation scheme.

“Current taxes” increased by Euro 25.3 million compared to the previous year, mainly as a result of the increase in profit before tax, even after taking into account the limited tax relevance of dividends eliminated upon consolidation. “Deferred taxes” decreased by Euro 7.2 million, mainly due to the increase in provisions that are temporarily non-deductible.

"Deferred taxes on purchase price allocation" decreased by Euro 0.8 million compared to the previous year mainly due to the completion of the useful life of certain assets recognized following the purchase price allocation of previous Group acquisitions. This decrease was partially offset by the full year contribution of the purchase price allocation related to the PWO acquisition.

The following table shows the reconciliation between the theoretical tax charge and the reported tax expense for the period:

Tax rate reconciliation 2025		
IRES	**Taxable**	**Tax**
Profit before tax	275,776	
Consolidation adjustment (taxable)	419,194	
Aggregate pre-tax result	694,970	
Theoretical income tax charge	**24%**	**166,793**
Increasing differences	36,797	8,831
Decreasing differences	(352,146)	(84,515)
Other	(3,466)	(832)
Net effect	**(318,815)**	**(76,516)**
Total (A)		**90,277**
Adjustments from previous years (B)		(4,384)
Italian Regional tax on productive activity (IRAP) (C)		28,316
Direct tax of foreign entities (D)		211
Deferred taxes effect (E)		(18,261)
Tax effect on consolidation adjustments (F)		(219)
Effective income tax charge (A+B+C+D+E+F)		**95,940**

Tax rate reconciliation 2024		
IRES	**Taxable**	**Tax**
Profit before tax	180,891	
Consolidation adjustment (taxable)	923,214	
Aggregate pre-tax result	1,104,105	
Theoretical income tax charge	**24%**	**264,985**
Increasing differences	82,330	19,759
Decreasing differences	(916,111)	(219,867)
Other	3,547	851
Net effect	**(830,234)**	**(199,256)**
Total (A)		**65,729**
Adjustments from previous years (B)		471
Italian Regional tax on productive activity (IRAP) (C)		23,945
Deferred taxes effect (D)		(11,737)
Tax effect on consolidation adjustments (E)		(1,356)
Effective income tax charge (A+B+C+D+E)		**77,052**

8.11 Earnings per share

The following table provides the earnings per share, calculated as the ratio between the net result and the weighted average number of ordinary shares outstanding in the years.

	For the year ended 31 December	
	2025	**2024**
Net profit for the year attributable to the owners of the parent (In thousands of Euro)	174,295	98,597
Weighted average number of outstanding shares - Base	**248,849,994**	**251,630,412**
Weighted average number of dilutive potential ordinary shares arising from long-term incentive plan	*1,431,511*	*77,982*
Weighted average number of outstanding shares - Diluted	**250,281,505**	**251,708,394**
Earning per share - Base (in Euro)	**0.70**	**0.39**
Earning per share - Diluted (in Euro)	**0.70**	**0.39**

Both basic and diluted earnings per share have been calculated by dividing the net result for the year attributable to owners of the parent by the average number of the Company's outstanding shares, excluding the treasury shares.

The diluted earnings per share is calculated by dividing the Group's net profit for the year by the weighted average number of ordinary shares outstanding, excluding treasury shares and adjusted for the potentially dilutive effects of options granted under the 2023–2025 long-term incentive plan.

During 2025, the Company distributed dividends of Euro 75.5 million (Euro 0.30 per share). For the year ended 31 December 2025, the Board of Directors propose to the Shareholders' Meeting the payment of a dividend of Euro 0.44 per each ordinary share outstanding as of the ex-dividend date of 18 May 2026 (net of any treasury shares held on the record date of 19 May 2026, pursuant to Article 83-terdecies of the Italian Consolidated Law on Financial Intermediation - TUF).

9. Notes to the Consolidated statement of financial position

9.1 Intangible assets

The following table provides a breakdown of “Intangible assets” and movements during the periods under review:

(In thousands of Euro)	Software	Concessions	Trademarks	Assets under development and other intangible	Network Relationship	Total
Cost as of 31 December 2023	**155,218**	**161,462**	**237,495**	**62,467**	**325,922**	**942,564**
Accumulated amortization as of 31 December 2023	**(106,019)**	**(110,839)**	**(40,374)**	**(33,130)**	**(75,867)**	**(366,229)**
Net book amount as of 31 December 2023	**49,199**	**50,623**	**197,121**	**29,337**	**250,055**	**576,335**
Additions	23,624	15,510	33	33,463	-	**72,630**
Business combination:						
Kristal Palace	*11*	-	-	*3*	-	***14***
PWO	*11,248*	*1,260*	*30,802*	-	*187,299*	***230,609***
Bakoo acquisition	*414*	-	-	-	-	***414***
Sea acquisition	-	*21*	-	-	-	***21***
Business acquisition	*13*	-	-	-	-	***13***
Amortization for the year	(21,316)	(69,661)	(16,714)	(13,220)	(55,193)	**(176,104)**
of which purchase price allocation	-	-	-	-	-	
Gamenet Group	*(1,249)*	-	*(4,812)*	-	*(10,288)*	***(16,349)***
IGT business	-	-	*(6,391)*	-	*(17,703)*	***(24,094)***
Goldbet.News	-	-	-	*(128)*	-	***(128)***
Giocaonline	-	-	-	-	*(990)*	***(990)***
Marim	-	-	-	-	*(391)*	***(391)***
Betflag	-	-	*(2,918)*	-	*(12,170)*	***(15,088)***
Ricreativo B	-	-	*(342)*	-	*(1,162)*	***(1,504)***
PWO	-	-	*(2,048)*	-	*(12,487)*	***(14,535)***
Disposal	48	231	(2)	(6,420)	-	**(6,143)**
Reclassifications	6,840	2,303	(2,302)	(6,677)	-	**164**
Cost as of 31 December 2024	**174,565**	**180,901**	**266,397**	**78,282**	**513,221**	**1,213,366**
Accumulated amortization as of 31 December 2024	**(104,484)**	**(180,614)**	**(57,459)**	**(41,796)**	**(131,060)**	**(515,413)**
Net book amount as of 31 December 2024	**70,081**	**287**	**208,938**	**36,486**	**382,161**	**697,953**
Additions	31,809	182,924	1	25,491	-	**240,225**
Business combination:						
Distante	*1*	-	*1*	-	-	***2***
Amortization for the year	(26,252)	(74,613)	(17,830)	(14,954)	(51,457)	***(185,106)***
of which purchase price allocation						
Gamenet group	*(1,249)*	-	*(4,812)*	-	*(3,910)*	***(9,971)***
IGT business	-	-	*(6,463)*	-	*(14,142)*	***(20,605)***
Giocaonline	-	-	-	-	*(988)*	***(988)***
Marim	-	-	-	-	*(390)*	***(390)***
Betflag	-	-	*(2,910)*	-	*(12,137)*	***(15,047)***
Ricreativo B	-	-	*(341)*	-	*(1,159)*	***(1,500)***
PWO	-	-	*(3,072)*	-	*(18,730)*	***(21,802)***
Disposal	(7,383)	-	-	(372)	-	**(7,755)**
Reclassifications	9,615	109	26	(9,621)	-	**129**
Cost as of 31 December 2025	**178,029**	**363,934**	**266,425**	**95,805**	**513,221**	**1,417,414**
Accumulated amortization as of 31 December 2025	**(100,158)**	**(255,227)**	**(75,289)**	**(58,775)**	**(182,517)**	**(671,966)**
Net book amount as of 31 December 2025	**77,871**	**108,707**	**191,136**	**37,030**	**330,704**	**745,448**

“Software” mainly relates to costs incurred in relation to: the purchase of software licenses required for collection and bets management activities, including software costs determined on completion of the Gamenet Group acquisition; the purchase and upgrade of software to support the alignment of the systems used to manage the network of AWP and VLT devices; and the upgrade of the SAP- ERP system. Additions mainly related to the purchase of software licenses for collection and bets management activities for Euro 6.2 million, for the upgrade of the ERP system for Euro 13.1 million and application software for Euro 12.1 million. Disposals were mainly related to the write-off of gaming platform previously used by PWO.

“Concessions” includes the cost of VLT licenses acquired by the Group over time as well as costs incurred in relation to the award of public gaming concession rights. Additions on “Concessions” mainly related to the two-year extension 2025 - 2026 of the Gaming Franchise concessions held by Gamenet S.p.A. and Lottomatica Videolot Rete S.p.A. and the Sports Franchise concessions held by GBO Italy S.p.A. and PWO as well as to the five concessions relating to the remote collection of public games, with a nine-year duration, held by GBO Italy S.p.A., PWO, Totosì and Betflag S.p.A..

“Trademarks” mainly relates to the values attributed in the purchase price allocation process to the right to use the “Goldbet”, “Intralot” “Billions”, “Betflag”, “Ricreativo” and “Planetwin365” trademarks, as well as those of the acquired IGT business (Lottomatica).

Additions of “Assets under development and other intangible” mainly relates to software development for Euro 11.5 million, during the period as well as capitalization of NOE and Entry Fees for Euro 13.5 million.

No impairment indicators were identified at the reporting date.

9.2 Goodwill

The following table provides a breakdown of “Goodwill” for the periods under review:

(In thousands of Euro)	Total
Balance as of 31 December 2023	**1,470,778**
Acquisitions	577,785
Balance as of 31 December 2024	**2,048,563**
Acquisitions	32,292
Balance as of 31 December 2025	**2,080,855**

The increase of “Goodwill” mainly related to the acquisitions during the year. For details regarding acquisitions, see Note 7–“Business combinations and acquisition of businesses”.

The following table provides a breakdown of “Goodwill” by group of CGU:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Online	1,229,500	1,229,250
Sports Franchise	405,929	405,929
Gaming Franchise	445,426	413,384
Total	**2,080,855**	**2,048,563**

The group of cash-generating units (CGUs) to which goodwill is allocated, representing the level at which it is monitored by Company management, corresponds with the operating segments, described in detail in Note 6 - “Operating segments”, which contain all of the products and services provided by the Group.

In accordance with IAS 36, goodwill is not amortized and is tested for impairment annually, or more frequently if facts or circumstances indicate that the asset may be impaired. Impairment testing is performed by comparing the carrying amount and the recoverable amount of the CGU (for a description of the methodology followed for the impairment test, please refer to Note 2.4.5 (a) - Accounting policies and measurement criteria). The recoverable amount of the CGU is the higher of its fair value less costs to sell and its value in use.

The assumptions used in this process represent management’s best estimate for the period under consideration. The estimate of the value in use of the group of CGU for purposes of performing the annual impairment test was based on the following assumptions:

- The expected future cash flows covering the period from 2026 to 2030 have been derived from the Group’s business plan approved by the Board of Directors on 10 February 2026. In particular the estimate, which is based on past and expected future growth, considers expected (a) bets, (b) Adjusted EBITDA, (c) capital expenditure, (d) the hypothesis of continuous renewal of betting rights and ADI concessions beyond the current deadline of 31 December 2026, taking into account the information currently available in relation to the law and the current trading scenarios. These cash flows relate to the CGU in its condition when preparing the financial statements and exclude the estimated cash flows that might arise from restructuring plans or other structural changes. Bets volumes and mix, used for estimating the future cash flows, are based on assumptions that are considered reasonable and sustainable and represent the best estimate of expected conditions regarding market trends for the groups of CGU over the period considered.
- The expected future cash flows include a normalized terminal period used to estimate the future results beyond the time period explicitly considered, which were calculated by using the latest available forecast data. The growth rate used is equal to 2.0% (2.0% as of 31 December 2024), the same for all the groups of CGU.
- The expected future cash flows have been discounted using a post-tax discount rate, determined by using a base WACC of 8.1% (8.2% as of 31 December 2024), the same for all the groups of CGU, which represents the weighted average of the cost of own capital and the after-tax effect of borrowing.

Based on the impairment tests performed, the estimated recoverable amounts for all CGU groups exceeded their related book values at the reporting date.

Sensitivity analyses were also conducted to check the effects of a change in certain significant parameters on the impairment test results, such as: an increase in WACC to 9.1%, a decrease in the growth rate to 0% and a decrease in the Adjusted EBITDA of 5.0%. Each parameter would individually not result in any goodwill impairment of the operating segments, to which goodwill had been allocated.

9.3 Property, plant and equipment

The following table provides a breakdown of “Property, plant and equipment” and movements during the periods under review:

(In thousands of Euro)	Gaming Hardware	Other assets	Furniture	Leasehold improvements	Assets under development and payments on account	Total
Cost as of 31 December 2023	**105,716**	**42,020**	**27,788**	**51,256**	**12,677**	**239,457**
Accumulated depreciation as of 31 December 2023	**(69,489)**	**(19,340)**	**(12,443)**	**(28,951)**	**-**	**(130,223)**
Net book amount as of 31 December 2023	**36,227**	**22,680**	**15,345**	**22,305**	**12,677**	**109,234**
Additions	17,776	20,669	8,302	14,208	9,429	**70,384**
Business combination						**-**
Kristal Palace	*-*	*456*	*43*	*49*	*-*	***548***
Dea Bendata	*-*	*7*	*19*	*6*	*-*	***32***
Galletto Fortunato	*-*	*67*	*-*	*-*	*-*	***67***
Macao Phygital	*102*	*2*	*-*	*-*	*58*	***162***
PWO	*-*	*6,585*	*3,204*	*1,350*	*-*	***11,139***
Bakoo Acquisition	*10*	*5*	*7*	*-*	*-*	***22***
Rete Gioco Italia Acquisition	*1,314*	*89*	*4*	*3*	*-*	***1,410***
IMA Acquisition	*-*	*1*	*-*	*-*	*-*	***1***
Sea Acquisition	*-*	*196*	*84*	*157*	*-*	***437***
Business acquisition	*3,113*	*49*	*81*	*-*	*-*	***3,243***
Disposals	(392)	(449)	(412)	402	(58)	**(909)**
Depreciation for the year	(20,539)	(11,679)	(5,451)	(9,477)	-	**(47,146)**
Reclassifications	821	799	224	715	(2,723)	**(164)**
Cost as of 31 December 2024	**115,257**	**67,827**	**38,357**	**64,517**	**19,383**	**305,341**
Accumulated depreciation as of 31 December 2024	**(76,825)**	**(28,350)**	**(16,907)**	**(34,799)**	**-**	**(156,881)**
Net book amount as of 31 December 2024	**38,432**	**39,477**	**21,450**	**29,718**	**19,383**	**148,460**
Additions	24,950	14,747	5,027	13,015	2,928	**60,667**
Business combination						
Distante	*2,538*	*267*	*-*	*123*	*-*	***2,928***
Business acquisition	*2,519*	*110*	*86*	*-*	*-*	***2,715***
Disposals	89	*(293)*	(62)	(234)	(1,338)	**(1,838)**
Depreciation for the year	(24,704)	(12,122)	(4,750)	(10,830)	-	**(52,406)**
Reclassifications	9,334	(113)	(4,654)	2,056	(6,752)	**(129)**
Cost as of 31 December 2025	**174,978**	**70,022**	**35,247**	**74,121**	**14,236**	**368,604**
Accumulated depreciation as of 31 December 2025	**(121,820)**	**(27,949)**	**(18,150)**	**(40,273)**	**(15)**	**(208,207)**
Net book amount as of 31 December 2025	**53,158**	**42,073**	**17,097**	**33,848**	**14,221**	**160,397**

“Gaming hardware” includes investments in AWP and VLT devices as well as cash desks and other IT equipment for owned halls and hardware equipment for betting halls. Additions mainly relate to the purchase of (i) AWP game cards for Euro 12.2 million; (ii) hardware equipment and devices in betting shops for Euro 12.6 million.

"Other assets" mainly comprises new storage systems, network hardware for the Data Centers and other IT equipment for VLT halls. Additions mainly related to the purchase of iCash and My Pay devices for Euro 3.2 million, to facilities and equipment in the halls amounting to Euro 2.6 million, the purchase of office equipment and IT security equipment for Euro 7.0 million and to the purchase of new storage systems for Euro 1.3 million.

"Furniture" included furniture and fittings for owned betting agencies and VLT halls. Additions mainly relates to the redevelopment and optimization project of the gaming halls.

"Leasehold improvements" included investments for the upgrading of gaming and betting halls. Additions are mainly linked to the completion of the works on the halls that have become operational and the set-up of new corners in the halls.

"Assets under development and payments on account" mainly relates to the purchase of furniture and fittings and down payments for the purchase of new gaming devices and other IT equipment for the set-up of new betting points of sale not yet in operation.

No impairment indicators were identified at the reporting date.

9.4 Right of use

The following table provides a breakdown "Right of use":

(In thousands of Euro)	**Land, Buildings and Offices**	**Gaming halls**	**Vehicles**	**Other**	**Total**
Balance as of 31 December 2023	**12,817**	**50,223**	**4,504**	**2,011**	**69,555**
Business Combination					
Kristal Palace	*-*	*1,890*	*-*	*-*	*1,890*
Galletto Fortunato	*-*	*475*	*-*	*-*	*475*
PWO	*77*	*3,263*	*43*	*-*	*3,383*
Bakoo	*187*	*-*	*-*	*-*	*187*
Rete Gioco Italia	*730*	*-*	*108*	*-*	*838*
Sea	*-*	*494*	*-*	*-*	*494*
Depreciation	(4,164)	(13,607)	(2,670)	(391)	(20,832)
Additions	6,407	13,335	5,152	-	24,894
Disposal	(866)	(4,041)	(26)	(1,553)	(6,486)
Balance as of 31 December 2024	**15,188**	**52,032**	**7,111**	**67**	**74,398**
Business Combination					
Distante	*-*	*220*	*60*	*-*	*280*
Depreciation	(5,505)	(14,254)	(3,765)	(40)	(23,564)
Additions	3,851	13,488	4,360	-	21,699
Disposal	(1,265)	(1,997)	(370)	-	(3,632)
Balance as of 31 December 2025	**12,269**	**49,489**	**7,396**	**27**	**69,181**

The Group leases office buildings, gaming halls, vehicles and other assets. Lease contracts typically provide for a lease term of 1-6 years but may include the option to renew the lease to maximize flexibility in terms of contract management. Most renewal and withdrawal options may be exercised only by the Group and not by the respective lessor. The contracts do not provide for covenants and leased assets are not used to guarantee borrowing. Right of use assets are amortized on a straight-line basis over the shorter of the estimated useful life of each asset and the lease term.

The increase for the period relates to: (i) the renewal of certain lease agreements; (ii) the increase in rents due to ISTAT increases which led to the recalculation of the value of the assets; and (iii) new lease contracts and the acquisitions of the period.

No impairment indicators were identified at the reporting date.

The following table provides a breakdown of “Payables for leasing”:

(In thousand of Euro)	**Total**
Balance as of 31 December 2023	**75,908**
Business Combination	7,571
Additions	24,895
Disposal	(6,825)
Lease payment	(24,676)
Leasing financial expenses	4,296
Balance as of 31 December 2024	**81,169**
Business Combination	280
Additions	21,699
Disposal	(3,701)
Lease payment	(28,132)
Leasing financial expenses	4,364
Balance as of 31 December 2025	**75,679**

9.5 Investment property

Investment property relates to a property owned in via Liegi, Rome. Movements related solely to annual depreciation as shown in the following table:

(In thousands of Euro)	**Total**
Balance as of 31 December 2023	**462**
Depreciation	(27)
Balance as of 31 December 2024	**435**
Depreciation	(27)
Balance as of 31 December 2025	**408**

9.6 Current and non-current financial assets

The following table provides a breakdown of “Current and non-current financial assets”:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Cash held by operators	25,389	23,293
Escrow account	5,000	5,174
Merchant accounts and restricted cash	277	429
Other	2,106	3,537
Total	**32,772**	**32,433**

“Cash held by operators” mainly relates to cash in machines (i.e., in the hoppers and change machines) owned but managed by third parties, amounting to Euro 7.4 million, Euro 11.3 million and Euro 3.6 million, for Gamenet S.p.A., Lottomatica Videolot Rete S.p.A. and Big Easy S.r.l., respectively as of 31 December 2025 (Euro 7.3 million, Euro 11.9 million and Euro 3.6 million, respectively as of 31 December 2024).

The following table provides a summary of key information relating to financial assets:

(In thousands of Euro)	**As of 31 December 2025**	*of which current*	**As of 31 December 2024**	*of which current*
Cash held by operators	25,389	25,389	23,293	23,293
Escrow account	5,000	5,000	5,174	5,174
Merchant accounts and restricted cash	277	-	429	201
Other	2,106	1,181	3,537	1,728
Total	**32,772**	**31,570**	**32,433**	**30,396**

9.7 Equity accounted investments

The following table provides a breakdown of “Equity accounted investments” and movements during the periods under review:

(In thousands of Euro)	**Total**
Balance as of 31 December 2023	**285**
Dividend received	(1,764)
Share of profit of equity accounted investments	1,663
Other changes	(184)
Balance as of 31 December 2024	**-**
Acquisition and subscriptions	14,935
Share of loss of equity accounted investments	(110)
Balance as of 31 December 2025	**14,825**

The purchases and subscriptions mainly related to the acquisition of Cristaltec S.p.A. and Sportbet S.r.l., and to the investment in retail initiatives during 2025.

No indicators of impairment were identified as of the reporting date.

The table below provides the summary economic and financial data relating to the associates deemed material, based on its financial statement values[69]:

(In thousands of Euro)	**Cristaltec S.p.A.** **As of and for the year ended 31 December 2025**
Current assets	9,789
Non-current assets	9,638
Total assets	**19,427**
Current liabilities	8,733
Non-current liabilities	2,945
Total liabilities	**11,678**
Net assets	**7,749**
- attributable to third parties	*528*
- attributable to the shareholders of the investee	*7,221*
Equity investment held by the Group	**60.0%**
Total net assets attributable to the Group	4,333
Goodwill and other adjustments of the Group	766
Equity accounted investments	**5,099**
Revenues *	13,258
Net profit for the year	(125)
- attributable to third parties	*(4)*
- attributable to the shareholders of the investee	*(121)*
Share of loss for the year attributable to the Group	**(73)**

*Include revenues generated from transactions with the Group.

On 13 January 2025, Lottomatica Videolot Rete S.p.A. finalized the acquisition of 60% of the share capital of Cristaltec S.p.A., a company involved in the development and distribution of online games, AWP and VLT games. The agreed consideration amounted to Euro 5.0 million, including price adjustments. Cristaltec S.p.A. holds a 51% interest in Luduscristaltec L.d.A..

On 31 March 2025, Lottomatica Videolot Rete S.p.A. converted part of its shares into non-voting shares, reducing its voting rights to 37.4% from the original 60%. Therefore, since control requirements pursuant to IFRS 10 are not met, the investment in Cristaltec S.p.A. is recognized using the equity method, as the Group exercises significant influence over the investee.

[69] It should be noted that the financial statement figures of the associates, reported at 100% basis, have been adjusted to reflect the effects arising from the application of the equity method, including adjustments related to differences in accounting principles. The aforementioned figures are derived from the preliminary reporting packages.

Equity accounted investments not individually material

In addition to the investment mentioned above, the reference values of equity accounted investments which are not individually material are reported below:

(In thousands of Euro)	As of and for the year ended 31 December 2025
Aggregate value of equity accounted investments which are not individually material*	9,726
Share of profit/(loss) for the year	(37)

* Include the carrying amount of the investment in Sportbet S.r.l., amounted to Euro 2.066 million as of 31 December 2025; the residual amount relates to the investments in companies involved in retail initiatives.

9.8 Inventories

Inventories amounted to Euro 1.6 million as of 31 December 2025 (Euro 1.5 million as of 31 December 2024) and mainly related to inventories of Marim S.r.l. and Ricreativo B S.p.A..

9.9 Current and non-current trade receivables

The following table provides a breakdown of “Current and non-current trade receivables”:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Concessionaire’s receivables from operators/TIR	100,457	73,954
Receivables from betting operators	20,491	20,648
Receivables from customers	6,420	7,253
Other receivables from distribution network	4,296	7,187
Receivables guaranteed by formal commitments	2,121	2,572
Receivables for penalties and interest on delayed payments	348	373
Allowance for doubtful receivables	(56,892)	(34,002)
Total	**77,241**	**77,985**

“Concessionaire’s receivables from operators/TIR” mainly comprises receivables relating to collection activities (mainly PREU, concession fees and other amounts owing to the concessionaires). As of 31 December 2025, Euro 45.7 million relates to Gamenet S.p.A and Euro 54.8 million relates to Lottomatica Videolot Rete S.p.A., (Euro 32.7 million and Euro 41.3 million as of 31 December 2024 respectively).

“Receivables from betting operators” mainly includes the amounts owing to GBO Italy S.p.A and PWO S.p.A. for bets collection activities, net of compensation due to the supply chain.

“Other receivables from distribution network” mainly relates to tickets awaiting validation by halls, receivables relating to compensation for permits and receivables relating to contract termination penalties.

“Receivables from customers” mainly relates to the receivables of Marim for the sale of AWP and VLT hardware and to the receivables of Giocaonline for the provision of gaming platforms and other services.

The following table provides a summary of key information relating to other current and non-current trade receivables:

(In thousands of Euro)	**As of 31 December 2025**	*of which current*	**As of 31 December 2024**	*of which current*
Concessionaire’s receivables from operators/TIR	100,457	97,672	73,954	73,774
Receivables from betting operators	20,491	20,105	20,648	20,192
Receivables from customers	6,420	6,420	7,253	7,253
Other receivables from distribution network	4,296	4,296	7,187	7,187
Receivables guaranteed by formal commitments	2,121	2,121	2,572	2,572
Receivables for penalties and interest on delayed payments	348	348	373	373
Allowance for doubtful receivables	(56,892)	(56,892)	(34,002)	(34,002)
Total	**77,241**	**74,070**	**77,985**	**77,349**

The following table shows details of movements in the allowance for doubtful receivables:

(In thousands of Euro)	
Balance as of 31 December 2023	**36,794**
Acquisitions	3,628
Provisions net of releases	243
Utilization	(5,827)
Reclassification	(836)
Balance as of 31 December 2024	**34,002**
Provisions net of releases	25,562
Utilization	(1,948)
Reclassification	(724)
Balance as of 31 December 2025	**56,892**

The movement for the year was mainly due to the provision of Euro 23.8 million relating to trade receivables from the supply chain, recognized in connection with the 2015 Italian Stability Law following the ruling of the Italian Council of State. For further details, please refer to Note 11.7.5.

9.10 Deferred tax assets and deferred tax liabilities

The following tables provide a breakdown of movements in “Deferred tax assets” and “Deferred tax liabilities”:

(In thousands of Euro)	As of 31 December 2024	Charges/ releases to the income statement	Charges/ releases to the statement of comprehensive income	As of 31 December 2025
Deferred tax assets				
Provisions for risks and charges	1,343	3,218	-	4,561
Allowance for doubtful receivables	6,540	3,685	-	10,225
Tangible and intangible assets	4,467	514	-	4,981
Tax losses	12,998	(9,929)	-	3,069
IFRS 16	297	53	-	350
Cash flow hedge reserve	2,752	-	(1,648)	1,104
Other	1,810	125	-	1,935
Total deferred tax assets	**30,207**	**(2,334)**	**(1,648)**	**26,225**
Deferred tax liabilities				
Intralot trademark software and right to use	(451)	314	-	(137)
Business combinations (Purchase price allocation)	(170,577)	20,239	-	(150,338)
Employee benefit liabilities	(744)	-	(302)	(1,046)
Total deferred tax liabilities	**(171,772)**	**20,553**	**(302)**	**(151,521)**
Total deferred tax liabilities, net	**(141,565)**	**18,219**	**(1,950)**	**(125,296)**

(In thousands of Euro)	As of 31 December 2023	Changes in the scope of consolidation	Charges/ releases to the income statement	Charges/ releases to the statement of comprehensive income	Other movements	As of 31 December 2024
Deferred tax assets						
Provisions for risks and charges	1,105	8	230	-	-	1,343
Allowance for doubtful receivables	8,352	-	(1,812)	-	-	6,540
Tangible and intangible assets	6,556	1,086	(3,175)	-	-	4,467
Tax losses	2,739	13,781	(3,522)	-	-	12,998
IFRS 16	327	-	(30)	-	-	297
Cash flow hedge reserve	1,824	-	-	928	-	2,752
Other	2,946	-	(1,205)	-	69	1,810
Total deferred tax assets	**23,849**	**14,875**	**(9,514)**	**928**	**69**	**30,207**
Deferred tax liabilities						
Intralot trademark software and right to use	(765)	-	314	-	-	(451)
Business combinations (Purchase price allocation)	(127,889)	(63,445)	20,757	-	-	(170,577)
Employee benefit liabilities	(646)	-	-	(98)	-	(744)
Other	69	-	-	-	(69)	-
Total deferred tax liabilities	**(129,231)**	**(63,445)**	**21,071**	**(98)**	**(69)**	**(171,772)**
Total deferred tax liabilities, net	**(105,382)**	**(48,570)**	**11,557**	**830**	**.**	**(141,565)**

Deferred tax assets and deferred tax liabilities are presented on a net basis in the Consolidated Statement of Financial Position, where permitted. Deferred tax assets related to tax losses incurred by Group companies prior to their inclusion in the tax consolidation regime are presented separately as deferred tax assets (Euro 0.8 million as at 31 December 2025).

“Deferred tax liabilities” mainly reflects the effects of the purchase price allocation process for the acquisitions made by the Group in previous years.

The temporary differences reported above will reverse during 2026 and later years, except for the tax losses, which may be carried forward indefinitely.

Tax losses accrued in relation to which no deferred tax assets have been recognized by the Group amounted to Euro 33,070 thousand. Deferred tax assets on the aforementioned unrecognized tax losses amounted to Euro 10,160 thousand, of which (i) Euro 74 thousand for Bakoo S.p.A.; (ii) Euro 445 thousand for Ima S.r.l.; (iii) Euro 2,403 thousand for Planet Entertainment S.r.l.; (iv) Euro 7,075 thousand for the Malta branch of PWO; and (v) Euro 163 thousand for Totosì S.r.l..

9.11 Other current and non-current assets

The following table provides a breakdown of “Other current and non-current assets”:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Gaming online accounts	55,925	56,458
ADM guarantee deposits	50,588	52,087
Accrued income and prepayments	34,800	22,940
Gaming halls receivables	18,209	16,351
Tax receivables	7,384	12,681
Guarantee deposits	4,309	13,811
Other receivables	3,950	3,566
Total	**175,165**	**177,894**

“ADM guarantee deposits” represents 0.5% of amounts waged using devices connected to the online network. Such deposits are reimbursed to the Concessionaire when certain service levels are achieved.

“Gaming online accounts” refers to bank deposits related to the amounts paid into online accounts by players. In accordance with the terms of the concession, specific bank accounts must be used for the safekeeping and management of these amounts, and for this reason they are classified as other assets.

"Accrued income and prepayments " mainly include the recognition of prepaid expenses on arrangement fees and underwriting fees for the Revolving Credit Facility (as defined below) and prepaid expenses for the costs related to the sureties paid against the concessions’ renewals.

“Gaming halls receivables” mainly relates to activities of Retail and Street Operations relating to AWP and VLT betting collection from the network.

The decrease of 'Guarantee deposits' was mainly attributable to PWO's guarantee deposits, which were collected in January 2025.

The following table provides a summary of key information relating to other current and non-current assets:

(In thousands of Euro)	**As of 31 December 2025**	*of which current*	**As of 31 December 2024**	*of which current*
Gaming online accounts	55,925	55,925	56,458	56,458
ADM guarantee deposits	50,588	50,588	52,087	52,087
Accrued income and prepayments	34,800	24,204	22,940	14,247
Gaming halls receivables	18,209	18,209	16,351	16,351
Tax receivables	7,384	4,307	12,681	10,340
Guarantee deposits	4,309	227	13,811	9,443
Other receivables	3,950	3,719	3,566	3,153
Total	**175,165**	**157,179**	**177,894**	**162,079**

9.12 Tax receivables and payables

As of 31 December 2025, "Tax receivables", amounting to Euro 0.3 million (Euro 2.2 million as of 31 December 2024), represents tax receivables in relation to IRES (for companies not in scope of tax consolidation) and IRAP taxes for the year, net of related payables.

"Tax payables", amounting to Euro 31.1 million as of 31 December 2025 (Euro 23.1 million as of 31 December 2024) were mainly related to amounts due in respect of IRES and IRAP, net of related receivables, by the Group companies included in the tax consolidation.

9.13 Cash and cash equivalents

The following table provides a breakdown of "Cash and cash equivalents":

		As of 31 December
(In thousands of Euro)	**2025**	**2024**
Bank deposits	107,504	130,299
Cash on hand	36,394	33,857
Total	**143,898**	**164,156**

"Cash on hand" includes cash in the machines (i.e., in the hoppers and change machines) owned and managed by the Group companies involved in "Retail & Street Operation" product division, amounting to Euro 25.8 million as of 31 December 2025 (Euro 18.1 million as of 31 December 2024).

Reference is made to the Consolidated Statement of Cash Flows for further details regarding movements during the year in Cash and cash equivalents.

9.14 Shareholders' equity

9.14.1 Share capital

Company's share capital amounted to Euro 10.0 million as of 31 December 2025 and was divided into 251,630,412 ordinary shares without nominal value (unchanged from 31 December 2024).

9.14.2 Reserves and retained earnings

Movement in reserves and retained earnings are presented in the Consolidated Statement of Changes in Equity. The Group's net equity recorded a decrease of Euro 192.9 million compared to 31 December 2024, mainly due to the net effect arising from:

- the profit for the year, amounting to Euro 174.3 million;
- the decrease resulting from the share buyback for Euro 298.7 million;
- the distribution of dividends amounting to Euro 75.5 million, as resolved by the Company's shareholders' meeting held on 30 April 2025;
- the change in the share based payment reserve related to long-term incentive plans, amounting to Euro 3.8 million;
- the recognition of the put option liability on the non-controlling interests in Distante S.r.l., amounting to Euro 2.9 million;
- the change in the cash flow hedge reserve, decreased from a negative balance of Euro 8.7 million as at 31 December 2024 to a negative balance of Euro 3.4 million as at 31 December 2025.

The share premium reserve amounted to Euro 368.4 million as of 31 December 2025 (unchanged compared to 31 December 2024). This reserve was generated by the capital increase carried out at the time of the Company's listing on 3 May 2023. It should be noted that the share premium reserve is recognised net of placement fees and other costs related to the above mentioned capital increase, as well as of the related tax effect.

Treasury shares

On 6 May 2025, the Company's Board of Directors resolved to initiate a share buyback program, as authorized by the Shareholders' Meeting held on 30 April 2025. The program is aimed at acquiring shares in order to remunerate the shareholders, meet the commitments deriving from the share-based incentive plans or financing potential acquisition opportunities. For further details please see Note 11.7.14.

As of 31 December 2025, the Company held 13,595,712 treasury shares, equal to 5.403% of the outstanding ordinary shares, for a total amount of Euro 298.7 million (net of the tax effect on the transaction costs incurred), recognised as a reduction in the Group's equity.

9.14.3 Equity attributable to non-controlling interests

Equity attributable to non-controlling interests represents the interest of third parties in the companies controlled by the Group. Related movements in such non-controlling interests are reported in the Consolidated Statement of Changes in Equity.

Equity attributable to non-controlling interests increased by Euro 4.9 million mainly due to the result of the year.

9.15 Employee benefit liabilities

The following table provides a breakdown of "Employee benefit liabilities":

(In thousands of Euro)	
Employee benefit liabilities	**Total**
Balance as of 31 December 2023	**22,016**
Business combination	2,932
Service cost	3,363
Interest cost	765
Advances and benefits paid	(1,938)
Actuarial gains/(losses)	(408)
Balance as of 31 December 2024	**26,730**
Business combination	1,135
Service cost	3,500
Interest cost	937
Transfers In / (Out)	(608)
Advances and benefits paid	(2,684)
Actuarial gains/(losses)	(1,257)
Balance as of 31 December 2025	**27,753**

The following tables detail the main financial and demographic assumptions adopted in the actuarial calculations:

		As of 31 December
Financial assumptions	**2025**	**2024**
Discount rate	3.96%	3.38%
Inflation rate	2.00%	2.00%
Annual TFR increase	3.00%	3.00%
Annual salary increase	Executives 2.50%	Executives 2.50%
	Middle managers 1.00%	Middle managers 1.00%
	White collar 1.00%	**White collar 1.00%**
	Blue collar 1.00%	**Blue collar 1.00%**

Demographic assumptions	
Mortality rate	ISTAT 2022
Disability	INPS (social security) tables by age and gender
Retirement	100% on reaching AGO requirements
Annual turnover and frequency of advance payments	
Frequency of advance payments	0.50%
Turnover rate	10.00%

The following table shows the results of sensitivity analyses performed for each actuarial assumption, highlighting the effects (in absolute terms) that would have occurred upon reasonable possible changes, as of 31 December 2025, in actuarial assumptions:

(In thousands of Euro)	
Change in assumption	**Amount**
Turnover rate +1.00%	28,836
Turnover rate -1.00%	28,539
Inflation rate +0.25%	29,053
Inflation rate -0.25%	28,346
Discount rate +0.25%	28,247
Discount rate -0.25%	29,158

The average financial duration of the obligation as of 31 December 2025 was 10.0 years. The following table provides a summary overview of expected plan disbursements:

Expected disbursements	
Years	*(In thousands of Euro)*
1	4,518
2	3,579
3	3,839
4	3,791
5	4,034

9.16 Current and non-current financial liabilities

The following table provides a breakdown of "Current and non-current financial liabilities":

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
May 2025 Notes	1,088,017	-
May 2024 Notes	891,443	890,096
December 2023 Notes	-	487,737
June 2023 Notes	-	556,258
Accrued interest – May 2025 Notes	8,938	-
Accrued interest – May 2024 Notes	3,323	3,652
Accrued interest – December 2023 Notes	-	1,707
Accrued interest – June 2023 Notes	-	3,355
Payables for leasing	75,679	81,169
Put option liability	60,372	56,614
Payables for acquisitions	25,176	51,129
Interest Rate Swap liabilities	6,610	13,147
Bank borrowings	2,636	2,561
Other financial payables	173,897	1,402
Total	**2,336,091**	**2,148,827**

"Current and non-current financial liabilities" included:

- senior secured notes issued on 29 May 2024 and 13 May 2025 for principal amounts of Euro 900 million and Euro 1,100 million respectively, recognized at amortized cost. Transaction costs incurred for the main part included professional fees related to the senior secured notes issue. It should be noted that during 2025, Lottomatica Group S.p.A. made an early repayment of the December 2023 Notes and the June 2023 Notes (as defined below), plus accrued interest;
- the Interest Rate Swap liability, mainly related to the fair value of the derivative contracts of a total notional amount of Euro 400 million to hedge the risk linked to a potential change in the interest rate of the floating rate portion of May 2024 Notes (as defined below). The total fair value was a negative amount of Euro 5.7 million as of 31 December 2025;
- the put option liability, recognized at its present value of Euro 60.4 million as of 31 December 2025 (Euro 56.6 million as of 31 December 2024), based on the best estimate of the disbursement to acquire the residual share capital from non-controlling shareholders;
- the remaining payables outstanding in relation to the acquisitions of Goldbet (now GBO Italy), Distante S.r.l., Rete Gioco Italia and the acquisition of certain businesses. In particular:
  - the payable relating to the acquisition of Goldbet (now GBO Italy) for the deferred consideration component amounted to Euro 7.0 million as at 31 December 2025 (Euro 27.6 million as of 31 December 2024), of which Euro 5 million deposited in an escrow account. During 2025, an amount of Euro 20.6 million was paid to the sellers;
  - the payable related to the deferred price component for the acquisition of Rete Gioco Italia S.r.l. amounted to Euro 2.1 million as of 31 December 2025;
  - the payable related to the deferred price component for the acquisition of Distante S.r.l. amounted to Euro 4.3 million as of 31 December 2025;
  - the payable related to the business acquisition of Dondolino S.r.l. amounted to Euro 3.5 million as of 31 December 2025;

  - the payable relating to the deferred price components of other acquisitions amounted to Euro 8.3 million as of 31 December 2025;
- payables relating to the lease liabilities representing the present value of the remaining lease payments as of 31 December 2025, including accrued finance expenses and charges contractually provided for as of such date. For further details, see Note 9.4 above.
- the liability for the share buyback, amounting to Euro 173.4 million as of 31 December 2025, included in the item “Other financial payables”.

There are no non-current financial liabilities due over 5 years, other than the May 2025 Notes and the floating rate portion of the May 2024 Notes and a residual part of lease liabilities.

The following table provides a summary of key information relating to financial liabilities:

(In thousands of Euro)	**As of 31 December 2025**	*of which current*	**As of 31 December 2024**	*of which current*
Senior secured notes	1,979,460	-	1,934,091	-
Payables for leasing	75,679	24,247	81,169	21,552
Put option liability	60,372	32,087	56,614	18,348
Payables for acquisitions	25,176	21,389	51,129	46,840
Accrued interest on senior secured notes	12,261	12,261	8,714	8,714
Interest Rate Swap liabilities	6,610	916	13,147	1,740
Bank borrowings	2,636	1,515	2,561	1,795
Other financial payables	173,897	173,897	1,402	1,402
Total	**2,336,091**	**266,312**	**2,148,827**	**100,391**

The following table provides changes in liabilities arising from financing activities as required by IAS7:

(In thousands of Euro)	**As of 31 December 2024**	Cash flow from financing activities	Non-cash changes	**As of 31 December 2025**
Senior secured notes	1,934,091	22,298	23,071	1,979,460
Accrued interest on senior secured notes	8,714	(94,111)	97,658	12,261
Payables for acquisitions	51,129	(75,423)	49,470	25,176
Payables for leasing	81,169	(28,132)	22,642	75,679
Put option liability	56,614	-	3,758	60,372
Interest Rate Swap liabilities	13,147	(17,702)	11,165	6,610
Bank borrowings	2,561	(2,683)	2,758	2,636
Other financial payables*	1,402	(226,417)	398,912	173,897
Total	**2,148,827**	**(422,170)**	**609,434**	**2,336,091**
Reconciliation of cash flow from financing activities:				
Payment for acquisition not included in cash flow from financing activities		75,423		
Other assets and liabilities not included in financial liabilities		(12,727)		
Total		**(359,474)**		

* Cash flows relating to other financial liabilities related to the share buyback and to the payment of dividends and make-whole on senior secured notes repaid.

(In thousands of Euro)	**As of 31 December 2023**	Cash flow from financing activities	Non-cash changes	**As of 31 December 2024**
Senior secured notes	1,917,021	(21,031)	38,101	1,934,091
Accrued interest on senior secured notes	22,741	(129,370)	115,343	8,714
Payables for acquisitions	93,868	(60,852)	18,113	51,129
Payables for leasing	75,908	(24,676)	29,937	81,169
Put option liability	49,518	-	7,096	56,614
Interest Rate Swap liabilities	8,937	(22,357)	26,567	13,147
Bank borrowings	4,384	(2,871)	1,048	2,561
Other financial payables*	13,713	(99,806)	87,495	1,402
Total	**2,186,090**	**(360,963)**	**323,700**	**2,148,827**
Reconciliation of cash flow from financing activities:				
Payment for acquisition not included in cash flow from financing activities		60,852		
Other assets and liabilities not included in financial liabilities		(13,405)		
Total		**(313,516)**		

* Cash flows relating to other financial liabilities related to the payment of dividends and make-whole on senior secured notes repaid.

9.16.1 May 2025 Notes

On 13 May 2025, Lottomatica Group S.p.A. (the "**Issuer**") issued senior secured notes for a principal amount of Euro 1,100 million (the "**May 2025 Notes**"), bearing interest at a fixed annual rate of 4.875%, to be paid semiannually, commencing on 1 November 2025 and maturing in January 2031. The May 2025 Notes has been admitted to listing on the Euro MTF market, organized and managed by the Luxembourg Stock Exchange, and on the Euronext Access Milan Professional Segment (formerly known as ExtraMOT Pro) of Borsa Italiana S.p.A.

Collateral posted as security in relation to the May 2025 Notes included liens on the following: (i) material bank accounts of the Issuer, (ii) receivables in respect of certain intercompany loans owed to the Issuer, (iii) the entire share capital of GGM S.p.A. (now Lottomatica Gaming S.p.A.) held by the Issuer, and (v) the entire share capital of GBO S.p.A. held by the Issuer. Ratings as of the issue date of were as follows: BB (S&P) and Ba2 (Moody's).

Proceeds from the May 2025 Notes were used to finance (i) the early repayment of the senior secured notes issued on 14 December 2023 ("**December 2023 Notes**") and the senior secured notes issued on 1 June 2023 (the "**June 2023 Notes**" and together with the December 2023 Notes, the "**2025 Notes Repaid**"), in addition to accrued and unpaid interest; and (ii) the make-whole payment due to early repayment of the June 2023 Notes.

The May 2025 Notes (or a portion thereof) can be reimbursed in advance, in accordance with the contractual provisions.

9.16.2 May 2024 Notes

On 29 May 2024, Lottomatica S.p.A. (merged into the Company during 2024) issued senior secured notes for a total principal of Euro 900 million (the "**May 2024 Notes**"), of which (i) Euro 500 million bearing interest at a fixed annual rate of 5.375%, to be paid semiannually, commencing on 1 December 2024 maturing in 2030, and (ii) Euro 400 million bearing interest equal to the sum of three-month EURIBOR (with a 0% floor) plus 3.250% per annum to be paid quarterly, commencing on 1 September 2024 and maturing in 2031. The May 2024 Notes were admitted to listing on the Euro MTF market organized and managed by the Luxembourg Stock Exchange and the Euronext Access Milan segment (previously known as ExtraMOT) of Borsa Italiana S.p.A..

Collateral posted as security in relation to the May 2024 Notes included liens on the following: (i) material bank accounts of the Company, (ii) receivables in respect of certain material intercompany loans owed to the Company, (iii) all of the issued share capital of GGM S.p.A. (now Lottomatica Gaming S.p.A.) held by the Company, and (iv) all of the issued share capital of GBO S.p.A. held by the Company. Ratings as of the issue date were as follows: BB- (S&P) and Ba3 (Moody's).

Proceeds from the May 2024 Notes were used, together with the available cash, to finance (i) the early repayment of the senior secured notes issued on 27 September 2022, for a principal amount of Euro 350 million and the floating rate portion of the senior secured notes issued on 1 June 2023 for a principal amount of Euro 550 million, in addition to accrued and unpaid interest; and (ii) the make-whole payment due to early repayment.

The May 2024 Notes (or a portion thereof) can be reimbursed in advance, in accordance with the contractual provisions.

9.16.3 Revolving credit facility

On 3 May 2023, Lottomatica S.p.A. (merged into the Company during 2024), the lenders party thereto, UniCredit S.p.A., as security agent, inter alia, entered into a revolving credit facility agreement of Euro 350 million in addition to an incremental facility provided by Deutsche Bank S.p.A. of Euro 50 million as a guarantee facility thereunder available for bank guarantees; the revolving credit facility was subsequently increased to Euro 400 million.

On 23 April 2025, the Company entered into an amendment and restatement agreement of the revolving credit facility, which provides for: (i) the extension of the maturity date to three months prior to the due date of any senior secured notes issued by the Company, (ii) a reduction in the interest rate applied, and (iii) an increase in the available amount by an additional Euro 47.25 million, bringing the total amount of the revolving credit facility to Euro 447.25 million (the "**Revolving Credit Facility**").

Interest on the loan is set at Euribor plus a spread. The agreement provides that the spread may be reduced over time in line with variations in the ratio between senior secured indebtedness net of cash

and cash equivalents and EBITDA (i.e., the Consolidated Senior Secured Debt Ratio defined in the Revolving Credit Facility agreement) on a consolidated basis, as indicated below:

Consolidated Senior Secured Debt Ratio*	Annual spread (%)
> 2.3:1	2.5
≤ 2.3:1 e > 1.8:1	2.25
≤ 1.8:1 e > 1.3:1	2.0
≤ 1.3:1 e > 0.8:1	1.75
≤ 0.8:1	1.5

* As defined contractually.

The agreement provides that the Consolidated Senior Secured Debt Ratio should be calculated for the first time three calendar quarters after the closing date and subsequently each quarter with regard to the preceding twelve months. The Consolidated Senior Secured Debt Ratio must not exceed 5.22:1 and is not valid if the utilizations do not exceed 40% of the revolving credit facility (the “Test Condition”, as defined contractually). The spread to be applied to amounts drawn down under the Revolving Credit Facility is adjusted based on the aforementioned ratio. As of 31 December 2025, the Test Condition is not met as the revolving credit facility was not utilized; the applicable spread in the event of utilizing the Revolving Credit Facility is 2.25%.

Collateral for the Revolving Credit Facility included securities on the following: (i) receivables in respect of certain material intercompany loans in respect of which Lottomatica Group is a creditor (if any); (ii) material bank accounts of the Company; (iii) the shares in GGM S.p.A. (now Lottomatica Gaming S.p.A.) held by the Company; (iv) the shares in GBO S.p.A. held by the Company; (v) the shares in Gamenet S.p.A. held by its shareholder GGM S.p.A. (now Lottomatica Gaming S.p.A.); (vi) the shares in GBO Italy S.p.A. held by its shareholder GBO S.p.A. and (vii) the shares in Lottomatica Videolot Rete S.p.A. held by its shareholder GGM S.p.A. (now Lottomatica Gaming S.p.A.).

In line with normal market practice in such cases, the terms and conditions of the Revolving Credit Facility also require that the Group comply with a series of restrictions regarding its right to undertake certain operations, unless specific restrictive covenants or specific exceptions provided for contractually are complied with.

Right to take on or guarantee further borrowing

Other than in certain exceptional cases, the Group may only take on or guarantee further borrowing if it complies with certain requirements in terms of: a) the Fixed Charge Coverage Ratio or Consolidated Total Debt Ratio (in the case of non-secured debt); b) the Consolidated Senior Secured Debt Ratio in the case of secured debt, as shown below:

a) non-secured debt:

Covenants	Description*	Contractual value
Fixed Charge Coverage Ratio	EBITDA** / Fixed Charge**	>= to 2.0
Or		
Consolidated Total Debt Ratio	Total Indebtedness net of Cash and Cash Equivalents** / EBITDA**	<= to 3.15

* On a consolidated basis.
** As defined contractually.

b) secured debt:

Covenants	Description*	Contractual value
Consolidated Senior Secured Debt Ratio	Senior Secured Total Indebtedness net of Cash and Cash Equivalents** / EBITDA**	<= to 2.90

* On a consolidated basis.
** As defined contractually.

The above ratios must be calculated at the time the Group intends to take on or guarantee further borrowing. The above conditions, however, do not prohibit the Group from taking on certain other specific borrowing set out in the contractual conditions of the Revolving Credit Facility and the senior secured notes issued.

Right to distribute dividends

The terms and conditions of the Revolving Credit Facility and the senior secured notes issued provide that the Group may make certain types of payment, including the distribution of dividends and distribution of reserves to shareholders, solely within certain limits and under certain specific conditions that are defined both for “Restricted Payments”, for “Permitted Payments” as well as the use of additional specific baskets.

Ratings

As of the reporting date, the corporate rating assigned to Lottomatica Group S.p.A. by Standard & Poor’s was BB (upgraded on 21 March 2025, from BB-), while the rating assigned by Moody’s was Ba2 (upgraded on 23 April 2025, from Ba3).

The contracts relating to the senior secured notes outstanding as of 31 December 2025 provided that certain of the aforementioned restrictions and covenants no longer apply if the senior secured notes achieve investment grade status, defined as a credit rating of BBB- or higher (S&P) and Baa3 or higher (Moody’s).

Net Financial Indebtedness

The following is a breakdown of the Group's Net Financial Indebtedness as of 31 December 2025 compared with the situation as of 31 December 2024 determined in accordance with Consob Communication DEM/6064293 of 28 July 2006, as amended by Consob Communication No. 5/21 of 29 April 2021 and in accordance with ESMA Recommendations contained in “Guidelines 32-382-1138 of 4 March 2021 on disclosure requirements under the prospectus regulation”.

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
A. Cash	143,898	164,156
B. Cash equivalent	-	-
C. Other current financial assets	31,570	30,396
D. Liquidity (A+B+C)	**175,468**	**194,552**
E. Current financial debt	174,813	3,155
F. Current portion of non-current financial debt	91,499	97,236
G. Current Financial Indebtedness (E+F)	**266,312**	**100,391**
H. Net Current Financial Indebtedness (G-D)	**90,844**	**(94,161)**
I. Non-current financial debt	90,319	114,345
J. Debt instruments	1,979,460	1,934,091
K. Non-current trade and other payables	-	-
L. Non-Current Financial Indebtedness (I+J+K)	**2,069,779**	**2,048,436**
M. Net Financial Indebtedness - ESMA (H+L)	**2,160,623**	**1,954,275**

For a description on the Group’s net financial indebtedness, please refer to the Director’s Report.

Derivative financial instrument and hedge accounting

In order to hedge the risk to possible changes in interest rates on the floating rate portion of the May 2024 Notes, the Company entered into two derivative contracts with UniCredit S.p.A. and Deutsche Bank AG, each for a notional amount of Euro 200 million. These derivative contracts (which are not traded on any official market) hedge the Group from the risk linked to a potential increase in interest rates by exchanging the three-month EURIBOR interest rate with a contractually determined fixed interest rate of (i) 2.754% with quarterly settlement and a termination date of 1 June 2028 for the Unicredit S.p.A. derivative contract and (ii) 2.742% with quarterly settlement and a termination date of 1 June 2028 for the Deutsche Bank AG derivative contract.

The transaction qualifies as a cash flow hedge as it meets the hedge effectiveness requirements set out by IFRS 9.

9.17 Provisions for risks and charges

The following table provides a breakdown of “Provisions for risks and charges”:

(In thousands of Euro)	**Total**
Balance as of 31 December 2023	**4,891**
Business combination	6,709
Provisions/ (Releases)	785
Utilizations	(58)
Other movements	(6,163)
Balance as of 31 December 2024	**6,164**
Provisions/ (Releases)	4,115
Utilizations	(1,857)
Other movements	32,713
Balance as of 31 December 2025	**41,135**

Provision for risks and charges mainly includes (i) the provisions made by Gamenet and Lottomatica Videolot Rete for non-compliance with the concession-holder network management service level obligations provided for in Annex 2 of the Concession Agreement (Euro 1.2 million as of 31 December 2025); (ii) the “Provision for technological renewals”, which represents periodic provisions made by the Group’s AWP and VLT concession-holders for technological and structural upgrading of the online network and other infrastructures used for gaming-related collection activities (Euro 0.9 million as of 31 December 2025); (iii) the provision related to the ruling of the Italian Council of State for the 2015 Italian Stability Law of Euro 35.0 million (please refer to Note 11.7.5), and for the residual part (iv) the provision for legal disputes, to cover estimated costs relating to disputes, including labor-related disputes, with third parties (Euro 4.0 million as of 31 December 2025).

9.18 Other current and non-current liabilities

The following table provides a breakdown of “Other current and non-current liabilities”:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Payables to tax authorities for PREU	89,777	96,807
Players’ online accounts	59,056	56,458
Other payables to tax authorities	56,651	80,475
Public gaming taxes	52,026	49,794
Payables to employees	21,420	21,969
Concession fee payables	14,692	14,880
Payables to distribution network for guarantees	12,426	14,014
Payables to other concessionaires for bets/wagers collection	11,589	9,248
Payables to social security institutions	11,312	8,862
Provision for Jackpot and VLT tickets to be validated	7,709	11,810
Other payables	95,442	15,958
Total	**432,100**	**380,275**

“Payables to tax authorities for PREU” included the balance relating to the sixth period of each year, which is paid in January of the following year.

Players’ online accounts" included the amount paid by players into online accounts at the reference date, equal to Euro 29.0 million as of 31 December 2025 for GBO Italy S.p.A. (Euro 23.8 million as of 31 December 2024), Euro 16.1 million as of 31 December 2025 for Betflag (Euro 18.7 million as of 31 December 2024), Euro 1.0 million as of 31 December 2025 for Totosì (Euro 0.5 million as of 31 December 2024) and Euro 13.0 million as of 31 December 2025 for PWO (Euro 13.4 million as of 31 December 2024).

As of 31 December 2025 and 2024, “Other payables to tax authorities” included payables for withholdings made as a substitute tax on the salaries and fees of agents and professionals used by the Company, the VAT payable as well as payables for taxes on VLT winnings. The decrease was mainly due to payments to Italian tax authorities following the application for facilitated adhesion to the pending dispute filed in 2023 on tax notices related to betting duties (Imposta Unica) of PWO.

“Public gaming taxes” as of 31 December 2025 included the gaming tax balance owing in respect of December 2025, which was paid on 31 January 2026.

“Payables to employees” and “Payables to INPS” included amounts due in respect of “fourteenth month” salary payments, holiday pay, holidays and additional hours worked, reimbursements, overtime and contributions due but not yet paid as of the reporting date.

“Payables to distribution network for guarantees” related to guarantees from third party operators who perform collection activities.

“Concession fee payables” mainly related to the concession-fee owing in respect of the sixth period of 2025, which was paid in January 2026.

“Provision for Jackpot and VLT tickets to be validated” included amounts provided in respect of jackpots that had not yet been won and VLT tickets issued as of the reporting date but not yet cashed by players, who have 90 days in which to collect their winnings before they are paid over to the ADM as required by the concession. The decrease was due to the payment of winnings recorded during the year.

"Other payables" mainly included Euro 75.8 million as of 31 December 2025 related to payables for the extension of concessions, of which Euro 32.8 million for the Sports Franchise concessions of GBO Italy S.p.A. and PWO, and Euro 43.0 million for the Gaming Franchise concessions of Gamenet S.p.A. and Lottomatica Videolot Rete S.p.A.. This liability was recognized at amortized cost, calculated using an interest rate of 4.875% (equal to the interest rate applied to the May 2025 Notes).

It also includes payables relating to sports bets, amounting to Euro 6.7 million as of 31 December 2025 (Euro 4.1 million as of 31 December 2024). The item also included payables related to jackpots of casino games, poker and bingo totaling Euro 4.4 million.

The following table provides a summary of key information relating to other liabilities:

(In thousands of Euro)	**As of 31 December 2025**	*of which current*	**As of 31 December 2024**	*of which current*
Payables to tax authorities for PREU	89,777	89,777	96,807	96,807
Players' online accounts	59,056	59,056	56,458	56,458
Other payables to tax authorities	56,651	35,531	80,475	41,225
Public gaming taxes	52,026	52,026	49,794	49,794
Payables to employees	21,420	21,420	21,969	21,969
Concession fee payables	14,692	14,692	14,880	14,880
Payables to distribution network for guarantees	12,426	204	14,014	261
Payables to other concessionaires for bets/wagers collection	11,589	11,589	9,248	9,235
Payables to social security institutions	11,312	10,453	8,862	8,862
Provision for Jackpot and VLT tickets to be validated	7,709	7,709	11,810	11,810
Other payables	95,442	94,992	15,958	15,774
Total	**432,100**	**397,449**	**380,275**	**327,075**

9.19 Current trade payables

The following table provides a breakdown of "Current trade payables":

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Invoices to be received	65,718	65,582
Trade payables	37,512	33,876
Payables to operators	23,754	28,972
Payables relating to remuneration in respect of collection activities - VLT	2,368	2,659
Payables relating to remuneration in respect of collection activities - AWP	1,778	2,613
Total	**131,130**	**133,702**

"Payables relating to remuneration in respect of collection activities" mainly comprised payables due to the relevant parties in the supply chain.

"Payables to operators" mainly relate to contractual performance-related amounts due to network operators of GBO Italy S.p.A..

10. Transactions with related parties

Transactions with related parties are mainly attributable to commercial, administrative and financial relationships. These operations are part of normal business management, within the typical activity of each interested party, and are regulated at market conditions. The Group has relationships with the following related parties:

- IMA S.r.l. (only in 2024), and Cristaltec S.p.A. ("**Associates**");
- Key Management Personnel (for further details, please refer to the paragraph below).

The following table shows Group receivables and payables due from/to related parties:

	As of 31 December 2025				
(In thousands of Euro)	Associates	Key management personnel	**Total related parties**	**Total reported amount**	**Related party % of total**
Property, plant and equipment	1,768	-	**1,768**	**160,397**	1.1%
Current trade payables	940	-	**940**	**131,130**	0.7%
Current trade receivables	44	-	**44**	**74,070**	0.1%
Other current liabilities	-	3,241	**3,241**	**397,449**	0.8%

	As of 31 December 2024				
(In thousands of Euro)	Associates	Key management personnel	**Total related parties**	**Total reported amount**	**Related party % of total**
Other current liabilities	-	2,441	2,441	**327,075**	0.7%

The following table shows Group revenues and expenses due from/to related parties:

	For the year ended 31 December 2025				
(In thousands of Euro)	Associates	Key management personnel	**Total related parties**	**Total reported amount**	**% of total**
Revenues	42	-	**42**	**2,247,116**	0.0%
Cost of services	(2,032)	-	**(2,032)**	**(1,314,558)**	0.2%
Personnel expenses	-	(9,231)	**(9,231)**	**(154,750)**	6.0%
Other income	6	-	**6**	**14,888**	0.0%
Other operating costs	(343)	-	**(343)**	**(40,090)**	0.9%

	For the year ended 31 December 2024				
(In thousands of Euro)	Associates	Key management personnel	**Total related parties**	**Total reported amount**	**% of total**
Personnel expenses	-	(7,067)	**(7,067)**	**(135,503)**	5.2%
Other income	10	-	**10**	**14,951**	0.1%
Other operating costs	(71)	-	**(71)**	**(39,477)**	0.2%

In 2024, transactions with Associates were related to the commercial relationships between IMA S.r.l. and Marim S.r.l.. It should be noted that in December 2024, the Group acquired control of the company through Marim S.r.l..

In 2025, transactions with Associates are related to the commercial relationships with the associate Cristaltec S.p.A..

Key management personnel

The following table provides a breakdown of the remuneration attributable to the Group's key management personnel for the years ended 31 December 2025 and 2024.

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Remuneration	4,625	4,008
Bonus una tantum	1,852	1,482
Social security contributions	548	609
Severance indemnity	323	281
Share based payment	1,883	687
Total	**9,231**	**7,067**

11. Other information

11.1 Commitments, guarantees and contingent liabilities

11.1.1 Guarantees granted in favor of third parties

As of 31 December 2025, the Group had granted concession related guarantees in favor of the ADM amounting to Euro 443.6 million. For details regarding guarantees relating to the senior secured notes, see Note 9.16 above.

11.1.2 Commitments and contingent liabilities

Other than as reported in Note 11.7, with regard to commitments and contingent liabilities, we are not aware of the existence of further disputes or proceedings that could have a material effect on the Group's economic and financial position.

11.2 Compensation due to directors and statutory auditors

The compensation due to directors and statutory auditors amounted to Euro 4,349 thousand for the year ended 31 December 2025 (Euro 4,139 thousand for the year ended 31 December 2024).

11.3 Compensation due to independent auditor

The following table, drawn up pursuant to art. 149-duodecies of the Issuers Regulation, shows the breakdown of the services offered by the audit firm for the year ended 31 December 2025.

(In thousands of Euro)

Service	Service performed on behalf of	Subject who provided the service	2025 Fees
Audit of financial statement	Parent company	PwC S.p.A.	718
Other services*	Parent company	PwC S.p.A.	919
Audit of financial statement	Subsidiaries	PwC S.p.A.	1,451
Other services**	Subsidiaries	PwC Network	482
Total			**3,570**

* The item mainly includes costs related to the activities for the Group's refinancing operations and the review of the consolidated sustainability statement.
** The item mainly includes costs related to due diligence / integration activities for potential or recent acquisitions.

11.4 Significant non-recurring events and transactions

As required by Consob Communication DEM/6064293 dated 28 July 2006 and in accordance with the ESMA Guidelines/2015/1415, the effects of non-recurring events and transactions on profit or loss are detailed below:

(In millions of Euro)	For the year ended 31 December 2025	Profit before tax	Financial Position
2025 Refinancing			
Underwriting fees and consultants / advisors	(13.4)		✓
Make-whole on 2025 Notes Repaid	(21.0)	✓	
Effect of acceleration of the unamortized costs and net charge IRS on 2025 Notes Repaid	(26.3)	✓	
Arrangement fees on revolving credit facility amendment (over five years)	(0.6)	✓	
Total (A)	**(61.3)**	**(47.9)**	**(13.4)**
Other non-recurring finance expenses			
Other non-recurring finance expenses	(5.7)	✓	
Total (B)	**(5.7)**	**(5.7)**	**-**
Costs not included in Adjusted EBITDA			
Cost related to M&A and international activities	(8.3)	✓	
Integration costs	(40.5)	✓	
Other non-recurring expense	(77.1)	✓	
Total (C)	**(125.9)**	**(125.9)**	
Total (A+B+C)	**(192.9)**	**(179.5)**	**(13.4)**

(In millions of Euro)	For the year ended 31 December 2024	Profit before tax	Financial Position
Acquisition of SKS365			
Transaction costs related to SKS365 Acquisition	(1.8)	✓	
Negative carry (including net income from IRS)	(4.2)	✓	
Total	**(6.0)**	**(6.0)**	**-**
2024 Refinancing			
Underwriting fees and consultants / advisors	(10.9)		✓
Make-whole on 2024 Notes Repaid	(26.4)	✓	
Effect of acceleration of the unamortized costs and net charge IRS on 2024 Notes Repaid	(21.7)	✓	
Total	**(59.0)**	**(48.1)**	**(10.9)**
Costs not included in Adjusted EBITDA			
Cost related to M&A and international activities	(8.3)	✓	
Integration costs	(33.7)	✓	
Other non-recurring expense	(35.0)	✓	
Total	**(77.0)**	**(77.0)**	**-**
Total	**(142.0)**	**(131.1)**	**(10.9)**

11.5 Atypical/unusual transactions

In accordance with the disclosures required by Consob Communication DEM/6064293 dated 28 July 2006, the Group did not carry out any atypical and/or unusual transactions during the year.

11.6 Disclosure of public grants and contributions

Pursuant to art. 1, paragraph 125, of Italian Law 124/2017, as for the requirement to disclose in the notes any funds received during the year in the form of aid, grants, paid services, and generally economic benefits of any kind from public administrations and the entities as per paragraph 125 of the same article, reference should be made to the National State Aid Register.

11.7 Significant events for the year

11.7.1 FIGC Court order

On 4 October 2019, the Rome civil court granted provisional execution of a court order requested by the Federazione Italiana Giuoco Calcio–FIGC (the Italian Football Federation) against Gamenet S.p.A., involving an amount of Euro 927 thousand (of which 921,777.77 plus VAT and late payment interest), relating to a format or short-form sponsorship pre-contract agreement entered into by the parties on 7 September 2016 and effective until 31 December 2018, on the understanding that it was the intention of the parties to sign the document with a view to completing a sponsorship contract.

Gamenet S.p.A. has challenged the aforementioned court order and requested that the matter be considered together with the court order previously requested in the same Rome court by Gamenet S.p.A., with a view to obtaining a ruling on the non-existence of the contract relating to sponsorship of the Italian national football team, using the Intralot brand, as well as a ruling regarding the illegitimate/illegal nature of the FIGC's behavior. At the first hearing, FIGC confirmed its request for provisional execution of the court order. Notwithstanding Gamenet's opposition, the judge granted provisional execution of the court order and ordered that the proceedings be combined with those initiated by Gamenet S.p.A. On 30 January 2020, following receipt of the Rome civil court executive order reserving the right to repeat performance, the company settled the entire amount, totaling Euro 1,048 thousand (including late payment interest).

On 27 February 2022, the FIGC notified Gamenet S.p.A of an appeal against the first instance sentence, for the purpose of obtaining the reform of the aforementioned in the part in which it does not pronounce itself with respect to the presumed right of the FIGC to obtain payment of the amount due for the period from 1 January 2018 to 15 October 2018 (for Euro 668,518.52) and a compensation for damages quantified at Euro 175,000. Appearance forms are being filed in Gamenet's interest, with a consequent appeal aimed at obtaining the complete reform of the sentence and consequently the verification of what was already requested by the Group in the first instance.

A notice of appearance was filed with an incidental appeal and the litigation was postponed to 26 October 2023 for the clarification of the conclusions. The Court of Appeal subsequently postponed the hearing ex officio, first to 16 January 2025 and then to 10 September 2026, for the same purpose (clarification of the conclusions).

In view of the above and based on the risk assessment provided by the lawyers, it is not necessary to make further provisions.

11.7.2 VAT reimbursement

On 29 January 2021, the Lazio Region Tax Commission issued order No.202/2021 in which it ruled the application for correction of appeal sentence No.5415/8/2019 to be inadmissible. In rejecting the petition, the Commission noted that the procedure for material correction of a sentence is restricted to cases in which the divergence between the judgment and its literal expression is immediately obvious without the need for any reconstructive investigation of the Judge's reasoning. In the case in question, in the opinion of the Judges called upon to decide on the application, such conditions were held not to exist and therefore the Judges ruled it to be inadmissible.

The company had in parallel already lodged an appeal to the Supreme Court to reiterate, *inter alia*, the inconsistency between the grounds and the operative part of the judgment. The aforementioned Order No. 202/2021, which is not subject to independent appeal, will also be produced in such a forum.

On 25 September 2019, the Lazio Region Tax Commission had issued appeal ruling No.5415/2019, in which it partially amended the ruling issued on 14 March 2018 by the court of first instance, the Rome Province Tax Commission, which had upheld the appeal lodged by Gamenet S.p.A claiming the repayment of Euro 2.4 million, representing VAT paid but not due with regard to the supply of a VLT gaming platform during the tax years 2013 and 2014. Specifically, the appeal ruling reaffirmed the scope of the exemption regime, confirming that "in the case in question, based on examination of the documentation, the necessary and indispensable constraint required for VAT exemption exists, as confirmed by the technical advice obtained during the proceedings". The Judges had also recognized, however, that "the decision not to reimburse should not be considered illegitimate, to the extent that the amount paid in error was paid prior to the two-year time-limit" and therefore "considering that the reimbursement claim was lodged on 16 November 2015, payments made more than two years prior to such date are not reimbursable, while those made within a period of two years prior to date are due to the claimant." In substance, therefore, the Lazio Region Tax Commission had upheld the reimbursement claim – originally expressed in the amount of Euro 2.4 million (the sum received in full by Gamenet S.p.A) – but reduced it by Euro 1.0 million, representing the VAT paid by Gamenet S.p.A during the period between January and September 2013, considered to be "expired". In view of the difference between the justification for the ruling that partially upheld the appeal lodged by the Tax Authorities and the ruling that fully upheld the appeal, on 18 November 2019, the company had presented an application for correction (pursuant to Article 287 civil procedure code) to the Rome Region Tax Commission, requesting that the error in the second-instance ruling be corrected.

By judgment published on 23 August 2023, the Supreme Court, noting the contrast between the reasons and the operative part of the judgment of second cure, reversed the decision by ordering the referral to the Lazio Tax Court of Justice of second grade so that, in a different composition, it may once again decide on the profile affected by this contradiction. The company will proceed with the resumption of the case within six months of the publication of the order of the Supreme Court.

On 23 February 2024, Gamenet S.p.A. filed in appeal before the Second-level Tax Commission of Lazio Region.

On 3 November 2025, judgment no. 6687/2025 of the Lazio Regional Tax Court (Second Instance) was filed, ruling in favor of Gamenet S.p.A. In early January 2026, the Italian Tax Authority filed an appeal before the Italian Supreme Court against that judgment. On 5 February 2026, Gamenet S.p.A. filed with the Court of Cassation its Statement of Defence and Incidental Appeal.

11.7.3 PWO litigation

PWO Austrian branch is involved in a tax dispute regarding a tax deduction of Euro 23 million claimed in 2014 by SKS365 Group GmbH (now PWO S.p.A.) with a tax effect of Euro 5.8 million in connection with unpaid Italian betting duties relating to fiscal years 2010-2014. These assessments were appealed by the company before the Austrian Federal Tax Court.

On 7 November 2024, the hearing was held before the Austrian Federal Tax Court in Innsbruck and the decision of the Federal Tax Court was notified on 27 January 2025. The Court rejected the appeal filed

by the company and quantified the tax for Euro 5,677,366 plus interest and penalties. PWO could appeal against the Court's decision by 6 March 2025.

The amount paid during 2025 amounted to Euro 5,990,271, including interest and penalties. On 6 March 2025, an appeal was filed against the decision of the Austrian Federal Tax Court.

11.7.4 Payment of additional 0.5% of bets – “Relaunch” Decree

Article 217 of Law Decree No. 34 of 19 May 2020 (the Relaunch Decree), converted into Law No.77 of 17 July 2020, provides for a “Fund for the relaunch of the national sports system”.

The financing for such Fund shall come from the sports betting segment (in a broad sense), through the imposition of a tax "equal to 0.5% (net of the share relating to the flat-tax pursuant to Legislative Decree No. 54/1998) of the total bets collected in relation to all sports events, including simulated events, however placed and by whichever means, whether online or through traditional channels."

This is an extraordinary measure, limited both in terms of its duration and its maximum effect, given that by express provision, "The financing of such fund shall be limited to a maximum of Euro 40 million in 2020 and Euro 50 million in 2021."

The ADM, therefore, provided guidance regarding the calculation and application of such amounts in Directive No. 307276/RU of 8 September 2020, and Goldbet and Lottomatica Scommesse (at the time separate legal entities), in common with other concessionaires, lodged an appeal with the Lazio Region Civil Court which, however, on 16 December 2020, issued a dismissal order with respect to the request to suspend the measures.

In line with such measures and the guidance subsequently provided by the ADM in Notes No. 77845/RU of 12 March 2021 and 151351/RU of 18 May 2021, Note No. 400355/RU of 26 October 2021 and, most recently, Note No. 5721 of 8 January 2022, both Lottomatica and Goldbet (therefore, the current GBO Italy) paid in-full all amounts demanded by the ADM for the entire period covered by the Fund, based on both the original calculations as well as the recalculations made by the Agency in line with the criteria set forth in the aforementioned Directive No. 5721/RU of 8.01.2022, totaling Euro 14,891,572 (of which Euro 4,405,359 relating to Lottomatica and Euro 10,486,213 to Goldbet).

Subsequently, pursuant to Article 21-nonies of Law No.241 of 7 August 1990, by Decree No. 10337/RU dated 5 January 2023, the ADM ordered the annulment, in self-defense, of Directive No. 5721/RU of 8 January 2022 and the related notes already sent to the concessionaires to pay amounts calculated in accordance with the previously defined criteria to be allocated to replenishing the Fund, claiming, for the first time, that the maximum amounts of Euro 40 million for 2020 and Euro 50 million for 2021 did not refer "to the maximum amounts to be paid but, rather, to the share of the tax to be allocated to the "Fund for the relaunch of the national sports system" and that Concessionaires were, therefore, required to pay in full the 0.5% of bets relating to 2020 and 2021 (calculated in accordance with the method set out in Article 3 of the measure adopted in self-defense), without any annual limit.

The additional amounts due by GBO Italy with respect to those already paid were, therefore, recalculated by the ADM and totaled Euro 9,509,509 (of which Euro 1,679,041 relating to online network concession No. 15017; Euro 3,408,643 to remote gaming concession No. 15226; and Euro 4,421,826 to retail network concession Nos. 4032, 4098, 4313, 4341, 4502, 4504, 4805 and 72000); the amounts

due were communicated in Notes No. 72148/RU and No. 71976/RU dated 6 February 2023 and No. 76535/RU dated 7 February 2023.

On 6 March 2023, GBO Italy lodged an appeal with the Regional Civil Court challenging Directive No. 10337/RU of 5 January 2023 and the aforementioned measures regarding the payment of additional amounts, having in the meantime withdrawn, due to supervening lack of interest, from Lazio Regional Civil Court proceeding R.G. 5612/2020 (terminated on 16 March 2023).

The new proceeding was identified as No. R.G. 4074/2023 and the Lazio Regional Civil Court initially set a hearing for discussion of the related precautionary measure for 29 March 2023 and then, without reaching any decision in this regard, postponed the hearing to 28 June 2023.

By judgment of 2 August 2023 No.13005/2023, the Lazio Regional Civil Court rejected the appeal. The judgment was appealed by GBO Italy the following day. An appeal was filed on 3 August 2023 (CDS R.G. 6818/2023). On 4 August 2023, a presidential decree suspending the effects of the judgment and the contested measures was obtained, with referral back to the Chamber of Council of 29 August 2023 for the examination of the precautionary application by the board. By order of 31 August 2023, the board confirmed the suspension and at the hearing on 5 December 2023, the case brought by GBO Italy S.p.A. has been retained in the decision and we are therefore awaiting the filing of the sentence.

Betflag S.p.A. also filed an appeal against Note No. 10337/RU of 5 January 2023. The judgment established was defined by a judgment of dismissal by the TAR Lazio on 2 August 2023 No. 13004/2023. On 4 October 2023, Betflag filed an appeal and the hearing before the Council of State is scheduled for 13 February 2024. The case was held in judgment.

By judgment of 26 February 2024 No.1883/2024 published on 27 February 2024, the Council of State settled the case of GBO Italy and, consequently, reforming the ruling of the Lazio Region Civil Court that had settled the case in the first instance, annulled the contested measures.

After the expiration of the time period for filing an appeal by ADM, the judgment is deemed to have become final. In the meantime, ADM announced on 30 July 2024 that it would publish the amounts deemed to be owed/credited by each concessionaire in their reserved area as a result of the judgment in question.

Following the recalculation, GBO Italy S.p.A. paid the amount due, while Betflag S.p.A. and PWO received a refund for the excess amounts already paid. Therefore, this dispute can be considered closed.

11.7.5 Other claims

The following are other claims of the Group deemed significant and the risk of losing the case is considered possible.

Gaming Franchise

Morosini Litigation

In 2023, the Court of Rome issued a final judgment declaring extinguished the judgment initiated by Morosini Slot S.r.l. in order to assert an alleged contractual liability of Lottomatica Videolot Rete S.p.A. ("**Lottomatica Videolot Rete**") with regard to the termination of the concessionaire-hall manager agreement. On 20 December 2023, the bankrupt Morosini has again sued Lottomatica Videolot Rete and Jolly Group S.r.l. ("**Jolly Group**") before the same court.

Lottomatica Videolot Rete and Jolly Group duly appeared in court on 27 March 2024. As ordered by the judge, on 27 September 2024, the Morosini Bankruptcy arranged for the mediation proceedings as a condition for proceeding with the lawsuit already initiated. The mediation meeting was scheduled for 29 October 2024. The next hearing has been set for 11 November 2026.

Cirsa Litigation

On 30 January 2025, Gamenet S.p.A. was served with a writ of summons by Cirsa Italia S.p.A., which claims an alleged breach of competition laws and, consequently, the extracontractual liability of Gamenet S.p.A. for failing to vacate two VLT halls following the expiration of the relevant contracts, is seeking compensation of approximately Euro 3,500,000.

On 10 April 2025, Gamenet S.p.A. filed its defense in court to oppose this claim, highlighting, among other things, that the two halls are currently operational and that an appeal is pending against the current operator of the two halls (a company belonging to the Cirsa group) regarding the continued validity of the related contracts. The first hearing, previously scheduled for 20 June 2025, has been postponed to 17 September 2026, with deadlines for the filing of briefs pursuant to Article 171-ter of the Italian Code of Civil Procedure.

2015 Italian Stability Law

The 2015 Italian Stability Law imposed a tax of Euro 500 million (the "**Stability Tax**") on concessionaires and operators in the AWP and VLT supply chain. The 2016 Stability Law repealed the Stability Tax for 2016 and subsequent years but did not amend the obligation to pay the Stability Tax for the year 2015. Several concessionaires, including the current ADI gaming concessionaires of the Group, interpreted this measure as a correction aimed at repealing the provisions of the 2015 Italian Stability Law, which placed the responsibility on each individual concessionaire to collect the contribution from all operators in the supply chain. As a result, the Group's concessionaires paid the amounts directly owed by them and the amounts collected from the operators in their respective supply chains, while the remaining amounts due from these operators, which were not paid, remained outstanding.

Meanwhile, Gamenet S.p.A., Lottomatica Videolot Rete S.p.A., and other operators challenged the Stability Tax and its mechanism before the competent Regional Administrative Court of Lazio (Tribunale Amministrativo Regionale del Lazio), arguing, among other points, its unconstitutionality. In June 2019, the Regional Administrative Court of Lazio rejected all appeals. Gamenet S.p.A. (with Lottomatica

Videolot Rete S.p.A. intervening in an appeal by another concessionaire) and other concessionaires have appealed the decisions in question to the Italian Council of State.

In its ruling of 18 April 2025, the Italian Council of State rejected the appeal of Gamenet S.p.A. and those filed by other concessionaires against the 2019 Regional Administrative Court of Lazio judgments concerning the levy imposed by the Stability Law for the year 2015. The ruling affirmed the obligation for concessionaires to pay the amounts owed by the operators in the supply chain and also upheld their full right to recover from the operators the portion of the levy corresponding to them.

The ruling of the Italian Council of State has increased the risk of an unfavorable outcome, although several appeal options remain available. The Group is exposed to approximately Euro 32 million plus legal interests of approximately Euro 3.7 million.

On 23 October 2025, ADM requested concessionaires to pay, within 30 days, the amounts still owed by legal gaming operators, together with legal interest. On 24 October 2025, the concessionaire Gamenet S.p.A. filed an appeal before the Italian Supreme Court.

On 14 November 2025, the concessionaire Lottomatica Videolot Rete S.p.A. filed a counter-appeal before the Italian Supreme Court. On 19 November 2025, ADM communicated the notes acknowledging the applications for suspension of the effects of the judgment of the Italian Council of State submitted by Gamenet S.p.A. and Lottomatica Videolot Rete S.p.A., without prejudice to the obligation to promptly make the payments of the sums progressively recovered from the supply chain.

Gari – Giomatic

By decision no. 3804/2025 of the Rome Court of Appeal, published on 17 June 2025, the appeal proceedings initiated by Gamenet ended unfavorably for the company. The case concerned the claims brought by Gari S.r.l. and Giomatic di Giannetto Carmine for the alleged non-payment by Gamenet S.p.A. of certain amounts. Specifically, Gari S.r.l. claimed compensation for the maintenance of VLT machines for the years 2012 and 2013, while Giomatic claimed payment for the rental of AWP machines to Gamenet S.p.A. The Court also rejected Gamenet's counterclaim related to a lump-sum PREU credit.

Following the publication of the aforementioned decision no. 3804/2025, on 20 June 2025 the counterparties formally requested Gamenet S.p.A. to voluntarily comply with the ruling, quantifying the total amount claimed at Euro 1,069,509. This includes (i) Euro 318,050 as principal and Euro 565,429 as default interest for Gari S.r.l., and (ii) Euro 62,660 as principal and Euro 63,917 as default interest for Giomatic di Giannetto Carmine. Legal costs for both levels of proceedings amounted to Euro 59,453, including mandatory charges.

On 11 July 2025, Gamenet S.p.A. filed an opposition to the injunction notified by Gari/Giomatic on 9 July 2025. After Gamenet S.p.A.'s injuction was registered, the counterparty withdrew the injunction.

By order dated 5 August 2025, the judge suspended, without hearing the other party, the enforceability of the title in relation to the opposed injunction. The Court set the audience for 31 March 2026 to confirm and/or cancel the suspension already granted without hearing the other party. On 25 September 2025, Gamenet S.p.A. filed an appeal before the Italian Supreme Court.

Gamenet S.p.A. has simultaneously initiated recovery actions through injunction proceedings to collect overdue receivables from the shareholders of the dissolved company Gari and from the owner of the sole proprietorship Giomatic, amounting respectively to Euro 5,203,343.97 and Euro 2,347,849.78.

Sports Franchise and Online

Draghi – JDL Litigation

On 21 February 2023, a consultant and a service company notified to GBO Italy (formerly Lottomatica Scommesse) the summons to appear before the Court of Rome following the termination of an *inter partes* consultancy agreement by GBO Italy. The matter related to the alleged illegitimate imposition - by the latter - of agreements amending and deteriorating the previously agreed economic conditions and requested the annulment of such agreements and of the unfair terms contained therein and, as a result, the recovery of the alleged loss of revenues, estimated at a total amount of Euro 1,139,843.00, in addition to the alleged non-pecuniary damages suffered, for a further Euro 1,200,000.00.

After the company itself appeared in court and filed the briefs pursuant to art. 183 of the Code of Civil Procedure, the judge deemed the case ready for decision without the need to gather the evidence requested by the plaintiffs and adjourned the case to 27 May 2026 for the clarification of the conclusions.

11.7.6 Legislative and regulatory provisions

11.7.6.1 ADIs

11.7.6.1.1 PREU and payout rates – 2025

The PREU flat-rate tax is the tax applied to the ADI segment. It was introduced by Law Decree no. 326 of 24 November 2003 and it is calculated by applying the required percentage rate to the total bets placed in each relevant activity, namely, for AWP activities and for VLT activities.

In 2025, the PREU rates for AWP and VLT are 24.0% and 8.6% respectively and were unchanged compared to those applicable in 2024.

In 2025, the minimum payout levels for AWP and VLT are respectively 65.0% and 83.0% of bets and were unchanged compared to those applicable in 2024.

11.7.6.1.2 Onerous extension of ADI concessions

The ADI concessions expired on 31 December 2024 and have been subject to an onerous extension until 31 December 2026, pursuant to Law no. 207 of 30 December 2024 (hereinafter "**Budget Law 2025**").

ADM Directorial Determination No. 42506/RU of 10 January 2025 provides that:

The concession fees due pursuant Law No. 207 of 30 December 2024 for the extension of the concessions in the preamble are paid by each concessionaire as follow:

- *for the year 2025, in three equal installments due on 15 March 2025, 15 July 2025 and 1 October 2025, respectively;*
- *for the year 2026, in three equal installments due on 15 March 2026, 15 July 2026 and 1 October 2026, respectively.*

With reference to the concessionaires Gamenet S.p.A. and Lottomatica Videolot Rete S.p.A., all required payments for 2025 have been duly settled.

Based on the information available as of the reporting date, management has a reasonable expectation regarding the continuity of the ADI concessions, which are currently subject to an onerous extension until 31 December 2026, and considers it probable that such concessions will continue either through a further extension or through a new tender procedure.

11.7.6.1.3 AWP-R

Pursuant to the 2016 Stability Law and as subsequently modified, most recently by the provisions of Law No. 145 of 30 December 2018, the ADM developed a draft Ministerial Decree setting out technical rules for the production of entertainment devices pursuant to Article 110, Paragraph 6, letter a) of the TULPS that permit remote gaming. This draft was forwarded to the Finance Legislative Office for final approval. As clarified by the ADM in the note relating to the 2025 Development Plan, "*Based on the timelines that will be provided, each concession holder will proceed within its area of responsibility to adapt the network structures and connectivity and replace the equipment, PDAs and communication structures of the telematic networks*".

At reporting date, the decree containing technical rules for the production of AWP-R has not yet been issued.

11.7.6.2 Betting and GAD

11.7.6.2.1 Betting concessions held by the Group

The following table provides a summary of the betting concessions held by the Group as of 31 December 2025:

Concession No.	Company	Announcement	Betting offering	Number of rights 2025
4098	GBO Italy S.p.A.	Bersani betting shops	Sports	421
4098	GBO Italy S.p.A.	Bersani betting corner	Sports	1,241
4341	GBO Italy S.p.A.	Bersani betting shops	Horse racing	13
4805	GBO Italy S.p.A.	Giorgetti betting shops	Horse racing	12
4504	GBO Italy S.p.A.	Monti	Sports + Horse racing	358
72000	GBO Italy S.p.A.	Tax regularization pursuant to article 1 co. 643 L. 190/2014	Sports + Horse racing	993

Concession No.	Company	Announcement	Betting offering	Number of rights 2025
4538	Ricreativo B S.p.A.	Monti	Sports + Horse racing	8
4869	Ricreativo B S.p.A.	Giorgetti betting shops	Horse racing	1

Concession No.	Company	Announcement	Betting offering	Number of rights 2025
4584	PWO S.p.A.	Monti	Sports + Horse racing	1
72002	PWO S.p.A.	Tax regularization pursuant to article 1 co. 643 L. 190/2014	Sports + Horse racing	1,002

11.7.6.2.2 Betting duties ("Imposta Unica")

From 1 January 2025, pursuant to the provisions of Budget Law 2025, the following betting duties ("Imposta Unica") apply:

a) for remote skill games with cash prizes, including card games in tournament mode and card games in modes other than tournament, as well as for fixed-odds games of chance and remote bingo, in the amount of 25.5% of the sums that are not returned to the player, according to the game rule;
b) for fixed-odds sports betting, in the amount of 20.5%, if bets takes place on a physical network, and 24.5%, if bets takes place remotely, applied to the difference between the amount bets and the winnings paid;
c) for fixed-odds bets on simulated events, pursuant to Law no. 296 of 27 December 2006, in the amount of 24.5% of the bets net of the amount paid to the player in winnings, according to the game rules.

11.7.6.2.3 Withdrawal on winnings

From 1 January 2025, pursuant to the provisions of the 2025 Budget Law (Article 1, paragraph 93), the tax applied on fixed-odds horse racing bets is set at 20.5% and 24.5% for those collected on the physical network and for those collected remotely, respectively. Those rates are applied to the difference between the bets amount and the winnings paid, without prejudice to the distribution of the periodic withdrawal pursuant Law no. 205 of 2017.

11.7.6.2.4 Onerous extension of Betting and GAD concessions

Betting concessions expired on 31 December 2024 and have been subject to an onerous extension until 31 December 2026, pursuant to the 2025 Budget Law.

ADM Directorial Determination No. 13771/RU of 3 January 2025 provides that:

The annual amount due is paid by the concessionaire, by the owner of the physical network collection or by the owner of the regularized betting points with the methods indicated below:

- *for the year 2025, in two installments of equal amount due on 30 April 2025 and 31 October 2025, respectively;*
- *for the year 2026, in two installments of equal amount due on 30 April 2026 and 31 October 2026, respectively.*

With reference to the concessionaires GBO Italy S.p.A., Ricreativo B S.p.A. and PWO S.p.A., the required payments for 2025 have been duly settled.

Based on the information available as of the reporting date, management has a reasonable expectation regarding the continuity of the Betting concessions, which are currently subject to an onerous extension until 31 December 2026, and considers it probable that such concessions will continue either through a further extension or through a new tender procedure.

With specific reference to the GAD sector, pursuant to Legislative Decree No. 36 of 31 March 2023, ADM announced the open electronic tender concerning the assignment of concessions for the activities and functions for the operation of public games referred to Legislative Decree No. 41 of 25 March 2024 (i.e. online games), through the activation and management of the remote gaming network, with the

exclusion of collection at public places as per the tender notice published in the Official Journal of the European Union on 18 December 2024.

On 26 May 2025, four applications were submitted by GBO Italy S.p.A., Betflag S.p.A., PWO S.p.A. and Totosì S.r.l., for a total of five concessions (GBO Italy S.p.A. no. 2, Betflag S.p.A. no. 1, PWO S.p.A. no. 1, Totosì S.r.l. no. 1).

Following a specific communication from the evaluation committee, by decision of the Director of Gaming, No. 594211 of 17 September 2025, the concessions for the operation and remote collection of the games referred to in Article 6 of Legislative Decree No. 41 of 25 March 2024 were awarded, and the list of the awarded companies was published on the ADM's official website. All Group companies were awarded a total of five concessions, in line with the applications submitted and have executed the related concession agreements effective since 13 November 2025.

Pursuant to Article 4.6 of the Administrative Rules, the entities awarded the concession paid a one-off fee of Euro 7 million for each licence requested, consisting of Euro 4 million upon award and Euro 3 million upon effective commencement of the concession-related activities.

11.7.6.3 Bingo

As result of the Budget Law 2025, bingo concessions, expired on 31 December 2024, have been subject to an onerous extension until 31 December 2026 starting from 1 January 2025. The jackpot has been set at a minimum of 70% and a maximum of 71% of the selling price of the bingo cards.

Due to the regulatory changes introduced by the 2025 Budget Law, ADM note No. 43702 of 10 January 2025 established that the annual payment of Euro 108,000.00 for each concession should be paid in two installments of Euro 54,000.00 each by 31 January and 30 June of each year.

The concessionaire Big Easy Bingo S.r.l. has filed an appeal with the Regional Administrative Court against the ADM note No. 43702 of 10 January 2025 to contest the new additional amounts requested by ADM. For this reason, pending the aforementioned proceedings, the six-monthly payment of Euro 2,800/month for each concession is being made.

With reference to the gaming hall located in Cesenatico (Italy), no further payments will be required during 2025, based on the ADM authorization, as per note No. 0382152 dated 26 June 2025, allowing the compensation of the total amount of Euro 29,000.00 with the amounts already paid in relation to concession agreement No. 003/TL/17/R, as consideration for the concession fee relating to the months from November 2020 to May 2021.

With the judgments published on 2 December 2025, the Regional Administrative Court of Lazio (TAR Lazio) upheld the appeals previously filed by Big Easy Bingo S.r.l. and SEA S.r.l., both concerning the onerous extension provided for by the 2025 Stability Law (Law No. 207/2024).

TAR Lazio ruled that it was necessary to disapply the aforementioned state law and annulled the ADM extension measures that had implemented it. The Court clarified, however, that this does not entail the termination of the concession and provided for the redefinition of the fee, as well as the payment of compensation to the Italian Tax Authority based on actual revenues, in order to prevent unjust enrichment of the concessionaire.

Consequently, with note No. 794229 of 9 December 2025, ADM established that the fee payable by the concessionaires is provisionally set at Euro 2,800.00 per month for the period from 1 January 2025 to 31 December 2026.

ADM further specified that this determination is *temporary and provisional, as it replaces the definitive measure for the time necessary for its adoption, without prejudice to the fact that the final mutual accounts between the parties will be governed by the provisions of the definitive measure*.

11.7.7 ESG Rating

On 6 October 2025, Lottomatica Group S.p.A. received an ESG rating of 12.5 out of 100 from Morningstar Sustainalytics, which corresponds to a low risk of experiencing significant financial impacts from ESG factors. This rating places the Company among the leading entities worldwide within the approximately 70 companies assessed in the 'Casinos and Gaming' industry segment, as well as among the roughly 450 companies evaluated in the broader 'Consumer Services' sector." Furthermore, in February 2026, the Company was designated as an Industry ESG Leader 2026 by Morningstar Sustainalytics.

In February 2025, the Group renewed its certification and received the "Top Employer" Italy 2025 award, obtaining this recognition for the second consecutive year. For the third consecutive year, the Group obtained the certification "Best HR Team" and "HRC Community". Furthermore, the Group joined the CDP (Carbon Disclosure Project), a leading international non-profit organization that serves as a reference for evaluating the environmental strategies of listed companies, providing detailed disclosure on its sustainability initiatives and obtaining a 'B' rating. In March 2025, the Group obtained the renewal of its ISO 27701 certification for its privacy and data security management system and in September 2025, it obtained the ISO 14064 certification for the Group's Carbon Footprint. Together with ISO 14001:2015 certification, renewed in November 2025, these certifications confirm a continuously improving environmental management system.

On 15 September 2025, the Company also announced that it had achieved the highest "AAA" score in the MSCI ESG Ratings assessment, placing it in the "Leader" category. MSCI ESG Research provides ESG ratings for global public companies and selected private companies on a scale from "AAA" ("Leader") to "CCC" ("Laggard"), based on exposure to industry-specific ESG risks and the ability to manage those risks relative to peers.

With reference to its ESG objectives for 2025, the Group identified 124 initiatives, of which (i) 98% have been completed, (ii) 2% have been initiated in the last part of the year and will be concluded in 2026.

11.7.8 Rating bond

On 21 March 2025, Standard & Poor's upgraded the Company's corporate rating from BB- to BB and on 23 April 2025, Moody's upgraded the Company's corporate rating from Ba3 to Ba2.

11.7.9 Acquisition of Cristaltec S.p.A.

On 13 January 2025, Lottomatica Videolot Rete S.p.A. finalized the acquisition of 60% of the share capital of Cristaltec S.p.A., a company involved in the development and distribution of online games, AWP and VLT games. The agreed consideration amounted to Euro 5.0 million, including price adjustments.

On 31 March 2025, Lottomatica Videolot Rete S.p.A. converted part of its shares into non-voting shares, reducing its voting rights to 37.40% from the original 60%.

11.7.10 Merger by incorporation of SKS365 Malta Holding Limited into GBO S.p.A.

On 4 February 2025, the deed of merger by incorporation of SKS365 Malta Holding Limited (the "**Merged Company**") into GBO S.p.A. (the "**Merging Company**") was signed. For legal purposes, the merger will take effect from the first day of the month following the date of registration of the deed of merger in the Register of Companies of the place where the Merging Company has its registered office pursuant to art. 35 of Legislative Decree 19/2023. Pursuant to article 2504-bis of the Italian Civil Code and applicable Italian tax legislation and article 6(1)(f) of Maltese Law 28/2023, the activities of the Merged Company were considered as carried out on behalf of the Merging Company as of 1 January 2025 for accounting and tax purposes in Italy.

11.7.11 Cross-border transformation of PWO Limited into PWO S.p.A.

On 4 February 2025, the preliminary steps for the transformation of PWO Limited (formerly SKS Malta Limited) into a joint stock company under Italian law were completed. The transformation came into effect from 1 March 2025.

11.7.12 Acquisition of Distante S.r.l.

On 1 April 2025, the acquisition by Lottomatica Videolot Rete S.p.A. of 65% of the share capital of Distante S.r.l. became effective. Distante S.r.l. is a company engaged in the rental, management, and maintenance of AWP gaming machines. The acquisition price amounted to Euro 15.1 million.

11.7.13 2025 Refinancing and amendment to the terms of the existing revolving credit facility

As described in Note 9.16.1, on 13 May 2025, Lottomatica Group S.p.A. issued the May 2025 Notes for a principal amount of Euro 1,100 million.

Proceeds from the May 2025 Notes were used to finance the early repayment of the fixed rate senior secured notes maturing in 2028 and the floating rate senior secured notes maturing in 2030, issued by Lottomatica S.p.A. (now merged into the Company) on 1 June 2023 and 14 December 2023 respectively, in addition to accrued and unpaid interest and the make-whole payment due to early repayment.

Furthermore, on 23 April 2025, the Company entered into an amendment and restatement agreement with all relevant lenders to modify the existing revolving credit facility, which includes (i) an extension of the maturity date of the credit line, (ii) a reduction in the interest rate, and (iii) an upsize of the commitments available thereunder.

11.7.14 Launch of share buyback program

As per the authorization granted by the Shareholders' Meeting of the Company held on 30 April 2025 and the resolution adopted by the Board of Directors on 6 May 2025, the Company announced the launch, effective from 18 June 2025, of its share buyback program (the "**Programme**"). In particular, the Programme is aimed at acquiring shares in order to remunerate the shareholders and meet the commitments deriving from the share incentive plans in place from time to time, it being understood that, should opportunities arise to realize potential acquisitions or other projects that can provide attractive returns for the Company that require the use of the Company's cash, the buy-back programme may be interrupted or reduced.

The maximum number of treasury shares to be purchased, in one or more tranches, in any case will not exceed 25 million ordinary shares of the Company, with no par value, in total equal to approximately 10% of the share capital. The maximum potential outflow for the purchase of treasury shares under the Programme is around Euro 500 million (of which Euro 300 million had already been incurred as of 31 December 2025 and approximately Euro 200 million is expected to be incurred in 2026).

The purchase transactions will be carried out in compliance with the principle of equal treatment of shareholders provided for in Article 132 of the Italian Legislative Decree no. 58 of February 24, 1998, as amended (the "TUF"), in the manner set forth in Article 144-bis, paragraph 1, letters b), c), d), d-ter), and paragraph 1-bis, of the Issuers' Regulation, and in accordance with Article 5 of the MAR Regulation. In accordance with Article 2357, paragraph 1, of the Italian Civil Code, the purchase of treasury shares must in any case be carried out within the limits of distributable profits and available reserves resulting from the latest approved financial statements at the time each transaction is carried out.

The treasury shares shall be purchased under the price conditions specified in Art. 3, paragraph 2, of Delegated Regulation 2016/1052/EU. In any case, purchases shall be made at a price that does not diverge downwards or upwards by more than 20% from the official price registered by the Company's shares in the trading session of Euronext Milan on the day prior to the execution of each individual purchase transaction, and in any case at a price that is not higher than the higher price between the price of the latest independent transaction and the price of the highest current independent offer on the trading venue where the purchase is made. The number of shares purchased each day shall not exceed the 25% of the average daily volume of the Company's shares traded in the trading venue where the purchase is made, calculated based on the average daily trading volume in the 20 trading days prior to the purchase date. The duration of the Programme has been established in a period of maximum 18 months.

11.7.15 Disposal of shares by Gamma Intermediate S.à.r.l.

On 17 June 2025, Gamma Intermediate S.à r.l. completed the disposal of its entire stake in Lottomatica Group S.p.A., equal to 21.3% of the share capital, through a private placement.

11.7.16 Inclusion in the STOXX Europe 600 Stock Index

On 23 June 2025, the Company became part of the STOXX Europe 600 index (SXXP). The STOXX Europe 600 is a stock index comprising 600 top European companies, representing an extensive and diversified coverage of different industries within Europe's developed economies, and is published by STOXX Limited.

11.7.17 Inclusion in the FTSE MIB Index

Effective from 22 September 2025., the Company became part of the FTSE MIB Index, which includes the top 40 Italian companies by market capitalization and stock liquidity.

11.7.18 Acquisition of 20% of Sportbet S.r.l.

On 16 December 2025, GBO S.p.A. completed the acquisition of 20% of the share capital of Sportbet S.r.l., a company operating in the remote gaming and betting collection sector under an ADM licence. The transaction was carried out through the subscription of a reserved capital increase approved by Sportbet S.r.l. for Euro 2.0 million, fully paid in by GBO S.p.A..

11.7.19 Disposal of shareholdings in Bakoo S.p.A.

On 18 December 2025, Marim S.r.l. signed an agreement for the sale of its entire stake in Bakoo S.p.A., representing 100% of the share capital. The agreement provides for the transfer of 51% to Cristaltec S.p.A., 23% to GMI19 S.r.l., and the remaining portion to two private investors. The total consideration amounts to Euro 12 thousand. The legal and economic effects of the disposal take effect from 1 January 2026.

11.7.20 Reorganization of the Group

During the year, the Group initiated a significant corporate reorganization aimed at simplifying the Group's structure, streamlining management costs, and improving operational and tax efficiency through the consolidation of homogeneous activities under a single controlling entity ("**Reorganization**"). The Reorganization provides for: (i) the partial carve out of the equity investments held by Lottomatica Videolot Rete S.p.A. in Rete Gioco Italia S.r.l., Cristaltec S.p.A., Distante S.r.l., and Big Easy S.r.l. in favor of GGM S.p.A., and (ii) the partial carve out of the equity investments held by Gamenet S.p.A. in Billions Italia S.r.l., Jolly Group S.r.l., and Gnetwork S.r.l. in favor of GGM S.p.A.. As part of the Reorganization, GGM S.p.A. was renamed "Lottomatica Gaming S.p.A.".

The Reorganization will be effective for accounting purposes as of 1 January 2026. All necessary corporate approvals were obtained during the year.

11.8 Significant events occurring after 31 December 2025

11.8.1 Acquisition of 60% of Center Games S.r.l.

Effective 1 January 2026, Ricreativo S.p.A. completed the acquisition of 60% of the share capital of Center Game S.r.l., a company engaged in the management and maintenance of AWP gaming machines. The base consideration amounted to Euro 3.5 million.

11.8.2 Reorganization of the Group

As part of the internal reorganization of the Group, the Company initiated the transfer of its technology division to its subsidiary Totosì Servizi S.r.l., through the subscription of a capital increase to be paid in kind by contributing the business unit. In connection with the transaction, the subsidiary is renamed “Lottomatica Technology & Operations S.r.l.”. The transaction is effective from 1 February 2026.

The transaction is part of a project to streamline governance and intragroup services, aimed at creating a specialized hub for the management and delivery of technological services within the Group.

Rome, 2 March 2026

Chief Executive Officer

Guglielmo Angelozzi

Certification of consolidated financial statements pursuant to art. 81-ter of Consob Regulation No. 11971 of 14 May 1999 and subsequent amendments and additions

1. The undersigned Guglielmo Angelozzi, Chief Executive Officer of Lottomatica Group S.p.A., and Laurence Van Lancker, as executive officer responsible for the preparation of Lottomatica Group's financial statements, hereby certify, also taking into account the provisions of art. 154-bis, paragraphs 3 and 4 of Legislative Decree No. 58 of 24 February 1998:

- their adequacy with respect to the company, and
- the effective application of the administrative and accounting procedures for the preparation of the consolidated financial statements as of and for the year ending 31 December 2025.

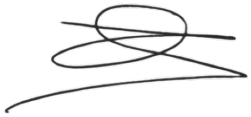
2. No significant aspects arose from applying the administrative and accounting procedures for the preparation of the consolidated financial statements as of and for the year ending 31 December 2025.

3. We also certify that:

- the consolidated financial statements as of and for the year ending 31 December 2025:
  - have been prepared in accordance with the international accounting standards as endorsed by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
  - are consistent with the information contained in the accounting ledgers and records;
  - are suitable for providing a true and fair representation of the equity, financial and economic position of the issuer and the whole of companies included in the scope of consolidation;
- the Directors' report includes a fair review of the development and performance of operations and of the position of the issuer and of the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties to which it is exposed.

Rome, 2 March 2026

Chief Executive Officer	Executive Officer responsible for the preparation of corporate accounting information
Guglielmo Angelozzi	Laurence Van Lancker



SEPARATE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2025

Statement of comprehensive income

		For the year ended 31 December*			
(In Euro)	*Note*	**2025**	*of which Related Parties (Note 8)*	**2024**	*of which Related Parties (Note 8)*
Dividends from subsidiaries	*6.1*	120,000,000	*120,000,000*	448,248,622	*448,248,622*
Net Income from equity investments		**120,000,000**		**448,248,622**	
Finance income	*6.1*	63,856,793	*60,750,496*	65,468,147	*56,631,025*
Finance expenses	*6.1*	(172,255,962)	*(4,060,437)*	(201,475,777)	*(3,262,544)*
Net Financial Expenses		**11,600,831**		**312,240,992**	
Impairment of financial assets		-		(7,580)	
Total financial operations		**11,600,831**		**312,233,412**	
Other income	*6.2*	36,484,785	*36,478,673*	27,699,546	*27,674,488*
Cost of services	*6.3*	(21,476,339)	*(1,650,974)*	(20,409,138)	*(2,453,461)*
Personnel expenses	*6.4*	(27,122,705)	*(7,829,310)*	(23,808,401)	*(6,105,425)*
Other operating costs	*6.5*	(2,625,688)		(1,532,080)	
Depreciation, amortization and impairments	*6.6*	(6,897,007)		(3,625,836)	
Profit / (loss) before tax		**(10,036,123)**		**290,557,503**	
Income tax benefit	*6.7*	15,389,718		21,125,455	
Net profit for the year		**5,353,595**		**311,682,958**	

* For disclosures on non-recurring events or transactions, please refer to Note 11.4.

		For the year ended 31 December			
(In Euro)	*Note*	**2025**	*of which Related Parties (Note 8)*	**2024**	*of which Related Parties (Note 8)*
Net profit for the year		**5,353,595**		**311,682,958**	
Actuarial gains on employee benefit liabilities	*7.9*	112,541		404,121	
Fiscal effect on actuarial gains on employee benefit liabilities	*7.9*	(27,010)		(96,989)	
Other items that will not be classified to profit or loss		**85,531**		**307,132**	
Gains / (Losses) on hedging derivatives		6,867,345		(3,867,608)	
Fiscal effect on gains / (losses) of hedging derivatives		(1,648,163)		928,226	
Other items that will be classified to profit or loss		**5,219,182**		**(2,939,382)**	
Total comprehensive profit		**10,658,308**		**309,050,708**	

(The attached notes form an integral part of this separate financial statements)

Statement of financial position

(In thousands of Euro)	Note	As of 31 December * 2025	of which Related Parties (Note 8)	2024	of which Related Parties (Note 8)
Intangible assets	7.1	24,429,189		14,285,701	
Property, plant and equipment	7.2	7,551,362		5,139,195	
Right of use	7.3	1,047,265		-	
Non-current financial assets	7.4	3,026,862,571	*975,497,674*	2,965,691,365	*915,831,999*
Deferred tax assets	7.5	3,164,840		5,141,522	
Other non-current assets	7.6	4,694,117		5,465,590	
Total non-current assets		**3,067,749,344**		**2,995,723,373**	
Current financial assets	7.4	171,161,383	*171,161,383*	298,584,558	*298,584,558*
Tax receivables	7.11	5,377		5,377	
Other current assets	7.6	78,436,969	*73,748,362*	56,645,143	*51,395,426*
Cash and cash equivalents	7.7	78,144,314		77,517,507	
Total current assets		**327,748,043**		**432,752,585**	
Total assets		**3,395,497,387**		**3,428,475,958**	
Share capital	7.8	10,000,000		10,000,000	
Other reserves	7.8	170,524,676		458,150,572	
Retained earnings	7.8	237,338,615		309,464,144	
Total shareholders' equity		**417,863,291**		**777,614,716**	
Employee benefit liabilities	7.9	3,415,749		3,219,784	
Non-current financial liabilities	7.10	1,985,986,253		1,945,498,424	
Other non-current liabilities	7.13	1,939,870	*1,853,005*	423,169	*423,169*
Total non-current liabilities		**1,991,341,872**		**1,949,141,377**	
Current financial liabilities	7.10	929,007,472	*742,210,928*	665,326,914	*654,872,633*
Tax payables	7.11	28,854,632		12,954,609	
Current trade payables	7.12	11,608,207	*4,181*	8,117,302	*35,271*
Other current liabilities	7.13	16,821,913	*12,526,455*	15,321,040	*9,476,758*
Total current liabilities		**986,292,224**		**701,719,865**	
Total equity and liabilities		**3,395,497,387**		**3,428,475,958**	

* For disclosures on non-recurring events or transactions, please refer to Note 11.4.

(The attached notes form an integral part of this separate financial statements)

Statement of cash flow

(In thousands of Euro)	Note	For the year ended 31 December 2025	of which Related Parties (Note 8)	2024	of which Related Parties (Note 8)
INDIRECT METHOD					
Profit / (Loss) before tax		**(10,036,123)**		**290,557,503**	
Reconciliation of profit before tax with cash flow from operating activities:					
Depreciation, Amortization and Impairment	*6.6*	6,897,007		3,625,836	
Accruals and write-downs for impairment losses		897,444		1,291,360	
Impairment of financial assets		-		7,580	
Net finance expenses / (income)	*6.1*	(11,600,831)	*(176,690,059)*	(312,240,992)	*(501,617,103)*
Other adjustments for non-monetary items		2,785,334		872,922	
Cash flow from operating activities before changes in net working capital		**(11,057,169)**		**(15,885,791)**	
Changes in net working capital					
Increase / (Decrease) in trade payables	*7.12*	(495,815)	*(31,090)*	167,622	*(35,271)*
Other changes in net working capital	*7.5-7.6-7.11-7.13*	(6,850,779)	*(6,850,445)*	7,521,344	*(6,611,688)*
Cash flow from changes in net working capital		**(7,346,594)**		**7,688,966**	
Income taxes received		22,606,030	*88,772,713*	29,872,950	*78,119,366*
Accruals to employee benefits and provisions for risks and charges	*7.9*	(702,631)		(876,212)	
Cash flow from operating activities (a)		**3,499,636**		**20,799,913**	
Cash flow from investing activities					
Investments:		(16,097,360)		(12,468,700)	
- intangible assets	*7.1*	(11,959,554)		(8,805,800)	
- property, plant and equipment	*7.2*	(4,137,806)		(3,662,900)	
Disposal of equity investment in Lottomatica UK		-		113,701	
Loans granted to GBO S.p.A.		-		(500,000,000)	*(500,000,000)*
Capital contribution to GBO S.p.A.		-		(104,000,000)	*(104,000,000)*
Repayment of Big Easy S.r.l. loan		-		5,750,000	*5,750,000*
Interest income collected on Big Easy S.r.l.. loan		-		294,722	*294,722*
Loan granted to Lottomatica Technology & Operations (formerly Totosi Servizi)		(100,000)	*(100,000)*	-	
Escrow account		-		504,464,257	
Cash acquired from merger		-		50,768,162	
Receivables from cash pooling		78,090,688	*78,090,688*		
Dividends received	*6.1*	168,248,622	*168,248,622*	400,000,000	*400,000,000*
Cash flow from investing activities (b)		**230,141,950**		**344,922,142**	
Cash flow from financing activities					
Proceeds from senior secured notes issuance	7.10	1,100,000,000		900,000,000	
Repayment of senior secured notes	7.10	(1,065,000,000)		(900,000,000)	
Bridge Loan fees and make-whole costs	7.10	(21,018,000)		(32,692,977)	
Fees on senior secured notes issued	7.10	(12,788,261)		(21,030,351)	*(1,235,000)*
Net finance expenses including Revolving Credit Facility	7.10	(116,655,960)		(153,951,536)	
Payables for cash pooling	7.10	85,446,546	*85,446,546*	(121,431,316)	*(121,431,316)*
Lease payment	7.10	(250,561)		-	
Dividends paid	7.8	(75,489,124)		(65,423,907)	
Share buyback	*7.8*	(127,259,419)		-	
Cash flow from financing activities (c)		**(233,014,779)**		**(394,530,087)**	
Net Cash flow (a+b+c)		**626,807**		**(28,808,032)**	
Cash and cash equivalents at the beginning of the year	*7.7*	77,517,507		106,325,539	
Cash and cash equivalents at the end of the year	*7.7*	78,144,314		77,517,507	

(The attached notes form an integral part of this separate financial statements)

Statement of changes in equity

(In thousands of Euro)	*Note*	Share capital	*Legal Reserve*	*Share premium reserve*	*Treasury Shares*	*Capital contribution reserve*	Stock option reserve	Gains and (losses) on hedging derivatives reserves	*Actuarial gain/losses reserves*	Total Other Reserves	Retained Earnings/ (Losses)	Result of the year	Total Shareholders' Equity
As of 31 December 2023	*7.8*	**10,000,000**	**10,000**	**433,831,703**	**-**	**96,538,107**	**403,397**	**-**	**(3,022)**	**530,780,185**	**(4,702,319)**	**(3,422,485)**	**532,655,381**
Allocation of previous year net loss		-	-	-	-	-	-	-	-	-	(3,422,485)	3,422,485	-
Dividends distribution		-	-	(65,423,906)	-	-	-	-	-	(65,423,906)	-		(65,423,906)
Gains and (losses) on hedging derivatives		-	-	-	-	-	-	(2,939,380)	-	(2,939,380)	-		(2,939,380)
Merger contribution		-	-	-	-	-	-	(5,729,627)	(176,363)	(5,905,990)	5,905,990		-
Stock option plan		-	-	-	-	-	1,332,531	-	-	1,332,531	-		1,332,531
Net profit for the year		-	-	-	-	-	-	-	-	-	-	311,682,958	311,682,958
Other items of comprehensive income		-	-	-		-	-	-	307,132	307,132	-		307,132
As of 31 December 2024	*7.8*	**10,000,000**	**10,000**	**368,407,797**	**-**	**96,538,107**	**1,735,928**	**(8,669,007)**	**127,747**	**458,150,572**	**(2,218,814)**	**311,682,958**	**777,614,716**
Allocation of previous year net loss		-	1,990,000	-	-	-	-	-	-	1,990,000	309,692,958	(311,682,958)	-
Dividends distribution		-	-	-	-	-	-	-	-	-	(75,489,124)	-	(75,489,124)
Stock option plan		-	-	-	-	-	3,803,482	-	-	3,803,482	-	-	3,803,482
Share buyback		-	-	-	(298,724,091)	-	-	-	-	(298,724,091)	-	-	(298,724,091)
Gains and (losses) on hedging derivatives		-	-	-	-	-	-	5,219,182	-	5,219,182	-	-	5,219,182
Net profit for the year		-	-	-	-	-	-	-	-	-	-	5,353,595	5,353,595
Other items of comprehensive income		-	-	-	-	-	-	-	85,531	85,531	-	-	85,531
As of 31 December 2025	*7.8*	**10,000,000**	**2,000,000**	**368,407,797**	**(298,724,091)**	**96,538,107**	**5,539,410**	**(3,449,825)**	**213,278**	**170,524,676**	**231,985,020**	**5,353,595**	**417,863,291**

(The attached notes form an integral part of this separate financial statements)

EXPLANATORY NOTES TO THE SEPARATE FINANCIAL STATEMENTS

1. General Information

Lottomatica Group S.p.A. (hereinafter "**Lottomatica Group**" or the "**Company**") is a company incorporated and domiciled in Italy with registered offices in Rome, Via degli Aldobrandeschi, 300, 00163 Rome, organized under the laws of the Republic of Italy.

The share capital of the Company amounts to Euro 10,000,000, divided into 251,630,412 ordinary shares without nominal value; it has a corporate duration until 31 December 2100. The Company is listed on Euronext Milan, a regulated market organized and managed by Borsa Italiana S.p.A., since 3 May 2023; it was included in the STOXX Europe 600 Index (SXXP), a stock index comprising 600 leading European companies, in June 2025 and in the FTSE MIB index, which includes the top 40 Italian companies by market capitalization and stock liquidity, on 22 September 2025.

This financial statements as of and for the year ended 31 December 2025 (hereinafter the "**Separate Financial Statements**") were approved and authorized for publication by the Company's Board of Directors on 2 March 2026 and were audited by PricewaterhouseCoopers S.p.A..

2. Summary of significant accounting principles

The most significant accounting policies and measurement criteria used in the preparation of the Separate Financial Statements are described below. These principles have been applied consistently for all periods presented, unless otherwise indicated.

2.1 Basis of preparation

The Separate Financial Statements have been prepared in accordance with the International Financial Reporting Standards, issued by the IFRS® Accounting Standards ("**IFRS Accounting Standards**") as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (hereafter, "**EU IFRS Accounting Standards**") in force as of 31 December 2025. The explanatory notes to the Separate Financial Statements have been supplemented with the information requested by CONSOB and by the provisions it has issued in implementation of art. 9 of Legislative Decree 38/2005 (resolutions 15519 and 15520) of 27 July 2006 and communication DEM/6064293 of 28 July 2006, pursuant to art. 78 of the Issuers' Regulation, and, where applicable, the Italian Civil Code.

The designation ''EU IFRS Accounting Standards'' includes all "IFRS Accounting Standards", all "International Accounting Standards" ("**IAS® Standards**") and all interpretations of the IFRS Interpretations Committee ("**IFRIC® Interpretations**"), formerly the Standing Interpretations Committee ("**SIC® Interpretations**"), adopted as of the reporting date, by the European Union in accordance with

the procedures provided for in Regulation No. 1606/2002 of the European Parliament and of the Council of 19 July 2002.

The Separate Financial Statements have been prepared on a going concern basis, as management has confirmed the absence of financial, operational or other indicators that may suggest an inability on the part of the Company to meet its obligations in the foreseeable future and, in particular, during the 12 months following the reporting date. As of 31 December 2025, the Company had current assets lower than current liabilities; however, from a financial standpoint, no liquidity issues have been identified, also in light of the profitability and cash-generation capacity of the subsidiaries it controls and their ability to distribute dividends.

It should be noted that the Lottomatica Group has applied the temporary exemption provided by the amendment to IAS 12, issued by the International Accounting Standards Board ("IASB") on 23 May 2023 (endorsed by European Commission Regulation No. 2023/2468 of 8 November 2023). The exemption concerns the recognition and related disclosure to be provided in the financial statements for deferred tax assets and liabilities arising from the application of the minimum tax (so-called "Global Minimum Tax"), under the Global Anti-Base Erosion Model Rules (so-called "Pillar 2"), which have also been implemented in Italy through Legislative Decree No. 209/2023.

Accordingly, the Lottomatica Group will neither recognize nor disclose deferred tax assets and liabilities arising from Pillar 2 income taxes.

2.2 Format and content of the financial statements

The Separate Financial Statements have been prepared in Euro, the main currency in which Company operates. All amounts included in this document are presented in thousands of Euro, unless otherwise stated.

The principal statements and related classification criteria adopted by Lottomatica Group, among the options available under IAS 1—Presentation of financial statements ("**IAS 1**"), are as follows:

- the Statement of Financial Position has been prepared by classifying assets and liabilities based on whether they are current/non-current;
- the Statement of Comprehensive Income - classifies costs and revenues according to their nature and sets out the profit or loss for the year, together with other amounts that, in accordance with EU-IFRS, are directly recorded in equity, different from those related to operations with the Company's shareholders;
- the Statement of Cash Flow has been prepared using the "indirect method";
- the Statement of Changes in Equity.

The formats used are those considered to provide the best representation of the Company's results and financial position.

With reference to CONSOB Resolution No. 15519 of 27 July 2006 and Communication No. DEM/6064293 of 28 July 2006, the financial statements show significant transactions with related parties and income components arising from non-recurring events or transactions, when significant.

2.3 Accounting policies and measurement criteria

The following paragraphs briefly describe the key accounting policies and measurement criteria adopted in preparing the Separate Financial Statements. These principles and criteria have been applied consistently for all years presented and are effective as of 31 December 2025.

2.3.1 Distinction of assets and liabilities between current and non-current

Except for deferred tax assets which are always classified as non-current assets, the Company classifies an asset as current when:

- it is held for sale or consumption, or its realization is expected, in the normal course of its operating cycle;
- it is primarily held for the purpose of trading;
- its realization is expected within twelve months from the end of the fiscal year; or
- it is cash or cash equivalents whose use is not subject to constraints or restrictions that would prevent its use for at least twelve months from the end of the fiscal year.

All assets that do not meet the above conditions are classified as non-current.

The Company classifies a liability as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- it must be settled within twelve months from the end of the financial year; or
- it does not have an unconditional right to defer the settlement of the liability for at least twelve months from the end of the year.

All liabilities that do not meet the above conditions are classified as non-current.

2.3.2 Property, plant and equipment

Property, plant and equipment is recorded at acquisition or production cost net of accumulated depreciation and impairment. Acquisition or production cost includes costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating as well as any expected costs of dismantling and removing the asset and restoring it to its original condition if a contractual obligation exists. Finance expenses directly attributable to the acquisition, construction or production of property, plant and equipment requiring more than one year to construct or produce are capitalized and depreciated over the estimated useful lives of the assets to which they relate.

Expenses incurred for ordinary and/or cyclical maintenance and repairs are charged directly to the consolidated statement of comprehensive income in the year incurred. The capitalization of costs inherent to the expansion, modernization or improvement of facilities owned or used by third parties is recorded solely to the extent that they meet the conditions for being classified separately as an asset or part of an asset. Improvements to leased assets are depreciated over the duration of the relevant lease contract or over the specific estimated useful life of the asset, if less.

Depreciation is calculated on a straight-line basis over the estimated useful life of the individual assets. When an asset being depreciated is composed of separately identifiable elements with useful lives that differ significantly from the other elements that comprise the asset, depreciation is calculated separately for each element, in accordance with the component approach method.

The estimated useful life by class of property, plant and equipment is as follows:

	Estimated useful life
Furniture	8 years
Leasehold improvement	Lower of estimated useful life of the asset and duration of the relevant lease contract
Other assets	5-8 years

2.3.3 Intangible assets

Intangible assets include identifiable assets without physical substance that are controlled by the Company and expected to produce future economic benefits, as well as goodwill arising on business combinations. The requirement that such assets be identifiable is normally satisfied when an intangible asset is:

- based on a legal or contractual right or
- separable, in the sense that it may be separately sold, transferred, leased or exchanged.

Control over an intangible asset consists of the right to make use of the future economic benefits deriving from the asset and the ability to limit such access to others.

Intangible assets are initially recognized at acquisition or production cost (including any non-deductible VAT, which is recognized as a cost), including costs directly attributable to making the asset ready for use. All other subsequent costs are charged directly to profit or loss in the year incurred. Research costs are recognized in the income statement as they are incurred.

Intangible assets with a finite useful life

Intangible assets with a finite useful life are recognized at cost, net of accumulated amortization and impairment losses, if any. Amortization starts when the asset is available for use and is charged systematically over the residual estimated useful life; for details regarding amounts to be amortized and the recoverability of the recognized values of such assets, see the disclosures relating to “Impairment of property, plant and equipment”.

The useful life estimated by the Company is 5 years for software or the different contractual duration and 10 years for trademarks.

2.3.4 Financial assets

Equity investments in subsidiaries

Subsidiaries are those entities over which the Company has the right to exercise, directly or indirectly, control as defined by IFRS 10 "Consolidated Financial Statements". For the purpose of assessing the existence of control, all three of the following elements should be verified: (i) power over the entity; (ii) exposure to risk or rights arising from variable returns linked to its involvement; (iii) ability to influence the entity, so as to affect the results (positive or negative) for the investor.

Investments in subsidiaries are measured at acquisition cost, including related transaction costs, less impairment (if any). Impairment is recognized in the income statement.

Other financial activities

At the time of their initial recognition, financial assets must be classified into one of the three categories indicated below based on the following elements:

- the entity's business model for managing financial assets; and
- the terms related to the contractual financial flows of the financial asset.

Financial assets are derecognized when, and only when, disposal involves the substantial transfer of all the risks and rewards of ownership of the financial asset. If, on the other hand, the company retains substantially all the risks and rewards of ownership of the financial asset, it must continue to recognize the financial asset, even if legal ownership has effectively been transferred.

a. Financial assets measured at amortized cost

This category includes financial assets that meet both of the following conditions:

- the financial asset is held within a “Hold to collect” business model, the objective of which is to hold financial assets in order to collect contractual cash; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (i.e., that pass the SPPI test).

At initial recognition, such assets are measured at fair value including directly attributable transaction costs or income. Subsequent to initial recognition, such financial assets are measured at amortized cost, calculated using the effective interest method. The amortized cost method is not used for those assets (measured at historical cost) whose short-term nature means there is no requirement to discount to present value, available assets and revocable credit lines.

b. Financial activities measured at fair value through other comprehensive income

This category includes the financial activities that meet both of the following conditions:

- the financial asset is held within a “Hold to collect and sell” business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (i.e., that pass the SPPI test).

This category also includes equity instruments (other than investments in subsidiaries, associates or joint ventures) not held for sale, for which the option has been exercised to designate the asset at fair value through other comprehensive income.

At initial recognition, such assets are measured at fair value including directly attributable transaction costs or income. Subsequent to initial recognition, equity interests (other than investments in subsidiaries, associates or joint ventures) are measured at fair value, with the offsetting amounts recognized in equity (Statement of comprehensive income) and not subsequently reclassified to profit or loss, even in the event of sale. Related dividends represent the only relevant component recognized in the income statement.

For securities included in this category not quoted in an active market, cost is used as an estimate for fair value under certain limited circumstances, such as when recent information to measure fair value is insufficient or there exists a broad range of possible measures of fair value and cost is considered to be the best estimate of these.

c. Financial assets measured at fair value through profit and loss

This category includes all financial assets other than those measured at “amortized cost” or at “fair value through other comprehensive income”.

It includes financial assets available for sale and derivatives not classified as cash flow hedges (which are recognized as assets if the fair value is positive and liabilities if fair value is negative).

At initial recognition, financial assets measured at fair value through profit or loss are measured at fair value, excluding transaction costs or income that are directly attributable to the instrument in question. Subsequently, they are measured at fair value with related gains and losses being recognized in the income statement.

2.3.5 Cash and cash equivalents

Cash and cash equivalents include cash and available bank deposits as well as short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value and have original maturity, or remaining maturity at the date of purchase, not exceeding 3 months. Cash and cash equivalents are recognized at fair value with related changes recorded in the income statement.

2.3.6 Employee severance indemnity

The employee severance indemnity due to employees in accordance with Article 2120 of the Italian Civil Code ("TFR") is considered a defined benefit plan. Under such plans, the amount of the benefit is only quantifiable following termination of the employment relationship and is dependent upon factors such as age, length of service and level of remuneration; for this reason, the costs charged to the income statement for a given year are determined by actuarial calculation. The liability recognized for defined benefit plans corresponds to the present value of the obligation at the reporting date. The obligations under defined benefit plans are determined each year by an independent actuary, using the projected unit credit method. The present value of defined benefit plans is determined by discounting future cash flows at an interest rate equal to high-quality corporate bonds issued in Euro which reflect the period of the relevant defined benefit plan. The actuarial gains and losses deriving from adjustments in the total liability and the effect of changes in the actuarial assumptions are recognized in the statement of comprehensive income.

With effect from 1 January 2007, the 2007 Finance Law and related decrees implementing the law introduced significant changes to the TFR regulations, including the option for each employee to choose the destination of the accruing indemnity. Specifically, employees may now allocate new TFR flows to alternative external pension plans or elect for them to be retained by the employer. If an external pension plan is chosen, the company is only obliged to make defined contributions to such plan and, accordingly, from the aforementioned date, the related new TFR flows are deemed to be payments to a defined contribution plan not subject to actuarial valuation.

2.3.7 Share based payments

In accordance with the requirements of IFRS 2, equity-settled share based payment plans are accounted for by recognizing the fair value of the options at the grant date as an expense in the income statement, with a corresponding entry in a specific equity reserve.

Where the plan includes a vesting period during which service and/or performance conditions must be satisfied for the beneficiaries to become entitled to the award, the total cost, measured on the basis of the fair value at the grant date, is recognized on a straight-line basis over the vesting period, based on the number of options expected to vest.

The fair value of the options granted is determined at the grant date, taking into account expectations regarding the achievement of performance parameters linked to market conditions, and is not subsequently adjusted. When the vesting of the award is also subject to non-market performance conditions, the estimate of such conditions is reflected by adjusting, over the vesting period, the number of options expected to vest.

Such amount is recognized as follows:

a) in profit or loss, over the vesting period of the options, in the case of incentive plans granted to employees of the Company, with a corresponding entry to a specific equity reserve;
b) as an increase in the carrying amount of investments, with a corresponding entry to an equity reserve, in the case of options vested in favor of employees of companies within the Lottomatica Group.

2.3.8 Financial liabilities, trade payables and other payables

Financial liabilities (other than derivative financial instruments), trade payables and other payables are initially recognized at fair value, net of directly attributable transaction costs, and subsequently measured at amortized cost, with any differences being recognized over the life of the liability as required by the effective interest method. If there is a change in the estimate of expected cash flows, the liabilities are remeasured to recognize the present value of the new expected cash flows calculated using the effective interest rate as initially determined.

Derecognition of financial assets and liabilities

A financial asset (or part of a financial asset or part of a group of similar financial assets) is derecognized when:

- rights to the cash flows from the asset have expired;
- the Company has retained the rights to the cash flows from the asset, but has assumed an obligation to pay the cash flows from the asset to third parties, wholly and without delay;
- the Company has transferred its rights to receive the cash flows from the asset and has: (i) transferred substantially all risks and rewards of ownership of the financial asset; or (ii) has neither transferred substantially all risks and rewards nor retained substantially all risks and rewards but has transferred control of the asset.

A financial liability is derecognized when the obligation underlying the liability is extinguished, annulled or fulfilled.

2.3.9 Derivative financial instruments

Derivative financial instruments are accounted for in accordance with IFRS 9.

At the inception of the contract, derivative instruments are initially recognized as financial assets at fair value through profit or loss when the fair value is positive, or financial liabilities at fair value through profit or loss when the fair value is negative. If the financial instruments are not designated as hedging instruments, any changes in fair value after initial recognition are treated as components of profit or loss for the year. If the derivative instruments meet the requirements to qualify as hedging instruments, subsequent changes in fair value are recognized according to the specific criteria described below.

A derivative financial instrument is classified as a hedge if the relationship between the hedging instrument and the hedged item is formally documented, including the risk management objectives, the hedging strategy and the methods that will be used to verify perspective and retrospective effectiveness. The effectiveness of each hedge is assessed both at the inception of the contract and during its life, specifically at each year-end and interim reporting date. A hedge is considered to be highly effective if at the start of the hedge and during subsequent periods, changes in the fair value (in the case of a fair value hedge) or expected future cash flows (in the case of a cash flow hedge) of the hedged item are substantially offset by changes in the fair value of the hedging instrument.

IFRS 9 provides for the following three types of hedging relationship:

1. fair value hedge: when the hedge relates to exposure to changes in the fair value of a recognized asset or liability, changes in the fair value of the hedging instrument as well as changes in the fair value of the hedged item are recognized in profit or loss;
2. cash flow hedge: in the case of hedges intended to neutralize exposure to variability in cash flows attributable to future execution of commitments in place as of the reporting date, changes in the fair value of the hedging instrument relating to the portion determined to be an effective hedge are recognized in other comprehensive income, and therefore in an equity reserve. When the economic effects of the hedged item crystallize, the amounts recognized in other comprehensive income are then reclassified to profit or loss. Changes in the fair value of the hedging instrument relating to the portion not determined to be an effective hedge are recognized immediately in profit or loss;
3. hedge of a net investment in a foreign operation (net investment hedge).

If the checks do not confirm the effectiveness of the hedge, the hedge accounting is interrupted with immediate effect and the hedging derivative reclassified as a financial asset at fair value through profit or loss, or financial liability at fair value through profit or loss. Moreover, the hedging relationship shall cease when:

- the derivative matures, is sold, rescinded or exercised;
- the hedged item is sold, expires or is refunded;
- it is no longer highly probable that the future hedged transaction will take place.

2.3.10 Fair value of financial instruments

The fair value of financial instruments is determined in accordance with IFRS 13 - Fair value measurement ("**IFRS 13**"). Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place in the principal market for the asset or liability (i.e., the market with the highest number of transactions involving sale of such assets or transfer of such liabilities). In the absence of a principal market, it is assumed that the transaction takes place in the most advantageous market for the asset or liability to which the Company has access (i.e., the market most likely to maximize the price at which the asset can be sold or minimize the cost at which the liability can be transferred).

The fair value of an asset or liability is determined, using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Market participants are independent, informed buyers and sellers, able and willing but not obliged to enter into transactions.

In determining fair value, the Company considers the characteristics of specific assets and liabilities and in measuring the fair value of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value measurement of assets and liabilities is based on the use of appropriate valuation techniques applied to available data, maximizing the use of relevant observable inputs.

IFRS 13 establishes a fair value hierarchy that categorizes into three levels the inputs to valuation techniques used to measure fair value:

- Level 1: Inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., for derivatives, exchange rates published by the Bank of Italy, interest rates and yield curves, implied volatilities, credit spreads based on CDS data etc.).
- Level 3: Inputs are unobservable inputs for the asset or liability (management assumptions regarding financial flows, risk-adjusted spreads etc.).

2.3.11 Treasury shares

Treasury shares are recognized at cost as a deduction from equity. No gains or losses shall be recognized in the income statement on the purchase, sale, issuance, or cancellation of an entity's own equity instruments. Transaction costs directly attributable to equity transactions are accounted for as a deduction from equity, to the extent that they represent incremental costs that would have been avoided had the equity transaction not taken place.

2.3.12 Dividends

Dividends are recognized in the income statement when the shareholders' right to receive payment is established.

2.3.13 Finance income and expenses

Finance income and expenses are recognized in the income statement during the period to which they relate.

2.3.14 Revenues and costs

In accordance with IFRS 15, revenues from contracts with customers are recognized when the following conditions are met:

- the contract with a customer has been identified;
- the performance obligations in the contract have been identified;
- the transaction price has been determined;
- the transaction price has been allocated to the performance obligations in the contract and
- when the related performance obligation contained in the contract is satisfied.

The Company recognizes revenue from contracts with customers when (or as) it satisfies its performance obligations, by transferring the promised goods or services (i.e., an asset) to the customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Company transfers control of a good or service over time and, therefore, satisfies a performance obligations and recognizes revenue over time, if one of the following criteria is met:

- the simultaneously receives and consumes the benefits provided by the company's performance as it performs;
- the company's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced;
- the company's performance does not create an asset with an alternative use to the company has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, it is satisfied at a point in time.

The consideration included in the contract with the customer may include fixed amounts, variable amounts, or both. If the contract consideration includes a variable amount (e.g. discounts, price concessions, incentives, penalties or other similar items), the company estimates the amount of consideration to which it will be entitled in exchange for the transfer to the customer of the goods or services indicated. The company includes in the transaction price the estimated amount of the variable consideration only to the extent that it is highly probable that a significant downward adjustment in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently solved.

Costs are recognized when they relate to goods or services sold or used in normal business activities; they are recognized either based on systematic allocation or when such goods and services have no further use. Non-deductible value added tax (IVA) is recognized as a cost.

2.3.15 Income taxes

Income taxes are based on an estimate of the taxable income for the year, based on current fiscal legislation, and are recognized in the income statement under "Income tax expense", except in those cases where the tax effects of transactions are recognized directly in equity and the related amounts are charged or credited directly to equity. The statement of comprehensive income reports income taxes relating to each line item reported under "Other items that will not be classified to profit or loss".

Deferred tax assets and liabilities are calculated using the balance sheet liability method and are recognized on temporary differences between the carrying amount of an asset or a liability in the financial statements and its tax base, except for non-deductible goodwill and for those differences related to investments in subsidiaries when the reversal is under the control of the Company and it is probable that they will not reverse in the reasonably foreseeable future. Deferred tax assets, including those relating to unused tax losses carried forward, are recognized to the extent to which it is probable that future taxable profit will be available against which they can be utilized. Tax assets and liabilities are offset, separately for current and deferred taxes, when the income taxes are levied by the same tax authority, there is a legally enforceable right of offset and it is expected that the balance will be settled net. Deferred tax assets and liabilities are computed based on tax rates that are expected to apply in the period in which the asset is recovered or settled to the extent that such rates have been approved at the date of the financial statements.

Other taxes not related to income, such as indirect taxes and levies are reported under "Other operating costs" in the income statement.

In the event of uncertainties over income tax treatments, the company proceeds as follows: (i) if it considers it likely that the tax authorities will accept an uncertain tax treatment, it determines the (current and/or deferred) income taxes to be reported in the financial statements based on the tax treatment that it has applied or expects to apply when filing its returns; (ii) if it concludes it is not probable that the taxation authority will accept an uncertain tax treatment, it reflects the effect of uncertainty in determining the related (current and/or deferred) income taxes to be reported in the financial statements. Moreover, with regard to the matter of uncertain tax liabilities and provisions relating to tax disputes, any potential liabilities relating to income tax disputes are reported as “Current tax payables”.

2.3.15.1 Disclosure of Pillar 2 effects

Starting from the 2024 fiscal year, the Lottomatica Group fall within the scope of the Pillar Two (GloBE) rules. These rules became effective in Italy as 1 January 2024 pursuant to Legislative Decree No. 209/2023, which implements European Directive No. 2523/2022.
In summary, the Pillar Two rules provide that the entities within the Lottomatica Group (wherever located) are subject to an effective income tax rate of at least 15%, to be determined on the basis of a complex calculation based on the accounting and tax data aggregated by country. Where the tax rate in a given country is lower than 15%, an additional tax is applied to bring the effective tax rate up to 15% (“**Top-Up Tax**”).

As required by IAS 12 (in particular, by the “Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules”), the Lottomatica Group has performed an assessment to identify the scope of application and the potential impact of this new regulation across the jurisdictions within its consolidation perimeter, also making use of the so-called transitional safe harbours (“**TSH**”) applicable in the 2025 fiscal year, as provided for by the OECD guidelines.

Lottomatica Group S.p.A. acts as group’s Ultimate Parent Entity for Pillar Two purposes. Based on the information available as of the date of these consolidated financial statements, the TSH conditions are met in all jurisdictions in which the Lottomatica Group operates for Pillar Two purposes (including Italy, Malta, Austria, Serbia and the United Kingdom).

Furthermore, starting from the 2025 fiscal year, the Lottomatica Group includes a joint venture (Cristaltec S.p.A.) for Pillar Two purposes. Under the TSH framework, this joint venture constitutes a separate sub-jurisdiction for which separate calculations have been performed. Based on these calculations, the joint venture also qualifies for the TSH.

In light of the above, the Lottomatica Group has not recognised any Pillar Two tax expense.

2.4 Use of accounting estimates

The preparation of financial statements in conformity with relevant accounting standards and methods in certain cases requires management to make estimates and assumptions based on subjective judgments, past experience and hypotheses considered reasonable and realistic, given the information known at the time. Such estimates have an effect on the amounts reported in the financial statements, including the statement of financial position, the income statement, the statement of comprehensive income, the statement of cash flows and the related notes to the financial statements. Actual results may then differ, even significantly, from those reported in the financial statements due to changes in the factors considered in determining the estimates, given the uncertainties that characterize the assumptions on which estimates are based.

Many reported account balances are based on estimates and while not all constitute large amounts, the total of such balances is materially significant. Key accounting estimates involving a high degree of subjectivity and judgment on the part of management, where a change in the conditions underlying the assumptions could have a significant effect on the Company's financial results, are detailed below.

2.4.1 Assessment of equity investments

Equity investments are subject to assessment in order to verify whether a decrease in value has occurred, which must be detected through a write-down, when there are indicators that predict difficulties in recovering their carrying value. The verification of the existence of these indicators requires subjective assessments by management based on the information available within the Company and on the market, as well as from historical experience. Furthermore, if it is determined that a potential decrease in value may occur, the Company proceeds to its determination using valuation techniques deemed appropriate. The correct identification of the elements indicating the existence of a potential decrease in the value of the investments, as well as the estimates for its determination depend on factors that can change over time, influencing the evaluations and estimates made by the administrators.

2.4.2 Share based payments

The Board of Directors approved the implementation of the medium-long term management incentive plan regulation ("LTIP Regulation", and "LTIP" in relation to the medium-long term management incentive plan) already approved by the Shareholders' Meeting of 15 March 2023 and subject to examination by the Appointments and Remuneration Committee (a description of the plan is detailed in Note 6.4). In line with the Stock Option Plan Regulation, the plan has been accounted for at fair value as required by IFRS 2 – *Share Based Payment*.

With reference to the three rounds of assignments, the valuation of the assigned rights was carried out by reflecting the financial market conditions valid on the respective grant date. The methodology adopted to estimate the fair value follows the risk neutral approach; the risk-free rate curve is deducted from the interest rate swap rates present on the market at the grant date.

The following table provides details of the market related data used to determine the fair value of the stock options for the rounds of assignments.

	Vesting date	Expiration date	Strike price (Euro)	Price at valuation date (Euro)	Volatility	Expected dividend rate	Exit annual rate
1° assignments	15 June 2026	15 June 2028	9.00	8.214	45.36%	3.83%	0.00%
2° assignments	14 June 2027	14 June 2029	10.80	10.570	24.35%	3.81%	0.00%
3° assignments	3 March 2028	3 March 2030	16.034	16.65	21.94%	3.90%	0.00%

The fair value of market-based component was estimated using the stochastic simulation with the “Monte Carlo method”. The valuation was carried out on no-arbitrage and risk-neutral framework assumptions common to fundamental stock option pricing models (such as the binomial model, the Black-Scholes model and so on), using the following hypotheses:

	Average annual growth rate of the stock	Stock volatility	Discount rate	Expected dividend rate
1° assignments	3.53%	45.36%	3.53%	3.83%
2° assignments	2.98%	24.35%	2.98%	3.81%
3° assignments	2.147%	21.94%	2.147%	3.90%

As regards "non-market based" component related to economic and financial performance, unlike the "market based" performance conditions and according to the accounting principle, it must be updated periodically at each reporting date to take into account the expectations relating to the number of rights that may accrue. In this regard, it is assumed that the performance condition which allows the vesting of approximately 40% of the assigned rights will be achieved.

For the ESG bonus/malus component, it is assumed that the target will be achieved.

The following table shows the fair value of the individual option rights assigned. The valuation was based on the assumption made before.

	Unit fair value (Euro)
1° assignments	2.595
2° assignments	1.852
3° assignments	2.60

The charge of the Company for the year ended 31 December 2025 amounting to Euro 2,398 thousand (Euro 873 thousand for the year ended 31 December 2024) was recognized in the income statement among personnel costs, with a corresponding offset in equity reserves.

2.4.3 Deferred tax assets

Deferred tax assets are recognized on deductible temporary differences between the carrying amount of an asset or liability in the separate financial statements and its tax base and on unused tax losses carried forward, to the extent it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. Judgment is required on the part of management, involving estimates regarding the timing and level of future taxable profits, to determine the level of deferred tax assets that should be recognized.

2.4.4 Depreciation and amortization

The cost of property, plant and equipment and intangible assets is depreciated/amortized on a straight-line basis over the estimated useful life of each asset. The useful economic life of these assets is determined at the time of purchase, based on historical experience for similar assets, market conditions and expected future events which may affect them, such as technological changes. An asset's actual useful life may, therefore, be different from its estimated useful life.

2.4.5 Impairment of Property, plant and equipment and intangible assets with definite useful life

In accordance with the accounting standards applied and the impairment procedure, property, plant and equipment and intangible assets with definite useful life are subject to verification to ascertain whether impairment exists, which is recognized through a write-down, when there are indications that suggest difficulties in recovering the relative net carrying value through use. Verification of whether these indicators exist requires the Directors to make subjective assessments based on information available within the Company and on the market, as well as on historical experience. Additionally, when impairment is identified, the Company determines the amount using the appropriate measurement techniques. Proper identification of potential impairment indicators, as well as the estimation of their amount, depends on factors which may vary over time, influencing measurements and estimates made by the Directors.

2.4.6 IFRS 16 "leases"

Right-of-use assets are measured as being equal to the related lease liabilities at the date of initial application, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application. The Company has elected to make use of the exemptions provided for in the standard in relation to short-term leases (for periods of less than 12 months, including those with residual duration of less than 12 months at the date of initial application) and low value assets which in any event in total are not material. Lease payments relating to such contracts are recognized in the income statement.

Lease liabilities are measured at the present value of the outstanding lease payments at the date of first application of the standard, which are fixed over the lease term. The lease term includes the non-cancellable periods of a lease during which the Company can exercise the right of use of the leased asset, as well as periods covered by an option to extend the lease if the Company is reasonably certain

to exercise such option. Lease liabilities do not include costs other than costs directly associated with the lease (e.g., management or ancillary costs).

The discount rates used to measure lease liabilities are the Company's incremental borrowing rates, which take account of country risk, currency, the duration of the lease contract and the Group's credit risk. Similar discount rates are applied to leases with similar lease terms.

2.5 Recently issued accounting standards

2.5.1 Accounting standards effective from 1 January 2025

The following list illustrates the new standards and interpretations approved by the IASB, endorsed in Europe and applied since 1 January 2025:

	Endorsed by the UE	Effective date
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)	YES	Accounting periods beginning on or after 1 January 2025

The adoption of these amendments did not have significant impacts on the Separate Financial Statements.

2.5.2 Accounting standards not yet applicable as they are not endorsed by the European Union

As of the date of approval of the Separate Financial Statements, the following standards and amendments had not yet been endorsed by the EU:

	Endorsed by the EU	Effective date
IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024)	NO	Accounting periods beginning on or after 1 January 2027
Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 21 August 2025)	NO	Accounting periods beginning on or after 1 January 2027
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025)	NO	Accounting periods beginning on or after 1 January 2027

The Company is evaluating the effects that the application of the aforementioned principles could have on its Separate Financial Statements; however, management do not expect significant impact from their adoption.

2.5.3 Accounting principles endorsed by the European Union but not yet applicable

At the approval date of the Separate Financial Statements, the competent bodies of the European Union have approved the following principles and amendments, but they have not yet been adopted by the Company:

	Endorsed by the EU	Effective date
IFRS 18 — Presentation and Disclosure in Financial Statements (Issued on 9 April 2024)	YES	Accounting periods beginning on or after 1 January 2027
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024)	YES	Accounting periods beginning on or after 1 January 2026
Annual Improvements Volume 11 (issued on 18 July 2024)	YES	Accounting periods beginning on or after 1 January 2026
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024)	YES	Accounting periods beginning on or after 1 January 2026

The Company is evaluating the effects that the application of the aforementioned principles could have on its Separate Financial Statements and, in particular, those arising from the introduction of IFRS 18, with specific reference to the structure of the Company's income statement, the statement of cash flows, and the additional disclosures required in respect of management performance measures (MPMs), as well as the impact on the presentation of information in the financial statements.

3. Financial risk management

The Company is exposed to the following risks: market risk (interest rate risk), credit risk and liquidity risk. The Company is not involved in transactions that expose it to exchange rate risk.

The Company's objective is to maintain a balanced approach to managing its financial exposure by matching assets and liabilities and achieving operational flexibility through the use of liquidity generated by operating activities and bank loans.

The financial policy and the management of related financial risks are guided and monitored by the Company's Chief Executive Officer, who is responsible for strategic direction. The central finance function, within the strategic direction set by the Chief Executive Officer, has the task of evaluating and approving forecast financial requirements, monitors their progress and implements, where necessary, appropriate corrective actions.

The following paragraphs provide qualitative and quantitative information relating to the Company's exposure to the aforementioned financial risks.

3.1 Interest Rate Risk

3.1.1 Interest rate risk

Changes in interest rates on the variable component of debt and cash may result in higher or lower finance expenses/income. Interest rate swap derivative instruments are used in this risk management activity.

Changes in interest rates on the variable component of debt and cash may result in higher or lower finance expenses/income. The Company is exposed to the risk of changes in the interest rate on the floating portion of the May 2024 Notes (as defined below). In order to hedge this risk, the Company entered into two derivative contracts with UniCredit S.p.A. and Deutsche Bank AG, respectively, each for a notional amount of Euro 200 million.

These derivative contracts hedge against the risk associated with a potential increase in interest rates by exchanging the three-month EURIBOR rate with a contractually determined fixed interest rate. Such hedging transactions are accounted for as cash flow hedges in accordance with IFRS 9 – Financial Instruments.

It should be noted that the Company was previously also exposed to the change in the interest rate arising from the December 2023 Notes, which was fully repaid during 2025.

3.1.2 Interest rate risk sensitivity analysis

With regard to the interest rate risk arising from the potential change in the interest rates of the above mentioned senior secured notes, it is considered reasonable to assume that any such change would not produce any material economic effect, as changes in interest rates and in the related hedging derivatives described above will necessarily reflect changes of opposite sign and equal amount.

3.2 Credit Risk

Credit risk represents the Company’s exposure to the risk of potential losses resulting from the non-fulfilment of obligations by counterparts. Almost all of the Company's receivables are with direct or indirect subsidiaries as counterparties. Therefore, the Company is not exposed to any credit risk.

3.3 Liquidity Risk

Liquidity risk is the risk that owing to an inability to access new funds or sell assets, the Company is unable to meet its payment obligations, leading to a negative impact on results if it is then obliged to incur additional costs to meet its obligations or deal with insolvency.

The Company manages this risk by seeking to establish a financial structure that, consistent with its business objectives and defined limits: i) ensures sufficient liquidity, while minimizing the related opportunity cost; and ii) maintains an appropriate balance in terms of duration and composition of debt.

The exposure to such risk mainly relates to the commitments associated with the senior secured notes issued respectively on 29 May 2024 for a total amount of Euro 900 million maturing in 2030 for the fixed rate portion and in 2031 for the floating rate portion, on 13 May 2025 for a total amount of Euro 1,100 million maturing in 2031, as well as with the revolving credit facility of Euro 447.25 million in addition to Euro 50 million available for bank guarantees (undrawn at the reporting date).

It should be noted that on 13 May 2025, the Company repaid in advance the senior secured notes issued respectively on 14 December 2023 and on 1 June 2023 for a total principal amount of Euro 1,065 million.

The following table provides an analysis of cash disbursements by due date based on contractual repayment obligations relating to the senior secured notes, trade payables and other liabilities, as of 31 December 2025 and 2024:

(In thousands of Euro)	**Carrying amount as of 31 December 2025**	**Within 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total**
Senior secured notes	1,991,721	104,825	905,930	1,525,536	**2,536,291**
Other current and non-current financial liabilities	922,243	916,549	5,694	-	**922,243**
Payables for leasing	1,030	197	833		**1,030**
Trade payables	11,608	11,608	-	-	**11,608**
Other current and non-current liabilities	18,762	16,822	1,940	-	**18,762**

Note: Notes amounts relating to due dates “Within 1 year”, “Between 1 and 5 years” and in “Over 5 years” also include the contractual interest.

(In thousands of Euro)	**Carrying amount as of 31 December 2024**	**Within 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total**
Senior secured notes	1,942,805	126,217	1,009,645	1,486,565	**2,622,427**
Other current and non-current financial liabilities	668,020	656,613	11,407	-	**668,020**
Trade payables	8,117	8,117	-	-	**8,117**
Other current and non-current liabilities	15,744	15,321	423	-	**15,744**

Note: Notes amounts relating to due dates “Within 1 year”, “Between 1 and 5 years” and in “Over 5 years” also include the contractual interest.

The expected future cashflows represent future principal capital and interest payments and are not discounted.

3.4 Risk related to climate change

The Company considers the prevention and management of risks which could jeopardize the attainment of the Company's objectives and its ability to continue as a going concern as a strategic priority. The Company has therefore identified the main risks related to climate change or environmental issues that may have implications or an impact on its business. The potential risks identified are those arising from climate change, both in terms of physical risks, i.e. more frequent extreme weather events or gradual climate change (e.g. floods, increase in temperatures, decrease in resources, etc.) or increase in operating costs due to extraordinary maintenance activities (e.g. restoring assets to their original conditions following any damage suffered), and in terms of transition risks, i.e. related to the transition to a low-carbon economy and the resulting government policies.

However, the Company's current exposure to consequences of climate change is limited - in terms of its ability to influence its strategies and financial cash flows (see the Consolidated sustainability statement for more details).

4. Capital Management

The Company's capital management is aimed at guaranteeing solid credit ratings and adequate capital indicators to support its investment plans, while meeting contractual obligations.

The Company ensures it has sufficient capital to finance its business development needs and meet operating requirements; to guarantee a balanced financial structure and minimize the total cost of capital, finances are sourced through a mix of risk capital and debt.

Returns on capital are monitored by reviewing market trends and business performance, net of other commitments, including borrowing costs. In order to ensure the Company's going concern status, develop the business and provide an adequate return on capital, Company monitors trend of debt to equity on an ongoing basis, as well as monitoring debt with respect to business trends and expected future cash flows in the medium/long term.

4.1 Share buyback program

In line with the capital allocation strategy, the Board of Directors requested and obtained authorization from the Shareholders' Meeting to launch a share buyback program aimed, among other things, at providing the Company with a flexible instrument for capital remuneration and for the use of excess liquidity. The share buyback program was launched on 18 June 2025.

The implementation of the share buyback program is subject to market conditions and to compliance with the operating procedures designed to ensure equal treatment of shareholders, as required by applicable laws and regulations, including European-level provisions, as in force from time to time.

For further details, reference should be made to Note 7.8 and Note 10.3 of this document.

4.2 Dividend policy

The Company's and the Group’s objective is to pursue a long-term sustainable strategy that allows an adequate return for its shareholders, while maintaining adequate funds to finance business growth and maintain a solid capital base that allows it to deal with any changes in the reference legislation and potential economic downturns. On 15 March 2023, the Company's Board of Directors approved a shareholder remuneration policy in the medium/long term, drawn up on the basis of the economic-financial perspective and the capital structure of the Company, envisaging target dividend distribution for an amount up to 30% of the consolidated net profit attributable to the Group (subject to the required approval by the shareholders' meeting), adjusted for: (i) depreciation on the higher values of the assets of the companies or business acquired recognized in the consolidated financial statements of the Lottomatica Group compared to the book values at the date of acquisition; (ii) non-recurring costs and income excluded from the calculation of Adjusted EBITDA, (iii) finance income and expenses which, by their nature, should not reasonably recur in the future, (iv) other non-monetary items including in finance expenses and (v) tax effects on the aforementioned adjustments (the “Adjusted Net Profit”). This policy is subject to the achievement of the Group's strategic investment plans, the financial and investment needs and, among other things, the compliance with any limitations from time to time set forth in the contractual documentation relating to the Lottomatica Group's financial indebtedness, as well as the availability of distributable profits and/or reserves resulting from the separate financial statements of the Company.

5. Financial assets and liabilities by category

The following table provides a breakdown of the Company's financial assets and liabilities as required by IFRS 7, according to the categories identified by IFRS 9 on 31 December 2025 and on 31 December 2024:

(In thousands of Euro)	**Financial assets and receivables at amortized cost**	**Financial assets at FVTOCI**	**Financial liabilities and liabilities at amortized cost**	**Financial liabilities at FVTOCI**	**As of 31 December 2025**
Current and non-current financial assets*	1,146,659	-	-	-	1,146,659
Other current and non-current assets	83,131	-	-	-	83,131
Cash and cash equivalents	78,144	-	-	-	78,144
Total	**1,307,934**	-	-	-	**1,307,934**
Current and non-current financial liabilities	-	-	2,909,300	5,694	2,914,994
Trade payables	-	-	11,608	-	11,608
Other current and non-current liabilities	-	-	18,762	-	18,762
Total	-	-	**2,939,670**	**5,694**	**2,945,364**

* The amount does not include the Investments in subsidiaries.

(In thousands of Euro)	Financial assets and receivables at amortized cost	Financial assets at FVTOCI	Financial liabilities and liabilities at amortized cost	Financial liabilities at FVTOCI	As of 31 December 2024
Current and non-current financial assets*	1,214,417	-	-	-	1,214,417
Other current and non-current assets	62,111	-	-	-	62,111
Cash and cash equivalents	77,518	-	-	-	77,518
Total	**1,354,046**	**-**	**-**	**-**	**1,354,046**
Current and non-current financial liabilities	-	-	2,599,418	11,407	2,610,825
Trade payables	-	-	8,117	-	8,117
Other current and non-current liabilities	-	-	15,744	-	15,744
Total	**-**	**-**	**2,623,279**	**11,407**	**2,634,686**

* The amount does not include the Investments in subsidiaries.

As of 31 December 2025, it is noted that “Current and non-current financial liabilities” include the senior secured notes issued on 29 May 2024 and 13 May 2025, the fair value of which amounted to Euro 920,908 thousand and Euro 1,134,170 thousand, respectively. As of 31 December 2024, it is noted that “Current and non-current financial liabilities” include the senior secured notes issued on 1 June 2023, on 14 December 2023 and 29 May 2024, the fair value of which amounted to Euro 594,385 thousand, Euro 508,935 thousand and Euro 925,962 thousand, respectively.

Other financial assets and liabilities are short-term or valued at market rates and, consequently, their fair value is deemed to be substantially in line with their book value.

Fair value measurement

The fair value of financial instruments listed on an active market is based on market prices at the reporting date. The fair value of instruments that are not listed on an active market is determined using valuation techniques based on a series of methods and assumptions linked to market conditions at the date of the respective financial statements. The classification of the fair value of financial instruments on the basis of the hierarchical levels that categorize the inputs to valuation techniques used to measure fair value, is shown below:

- Level 1: inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs are unobservable inputs for the asset or liability.

The following table shows the financial instruments measured at fair value according to the relevant hierarchy level:

(In thousands of Euro)	Level 1	Level 2	Level 3	As of 31 December 2025
Derivative financial instruments liabilities	-	(5,694)	-	(5,694)
Total	**-**	**(5,694)**	**-**	**(5,694)**

(In thousands of Euro)	Level 1	Level 2	Level 3	As of 31 December 2024
Derivative financial instruments liabilities	-	(11,407)	-	(11,407)
Total	**-**	**(11,407)**	**-**	**(11,407)**

During the periods under review, the Company did not make any changes regarding valuation techniques for financial instruments accounted for at fair value.

6. Notes to the statement of comprehensive income

6.1 Dividends, finance income and expenses

The following table provides a breakdown of “Dividends, finance income and expenses”:

	For the year ended 31 December	
(In thousands of Euro)	2025	2024
Dividends from subsidiaries	120,000	448,249
Net Income from equity investments	**120,000**	**448,249**
Interest income from group companies	60,750	56,631
Other interest income	3,107	8,837
Financial income	**63,857**	**65,468**
Interest expense on senior secured notes	(97,658)	(115,342)
Amortized cost on senior secured notes	(23,879)	(27,928)
IRS interest expense	(12,877)	(22,700)
Interest expense on Revolving Loan	(4,787)	(5,689)
Interest expenses on cash pooling	(4,060)	(3,263)
Commission on sureties	(258)	-
Leasing interest expense	(57)	-
Other interest expense	(28,680)	(26,554)
Financial expenses	**(172,256)**	**(201,476)**
Financial income and expenses, net	**11,601**	**312,241**

“Net income from equity investments” amounted to Euro 120,000 thousand for the year ended 31 December 2025 (Euro 448,249 thousand for the year ended 31 December 2024) and related to dividends received by GBO S.p.A. for Euro 120,000 thousand for the year ended 31 December 2025 (Euro 400,000 thousand received by GBO S.p.A. and Euro 48,249 thousand received by Lottomatica Gaming S.p.A. - formerly GGM S.p.A. - for the year ended 31 December 2024).

"Finance income" amounted to Euro 63,857 thousand for the year ended 31 December 2025 (Euro 65,468 thousand for the year ended 31 December 2024) and related to interest accrued on loans and on the cash pooling account towards the subsidiary GBO S.p.A. for Euro 60,749 thousand for the year ended 31 December 2025 (Euro 56,616 thousand related to interest accrued on loans granted to the subsidiary GBO S.p.A. and the indirect subsidiary Big Easy S.r.l. for the year ended 31 December 2024).

“Interest expense on senior secured notes” included the interest accrued on senior secured notes issued, in particular:

- Euro 14,761 thousand related to June 2023 Notes (as defined below);
- Euro 7,514 thousand related to December 2023 Notes (as defined below);
- Euro 41,420 thousand related to May 2024 Notes (as defined below);
- Euro 33,963 thousand related to May 2025 Notes (as defined below).

“Amortized cost on senior secured notes” related to the valuation at amortized cost of the senior secured notes, in particular:

- Euro 8,742 thousand related to June 2023 Notes (as defined below);
- Euro 12,263 thousand related to December 2023 Notes (as defined below);
- Euro 1,459 thousand related to May 2024 Notes (as defined below);
- Euro 1,416 thousand related to May 2025 Notes (as defined below).

The item also included Euro 19,627 thousand relating to the acceleration of the amortized cost on the Notes Repaid (as defined below), which were fully recognized following their early repayment.

“Interest expense on Revolving Credit Facility” mainly related to the commissions for the revolving credit facility agreement.

“Other interest expense” related to the make-whole resulting from the early repayment of the 2025 Notes Repaid (as defined below) for Euro 21,018 thousand and (ii) financial charges related to the closing of the related hedging derivative instruments for Euro 7,134 thousand.

The following table provides a breakdown of finance income and expenses with related parties:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Dividends from GBO	120,000	400,000
Dividends from Lottomatica Gaming (formerly GGM)	-	48,249
Interest income from GBO	59,666	56,321
Interest income from Big Easy	-	295
Interest income from GBO for cash pooling	1,083	8
Interest income from Ares for cash pooling	1	-
Interest income from Lottomatica Gaming (formerly GGM) for cash pooling	-	5
Interest income from Marim for cash pooling	-	2
Interest expense from GBO Italy for cash pooling	(1,663)	(1,533)
Interest expense from PWO (formerly SKS365 Malta Limited) for cash pooling	(806)	(253)
Interest expense from Betflag for cash pooling	(617)	(384)
Interest expense from Lottomatica Videolot Rete for cash pooling	(490)	(784)
Interest expense from Gamenet for cash pooling	(293)	(194)
Interest expense from Big Easy for cash pooling	(42)	(16)
Interest expense from Jolly Group for cash pooling	(33)	(43)
Interest expense from Totosì (formerly Macao) for cash pooling	(23)	(2)
Interest expense from Lottomatica Gaming (formerly GGM) for cash pooling	(23)	-
Interest expense from Rete Gioco Italia for cash pooling	(21)	(1)
Interest expense from Billions Italia for cash pooling	(19)	(18)
Interest expense from Ricreativo B for cash pooling	(15)	(4)
Interest expense from Gnetwork for cash pooling	(5)	(17)
Interest expense from Big Easy Bingo for cash pooling	(3)	(7)
Interest expense from Giocaonline for cash pooling	(3)	(2)
Interest expense from Agesoft for cash pooling	(2)	(4)
Interest expense from Gamenet PRO for cash pooling	(1)	(1)
Interest expense from Distante for cash pooling	(1)	-
Total	**176,690**	**501,617**

6.2 Other income

"Other income" amounted to Euro 36,485 thousand for the year ended 31 December 2025 (Euro 27,700 thousand for the year ended 31 December 2024) and mainly related to the income from recharge of corporate services provided to other group companies.

The following table provides a breakdown of other income with related parties:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Revenues of services to GBO Italy	16,647	14,583
Revenues of services to Gamenet	6,499	5,594
Revenues of services to PWO (formerly SKS365 Malta Limited)	5,041	31
Revenues of services to Lottomatica Videolot Rete	4,472	4,225
Revenues of services to Betflag	1,140	734
Revenues of services to Big Easy	689	790
Revenues of services to Ricreativo B	548	223
Revenues of services to Gnetwork	398	160
Revenues of services to Big Easy Bingo	359	160
Revenues of services to Jolly Group	288	549
Revenues of services to Billions Italia	109	310
Revenues of services to Giocaonline	94	83
Revenues of services to Marim	76	63
Revenues of services to Ares	65	16
Revenues of services to Agesoft	54	48
Revenues of services to Lottomatica Digital Solution*	-	105
Total	**36,479**	**27,674**

* Merged company into GBO Italy S.p.A..

6.3 Cost of services

The following table provides a breakdown of "Cost of services":

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Tax, administrative and legal consultancy costs	(7,893)	(6,983)
Bank and insurance expenses	(2,607)	(2,637)
Leases and rentals	(1,653)	(694)
Marketing and advertising	(1,619)	(1,073)
Technical assistance and network management	(1,496)	(793)
Board of Directors remunerations and costs	(1,460)	(1,645)
Utility costs, postal and logistics costs, security services	(425)	(147)
Other	(4,323)	(6,437)
Total	**(21,476)**	**(20,409)**

"Tax, administrative and legal consultancy costs" mainly included strategic consultancy costs amounting to Euro 3,288 thousand for the year ended 31 December 2025 (Euro 2,924 thousand for the year ended 31 December 2024).

"Other" mainly included costs for services offered by other companies within Lottomatica Group.

The following table provides a breakdown of cost of services with related parties:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Cost of services from Gamenet	(1,184)	(1,136)
Cost of services from PWO (formerly SKS365 Malta Limited)	(395)	(8)
Cost of services from GBO Italy	(33)	(53)
Cost of services from Lottomatica Videolot Rete	(25)	(43)
Cost of services from Agesoft	(14)	(13)
Cost of services from Gnet Inc*	-	(897)
Cost of services from Lottomatica UK*	-	(284)
Cost of services from Lottomatica Digital Solution**	-	(19)
Total	**(1,651)**	**(2,453)**

*Liquidated company

** Merged company into GBO Italy S.p.A..

6.4 Personnel expenses

The following table provides a breakdown of "Personnel expenses":

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Remuneration	(18,298)	(16,512)
Social security contributions	(4,457)	(3,770)
Other personnel costs	(4,368)	(3,526)
Total	**(27,123)**	**(23,808)**

The following table shows the number of employees of the Company by category.

	Number as of 31 December 2025	Average number 2025	Number as of 31 December 2024	Average number 2024
Executives	23	23	23	9
Middle managers	51	48	44	8
White collar	147	145	136	23
Blue collar	2	2	2	-
Total	**223**	**218**	**205**	**40**

Long-term incentive plan – Stock Option Plan 2023-2025

On 15 March 2023, the shareholders meeting of the Company approved the "Stock Option Plan 2023-2025" (the "**Plan**"), effective subject to the first trading date, which provides for the assignment, on an annual basis, over a three-year period of option rights granting the right to certain members of management, identified by the Board of Directors of the Company from time to time, to subscribe to the ordinary shares of the Company.

The Plan has the following objectives: (i) align the interests of the beneficiary of the Plan with those of the shareholders and investors of the Lottomatica Group and with the strategic plan of the Lottomatica Group as a whole; and (ii) incentivize the long-term retention of those members of management benefitting from the Plan.

On 15 June 2023, the Board of Directors approved the implementation of the plan regulation.

The Plan provides for the assignment to the beneficiaries of free option rights, which entitle the right to subscribe to the Company's shares according to a 1:1 ratio (i.e., each option grants the right to subscribe one share) at a determined price (the "**Options**"), provided that the beneficiaries are still employees or directors of the Company or its subsidiaries at the time of the exercise of the Options. The Options may be assigned from 15 June 2023 until 31 December 2025. The Plan has a multiannual duration and is subdivided into three cycles, with a three-year vesting period (the "**Vesting Period**") for the Options granted under each cycle.

The Options granted to each beneficiary may be exercised within five years from the grant date. Of the shares resulting from the exercise of the Options, 20% of these will be subject to a one-year lock-up period from the end of the Vesting Period and another 20% to a two year lock-up period from the end of the Vesting Period.

Upon advice from the Appointments and Remuneration Committee, the Board of Directors determines the total number of Options that can be assigned to beneficiaries for each cycle and may impose performance conditions to be met by the beneficiary in order for the Options to vest. The performance measurement period will ordinarily be three years.

6.5 Other operating costs

"Other operating costs" amounting to Euro 2,626 thousand for the year ended 31 December 2025 (Euro 1,532 thousand for the year ended 31 December 2024) and refers to the contribution made to the Lottomatica Foundation for Euro 2,000 thousand (Euro 1,000 thousand for the year ended 31 December 2024).

6.6 Depreciation, amortization and impairments

The following table provides a breakdown of “Depreciation, amortization and impairments”:

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Amortization of intangible assets	(5,071)	(2,757)
Depreciation of right of use	(177)	-
Depreciation of property, plant and equipment	(1,649)	(869)
Total	**(6,897)**	**(3,626)**

For further details regarding movements of intangible assets, property, plant and equipment and right of use, please refer to Note 7.1, 7.2 and 7.3.

6.7 Income taxes

“Income taxes” for the year ended 31 December 2025 amounted to a tax benefit of Euro 15,390 thousand (Euro 21,125 thousand for the year ended 31 December 2024).

The following table presents the reconciliation between the theoretical tax charge / benefit and the reported income tax benefit / expense for the year.

Tax rate reconciliation 2025		
IRES	**Taxable**	**Tax**
Result before taxes	(10,036)	
Theoretical income tax charge / (benefit)	**24%**	**(2,409)**
Permanent increasing differences	108,203	25,969
Permanent decreasing differences	(114,310)	(27,434)
Net effect	**(6,107)**	**(1,466)**
Temporary increasing differences	1,883	452
Temporary decreasing differences	-	-
Net effect of temporary differences	**1,883**	**452**
Net effect	**(4,224)**	**(1,014)**
Total (A)		**(3,423)**
ROL/interest expense transferred to the tax consolidation (B)		(12,603)
Deferred taxes effect (C)		(452)
Previous years' taxes (D)		1,088
Effective income tax charge / (benefit) (A+B+C+D)		**(15,390)**

Tax rate reconciliation 2024		
IRES	**Taxable**	**Tax**
Result before taxes	290,558	
Theoretical income tax charge / (benefit)	**24%**	**69,734**
Permanent increasing differences	133,941	32,146
Permanent decreasing differences	(446,380)	(107,131)
Net effect	**(312,439)**	**(74,985)**
Temporary increasing differences	3,139	753
Temporary decreasing differences	(4,849)	(1,164)
Net effect	**(1,710)**	**(410)**
Other changes	185	45
Net effect	**(313,964)**	**(75,351)**
Total (A)		**(5,617)**
ROL/interest expense transferred to the tax consolidation (B)		(15,918)
Deferred taxes effect (C)		410
Effective income tax charge / (benefit) (A+B+C)		**(21,125)**

7. Notes to the statement of financial position

7.1 Intangible assets

The following table provides a breakdown of “Intangible assets” and movements during the periods under review:

(In thousands of Euro)	**Software**	**Trademarks**	**Assets under development and other intangible**	**Total**
Cost as of 31 December 2023	**-**	**-**	**-**	**-**
Accumulated amortization as of 31 December 2023	**-**	**-**	**-**	**-**
Net book amount as of 31 December 2023	**-**	**-**	**-**	**-**
Merger contribution	9,861	3	628	10,492
Additions	5,183	-	4,881	10,064
Amortization for the year	(6,267)	(2)	-	(6,269)
Disposal	(1)	-	-	(1)
Reclassifications	607	-	(607)	-
Cost as of 31 December 2024	**15,650**	**3**	**4,902**	**20,555**
Accumulated amortization as of 31 December 2024	**(6,267)**	**(2)**	**-**	**(6,269)**
Net book amount as of 31 December 2024	**9,383**	**1**	**4,902**	**14,286**
Additions	14,542	-	676	15,218
Amortization for the year	(5,070)	(1)	-	(5,071)
Disposal	(4)	-	-	(4)
Reclassifications	4,569	-	(4,569)	-
Cost as of 31 December 2025	**34,758**	**3**	**1,009**	**35,770**
Accumulated amortization as of 31 December 2025	**(11,338)**	**(3)**	**-**	**(11,341)**
Net book amount as of 31 December 2025	**23,420**	**-**	**1,009**	**24,429**

The additions of “Software” included the purchase of application software for the Lottomatica Group's platforms, the upgrade of the company's ERP systems and the purchase of Microsoft and SAP licenses.

“Assets under development and other intangible” mainly related to HR software development and enterprise ERP systems.

No impairment indicators were identified at the reporting date.

7.2 Property, plant and equipment

The following table provides a breakdown of “Intangible assets” and movements during the periods under review:

(In thousands of Euro)	Other assets	Furniture	Leasehold improvements	Total
Cost as of 31 December 2023	**-**	**-**	**-**	**-**
Accumulated amortization as of 31 December 2023	**-**	**-**	**-**	**-**
Net book amount as of 31 December 2023	**-**	**-**	**-**	**-**
Merger contribution	1,927	54	44	2,025
Additions	4,233	6	-	4,239
Amortization for the year	(1,087)	(17)	(21)	(1,125)
Cost as of 31 December 2024	**6,160**	**60**	**44**	**6,264**
Accumulated amortization as of 31 December 2024	**(1,087)**	**(17)**	**(21)**	**(1,125)**
Net book amount as of 31 December 2024	**5,073**	**43**	**23**	**5,139**
Additions	3,950	112	-	4,062
Amortization for the year	(1,624)	(17)	(9)	(1,650)
Cost as of 31 December 2025	**10,110**	**172**	**44**	**10,326**
Accumulated amortization as of 31 December 2025	**(2,711)**	**(34)**	**(30)**	**(2,775)**
Net book amount as of 31 December 2025	**7,399**	**138**	**14**	**7,551**

Additions during the year mainly related to new storage systems, electronic machines and IT security equipment.

No impairment indicators were identified at the reporting date.

7.3 Right of use

The following table provides a breakdown “Right of use”:

(In thousands of Euro)	Land, Buildings and Offices	Vehicles	Total
Balance as of 31 December 2024	**-**	**-**	**-**
Additions	1,107	117	1,224
Depreciation	(154)	(23)	(177)
Balance as of 31 December 2025	**953**	**94**	**1,047**

The following table provides a breakdown of “Payables for leasing”:

(In thousands of Euro)	**Total**
Balance as of 31 December 2024	**-**
Additions	1,224
Lease payment	(251)
Leasing financial expenses	57
Balance as of 31 December 2025	**1,030**

7.4 Current and non-current financial assets

The following table provides a breakdown of “Current and non-current financial assets”:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Investment in subsidiaries	2,051,365	2,049,859
Receivables from subsidiaries	975,498	915,832
Receivables from group companies for cash pooling	171,161	250,336
Other financial receivables	-	48,249
Total	**3,198,024**	**3,264,276**

“Investment in subsidiaries” related to the equity investment in GBO S.p.A., Lottomatica Gaming S.p.A. (formerly GGM S.p.A.) and Lottomatica Technology & Operations S.r.l. (formerly Totosì Servizi S.r.l.) for Euro 1,148,634 thousand, Euro 902,631 thousand and Euro 100 thousand as of 31 December 2025, respectively (Euro 1,147,721 thousand related to GBO S.p.A. and Euro 902,139 thousand related to Lottomatica Gaming S.p.A. as of 31 December 2024, respectively).

The following information is provided regarding the equity investment in the subsidiaries:

(In thousands of Euro)

Name	**City or Foreign State**	**Share capital**	**Equity as of 31 December 2025**	**Profit/(Loss) for the year ended 31 December 2025**	**%**	**Carrying value (A)**	**Equity share (B)**	**Difference (A-B)**
Lottomatica Technology & Operations S.r.l.*	Rome	€100	92	(5)	100.0%	100	92	8
Lottomatica Gaming S.p.A.**	Rome	€27,239	958,618	13,052	96.5%	902,631	925,066	(22,435)
GBO S.p.A.	Rome	€300	633,233	170,657	100.0%	1,148,634	633,233	515,401

* Formerly named Totosì Servizi S.r.l.

* Formerly named GGM S.p.A.

In accordance with the provisions of IAS 36, the Company has conducted an analysis to identify any impairment indicators and/or losses on the subsidiary. For the subsidiaries GBO S.p.A. and Lottomatica Technology & Operations S.r.l. (formerly Totosì Servizi S.r.l.), the carrying value higher than equity share was not considered an impairment indicator considering results and profitability of its subsidiaries. As of 31 December 2025, management of the Company did not identify any impairment indicators and therefore the impairment test was not performed.

“Receivables from subsidiaries” included:

- the loan granted to the subsidiary GBO S.p.A., inclusive of capitalized interest, for Euro 378,174 thousand (Euro 346,900 thousand as of 31 December 2024). This loan was granted on 18 November 2022 in order to finance the acquisition of Betflag S.p.A. by GBO Italy S.p.A., bearing interest at an annual rate of 5.3% plus an additional spread of 0.50% per annum to be paid quarterly, maturing 30 April 2027. It is possible to exercise the capitalization option for interests accrued applying an additional interest of 0.75% on them.
- the loan granted to the subsidiary GBO S.p.A., inclusive of capitalized interest, for a principal amount of Euro 525,047 thousand (Euro 500,000 thousand as of 31 December 2024). This amount related to the loan granted on 22 April 2024 in order to finance the acquisition of SKS365 Malta Holding Limited, bearing interest at an annual rate of 5.3% plus an additional spread of 0.50% per annum to be paid semiannually, maturing on 13 December 2030. It is possible to exercise the capitalization option for interests accrued, applying an additional interest of 0.75% on them.
- the non-capitalised portion of interest accrued on the aforementioned loans.

“Receivables from group companies for cash pooling " refers to the credit for the balances transferred daily from the companies of the Lottomatica Group to the Company under the centralized treasury system (i.e., cash pooling), of which it became the pooler.

"Other financial receivables" included receivables for dividends resolved by the subsidiary Lottomatica Gaming S.p.A. (formerly GGM S.p.A.), collected in 2025.

The following table provides a summary of key information relating to “Current and non-current financial assets”.

(In thousands of Euro)	**As of 31 December 2025**	*of which current*	**As of 31 December 2024**	*of which current*
Investment in subsidiaries	2,051,365	-	2,049,859	-
Receivables from subsidiaries	975,498	-	915,832	-
Receivables from group companies for cash pooling	171,161	171,161	250,336	250,336
Other financial receivables	-	-	48,249	48,249
Total	**3,198,024**	**171,161**	**3,264,276**	**298,585**

The table below shows the detail of the financial receivables from the Lottomatica Group companies.

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Receivables from GBO for loans	903,221	846,900
Receivables from GBO for cash pooling	170,456	249,250
Receivables from GBO for interests	72,277	68,932
Receivables from Marim for cash pooling	705	-
Receivables from Lottomatica Gaming (formerly GGM) for dividends	-	48,249
Receivables from Big Easy for cash pooling	-	733
Receivables from Ares for cash pooling	-	352
Receivables from Bakoo for cash pooling	-	1
Total	**1,146,659**	**1,214,417**

7.5 Deferred tax assets and deferred tax liabilities

The following table shows the movement of “Deferred tax assets and liabilities”:

(In thousands of Euro)	As of 31 December 2024	Charges/ releases to the income statement	Charges/ releases to the statement of comprehensive income	As of 31 December 2025
Deferred tax assets				
Tax losses	2,139	-	-	2,139
Cash flow hedge reserve	2,737	-	(1,648)	1,089
Other	756	(754)	-	2
Total deferred tax assets	**5,632**	**(754)**	**(1,648)**	**3,230**
Deferred tax liabilities				
Approved dividends but not yet received	(452)	452	-	-
Employee benefit liabilities	(38)	-	(27)	(65)
Total deferred tax liabilities	**(490)**	**452**	**(27)**	**(65)**
Total deferred tax assets, net	**5,142**	**(302)**	**(1,675)**	**3,165**

(In thousands of Euro)	As of 31 December 2023	Merger contribution	Charges/ releases to the income statement	Charges/ releases to the statement of comprehensive income	As of 31 December 2024
Deferred tax assets					
Tax losses	-	2,139	-	-	2,139
Cash flow hedge reserve	-	1,809	-	928	2,737
Other	133	580	43	-	756
Total deferred tax assets	**133**	**4,528**	**43**	**928**	**5,632**
Deferred tax liabilities					
Approved dividends but not yet received	-	-	(452)	-	(452)
Employee benefit liabilities	-	59	-	(97)	(38)
Total deferred tax liabilities	**.**	**59**	**(452)**	**(97)**	**(490)**
Total deferred tax assets, net	**133**	**4,587**	**(409)**	**831**	**5,142**

7.6 Other current and non-current assets

The following table provides a breakdown of “Other current and non-current assets”:

(In thousands of Euro)	As of 31 December 2025	2024
Receivables from group companies for tax consolidation	55,781	41,834
Receivables from group companies for service recharge	17,967	9,561
Accrued income and prepayments	8,511	9,288
Tax receivables	790	1,399
Guarantee deposits	82	23
Other receivables	-	6
Total	**83,131**	**62,111**

“Receivables from group companies for service recharge” related to corporate services offered to the Lottomatica Group companies.

“Accrued income and prepayments” mainly includes the recognition of the prepayment on arrangement fees and underwriting fees related to the Revolving Credit Facility (as defined below).

The following table provides a summary of key information relating to “Other current and non-current assets”.

(In thousands of Euro)	**As of 31 December 2025**	*of which current*	**As of 31 December 2024**	*of which current*
Receivables from group companies for tax consolidation	55,781	55,781	41,834	41,834
Receivables from group companies for service recharge	17,967	17,967	9,561	9,561
Accrued income and prepayments	8,511	3,817	9,288	3,874
Tax receivables	790	790	1,399	1,370
Guarantee deposits	82	82	23	-
Other receivables	-	-	6	6
Total	**83,131**	**78,437**	**62,111**	**56,645**

The table below shows the detail of the receivables from the Lottomatica Group companies:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Receivables from GBO Italy	36,703	33,120
Receivables from Betflag	15,279	9,572
Receivables from PWO (formerly SKS365 Malta Limited)	5,624	31
Receivables from Lottomatica Videolot Rete	5,370	1,287
Receivables from Gamenet	2,731	1,457
Receivables from Big Easy	2,409	1,821
Receivables from Rete Gioco Italia	1,064	-
Receivables from Lottomatica Gaming (formerly GGM)	999	815
Receivables from Ricreativo B	934	1,118
Receivables from Big Easy Bingo	553	196
Receivables from Jolly Group	485	426
Receivables from Giocaonline	445	385
Receivables from GBO	400	400
Receivables from Marim	250	221
Receivables from Gnetwork	199	62
Receivables from Billions Italia	178	291
Receivables from Agesoft	78	49
Receivables from Ares	46	5
Receivables from Tecnomar	1	3
Receivables from Gamenet PRO *	-	100
Receivables from Lottomatica Digital Solutions **	-	36
Total	**73,748**	**51,395**

*Liquidated company.
** Merged company into GBO Italy S.p.A..

7.7 Cash and cash equivalents

The following table provides a breakdown of “Cash and cash equivalents”:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Bank deposits	78,144	77,512
Cash on hand	-	6
Total	**78,144**	**77,518**

Reference is made to the Statement of Cash Flows for further details regarding movements during the year in Cash and cash equivalents.

7.8 Equity

Share capital

The Company's share capital amounted to Euro 10,000 thousand as of 31 December 2025 and was divided into 251,630,412 ordinary shares without nominal value (unchanged from 31 December 2024).

Legal Reserve

The “Legal Reserve” amounted to Euro 2,000 thousand as of 31 December 2025 (Euro 10 thousand as of 31 December 2024). The increase was due to the allocation of the profit for the previous year, as resolved by the shareholders’ meeting held on 30 April 2025.

Share Premium Reserve

The share premium reserve amounts to Euro 368,408 thousand as of 31 December 2025 (unchanged from 31 December 2024). This reserve was generated by the capital increase carried out at the time of the Company’s listing on 3 May 2023. It should be noted that the share premium reserve is recognised net of placement fees and other costs related to the above mentioned capital increase, as well as of the related tax effect.

Treasury shares reserve

The treasury shares reserve, presented as a deduction from equity, amounted to Euro 298,724 thousand as at 31 December 2025, net of the tax effect relating to the transaction costs incurred.

Treasury shares

On 6 May 2025, the Company’s Board of Directors resolved to initiate a share buyback program, as authorized by the Shareholders' Meeting held on 30 April 2025. The program is aimed at acquiring shares in order to remunerate the shareholders, meet the commitments deriving from the share-based incentive plans or financing potential acquisition opportunities. For further details please see Note 10.3 to the Consolidated Financial Statements.

As of 31 December 2025, the Company held 13,595,712 treasury shares, equal to 5.403% of the outstanding ordinary shares, for a total amount of Euro 298,724 thousand (net of the tax effect on the transaction costs incurred), recognised as a reduction in the equity.

Capital contribution reserve

“Capital contribution reserve” amounted to Euro 96,538 thousand as of 31 December 2025 (unchanged from 31 December 2024).

Equity also included:

- "Stock option reserve" related to the application of IFRS 2, for Euro 5,539 thousand as of 31 December 2025 (Euro 1,736 thousand as of 31 December 2024);
- "Actuarial gain/losses reserves" related to the application of IAS 19, positive for Euro 213 thousand as of 31 December 2025 (positive for Euro 128 thousand as of 31 December 2024);
- "Gains and losses on hedging derivatives reserves" related to the application of IFRS 9, negative for Euro 3,450 thousand as of 31 December 2025 (negative for Euro 8,669 thousand as of 31 December 2024).

During 2025, the Company distributed dividends of Euro 75.5 million (Euro 0.30 per share) following the resolution of the shareholders' meeting held on 30 April 2025.The following table provides, for each equity component, information about its origin, possibility of use and distribution use, as well as their utilization over the last three years.

(In thousands of Euro)	As of 31 December 2025	Origin	Possible utilization	Distributable share	Utilization over previous three years
Share capital	10,000				
Legal reserve	2,000	Capital	B		-
Share premium reserve	368,408	Capital	A;B;C	368,408	65,424
Treasury shares reserve	(298,724)	Capital			-
Capital contribution reserve	96,538	Capital	A;B;C	96,538	-
Stock option reserve	5,539	Earnings	B		-
Gains and (losses) on hedging derivatives reserves	(3,450)	Earnings	B		-
Actuarial gain/losses reserves	213	Earnings	B		-
Total other reserve	**170,524**				
Retained Earnings/ (Losses)	237,339	Earnings	A;B;C	237,339	75,489
Undistributable amount				(298,724)	-
Total	**417,863**			**403,561**	**140,913**

Legend:
A - for share capital increase
B - to cover losses
C - for distribution to shareholders

The distributable share of reserves has been determined taking into account any share that must be allocated to cover negative reserves.

7.9 Employee benefit liabilities

The following table provides a breakdown of “Employee benefit liabilities”:

(In thousands of Euro)	
Employee benefit liabilities	**Total**
Balance as of 31 December 2023	**300**
Merger contribution	2,967
Service cost	22
Interest cost	107
Advances and benefits paid	(117)
Actuarial gains/(losses)	(59)
Balance as of 31 December 2024	**3,220**
Service cost	502
Interest cost	114
Advances and benefits paid	(307)
Actuarial gains/(losses)	(113)
Balance as of 31 December 2025	**3,416**

The following tables detail the main financial and demographic assumptions used in the actuarial calculations:

		As of 31 December
Financial assumptions	**2025**	**2024**
Discount rate	3.96%	3.38%
Inflation rate	2.00%	2.00%
Annual TFR increase	3.00%	3.00%
Annual salary increase	Executives 2.50%	Executives 2.50%
	Middle managers 1.00%	Middle managers 1.00%
	White collar 1.00%	White collar 1.00%
	Blue collar 1.00%	Blue collar 1.00%

Demographic assumptions	
Mortality rate	ISTAT 2022
Disability	INPS (social security) tables by age and gender
Retirement	100% on reaching AGO requirements
Annual turnover and frequency of advance payments	
Frequency of advance payments	0.50%
Turnover rate	10.00%

The following table shows the results of sensitivity analyses performed for each actuarial assumption, highlighting the effects (in absolute terms) that would have occurred upon reasonable possible changes, as of 31 December 2025, in actuarial assumptions:

(In thousands of Euro)	
Change in assumption	**Amount**
Turnover rate +1.00%	3,432
Turnover rate -1.00%	3,397
Inflation rate +0.25%	3,460
Inflation rate -0.25%	3,373
Discount rate +0.25%	3,361
Discount rate -0.25%	3,472

The average financial duration of the obligation as of 31 December 2025 was 10.5 years. The following table provides a summary overview of expected plan disbursements:

Expected disbursements	
Years	*(In thousands of Euro)*
1	511
2	440
3	472
4	470
5	478

7.10 Current and non-current financial liabilities

The following table provides a breakdown of “Current and non-current financial liabilities”:

		As of 31 December
(In thousands of Euro)	**2025**	**2024**
Senior secured notes	1,979,460	1,934,091
Financial liabilities to group companies	742,211	654,873
Accrued interest on senior secured notes	12,261	8,714
Interest Rate Swap liabilities	6,610	13,147
Payables for leasing	1,030	-
Other financial payables	173,422	-
Total	**2,914,994**	**2,610,825**

“Senior secured notes” related to senior secured notes issued on 29 May 2024 and on 13 May 2025 for principal amounts of Euro 900,000 thousand and Euro 1,100,000 thousand respectively, recognized at amortized cost. Transaction costs incurred for the main part included professional fees related to the

issuance of the aforementioned notes. During 2025, the Company early repaid the December 2023 Notes and the June 2023 Notes (as defined below), plus accrued interest.

“Interest Rate Swap liabilities” mainly related to the fair value of the derivative contracts of a total notional amount of Euro 400,000 thousand to hedge the risk linked to a potential change in the interest rate of the floating rate portion of the May 2024 Notes (as defined below). The total fair value is a negative amount of Euro 5,694 thousand as of 31 December 2025.

“Payables for leasing” related to the lease liabilities representing the present value of the remaining lease payments as of 31 December 2025, including accrued finance expenses and charges contractually provided for as of such date. For further details see Note 7.3 above.

"Financial liabilities to group companies" refers to payables for the balances transferred daily by subsidiaries to Lottomatica Group under the centralized treasury system (i.e., cash pooling).

“Other financial payables” mainly included the liability for the share buyback.

The following table provides a breakdown of financial liabilities with the Lottomatica group companies:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Financial liabilities to GBO Italy for cash pooling	257,135	205,987
Financial liabilities to PWO (formerly SKS365 Malta Limited) for cash pooling	144,222	137,657
Financial liabilities to Betflag for cash pooling	127,289	92,975
Financial liabilities to Lottomatica Videolot Rete for cash pooling	90,394	115,073
Financial liabilities to Gamenet for cash pooling	68,242	50,822
Financial liabilities to Big Easy for cash pooling	19,522	-
Financial liabilities to Jolly Group for cash pooling	7,165	5,733
Financial liabilities to Lottomatica Gaming (formerly GGM) for cash pooling	7,006	25,604
Financial liabilities to Rete Gioco Italia for cash pooling	5,245	3,040
Financial liabilities to Ricreativo B for cash pooling	4,633	2,582
Financial liabilities to Totosì (formerly Macao Phygital) for cash pooling	3,191	5,937
Financial liabilities to Billions for cash pooling	3,045	3,772
Financial liabilities to Distante for cash pooling	2,832	-
Financial liabilities to Agesoft for cash pooling	653	468
Financial liabilities to Gnetwork for cash pooling	581	3,616
Financial liabilities to Giocaonline for cash pooling	562	220
Financial liabilities to Big Easy Bingo (formerly Battistini Andrea) for cash pooling	454	576
Financial liabilities to Ares for cash pooling	39	-
Financial liabilities to Bakoo for cash pooling	1	-
Financial liabilities to Marim for cash pooling	-	592
Financial liabilities to GPRO for cash pooling*	-	146
Financial liabilities to Lottomatica Digital Solution for cash pooling**	-	73
Total	**742,211**	**654,873**

*Liquidated company.

**Merged company into GBO Italy S.p.A..

The following table provides a summary of key information relating to Financial liabilities:

(In thousands of Euro)	**As of 31 December 2025**	*of which current*	**As of 31 December 2024**	*of which current*
Senior secured notes	1,979,460	-	1,934,091	-
Financial liabilities to group companies	742,211	742,211	654,873	654,873
Accrued interest on senior secured notes	12,261	12,261	8,714	8,714
Interest Rate Swap liabilities	6,610	916	13,147	1,740
Payables for leasing	1,030	197	-	-
Other financial payables	173,422	173,422	-	-
Total	**2,914,994**	**929,007**	**2,610,825**	**665,327**

The table below shows the changes in liabilities resulting from financing activities as required by IAS7:

(In thousands of Euro)	**As of 31 December 2024**	**Cash flow from financing activities**	**Non-cash changes**	**As of 31 December 2025**
Senior secured notes	1,934,091	22,298	23,071	1,979,460
Accrued interest on senior secured notes	8,714	(94,111)	97,658	12,261
Interest Rate Swap liabilities	13,147	(17,702)	11,165	6,610
Financial liabilities to group companies	654,873	87,338	-	742,211
Payables for leasing	-	(251)	1,281	1,030
Other financial payables*	-	(223,767)	397,189	173,422
Total	**2,610,825**	**(226,195)**	**530,364**	**2,914,994**
Reconciliation of cash flow from financing activities:				
Other assets and liabilities not included in financial liabilities		(6,820)		
Total		**(233,015)**		

* Cash flows relating to other financial liabilities related to the share buyback and to the payment of dividends and make-whole on senior secured notes repaid.

(In thousands of Euro)	**As of 31 December 2023**	**Merger contribution**	**Cash flow from financing activities**	**Non-cash changes**	**As of 31 December 2024**
Senior secured notes	-	1,917,021	(21,031)	38,101	1,934,091
Accrued interest on senior secured notes	-	22,741	(129,370)	115,343	8,714
Interest Rate Swap liabilities	-	8,937	(22,357)	26,567	13,147
Other financial payables	-	13,713	(98,117)	84,404	-
Financial liabilities to group companies	522,721	-	(121,431)	253,583	654,873
Total	**522,721**	**1,962,412**	**(392,306)**	**517,998**	**2,610,825**
Reconciliation of cash flow from financing activities:					
Other assets and liabilities not included in financial liabilities			(2,224)		
Total			**(394,530)**		

* Cash flows relating to other financial liabilities related to the payment of dividends and make-whole on senior secured notes repaid

7.10.1 May 2025 Notes

On 13 May 2025, Lottomatica Group S.p.A. (the "**Issuer**") issued senior secured notes for a principal amount of Euro 1,100 million (the "**May 2025 Notes**"), bearing interest at a fixed annual rate of 4.875%, to be paid semiannually, commencing on 1 November 2025 and maturing in January 2031. The May 2025 Notes has been admitted to listing on the Euro MTF market, organized and managed by the Luxembourg Stock Exchange, and on the Euronext Access Milan Professional Segment (formerly known as ExtraMOT Pro) of Borsa Italiana S.p.A..

Collateral posted as security in relation to the May 2025 Notes included liens on the following: (i) material bank accounts of the Issuer, (ii) receivables in respect of certain intercompany loans owed to the Issuer, (iii) the entire share capital of GGM S.p.A. (now Lottomatica Gaming S.p.A.) held by the Issuer, and (iv) the entire share capital of GBO S.p.A. held by the Issuer. Ratings as of the issue date of were as follows: BB (S&P) and Ba2 (Moody's).

Proceeds from the May 2025 Notes were used to finance (i) the early repayment of the senior secured notes issued on 14 December 2023 ("**December 2023 Notes**") and the senior secured notes issued on 1 June 2023 (the "**June 2023 Notes**" and together with the December 2023 Notes, the "**2025 Notes Repaid**"), in addition to accrued and unpaid interest; and (ii) the make-whole payment due to early repayment of the June 2023 Notes.

The May 2025 Notes (or a portion thereof) can be reimbursed in advance, in accordance with the contractual provisions.

7.10.2 May 2024 Notes

On 29 May 2024, Lottomatica S.p.A. (merged into the Company during 2024) issued senior secured notes for a total principal of Euro 900 million (the "**May 2024 Notes**"), of which (i) Euro 500 million bearing interest at a fixed annual rate of 5.375%, to be paid semiannually, commencing on 1 December 2024 maturing on 2030, and (ii) Euro 400 million bearing interest equal to the sum of three-month EURIBOR (with a 0% floor) plus 3.250% per annum to be paid quarterly, commencing on 1 September 2024 and maturing on 2031. The May 2024 Notes were admitted to listing on the Euro MTF market organized and managed by the Luxembourg Stock Exchange and the Euronext Access Milan segment (previously known as ExtraMOT) of Borsa Italiana S.p.A..

Collateral posted as security in relation to the May 2024 Notes included liens on the following: (i) material bank accounts of the Company, (ii) receivables in respect of certain material intercompany loans owed to the Company (iii) all of the issued share capital of GGM S.p.A. (now Lottomatica Gaming S.p.A.) held by the Company, and (iv) all of the issued share capital of GBO S.p.A. held by the Company. Ratings as of the issue date were as follows: BB- (S&P) and Ba3 (Moody's).

Proceeds from May 2024 Notes were used, together with the available cash, to finance (i) the early repayment of the senior secured notes issued on 27 September 2022, for a principal amount of Euro 350 million (and the floating rate portion of the senior secured notes issued on 1 June 2023 for a principal amount of Euro 550 million, in addition to accrued and unpaid interest; and (ii) the make-whole payment due to early repayment.

The May 2024 Notes (or a portion thereof) can be reimbursed in advance, in accordance with the contractual provisions.

7.10.3 Revolving credit facility

On 3 May 2023, Lottomatica S.p.A.(merged into the Company in 2024), the lenders party thereto, UniCredit S.p.A., as security agent, inter alia, entered into a revolving credit facility agreement of Euro 350 million in addition to an incremental facility provided by Deutsche Bank S.p.A. of Euro 50 million as a guarantee facility thereunder available for bank guarantees; the revolving credit facility was subsequently increased to Euro 400 million.

On 23 April 2025, the Company entered into an amendment and restatement agreement of the revolving credit facility, which provides for: (i) the extension of the maturity date to three months prior to the due date of any senior secured notes issued by the Company, (ii) a reduction in the interest rate applied, and (iii) an increase in the available amount by an additional Euro 47.25 million, bringing the total amount of the revolving credit facility to Euro 447.25 million (the "**Revolving Credit Facility**").

Interest on the loan is set at Euribor plus a spread. The agreement provides that the spread may be reduced over time in line with variations in the ratio between senior secured indebtedness net of cash and cash equivalents and EBITDA (i.e., the Consolidated Senior Secured Debt Ratio defined in the Revolving Credit Facility agreement) on a consolidated basis, as indicated below:

Consolidated Senior Secured Debt Ratio*	Annual spread
> 2.3:1	2.5
≤ 2.3:1 e > 1.8:1	2.25
≤ 1.8:1 e > 1.3:1	2.0
≤ 1.3:1 e > 0.8:1	1.75
≤ 0.8:1	1.5

* As defined contractually.

The agreement provides that the Consolidated Senior Secured Debt Ratio should be calculated for the first time three calendar quarters after the closing date and subsequently each quarter with regard to the preceding twelve months. The Consolidated Senior Secured Debt Ratio must not exceed 5.22:1 and is not valid if the utilizations do not exceed 40% of the revolving credit facility (the "Test Condition", as defined contractually). The spread to be applied to amounts drawn down under the Revolving Credit Facility is adjusted based on the aforementioned ratio. As of 31 December 2025, the Test Condition is not met as the revolving credit facility was not utilized; the applicable spread in the event of utilizing the Revolving Credit Facility is 2.25%.

Collateral for the Revolving Credit Facility included securities on the following: (i) receivables in respect of certain material intercompany loans in respect of which Lottomatica Group is a creditor (if any); (ii) material bank accounts of the Company; (iii) the shares in GGM S.p.A. (now Lottomatica Gaming S.p.A.) held by the Company; (iv) the shares in GBO S.p.A. held by the Company; (v) the shares in Gamenet S.p.A. held by its shareholder GGM S.p.A. (now Lottomatica Gaming S.p.A.); (vi) the shares in GBO Italy S.p.A. held by its shareholder GBO S.p.A. and (vii) the shares in Lottomatica Videolot Rete S.p.A. held by its shareholder GGM S.p.A. (now Lottomatica Gaming S.p.A.).

In line with normal market practice in such cases, the terms and conditions of the Revolving Credit Facility also require that the Lottomatica Group comply with a series of restrictions regarding its right to undertake certain operations, unless specific restrictive covenants or specific exceptions provided for contractually are complied with.

Right to take on or guarantee further borrowing

Other than in certain exceptional cases, the Lottomatica Group may only take on or guarantee further borrowing if it complies with certain requirements in terms of: a) the Fixed Charge Coverage Ratio or Consolidated Total Debt Ratio (in the case of non-secured debt); b) the Consolidated Senior Secured Debt Ratio in the case of secured debt, as shown below:

a) non-secured debt:

Covenants	Description*	Contractual value
Fixed Charge Coverage Ratio	EBITDA** / Fixed Charge**	>= to 2.0
Or		
Consolidated Total Debt Ratio	Total Indebtedness net of Cash and Cash Equivalents** / EBITDA**	<= to 3.15

* On a consolidated basis.
** As defined contractually.

b) secured debt:

Covenants	Description*	Contractual value
Consolidated Senior Secured Debt Ratio	Senior Secured Total Indebtedness net of Cash and Cash Equivalents** / EBITDA**	<= to 2.90

* On a consolidated basis.
** As defined contractually.

The above ratios must be calculated at the time the Lottomatica Group intends to take on or guarantee further borrowing. The above conditions, however, do not prohibit the Group from taking on certain other specific borrowing set out in the contractual conditions of the Revolving Credit Facility and the senior secured notes issued.

Right to distribute dividends

The terms and conditions of the Revolving Credit Facility and the senior secured notes issued provide that the Group may make certain types of payment, including the distribution of dividends and distribution of reserves to shareholders, solely within certain limits and under certain specific conditions that are defined both for “Restricted Payments” and for “Permitted Payments”.

Ratings

As of the reporting date, the corporate rating assigned to Lottomatica Group S.p.A. by Standard & Poor’s was BB (upgraded on March 21, 2025, from BB-), while the rating assigned by Moody’s was Ba2 (upgraded on April 23, 2025, from Ba3).

The contracts relating to the senior secured notes outstanding as of 31 December 2025 provided that certain of the aforementioned restrictions and covenants no longer apply if the senior secured notes achieve investment grade status, defined as a credit rating of BBB- or higher (S&P) and Baa3 or higher (Moody’s).

7.10.4 Net financial indebtedness

The following is a breakdown of the Company's Net Financial Indebtedness-ESMA as of 31 December 2025 compared with the situation as of 31 December 2024, determined in accordance with Consob Communication DEM/6064293 of 28 July 2006, as amended by Consob Communication No. 5/21 of 29 April 2021 and in accordance with ESMA Recommendations contained in “Guidelines 32-382-1138 of 4 March 2021 on disclosure requirements under the prospectus regulation”.

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
A. Cash	78,144	77,518
B. Cash equivalent	-	-
C. Other current financial assets	171,161	298,585
D. Liquidity (A+B+C)	**249,305**	**376,103**
E. Current financial debt	916,549	656,613
F. Current portion of non-current financial debt	12,458	8,714
G. Current Financial Indebtedness (E+F)	**929,007**	**665,327**
H. Net Current Financial Indebtedness (G-D)	**679,702**	**289,224**
I. Non-current financial debt	6,526	11,407
J. Debt instruments	1,979,460	1,934,091
K. Non-current trade and other payables	-	-
L. Non-Current Financial Indebtedness (I+J+K)	**1,985,986**	**1,945,498**
M. Net Financial Indebtedness - ESMA (H+L)	**2,665,688**	**2,234,722**

Derivative financial instrument and hedge accounting

In order to hedge the risk to possible changes in interest rates on the floating rate portion of the May 2024 Notes, the Company entered into two derivative contracts with UniCredit S.p.A. and Deutsche Bank AG, each for a notional amount of Euro 200 million. These derivative contracts (which are not traded on any official market) hedge the Group from the risk linked to a potential increase in interest rates by exchanging the three-month EURIBOR interest rate with a contractually determined fixed interest rate of (i) 2.754% with quarterly settlement and a termination date of 1 June 2028 for the Unicredit S.p.A. derivative contract and (ii) 2.742% with quarterly settlement and a termination date of 1 June 2028 for the Deutsche Bank AG derivative contract.

The transaction qualifies as a cash flow hedge as it meets the hedge effectiveness requirements set out by IFRS 9.

7.11 Tax receivables and payables

"Tax payables" amounted to Euro 28,855 thousand as of 31 December 2025 (Euro 12,955 thousand as of 31 December 2024), related to the payables due to Italian Tax Authority for IRES as a result of the application of the tax consolidation.

7.12 Trade payables

The following table provides a breakdown of “Trade payables”:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Invoices to be received	8,746	4,630
Trade payables	2,862	3,487
Total	**11,608**	**8,117**

The table below shows the detail of trade payables to Lottomatica Group companies:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Payables due to Gamenet	3	23
Payables due to Agesoft	1	4
Payables due to PWO	-	8
Total	**4**	**35**

7.13 Other current and non-current liabilities

The following table provides a breakdown of “Other current and non-current liabilities”:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Payables to group companies for tax consolidation	8,267	6,197
Payables to employees	4,108	3,942
Accrued expenses and prepayments	3,041	1,520
Payables to INPS	1,715	1,521
Payables to group companies for service recharge	842	775
Other payables to tax authorities	789	1,789
Total	**18,762**	**15,744**

The following table provides a summary of key information relating to “Other current and non-current liabilities”:

(In thousands of Euro)	**As of 31 December 2025**	*of which current*	**As of 31 December 2024**	*of which current*
Payables to group companies for tax consolidation	8,267	8,267	6,197	6,197
Payables to employees	4,108	4,108	3,942	3,942
Accrued expenses and prepayments	3,041	1,188	1,520	1,097
Payables to INPS	1,715	1,628	1,521	1,521
Payables to group companies for service recharge	842	842	775	775
Other payables to tax authorities	789	789	1,789	1,789
Total	**18,762**	**16,822**	**15,744**	**15,321**

The table below shows the detail of other liabilities to Lottomatica Group companies:

	As of 31 December	
(In thousands of Euro)	**2025**	**2024**
Payables due to GBO	5,205	2,664
Payables due to Gamenet	1,890	2,828
Payables due to PWO (formerly SKS365 Malta Limited)	1,248	-
Payables due to Lottomatica Videolot Rete	1,155	1,260
Payables due to Totosì	589	-
Payables due to Marim	489	10
Payables due to GBO Italy	310	329
Payables due to Lottomatica Servizi (formerly Lottomatica Payments)	177	-
Payables due to Ares	156	197
Payables due to Billions	122	-
Payables due to Big Easy Bingo (formerly Battistini Andrea)	94	51
Payables due to Bakoo	73	-
Payables due to Jolly Group	53	-
Payables due to IMA	24	-
Payables due to Tecno-Mar	12	-
Payables due to Gnetwork	8	13
Payables due to Gnet *	-	365
Payables due to Lottomatica Digital Solutions **	-	19
Payables due to Giocaonline	-	9
Payables due to Agesoft	-	4
Payables due to Gamenet PRO	-	4
Total	**11,605**	**7,753**

*Liquidated company.

** Merged company into GBO Italy S.p.A..

8. Transactions with related parties

Lottomatica Group S.p.A. is not subject to management and coordination by companies or entities and defines its general and operational strategic guidelines in full autonomy. Pursuant to art. 2497 bis of the Civil Code, the Italian subsidiaries have identified Lottomatica Group S.p.A. as the entity that exercises management and coordination activity.

Related party transactions are mainly attributable to commercial, administrative and financial relationships. These operations are part of normal business management, within the typical activity of each interested party, and are generally regulated at market conditions.

Transactions between the Company and the "Subsidiaries" mainly related to companies within the Lottomatica Group, to payables and receivables arising from the Group tax consolidation, of which the Company is the consolidating entity, as well as to receivables and payables for corporate services and to the centralized cash pooling, in connection with the Company's role as pooler.

The table below provides a breakdown of the statement of financial position balances with related parties as of 31 December 2025 and 2024:

	As of 31 December 2025				
(In thousands of Euro)	Subsidiaries	Key management personnel	**Total related parties**	**Total reported amount**	**Related party % of total**
Non-current financial assets	975,498	-	**975,498**	**3,026,863**	32.2%
Current financial assets	171,161	-	**171,161**	**171,161**	100.0%
Other current assets	73,748	-	**73,748**	**78,437**	94.0%
Current financial liabilities	742,211	-	**742,211**	**929,007**	79.9%
Current trade payables	4	-	**4**	**11,608**	0.0%
Other non-current liabilities	1,853	-	**1,853**	**1,940**	95.5%
Other current liabilities	9,752	2,774	**12,526**	**16,822**	74.5%

	As of 31 December 2024				
(In thousands of Euro)	Subsidiaries	Key management personnel	**Total related parties**	**Total reported amount**	**Related party % of total**
Non-current financial assets	915,832	-	**915,832**	**2,965,691**	30.9%
Current financial assets	298,585	-	**298,585**	**298,585**	100.0%
Other current assets	51,395	-	**51,395**	**56,645**	90.7%
Current financial liabilities	654,873	-	**654,873**	**665,327**	98.4%
Current trade payables	35	-	**35**	**8,117**	0.4%
Other non-current liabilities	423	-	**423**	**423**	100.0%
Other current liabilities	7,330	2,147	**9,477**	**15,321**	61.9%

The table below provides a breakdown of the income statement balances with related parties for the years ended 31 December 2025 and 2024:

	For the year ended 31 December 2025				
(In thousands of Euro)	Subsidiaries	Key management personnel	**Total related parties**	**Total reported amount**	**% of total**
Dividends from subsidiaries	120,000	-	**120,000**	**120,000**	100.0%
Financial income	60,750	-	**60,750**	**63,857**	95.1%
Finance expenses	(4,060)	-	**(4,060)**	**(172,256)**	2.4%
Other income	36,479	-	**36,479**	**36,485**	100.0%
Cost of services	(1,651)	-	**(1,651)**	**(21,476)**	7.7%
Personnel expenses	-	(7,829)	**(7,829)**	**(27,123)**	28.9%

	For the year ended 31 December 2024				
(In thousands of Euro)	Subsidiaries	Key management personnel	**Total related parties**	**Total reported amount**	**% of total**
Dividends from subsidiaries	448,249	-	**448,249**	**448,249**	100.0%
Financial income	56,631	-	**56,631**	**65,468**	86.5%
Finance expenses	(3,263)	-	**(3,263)**	**(201,476)**	1.6%
Other income	27,674	-	**27,674**	**27,700**	99.9%
Cost of services	(2,453)	-	**(2,453)**	**(20,409)**	12.0%
Personnel expenses	-	(6,105)	**(5,544)**	**(23,808)**	23.3%

Key management personnel

The following table provides a breakdown of the remuneration attributable to Company's key management personnel for the years ended 31 December 2025 and 2024.

	For the year ended 31 December	
(In thousands of Euro)	**2025**	**2024**
Remuneration	3,937	3,555
Bonus una tantum	1,658	1,362
Social security contributions	399	380
Severance indemnity	272	247
Share based payment	1,563	561
Total	**7,829**	**6,105**

9. Other information

9.1 Commitments and guarantees and contingent liabilities

9.1.1 Guarantees granted in favor of third parties

For details regarding guarantees relating to the senior secured notes, see Note 7.10 above.

9.1.2 Commitments and contingent liabilities

With regard to commitments and contingent liabilities, we are not aware of the existence of further disputes or proceedings that could have a material effect on the Company's economic and financial position.

9.2 Compensation to directors and statutory auditors

The remuneration due to Directors amounted to Euro 965 thousand for the year ended 31 December 2025 and Euro 1,008 thousand for the year ended 31 December 2024.

The remuneration due to Statutory Auditors, for the function performed in the Company, amounted to Euro 241 thousand for the year ended 31 December 2025 (Euro 355 thousand for the year ended 31 December 2024).

The remuneration includes emoluments and any other sum having a remunerative, social security and welfare nature due for the performance of the function of director or statutory auditor in the Company.

9.3 Compensation to the independent auditor

The following table, drawn up pursuant to art. 149-duodecies of the Issuers Regulation, shows the breakdown of the services provided by the audit firm for the year ended 31 December 2025:

(In thousands of Euro)

Service	Subject who provided the service	2025 Fees
Audit of financial statement	PwC S.p.A.	718
Other services *	PwC S.p.A.	919
Total		**1,637**

* The item also includes costs related to the activities for the Group's refinancing operations and the review of the consolidated sustainability statement.

9.4 Significant non-recurring events and transactions

As required by Consob Communication DEM/6064293 dated 28 July 2006 and in accordance with the ESMA Guidelines/2015/1415, the effects of non-recurring events and transactions on profit or loss are detailed below:

(In millions of Euro)	For the year ended 31 December 2025	Profit before tax	Financial Position
2025 Refinancing			
Underwriting fees and consultants / advisors	(13.4)		✓
Make-whole on 2025 Notes Repaid	(21.0)	✓	
Effect of acceleration of the unamortized costs and net charge IRS on 2025 Notes Repaid	(26.3)	✓	
Arrangement fees on revolving credit facility amendment (over five years)	(0.6)	✓	
Total (A)	**(61.3)**	**(47.9)**	**(13.4)**
Other non-recurring finance expenses			
Other non-recurring finance expenses	(0.4)	✓	
Total (B)	**(0.4)**	**(0.4)**	**-**
Costs not included in Adjusted EBITDA			
Cost related to M&A and international activities	(3.6)	✓	
Other non-recurring expense	(9.4)	✓	
Total (C)	**(13.0)**	**(13.0)**	**-**
Total (A+B+C)	**(74.7)**	**(61.3)**	**(13.4)**

(In millions of Euro)	For the year ended 31 December 2024	Result before tax	Financial Position
Acquisition of SKS365			
Negative carry (including net income from IRS)	(4.2)	✓	
Total (A)	**(4.2)**	**(4.2)**	**-**
2024 Refinancing			
Underwriting fees and advisors	(10.9)		✓
Make-whole on 2024 Notes Repaid	(26.4)	✓	
Effect of acceleration of the unamortized costs and net charge IRS on 2024 Notes Repaid	(21.7)	✓	
Total (B)	**(59.0)**	**(26.4)**	**(10.9)**
Costs not included in Adjusted EBITDA			
Cost related to M&A and international activities	(3.6)	✓	
Integration costs	(0.6)	✓	
Other non-recurring expense	(3.2)	✓	
Total (C)	**(7.4)**	**(7.4)**	**-**
Total (A+B+C)	**(66.4)**	**(33.8)**	**(10.9)**

9.5 Atypical/unusual transactions

In accordance with Consob Communication DEM/6064293 of 28 July 2006, the Company did not carry out any atypical and/or unusual transactions during the year.

9.6 Disclosure of public grants and contributions

With regard to the provisions of art. 1, paragraph 125, of Law 124/2017, regarding the obligation to highlight in the notes to the financial statements the amounts received during the year as public contributions, paid assignments and economic benefits of any kind from public administrations and the entities referred to in paragraph 125 of the same article, it is noted that the Company did not receive any public contributions in 2025.

10. Significant events for the year

10.1 Rating Bond

On 21 March 2025, Standard & Poor's upgraded the Company's corporate rating from BB- to BB and on 23 April 2025, Moody's upgraded the Company's corporate rating from Ba3 to Ba2.

10.2 2025 Refinancing and amendment to the terms of the existing revolving credit facility

As described in Note 7.10.1, on 13 May 2025, Lottomatica Group S.p.A. issued the May 2025 Notes for a principal amount of Euro 1,100 million.

Proceeds from the May 2025 Notes were used to finance the early repayment of the fixed rate senior secured notes maturing in 2028 and the floating rate senior secured notes maturing in 2030, issued by Lottomatica S.p.A. (merged into the Company in 2024) on 1 June 2023 and 14 December 2023 respectively, in addition to accrued and unpaid interest and the make-whole payment due to early repayment.

Furthermore, on 23 April 2025, the Company entered into an amendment and restatement agreement with all relevant lenders to modify the existing revolving credit facility, which includes (i) an extension of the maturity date of the credit line, (ii) a reduction in the interest rate, and (iii) an upsizes of the commitments available thereunder.

10.3 Launch of share buyback program

As per the authorization granted by the Shareholders' Meeting of the Company held on 30 April 2025 and the resolution adopted by the Board of Directors on 6 May 2025, the Company announced the launch, effective from 18 June 2025, of its share buyback program (the "**Programme**"). In particular, the Programme is aimed at acquiring shares in order to remunerate the shareholders and meet the commitments deriving from the share incentive plans in place from time to time, it being understood that, should opportunities arise to realize potential acquisitions or other projects that can provide attractive returns for the Company that require the use of the Company's cash, the buy-back programme may be interrupted or reduced.

The maximum number of treasury shares to be purchased, in one or more tranches, in any case will not exceed 25 million ordinary shares of the Company, with no par value, in total equal to approximately 10% of the share capital. The maximum potential outflow for the purchase of treasury shares under the Programme is around Euro 500 million (of which Euro 300 million had already been incurred as of 31 December 2025 and approximately Euro 200 million is expected to be incurred in 2026).

The purchase transactions will be carried out in compliance with the principle of equal treatment of shareholders provided for in Article 132 of the Italian Legislative Decree no. 58 of 24 February 1998, as amended (the "TUF"), in the manner set forth in Article 144-bis, paragraph 1, letters b), c), d), d-ter), and paragraph 1-bis, of the Issuers' Regulation, and in accordance with Article 5 of the MAR Regulation. In accordance with Article 2357, paragraph 1, of the Italian Civil Code, the purchase of treasury shares must in any case be carried out within the limits of distributable profits and available reserves resulting from the latest approved financial statements at the time each transaction is carried out.

The treasury shares shall be purchased under the price conditions specified in Art. 3, paragraph 2, of Delegated Regulation 2016/1052/EU. In any case, purchases shall be made at a price that does not diverge downwards or upwards by more than 20% from the official price registered by the Company's shares in the trading session of Euronext Milan on the day prior to the execution of each individual purchase transaction, and in any case at a price that is not higher than the higher price between the price of the latest independent transaction and the price of the highest current independent offer on the trading venue where the purchase is made. The number of shares purchased each day shall not exceed the 25% of the average daily volume of the Company's shares traded in the trading venue where the purchase is made, calculated based on the average daily trading volume in the 20 trading days prior to the purchase date. The duration of the Programme has been established in a period of maximum 18 months.

10.4 Disposal of shares by Gamma Intermediate S.à r.l.

On 17 June 2025, Gamma Intermediate S.à r.l. completed the disposal of its entire stake in Lottomatica Group S.p.A., equal to 21.3% of the share capital, through a private placement.

10.5 Inclusion in the STOXX Europe 600 Stock Index

On 23 June 2025, the Company became part of the STOXX Europe 600 index (SXXP). The STOXX Europe 600 is a stock index comprising 600 top European companies, representing an extensive and diversified coverage of different industries within Europe's developed economies, and is published by STOXX Limited.

10.6 Inclusion in the FTSE MIB Index

Effective from 22 September 2025., the Company became part of the FTSE MIB Index, which includes the top 40 Italian companies by market capitalization and stock liquidity.

11. Significant events occurred after 31 December 2025

11.1 Contribution of Business Unit to subsidiary Totosì Servizi S.r.l.

As part of the internal reorganization of the Lottomatica Group, the Company initiated the transfer of its technology division to its subsidiary Totosì Servizi S.r.l., through the subscription of a capital increase to be paid in kind by contributing the business unit. In connection with the transaction, the subsidiary is renamed “Lottomatica Technology & Operations S.r.l.”. The transaction is effective from 1 February 2026.

The transaction is part of a project to streamline governance and intragroup services, aimed at creating a specialized hub for the management and delivery of technological services within the Lottomatica Group.

12. Proposal in relation to the allocation of the net result for the year

The net profit for the year ended 31 December 2025, amounting to Euro 5,353,595, is proposed to be allocated to retained earnings.

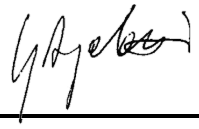
It is also proposed to the Shareholders’ Meeting to allocate an amount of up to Euro 110,717,381, drawn from the retained earnings, to cover the dividend proposed to be distributed to shareholders of Euro 0.44 per each ordinary share outstanding as of the ex-dividend date of 18 May 2026 (net of any treasury shares held on the record date of 19 May 2026, pursuant to Article 83-terdecies of TUF). The dividend will be payable on 20 May 2026, gross of any applicable withholding taxes.

The dividend proposed to be paid has been calculated, consistently with the Company’s dividend policy, as 30% of consolidated Adjusted Net Profit, taking into account the number of shares issued by the Company as of today, equal to 251,630,412, including the treasury shares currently held by the Company.

Rome, 2 March 2026

Chief Executive Officer

Guglielmo Angelozzi



Certification of the separate financial statements pursuant to art. 81-ter of Consob Regulation No. 11971 of 14 May 1999 and subsequent amendments and additions

1. The undersigned Guglielmo Angelozzi, Chief Executive Officer of Lottomatica Group S.p.A., and Laurence Van Lancker, as executive officer responsible for the preparation of corporate and accounting documents, hereby certify, also taking into account the provisions of art. 154-bis, paragraphs 3 and 4 of the Legislative Decree no 58 of 24 February 1998:

- their adequacy with respect to the company, and
- the effective application of the administrative and accounting procedures for the preparation of the separate financial statements as of and for the year ended 31 December 2025.

2. No significant aspects arose from applying the administrative and accounting procedures for the preparation of the separate financial statements as of and for the year ending 31 December 2025.

3. We also certified that:

- the separate financial statements as of and for the year ended 31 December 2025:
  - have been prepared in accordance with the international accounting standards as endorsed by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
  - are consistent with the information contained in the accounting ledgers and records;
  - are suitable for providing a true and fair representation of the equity, financial and economic position of the issuer.

Rome, 2 March 2026

Chief Executive Officer	Executive Officer responsible for the preparation of corporate accounting information
Guglielmo Angelozzi	Laurence Van Lancker

Report of the Board of Statutory Auditors to the Shareholders' Meeting of Lottomatica Group S.p.A. pursuant to Article 153 of Legislative Decree No. 58/1998 and Article 2429, paragraph 2, of the Italian Civil Code

Dear Shareholders,

during the financial year ended 31 December 2025, the Board of Statutory Auditors performed the oversight activities required by law, the Articles of Association, Consob regulations on corporate controls, and the provisions issued by the supervisory and regulatory Authorities, in accordance with the principles set out in the Code of Conduct for the Board of Statutory Auditors of listed companies recommended by the National Council of Chartered Accountants and Accounting Experts (the "Code of Conduct", last updated in December 2024), and the guidelines contained in the Corporate Governance Code promoted by Borsa Italiana S.p.A., which the Company has stated it complies with.

Furthermore, as Lottomatica Group S.p.A. (*"Lottomatica* Group" or the "Company") has adopted the traditional governance model, the Board of Statutory Auditors also acts as the Internal Control and Audit Committee, which is responsible for additional specific control and monitoring functions relating to financial reporting and sustainability, as provided for in Article 19 of Legislative Decree No. 39/2010, as amended by Legislative Decree No. 135/2016 ("Decree") and by Legislative Decree No. 125/2024, which transposed Directive 2022/2464/EU ("CSRD") into Italian law.

The current Board of Statutory Auditors was appointed by the Shareholders' Meeting held on 15 March 2023 in accordance with the applicable legal, regulatory and statutory provisions, and its term of office ends with the Shareholders' meeting to approve the financial statements covered by this Report.

The members of the Board of Statutory Auditors have complied with the limit on the number of offices provided for in Article *111-terdiecis* of the Issuers' Regulations.

It is hereby acknowledged that the composition of the current Board of Statutory Auditors complies with the provisions on diversity, including gender diversity, set out in Article 148, paragraph *1-bis*, of Legislative Decree 58/1998, as amended by Article 1, paragraph 202, Law No. 160 of 27 December 2019, and applied pursuant to Article 1, paragraph 304, of the same Law, as well as in accordance with the provisions of Consob Communication No. 1/20 of 30 January 2020.

The statutory audit of the Company's accounts is carried out by the audit firm PricewaterhouseCoopers SpA (hereinafter: the audit firm), for a term of nine financial years, as resolved by the Shareholders' Meeting on 27 February 2023.

That being said, the Board of Statutory Auditors hereby issues the following report ("Report").

Supervision of compliance with laws, regulations and the Articles of Association, and of the adequacy of the organizational structure

During 2025:

- we monitored compliance with the law and the Articles of Association, including the provisions of Legislative Decree No. 24/2023 on whistleblowing*;*
- we monitored compliance with sound management principles and the conformity of management decisions with criteria of business rationale;
- we attended meetings of the Board of Directors and the Board Committees, which were held in accordance with the Articles of Association and legislative provisions governing their functioning; we can therefore reasonably believe that the

resolutions passed are in compliance with the law and the Articles of Association and are not manifestly imprudent, reckless, in potential conflict of interest or such as to compromise the integrity of the Company's assets;

- during the various Board of Directors' meetings, we obtained information on the general performance of operations and their foreseeable development, as well as on the most significant transactions carried out by the Company. This information is set out in the Management Report, to which reference should be made;
- we have verified that the Management Report (*Relazione degli Amministratori sulla gestione*) for the 2025 financial year complies with current legislation, as well as being consistent with the resolutions adopted by the Board of Directors and with the facts set out in the separate and consolidated financial statements;
- we have verified the inclusion in the Management Report of the Consolidated Sustainability Report, in accordance with Legislative Decree 125/2024;
- we exchanged information with the Supervisory Body (including through the analysis of periodic reports) regarding the provisions *of* Legislative Decree No. 231/01;
- we have taken note of the contents of the consolidated half-yearly financial report, without it being necessary to make any observations, and have verified that it has been published in accordance with the procedures laid down by law;
- we monitored compliance with disclosure obligations regarding regulated, inside or supervisory authority-requested information, verifying that each body and function of the Company had fulfilled the disclosure obligations set out in the applicable legislation;
- we have monitored, by gathering information from the relevant departments, the civil, administrative and criminal disputes in which the Company is involved;
- we have monitored the Company's organisational structure and its suitability in relation to the size, complexity and characteristics of the Lottomatica Group, as well as the nature and pursuit of the Company's corporate purpose;
- we verified that, pursuant to and for the purposes of Article 1, paragraph 857, of Law 207/2024, the Company did not receive any significant public contributions during the 2025 financial year.

During the course of the oversight activities described above, no omissions, reprehensible acts or irregularities emerged that need to be mentioned in this Report.

Oversight activities regarding the adequacy of the internal control and risk management system

The Board of Statutory Auditors monitored the adequacy and functioning of the internal control and risk management system, as supplemented by the management of ESG, tax and cybersecurity risks, through:

- the assessment by the Board of Directors of the adequacy of the Company's organizational, administrative and accounting structure, with particular reference to the internal control and risk management system, including, amongst other things, the exchange of information pursuant to Article 2381, paragraph 3, of the Italian Civil Code;
- the examination of the reports of the Manager Responsible for the Preparation of Corporate Financial Statements pursuant to Article 154-bis of the Consolidated Law on Finance;
- periodic meetings and the review of the Annual Report of the Head of the *Internal Audit* function, which highlights the adequacy of the internal control system in relation to current legislation and the recommendations contained in the *Corporate Governance* Code;
- participation in meetings of (and the exchange of information with) the Control and Risk Committee;
- regular meetings and the review of the Report of the Supervisory Body pursuant *to* Legislative Decree 231/2001;

- reviewing the additional report of the external auditors, issued pursuant to Article 11 of European Regulation No. 537 of 16 April 2014 ("Regulation");
- obtaining information from the heads of the respective company departments.

The Company has adopted the Organizational Model required by Legislative Decree 231/01, of which the Code of Ethics forms an integral part, aimed at preventing the commission of offences relevant under the Decree and, consequently, the imposition of administrative liability on the Company. The Supervisory Body pursuant *to* Legislative Decree 231/01 currently in office was appointed by resolution of the Board of Directors on 27 February 2023. The Body comprises two external professionals and one internal member. It is noted that the Company has a procedure for the "management of whistleblowing reports" updated in line with the provisions of the whistleblowing regulations, as well as a Group Anti-bribery & Corruption Policy and Guidelines. During 2025, training activities continued on Model 231, the Group Code of Ethics, reporting processes and the Anti-bribery & Corruption policy.

The Board of Statutory Auditors, with reference to the group headed by the Company, noted the presence of tools to safeguard strategic, operational, compliance and risk control objectives, including a structured and periodic system of planning, management control and reporting, a financial risk governance structure, a corporate risk management system (including ESG, tax and cybersecurity risks) in accordance with the principles of enterprise risk management (ERM), as well as the accounting control model pursuant to Law 262/2005 on financial reporting. The structural and operational characteristics of these systems and models are described in the Report on Corporate Governance and Ownership Structure.

It should also be noted that the Company has a Personal Data Protection Management System, in accordance with the provisions of the law.

The Company adopted a procedure for the management of corporate information, known as *the "Policy for managing dialogue with shareholders and the financial community*".

During 2024, the Company implemented the "*System for the identification, measurement, management and control of tax risk*", as approved by the Board of Directors on 5 December 2023, and also appointed the *Tax Risk Management* Committee, a body comprising internal and external experts established to verify the correct and effective application of the Tax Control Framework. During 2025, with a view to enhancing transparency towards the Italian tax authorities, the Group initiated a process to further refine its integrated internal tax risk control system and to promote the accession of the main companies within the scope of the TCF perimeter to the Collaborative Compliance regime, introduced by Legislative Decree No. 128 of 5 August 2015.

Following the work carried out, no situations or critical issues emerged that would lead to the conclusion that the Company's internal control and risk management system, taken as a whole, is inadequate.

Oversight of the adequacy of the administrative and accounting system

Without prejudice to the Board of Directors' responsibility for structuring the financial reporting process, the Board of Statutory Auditors – also in its capacity as the Internal Control and Audit Committee – monitored the adequacy of the administrative and accounting system, as well as its reliability in accurately representing management transactions. In order to carry out this activity, the Board engaged in regular exchanges of information with the external auditors and with the relevant bodies of the Company; it established information flows with the supervisory bodies of the subsidiaries, in accordance with Article 151, paragraph 2, of the Consolidated Law on Finance (TUF), and also obtained the respective annual reports to the shareholders' meeting and the reports of the respective auditors for the relevant Group companies.

The Board also obtained the additional report referred to in Article 11 of EU Regulation 537/2014; no issues requiring mention in this Report emerged from its review.

The Manager Responsible for the Preparation of Corporate Financial Statements has been assigned the functions established by law and provided with adequate powers and resources to carry out the relevant duties.

The preparation of the financial statements, both statutory and consolidated, is governed by the Group's accounting principles manual and by the other administrative and accounting procedures forming part of the Model pursuant to Law. n. 262/2005.

The Board of Statutory Auditors has also been provided with evidence of the process enabling the Manager Responsible for the Preparation of Corporate Financial Statements and the Director in charge to issue the certifications required by Article *154-bis* of the Consolidated Law on Finance, in order to oversee the financial reporting process, as well as the effectiveness of the internal control and risk management systems, with regard to financial reporting, without thereby compromising their independence (pursuant to Article 19 of the Decree).

With specific regard to the 2025 financial statements, the Board of Statutory Auditors verified (i) the correctness of the process by which the separate and consolidated financial statements as of 31 December 2025 were prepared and (ii) the Directors' compliance with the procedural rules relating to the preparation, filing and publication of the financial statements, without noting any matter of concern.

It should also be noted that, in the context of the exchange of information with the Control and Risk Committee regarding the assessment of the correct application of accounting standards (and, at group level, the assessment of their consistency for the purposes of preparing the consolidated financial statements), no significant issues arose.

With regard to *the impairment test*, the Board of Statutory Auditors also noted the Board of Directors' approval of the so-called *impairment test* procedure, designed to govern the methods for assessing the recoverability of assets recognized in the financial statements. In this regard, the Board of Statutory Auditors monitored the Board of Directors' adoption of this procedure, as well as the results of the assessments carried out by both management and an independent external expert (who also verified the consistency and reliability of the forecasts underlying the impairment test), which confirmed the recoverability of the assets subject *to the impairment test*. In this regard, the Board also consulted with the external auditors and attended meetings of the Control and Risk Committee.

The outcome of the work carried out showed that, overall, the Company's administrative and accounting system is adequate in terms of the reliability of financial reporting, the effectiveness and efficiency of its operations, and compliance with laws and regulations. No particular situations or critical issues requiring mention have emerged.

Relations with the Audit Firm

In accordance with the provisions of Article 19 of Legislative Decree No. 39/2010, the Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee, performed the oversight activities over the external auditors within the limits set out in the applicable regulations.

To this end, we held regular meetings with representatives of the audit firm, in accordance with Article 150(3) of the Consolidated Law on Finance, during which no findings of such significance emerged as to require inclusion in this report.

We monitored the independence of the audit firm, having, *inter alia*, received on 17 March 2026 specific written confirmation from PWC itself regarding its independence (in

accordance with Article 6, paragraph 2, lett. a, of the Regulation). In this regard, we have also monitored the nature and extent of services other than the main audit engagement provided to the Company and other group companies by PWC and entities belonging to its *network*, the fees for which are disclosed in the notes to the Company's financial statements (for a total amount, at Group level, including activities related to the aforementioned refinancing transactions, totalling €3,570 thousand, including audit fees).

With specific regard to the provisions of Article 11 of the Regulation, the audit firm submitted on 17 March 2026 to the Board of Statutory Auditors, with reference to the financial year 2025, the "additional report" on the results of the audit carried out, from which no significant difficulties encountered during the audit itself, nor significant weaknesses in the internal control system in relation to the financial reporting process, emerge. The Board of Statutory Auditors will, in accordance with the law, in turn forward this report to the Board of Directors.

On 17 March 2026, the audit firm issued its reports pursuant to Article 14 of Legislative Decree No. 39/2010 and Article 10 of Regulation (EU) No. 537/2014, in relation to the separate and consolidated financial statements as of 31 December 2025. In its reports, the audit firm:

- issued an opinion stating that the separate and consolidated financial statements give a true and fair view of the financial position of the Company and the Group as at 31 December 2025, of the financial performance and cash flows for the financial year ended on that date in accordance with the IFRS adopted by the European Union, as well as the provisions issued pursuant to Article 9 of Legislative Decree 38/05;
- issued an opinion on the compliance of the separate and consolidated financial statements with the provisions of Regulation (EU) 2019/815 ("ESEF Regulation");
- issued an opinion on the consistency of the Management Report and certain specific information contained in the Report on Corporate Governance and Ownership Structure referred to in Article 123-bis, paragraph 4, of the Consolidated Law on Finance, with the separate and consolidated financial statements;
- issued an opinion on the consistency of the Management Report and certain specific information contained in the Report on Corporate Governance and Ownership Structure referred to in Article 123-bis, with the provisions of the law;

On 17 March 2026, the audit firm issued the report on the limited review of the consolidated sustainability report, pursuant to Article 14-bis of Legislative Decree No. 39/2010 and Article 8 of Legislative Decree No. 125 of 6 September 2024.

Oversight of the implementation of corporate governance rules

The Board of Statutory Auditors operates within a framework of integrated *governance* and internal information flows. In this context, we have taken note of the information provided in the Report on Corporate Governance and Ownership Structure, approved by the Board of Directors at its meeting on 2 March 2026, which has been drawn up in accordance with the law and in respect of which the related disclosure obligations have been fulfilled.

We have also monitored the implementation of the Corporate Governance Code ("Code") to which the Company adheres, verifying the overall compliance and effective implementation of the Lottomatica Group's corporate governance system with the recommendations set out in that Code.

With regard to the procedure followed by the Board of Directors for the purpose of verifying the independence of its directors, the Board of Statutory Auditors carried out the assessments falling within its remit, noting the correct application of the criteria and procedures for ascertaining the independence requirements set out in the law and the Corporate Governance Code, and compliance with the requirements regarding the composition of the Board of Directors as a whole. It is acknowledged that the composition

of the Board of Directors complies with the rules on gender balance, in accordance with the provisions on diversity.

During the financial year, Gamma Intermediate S.à.r.l., a Luxembourg-registered vehicle operating on behalf of Apollo, no longer exercised any form of control or influence over the Company, following the disposal of the entire stake previously held. This resulted in the resignation of four non-independent directors, including the Chairman, and the subsequent appointment by co-optation by the Board of Directors, pursuant to Article 2386 of the Italian Civil Code and Article 13.18 of the Articles of Association, two new executive directors and two new non-executive directors who meet the independence requirements set out in current legislation and the Corporate Governance Code. Subsequently, as the Board appointed the Chief Executive Officer as Chairman, who now combines the two roles, the independent directors proceeded to appoint, on 2 July 2025, the *Lead Independent Director*.

On 10 February 2026, the Board of Directors examined the letter dated 18 December 2025 from the Chairman of the Corporate Governance Committee and the assessments made regarding the recommendations contained therein, which had already been adopted by the Company, without having any particular comments to make in this regard.

During the course of the oversight activities described above, no findings or irregularities worthy of mention in this Report emerged.

The Board of Statutory Auditors also carried out the so-called self-assessment process regarding the requirements of professionalism, competence, integrity and independence of its members as required by applicable legislation. No situations or events arising after the appointment were identified during the aforementioned self-assessment process that could prevent the proper performance of the duties, also taking into account the estimated time required for their effective discharge.

Other controls

The Board of Statutory Auditors also monitored compliance with the obligations relating to legislation on the prevention and suppression of market abuse and public disclosures, with particular reference to the handling of inside information and the procedure for communicating such information outside the Company. In this context, the Board of Statutory Auditors specifically monitored compliance with the provisions of Article 115-bis of the Consolidated Law on Finance (TUF) and the implementing regulations regarding the updating of the Register of persons with access to inside information.

We have also monitored the adequacy and implementation of the instructions issued by the Lottomatica Group to its subsidiaries pursuant to Article 114(2) of the TUF, to ensure that they guarantee the timely fulfilment of the disclosure obligations provided for by law.

During the course of these oversight activities, no findings worthy of mention in this Report emerged.

With regard to the Consob Communication, we report the following:

1. as highlighted in the notes to the financial statements, during the 2025 financial year: (i) no atypical or unusual transactions were carried out with related parties, third parties or intra-group companies; (ii) significant non-recurring transactions were carried out, including: (a) the issue of a senior secured bond for €1,100 million at a fixed annual rate of 4.875%, used for the early redemption of the fixed-rate senior secured bonds maturing in 2028 and the floating-rate senior secured bonds maturing in 2030, totalling €1,065 million, in addition to the payment of accrued but unpaid interest and the make-whole payment resulting from the early redemption amounting to €21 million; (b) following authorization granted by the Shareholders'

Meeting on 30 April 2025 and by the Board of Directors on 6 May 2025, the Company launched a share buy-back programme, under which approximately €300 million was spent during the financial year; (c) the preparatory formalities for the conversion of PWO Limited (formerly SKS Malta Limited) into a joint-stock company under Italian law (PWO S.p.A.) were completed, and the merger by incorporation of SKS Malta Holding Limited into the parent company GBO S.p.A. was completed; (d) a corporate reorganisation has been initiated with the aim of simplifying the Group's structure, rationalising operating costs and improving operational efficiency, with effect from 1 January 2026. The Reorganisation involves the partial demerger of Lottomatica Videolot Rete S.p.A. and Gamenet S.p.A. in favour of Lottomatica Gaming S.p.A.; (e) four applications were submitted, for a total of five concessions, in response to the tender launched by ADM concerning the award of concessions for the activities and functions relating to the operation of remote public gaming. The group companies were awarded 5 concessions in accordance with the applications submitted, signed the relevant agreements and paid the one-off fee;

2. with regard to transactions with related parties, including intra-group transactions, these fall within the scope of ordinary business operations and concern financial and commercial relationships, the amounts and impacts of which are set out in the notes to the Company's financial statements, to which reference should be made. As shown in the financial statements as at 31 December 2025, these transactions were concluded on market terms. The Board of Statutory Auditors has also monitored the compliance of the OPC procedure adopted by the Company with current legislation, including provisions on transparency and public disclosure, as well as its implementation. The audits did not reveal any matters worthy of bringing to your attention;

3. The Board of Directors held 15 meetings, and the Board of Statutory Auditors attended all of these meetings. There is no Executive Committee. The Remuneration Committee met 9 times, the Control and Risk Committee met 9 times, the Related Parties Committee met 4 times, and the ESG Committee met 6 times. The Board of Statutory Auditors attended all meetings of the aforementioned committees. It should also be noted that during 2025, the Board of Statutory Auditors met 14 times, with an average meeting duration of 1 hour and 52 minutes.

4. The Board of Statutory Auditors acknowledges the preparation of (i) the Remuneration Report, pursuant to Article *123-ter* of the TUF, which incorporates short-, medium- and long-term ESG objectives, as well as (ii) the Report on Corporate Governance and Ownership Structure of the Lottomatica Group, pursuant to Article *123-bis* of the TUF, on which it has no comments.

It is also hereby notified that during 2025 (i) no complaints were received pursuant to Article 2408 of the Italian Civil Code, nor were any complaints lodged by third parties, and (ii) the Board of Statutory Auditors did not exercise its powers to convene the Shareholders' Meeting and/or the Board of Directors.

Supervision of the Consolidated Sustainability Report

In the exercise of its functions, the Board of Statutory Auditors has monitored compliance with the provisions contained in Legislative Decree No. 125/2024 ("Implementation of Directive 2022/2464/EU on corporate sustainability reporting", known as the "CSRD"), in particular with regard to the drafting process and the content of the 2025 Consolidated Sustainability Report, as well as compliance with the provisions contained in EU Regulation 2020/852 (known as the "EU Taxonomy").

In particular, the Board of Statutory Auditors has been informed of the activities relating to the consolidated sustainability report and has verified, within the scope of its remit, that the Company has fulfilled the obligations laid down by the aforementioned regulations.

The Consolidated Sustainability Report is prepared by the Company on the basis of data collected and coordinated by the relevant corporate functions. The Board of Statutory Auditors, including through an exchange of information with the relevant functions, the ESG Committee and the audit firm, has positively assessed the structure of the procedures adopted for the collection and measurement of the data gathered and, with particular reference to: the update to the double materiality analysis process carried out in 2025; the establishment of the process for identifying and monitoring the ESG indicators to be reported; the update to the so-called "EU Taxonomy"; and the structure of the consolidated sustainability reporting in accordance with ESRS standards.

Through the activities outlined above, the Board of Statutory Auditors has also:

- verified the existence of an adequate organizational structure responsible for sustainability reporting in terms of human and economic resources and information systems;
- obtained information on the adequacy of the administrative and accounting system, including for the purposes of the Consolidated Sustainability Report;
- monitored the implementation and receipt of adequate periodic information flows, both quantitative and qualitative, necessary for the preparation of the Consolidated Sustainability Report;
- obtained information regarding the activities carried out by the Manager Responsible for the Preparation of Corporate Financial Statement, whose certification it also examined;
- obtained information regarding the activities planned and subsequently carried out by the control functions, with particular regard to the implementation of the risk identification and management system;
- monitored the assurance activity of the consolidated sustainability report, thanks to a regular exchange of information with the auditors.

In the course of its activities, the Board of Statutory Auditors found no evidence of non-compliance and/or breaches of applicable regulations.

Finally, the Board of Statutory Auditors verified the issuance of the report by the external auditors on the limited review of the consolidated sustainability report. In that Report, to which reference is made, the audit firm has concluded that, based on the work carried out, nothing has come to its attention to suggest that the consolidated sustainability report has not been prepared in accordance with the ESRS and that the information relating to the *Taxonomy has not been provided in accordance with Article 8 of the Taxonomy Regulation.*

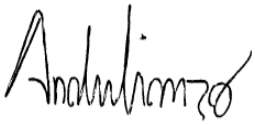
Conclusions

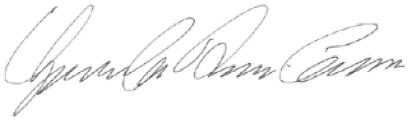
The Board of Statutory Auditors has examined the proposals that the Board of Directors, at its meeting on 2 March 2026, resolved to submit to the Shareholders' Meeting convened for 20 April 2026, and declares that it has no comments in this regard.

Following the oversight activities carried out by this Board of Statutory Auditors, having regard to all of the above and taking into account the content of the report drawn up by the audit firm regarding the audit of the accounts and the verification of the reliability of the separate financial statements (as well as the consolidated financial statements), which contains no findings, and having taken note of the statements issued jointly by the Chief Executive Officer and the Manager Responsible for the Preparation of Corporate Financial Statement, no remarks (*rilievi*) are identified, within the scope of their remit, that would prevent the approval of the proposed separate financial statements as at 31 December 2025 and the allocation of net profit as proposed by the Board of Directors.

Rome, 17 March 2026

THE BOARD OF STATUTORY AUDITORS

Prof. Andrea Lionzo 

Dr Giancarlo Russo Corvace 

Prof. Veronica Tibiletti

Independent auditor's limited assurance report on the consolidated sustainability statement in accordance with article 14-bis of Legislative Decree 39/2010

To the Shareholders of

Lottomatica Group SpA

Conclusion

In accordance with article 8 of Legislative Decree 125/2024 (the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability statement of the Lottomatica Group (the "Group") for the year ended 31 December 2025 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated directors' report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the Lottomatica Group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE ("European Sustainability Reporting Standards", also the "ESRS");

- the information set out in paragraph 2.1. "The EU Taxonomy" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with article 8 of Regulation (EU) 852/2020 (the "Taxonomy Regulation").

PricewaterhouseCoopers SpA

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Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this standard are further described in the "Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement" section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability statements under Italian law.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and the board of statutory auditors of Lottomatica Group SpA for the consolidated sustainability statement

The directors of Lottomatica Group SpA are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability statement in accordance with the provisions of the ESRS (the "materiality assessment process") and for describing those procedures in note 1.4. "Management of impacts, risks and opportunities" of the consolidated sustainability statement.

The directors are also responsible for preparing the consolidated sustainability statement, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;

- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph 2.1. “The EU Taxonomy”.

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

For reporting purpose of the prospective information in accordance with the ESRS, the directors are required to draw up such information on the basis of assumptions described in the consolidated sustainability statement regarding events that might occur in the future and possible future actions to be taken by the Group. Because of the unpredictability of the occurrence of whatever future event, as to whether the event can actually take place as well as to the extent and timing of its occurrence, discrepancies between actual values and prospective information could be significant.

The information provided with regard to Scope 3 emissions is subject to higher inherent limitations compared to those of Scope 1 and 2 emissions, because of the poor availability and relative precision of the information used to define the quantitative and qualitative information on Scope 3 emissions relating to the value chain.

Auditor’s responsibilities for the limited assurance conclusion on the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or

error, and to issue a limited assurance report that contains our conclusion. 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 decisions of users taken on the basis of the consolidated sustainability statement.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- Performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise.

- Designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. 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.

- Directing, supervising and performing a limited assurance engagement on the consolidated sustainability statement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of Lottomatica Group SpA responsible for the preparation of the information presented in the consolidated sustainability statement, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- We understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues;

- We understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability statement;

- We understood the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process;

- We identified the disclosures where a material misstatement is likely to arise;

- We defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified;

- We understood the process implemented by the Group to identify the eligible economic activities and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability statement;

- We reconciled the information reported in the consolidated sustainability statement with the information reported in the consolidated financial report in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information;

- We verified the structure and presentation of disclosures included in the consolidated sustainability statement in accordance with the ESRS;

- We obtained management's representation letter.

Rome, 17 March 2026

PricewaterhouseCoopers SpA

Signed by

Pierpaolo Mosca

(Partner)

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Lottomatica Group SpA

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Lottomatica Group (the "Group"), which comprise the consolidated statement of financial position as of 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of this report. We are independent of the company Lottomatica Group SpA (the "Company") pursuant to the regulations and standards on ethics

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and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Auditing procedures performed in response to key audit matters
Recoverability of goodwill "Notes to the consolidated financial statements, section "2.4 Accounting policies and measurement criteria", paragraphs "2.4.3. Intangible assets" and "2.4.5. Impairment of goodwill and property, plant and equipment, intangible and investment property assets", sub-paragraph "A. Goodwill", and note "9.2. Goodwill"". The carrying value of goodwill as of 31 December 2025 was equal to Euro 2,080,855 thousand and referred to groups of cash generating units ("CGU"): "Online" for Euro 1,229,500 thousand, "Sport Franchise" for Euro 405,929 thousand and "Gaming Franchise" for Euro 445,426 thousand. As provided for by IAS 36 "Impairment of assets", the directors verify, at each period end or if circumstances indicate a possible loss of value, that goodwill had not reported any reduction in value, by comparing the book value with its recoverable amount ("impairment test"). Based on the annual impairment test performed goodwill was considered fully recoverable. The recoverable amount of goodwill is linked to the occurrence of the assumptions underlying	As part of our audit, we performed the following main activities, also with the support of the PwC network valuation and legal experts. We performed an understanding and evaluation of the procedures adopted by the directors in carrying out the annual impairment test, in order to verify the compliance with the requirements of IAS 36. We examined the composition of the groups of CGUs to which goodwill was allocated, in order to verify its consistency with the prior year, as well as the related alignment with the organizational, management and operating structure of the Group. We verified the consistency of the expected cash flows for each group of CGUs with the Group's Business Plan for 2026-2030 approved by the Board of Directors on 10 February 2026 and, including with the support of available external sources, the reasonableness of the assumptions used by the directors to estimate the above-mentioned cash flows. We verified the mathematical accuracy of the calculations performed.

the Group's business plan. Specifically, the recoverable value of the groups of CGUs was determined by calculating the "value in use" based on the Discounted Cash Flows. Such method is characterised by a high level of complexity and the use of estimates, which are uncertain and subjective by their nature, related to:

(i) expected cash flows, determined taking into account profitability forecasts and in the event of renewal of land-based betting rights, remote game concessions (GAD) and entertainment device (ADI) concessions;

(ii) financial parameters used to determine the discounting and growth rates for the estimate of the terminal value of each group of CGU.

For these reasons, and given the significance of this item, we considered the evaluation of the recoverability of goodwill as a key matter for the audit of the consolidated financial statements.

In order to assess the forecasting capacity of the directors, we carried out comparative testing procedures between the main data estimated in the 2025-2029 business plan and the 2025 actual results.

We verified the consistency between assets and liabilities attributable to the groups of CGUs, including the allocated goodwill and the cash flows used to determine the related recoverable value.

We analyzed the assumptions performed in determining the cash flows, including the assumption regarding the renewal and maintenance of the current concessions, the discounting rate (WACC) and the growth rate used for the impairment test, and we carried out an independent recalculation using parameters applicable to the Group.

We examined the sensitivity analyses prepared by the directors on the recoverability of goodwill, with reference to the impact deriving from possible changes in the estimated cash flows, the long-term growth rate and in the discounting rate used.

Finally, we verified the completeness and accuracy of the information reported in the notes to the consolidated financial statements.

Revenue recognition

"Notes to the consolidated financial statements, section "2.4 Accounting policies and measurement criteria", paragraph "2.4.18 Revenues and costs" and note "8.1 Revenues".

The Group recognized revenues from collections through gaming devices, AWP (Amusement With Prize) and VLT (Video Lottery Terminal), collections from fixed-odds bets and games of skills (through Sports Franchise and online channels) and from the management of gaming halls and owned AWP machines, for a total amount of Euro 2,247,116 thousand.

As part of our audit, we performed the following main activities, also with the support of the PwC network specialists in business processes and internal control systems.

We performed an understanding of the internal control system, including the IT environment and the applications used, related to revenue recognition and we evaluated the degree of reliability of the system itself. The effective operation of the internal control system on revenues from gaming devices, betting and games of skill was verified by carrying out tests

We considered revenue recognition as a key audit matter given the significance of this item, the large number of transactions with low unit amounts and the complexity of the information systems and processes used.	of control on key controls, both manual and automatic, identified within the related processes. Furthermore, we carried out substantive procedures on the various types of revenues, by obtaining and analyzing the supporting documentation. In particular, we performed reconciliations between gaming data communicated by third sources (Italian Customs and Monopolies Agency (Agenzia delle Dogane e dei Monopoli – ADM) – and other parties to which the letter for balance confirmation was sent) and those resulting from the accounts. Finally, we verified the completeness and accuracy of the information reported in the notes to the consolidated financial statements.

Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Lottomatica Group SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 International Standards on Auditing (ISA Italia) 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 the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained 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.

- We obtained 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 Group's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the 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 Group'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 consolidated 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 Group to cease to continue as a going concern.

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

- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia 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 identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 28 February 2023, the shareholders of Lottomatica Group SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2023 to 31 December 2031.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Lottomatica Group SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Lottomatica Group SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of the Lottomatica Group as of 31 December 2025, including its consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements;

- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability statement, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;

- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the directors' report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the consolidated financial statements of the Lottomatica Group as of 31 December 2025.

Moreover, in our opinion, the directors' report on operations, excluding the section on the consolidated sustainability statement, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the directors' report on operations relating to the consolidated sustainability statement. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure

requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Rome, 17 March 2026

PricewaterhouseCoopers SpA

Signed by

Pierpaolo Mosca

(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Lottomatica Group SpA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lottomatica Group SpA (the "Company"), which comprise the statement of financial position as of 31 December 2025, the statement of comprehensive income, statement of changes in equity, statement of cash flow for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial

statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

There are no key audit matters to be communicated in this report.

Responsibilities of the directors and the board of statutory auditors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's 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 International Standards on Auditing (ISA Italia) 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 the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained 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.

- We obtained 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.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- We concluded on the appropriateness of the 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.

- We evaluated 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 fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, 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 identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 28 February 2023 the shareholders of Lottomatica Group SpA in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2023 to 31 December 2031.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Lottomatica Group SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2025 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Lottomatica Group SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Lottomatica Group SpA as of 31 December 2025, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the financial statements;

- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;

- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the directors' report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the financial statements of Lottomatica Group SpA as of 31 December 2025.

Moreover, in our opinion, the directors' report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Rome, 17 March 2026

PricewaterhouseCoopers SpA

Signed by

Pierpaolo Mosca

(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.