

bet-at-home

ANNUAL REPORT 2023

LIFE IS A GAME!

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Company Profile

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COMPANY PROFILE

COMPANY PROFILE

bet-at-home was founded in 1999 in Wels, Austria, by Franz Ömer and Jochen Dickinger and initially focused exclusively on online sports betting. Due to its market expansion growth strategy, entrance to the new markets and the ongoing development of the product offering, the company has developed into the bet-at-home.com AG Group and a comprehensive entertainment provider. With more than 5.7 million registered customers, the listed company together with its subsidiaries is now one of the leading providers in the German-speaking region.

The bet-at-home.com AG Group has companies in Germany, Austria, Malta and Gibraltar. The company holds its international online sports betting licenses and online gaming licenses for casino, games and virtual sports via Maltese Group companies. These licences authorise the company to organise and offer online sports betting in Germany and other countries of the European Union, as well as virtual slots in Germany.

Product Portfolio

bet-at-home is a leading provider of betting and online gaming experiences. The platform of bet-at-home is designed for seamless use of all products and features a flexible back-end system that simplifies the management of content, payments, and promotions. In addition to the web-based platform, the company also offers native apps for both iOS and Android devices, providing an optimized mobile gaming experience.

The company's sportsbook offering includes a wide range of pre-match and live betting options with more than 75 sports and 120,000+ events per month. In the slots segment bet-at-home offers more than 11,500 games from over 140 game providers.

bet-at-home is committed to delivering an exceptional gaming experience to the players through the ongoing improvement of its products and services, while staying focused on its core business.

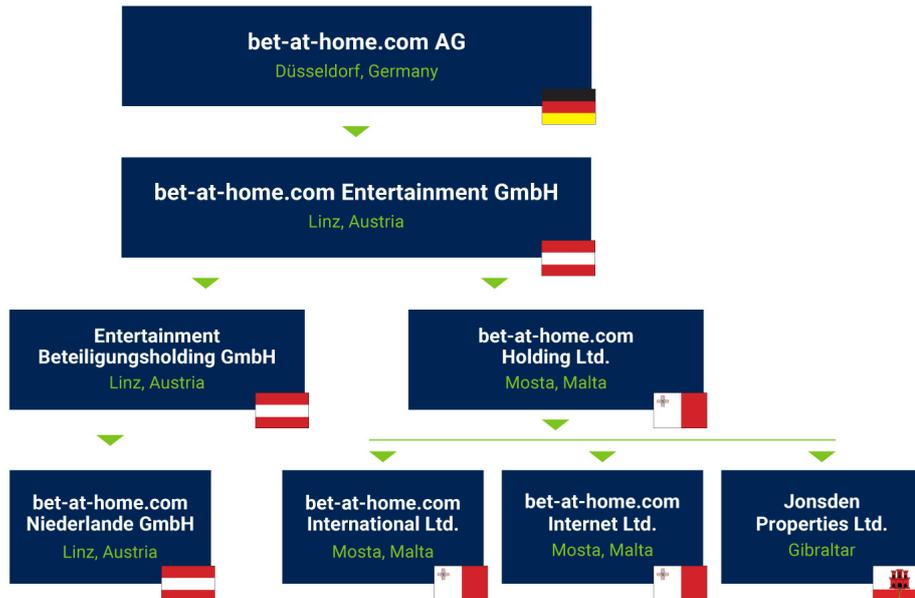
The bet-at-home.com AG Group structure in detail

bet-at-home.com AG, Düsseldorf, as the parent company, is listed on the Regulated Market of the Frankfurt Stock Exchange in the Prime Standard market segment. All operating activities are carried out exclusively by indirect associates.

bet-at-home.com AG holds 100 % of bet-at-home.com Entertainment GmbH. This company, with its registered office in Linz/Austria, provides numerous services in the areas of IT, finance, customer management and law for other Group companies.

Having been founded in 1999 as a limited liability company, bet-at-home.com increased the capital and was converted into a stock corporation in May 2004. The Group went public in December 2004. Several capital increases followed in the subsequent years. Since 2009, bet-at-home.com AG has been part of the Betclie Everest Group SAS, a French group specialising in online gambling

and online sports betting and headquartered in Paris, France. Betclit Everest Group SAS is a majority shareholder of bet-at-home.com AG and since July 2022 part of FL Entertainment N.V., which is listed on the Amsterdam stock exchange. The following chart illustrates the corporate structure as of December 31, 2023 in detail:



Responsible Gaming

Responsible gaming is part of social responsibility of the bet-at-home.com AG Group. As an entertainment service provider, the company sees gambling as a sensitive service and aims to create conditions that help players enjoy gaming responsibly in moderation. Bet-at-home is focused on following the industry standards regarding the service offering through customer protection measures, protection children and youth, responsible advertising and thorough customer care.

In order to ensure the best possible form of protection for customers, the company has implemented mechanisms to safeguard the integrity of the offering, it undergoes extensive product testing on a regular basis, and supports customers playing responsibly with various self-protection tools. Among these are detailed information about their gambling profiles, personalized messages, self-tests, voluntary financial limits and possibility of taking short breaks from playing, as well as longer periods of self-exclusion.

In its effort of prevention of addiction in Germany and Austria, bet-at-home has been co-operating for several years with the Institut Glücksspiel & Abhängigkeit (Institute of Gambling and Addiction). The company has been a member of various international and regional associations in the areas of gambling and betting.

Management Board	Supervisory Board
Marco Falchetto CEO	Martin Arendts Chairman of the Supervisory Board
	Véronique Giraudon Vice Chairwoman of the Supervisory Board
	Francois Riahi Member of the Supervisory Board

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REPORT BY THE MANAGEMENT BOARD

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REPORT BY THE MANAGEMENT BOARD

Ladies and Gentlemen, dear shareholders,

The financial year 2023 was characterised by classical turnaround management measures and the accompanying strategic transformation of the bet-at-home.com AG Group. The company has decided to change its previous approach of comprehensive in-house development in favour of an increased outsourcing, particularly with regard to key technological components such as development and operation of the customer and payment platform and the online sports betting product. This strategic realignment forms the basis for a lean and cost-efficient organisational structure.

Over the course of the year, the Group focused on implementing this technological transformation and adapting central business processes accordingly. In February 2023, the licensed offering of bet-at-home.com Internet Ltd. based in Malta was outsourced to the external software provider EveryMatrix after months of intensive preparation. Due to a number of additional complex regulatory requirements, the outsourcing of the Germany-licensed offering to www.bet-at-home.de was completed with delay in October 2023.

In close co-operation with the outsourcing partner, the bet-at-home.com and .de platforms were continuously improved and adapted to customer needs and legal requirements of the respective target markets. Customers now benefit from a significantly improved product experience, an expanded betting offering, numerous new functionalities and attractive promotions. Although the migration of customers to the new platforms had a short-term negative impact on the number of existing customers and betting and payment transactions, we received overall positive feedback from our customers. Going forward, the Group will concentrate its internal development exclusively on those customer and revenue-related components that cannot be provided and operated externally, or only to an insufficient extent. From now on, the operational focus will be made on efficient and effective customer management and marketing.

Furthermore, the Group's activities in the financial year 2023 centred on the proactive management of legal risks in connection with customer claims for reimbursement of gaming losses. Owing to the favourable case law to date, statutory provisions on limitations and comprehensive settlement solutions, which have been already reached, potential risks in Austria have been considerably reduced and the legal pressure on business activities has been significantly lessened.

The restrictions for licensed providers in the area of virtual slot machine games in conjunction with insufficient measures against unlicensed providers as well as the introduction of cross-product and cross-provider monthly betting limits in the core market of Germany had a negative impact on the bet-at-home.com AG Group's business development in 2023. The obligation to report increased deposit limits from the second quarter of 2023 and losses resulting from the migration of customers from the in-house ".com" and ".de" platforms to the new EveryMatrix system impacted our revenue. As a result, gross betting and gaming revenue in 2023 was down 13.7 % year-on-year to EUR 46.2 million.

Over the course of the financial year, the bet-at-home.com AG Group continuously intensified its brand presence and used financial resources, which were released through various cost-cutting

measures, primarily to the increase of brand awareness and market share in existing core markets. In the absence of a major sporting event, the marketing activities were focused on the start of the 2023/2024 European football leagues after the summer break. Marketing expenses in the financial year 2023 totalled EUR 17.0 million and were therefore higher than the previous year's level.

EBITDA of the bet-at-home.com AG Group in the financial year 2023 stood at EUR 0.8 million, and was down compared to the previous year but within the range we had previously forecasted.

After two challenging years of corporate transformation, I am convinced that the bet-at-home.com AG Group has taken the right path and is now well positioned for future growth. In 2024, the Group's strategic focus will remain on expansion in the core markets of Germany and Austria. In the technological area, our main focus will be on the development and implementation of an innovative customer loyalty programme based on real-time data processing and machine learning. In addition, continuous investment in our internal data platform enables the automation of central value-added processes, which increases their efficiency and effectiveness while ensuring a lean and cost-efficient organisational structure, even when scaling the business. We are paying particular attention to the first half of 2024, especially to the start of the European Football Championship, which will take place in the core market of Germany. We expect this important event to provide positive impetus for our business development.

Finally, I would like to express my sincere gratitude to the employees, partners, customers and shareholders of the bet-at-home.com AG Group. Your commitment, expertise and constructive cooperation were crucial to our success during the challenging transformation year 2023.

Marco Falchetto
CEO

bet-at-home

REPORT BY THE SUPERVISORY BOARD

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REPORT BY THE SUPERVISORY BOARD

Dear Ladies and Gentlemen,

in the financial year 2023, the bet-at-home.com AG Group continued its strategic realignment. As part of the company's decision to increase the outsourcing, the online sports betting product is managed and key corporate functions are performed by an external service provider.

Supervision and advising the Management Board

In the financial year 2023, the Supervisory Board monitored the development of the bet-at-home.com AG Group. It performed its duties in accordance with the law and the Articles of Association, regularly supervised the work of bet-at-home.com AG's Management Board and advised on the company's strategic development and key individual measures. The Supervisory Board discussed business decisions and plans with the Management Board. The Supervisory Board was informed by the Management Board about current company developments both at meetings and outside of meetings. On the basis of written and verbal Management Board reports, the Supervisory Board discussed the business development and the Group's situation in its deliberations. With regard to measures taken by the management, the Supervisory Board reviewed their legality, regularity and expediency as well as their economic efficiency. Deviations in the course of business from planning and significant developments were explained to the Supervisory Board by the Management Board and discussed with it. The Supervisory Board passed resolutions on certain measures after the presentation of relevant information and documents and after consultation. A continuous exchange of information and opinions within the Supervisory Board also took place.

Formation of committees

In accordance with the Articles of Association, the company's Supervisory Board consists of three members. The formation of committees does not appear to be necessary or meaningful given this size, as the conceivable tasks of committees can be performed just as effectively and competently by the full Supervisory Board. In particular, the full Supervisory Board also fulfils the tasks of the Audit Committee.

Meetings of the Supervisory Board in financial year 2023 and main topics of consulting

The Supervisory Board of bet-at-home.com AG held four regular meetings in the financial year 2023, namely on 29 March 2023, 26 May 2023, 14 September 2023 and 15 December 2023. All regular meetings were held as video conferences.

During the reporting period, the Management Board provided the Supervisory Board with regular, timely and comprehensive information on the course of business, the financial situation and significant business transactions, particularly at the meetings. A key component of all Supervisory Board meetings in the financial year was the reporting by the Management Board on the business situation with detailed information on revenue and earnings development as well as on opportunities

and risks of business development, regulatory developments in the core markets, as well as the status of outsourcing of key corporate functions, customer claims for reimbursement of gambling losses in the online casino and the liquidation of bet-at-home.com Entertainment Ltd (in liquidation). The strategic realignment was discussed with the Management Board in particular. The Supervisory Board was satisfied with the proper conduct of business.

The focal points for discussion and consulting were as follows:

At the Supervisory Board meeting on 29 March 2023, the annual financial statements, the consolidated financial statements, the combined management report, the report on relations with affiliated enterprises and the remuneration report for the 2022 financial year were discussed in the presence of the auditor. The Supervisory Board also discussed the agenda for the Annual General Meeting on 26 May 2023 and adopted proposed resolutions for the Annual General Meeting. In accordance with the amended option provided by German lawmakers to hold future Annual General Meetings without the physical presence of shareholders or their proxies at the venue of an Annual General Meeting (a virtual Annual General Meeting), the Supervisory Board, together with the Management Board, decided to hold the Annual General Meeting on 26 May 2023 in the virtual form. On 29 March 2023, the Supervisory Board also adopted a revised compensation system for members of the Management Board (“Compensation System 2023”), which was subsequently submitted to the Annual General Meeting on 26 May 2023 for approval.

The Supervisory Board meeting on 26 May 2023 focused on the status of outsourcing of the Malta-licensed offering of bet-at-home.com Internet Ltd. and the Germany-licensed offering of www.bet-at-home.de to the iGaming software provider EveryMatrix as well as bet-at-home’s marketing concept and the marketing budget for the second half of 2023. The Management Board informed the Supervisory Board about the first quarter 2023 financial results.

At the meeting on 14 September 2023, the Management Board reported to the Supervisory Board on the course of business and on the progress of outsourcing of the Germany-licensed offering of www.bet-at-home.de to the iGaming software provider EveryMatrix.

At the meeting on 15 December 2023, the Management Board reported on the results of the third quarter 2023, the further course of business and the outsourcing of the Germany-licensed offering of www.bet-at-home.de. The Supervisory Board also discussed the planning for the period from 2024 to 2027 and the declaration of conformity with the German Corporate Governance Code.

Discussions and resolutions outside of meetings

In addition to meetings, ad-hoc discussions and resolutions were held outside of meetings, in particular on key measures taken by the Management Board, and several resolutions were passed by way of circulation.

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Individualised disclosure of participation of the Supervisory Board members in Supervisory Board meetings and resolutions in the financial year 2023

All members of the Supervisory Board attended all meetings.

Audit of the annual and consolidated financial statements for the financial year 2023

PKF FASSELLT Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, Duisburg, was elected by the Annual General Meeting on 26 May 2023 as the company's statutory auditor to audit the annual financial statements of bet-at-home.com AG as well as the consolidated financial statements and the combined management report. After conducting the audits, the auditor stated that they had not led to any objections and that the annual financial statements and consolidated financial statements, including the accounting records, and the combined management report had been audited and issued with unqualified audit opinions.

The audited annual financial statements, the consolidated financial statements and the combined management report for the financial year 2023 were submitted to the Supervisory Board together with the audit reports. The Supervisory Board examined the provided reports and discussed them in detail with the auditors on its meeting on 20 March 2024. The auditors reported on their audit, in particular on the scope, focal points and key findings of their audit and addressed key audit matters and the audit procedures performed. The auditor was available for questions and further information requests from the Supervisory Board. The auditor also reported on its findings on internal control and risk management in relation to the accounting process. All questions from the Supervisory Board were answered in full by the Management Board and the auditors.

After discussing the annual financial statements, the consolidated financial statements and the combined management report, the Supervisory Board concurred with the auditor's reports and the results of its audits, raised no objections following the final results of its own audits, and approved the annual and consolidated financial statements. The annual financial statements of bet-at-home.com AG are thus adopted.

Audit of the report pursuant to §312 of the German Stock Corporation Act on relations with affiliated companies for the financial year 2023

Furthermore, the auditor examined the Management Board's report on relations with affiliated companies pursuant to §312 of the German Stock Corporation Act for the financial year 2023. With regard to the majority shareholding of Betclac Everest Group SAS, Paris, in bet-at-home.com AG, the Management Board prepared the report on relations with affiliated companies, listing all legal transactions and/or measures within the meaning of §312 (1) of the German Stock Corporation Act, which were taken.

Based on audit of the report on relations with affiliated companies and the annual financial statements for the year ended 31 December 2023, and the knowledge gained in the process, the auditor confirmed that the report on relations with affiliated companies contains the disclosures required by §312 (1) of the German Stock Corporation Act and that the reporting corresponds to conscientious and faithful accountability.

As there were no objections to the report following the final results of the audit, the auditors issued the auditor's report required by §313 (3) of the German Stock Corporation Act with the following wording:

"On completion of our audit in accordance with professional standards, we confirm that

1. the factual statements in the report are correct, and
2. the consideration paid by the Company for the legal transactions listed in the report was not unreasonably high."

The report on relations with affiliated companies and the related auditors' report were provided to all members of the Supervisory Board in due time. The Supervisory Board examined these documents and discussed them with the auditors at its meeting on 20 March 2024. The auditors reported on the results of their audit. Questions from the Supervisory Board were answered by the Management Board and the auditors.

The Supervisory Board concurred with the results of the auditor's review of the report on relations with affiliated companies. Following the final results of examination, the Supervisory Board raised no objections to the declaration of the Management Board at the end of the report, which is given below the balance sheet in the annual financial statements and in the notes to the consolidated financial statements.

Corporate governance in the financial year 2023

The Management Board and Supervisory Board of bet-at-home.com AG understand corporate governance practices as a responsible management and control over business operations in line with the best international standards and with a high importance of information transparency in the interests of shareholders. The current declaration on corporate governance and the declaration of conformity in line with the German Corporate Governance Code in the version dated 28 April 2022 ("Code") are available on bet-at-home.com AG's website at <https://www.bet-at-home.ag/de/corporate-governance/>. Further information on corporate governance – such as the rules of procedure of the Supervisory Board, the compensation systems for the Management Board and the Supervisory Board, as well as the declarations on corporate governance and declarations of conformity for previous financial years – are also available on the website at <https://www.bet-at-home.ag/de/corporate-governance/>.

Conflicts of interest

In accordance with the recommendations of the Code, each member of the Supervisory Board shall disclose any conflicts of interest to the Chairman of the Supervisory Board without delay. In its report to the Annual General Meeting, the Supervisory Board shall provide information on any conflicts of interest that have arisen and how they were handled.

No conflicts of interest arose in the reporting year.

Training and professional development

The members of the Supervisory Board undergo continuous further training. The Chairman of the Supervisory Board, as a lawyer, specialises in particular in gambling and betting law as well as in stock corporation law. As a long-standing member of the Financial Experts Association (FEA), he takes part in its trainings as well as in trainings on new legal developments (corporate governance, ESG, etc.) organised by AGM service providers.

In conclusion, the Supervisory Board would like to thank and express appreciation to the Management Board and all employees for their high level of personal commitment and sense of responsibility in the challenging financial year. Our special thanks go to the customers and, above all, the shareholders of bet-at-home.com AG for the trust they have placed in us.

Düsseldorf, March 2024

Supervisory Board

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THE SHARE

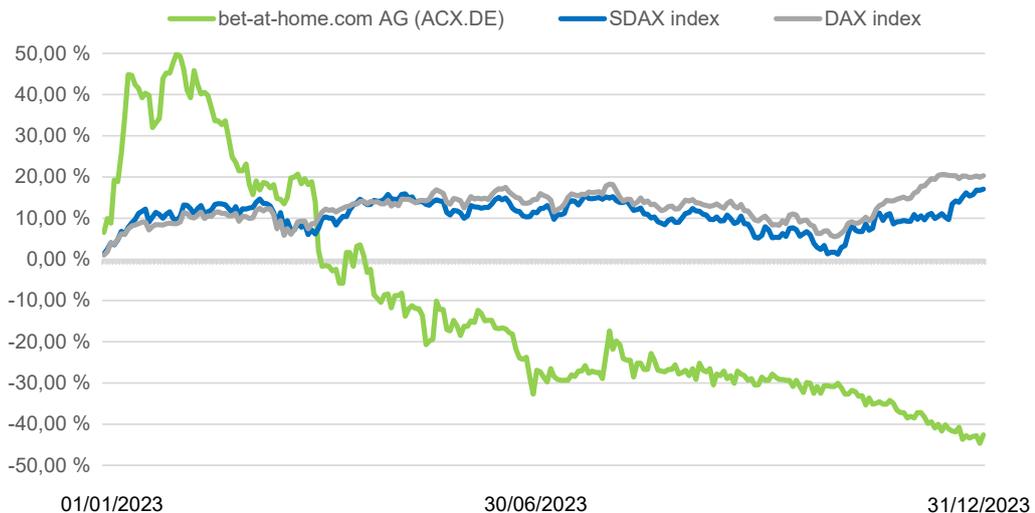
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THE SHARE

Share performance in the financial year 2023

The share price of bet-at-home.com AG reached an annual high of EUR 8.02 at the end of January 2023, before declining over the remainder of the year. The weaker price performance was attributable to the continuing transformation of the Group's business, uncertainties over potential customer requests for reimbursement of gaming losses and the effects from the winding-up of bet-at-home.com Entertainment Ltd. (in liquidation), as well as a negative impact of the regulatory developments in the key market of Germany on the Group's financial performance. The decision of bet-at-home.com AG not to distribute dividends for the financial year 2022 also impacted investor sentiment. As a result, the share price of bet-at-home.com AG declined by 43 % in 2023.

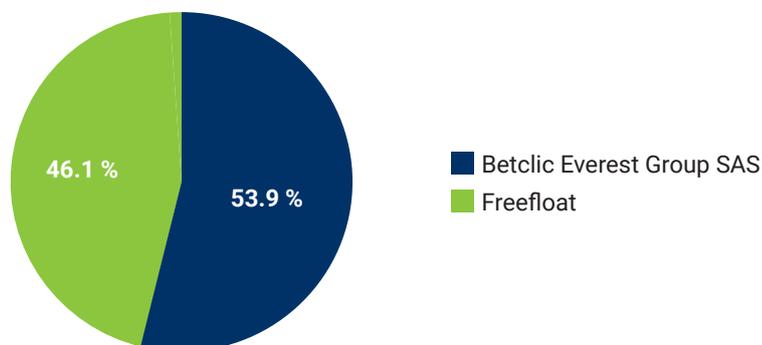
During the year, the bet-at-home.com AG Group pursued its turnaround plan with the outsourcing of betting and gaming platforms, which was successfully completed in October 2023, proactive management of legal risks and enhancement of operational efficiencies.



Stable and long-term oriented shareholder structure

Since 5 September 2009, Betclik Everest Group SAS, headquartered in Paris, France, has held a controlling interest of 53.9 % in the bet-at-home.com AG. Since July 2022, Betclik Everest Group SAS has been incorporated into FL Entertainment N.V., Netherlands, which is listed on the Amsterdam stock exchange. FL Entertainment N.V. is part of the LOV Group, founded by Stéphane Courbit and headquartered in France.

The free float as of the reporting date accounted for 46.1 % of total shares. Even with having a controlling shareholder, bet-at-home.com AG sees itself as a public company with a broadly diversified shareholder base.



Investor relations

In 2023, bet-at-home.com AG retained its focus on fully complying with capital market regulatory disclosure requirements, keeping a high level of information transparency through all available communication channels and being open to communication with investors and key stakeholders. The Management Board provided regular updates on the business performance, regulatory environment as well as the company's outlook and future plans.

Financial calendar 2024

08/04/2024	Annual Report 2023
14/05/2024	Quarterly Statement Q1 2024
23/05/2024	Annual General Meeting 2024
31/07/2024	Interim Report January-June 2024
23/09/2024	Interim Financial Report H1 2024
06/11/2024	Quarterly Statement Q1-Q3 2024

Key share data

Stock exchange	Frankfurt
Segment	Prime Standard
Market	Regulated market
ISIN	DE000A0DNAY5
Security identification number	A0DNAY
Ticker	ACX
Share capital	€ 7,018,000
Number of shares	7,018,000
Research Coverage	NuWays (by Hauck Aufhäuser Lampe) EDISON Investment Research

Company Profile	Report by the Management Board	Report by the Supervisory Board	The Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2023, bet-at-home.com AG, Düsseldorf

ASSETS

		Note	31/12/2023	31/12/2022
		No.	EUR'000	EUR'000
A.	Non-current assets			
1.	Intangible assets	(8)	670	976
2.	Goodwill	(9)	1,369	1,369
3.	Leased office buildings	(10)	1,712	1,865
4.	Property, plant and equipment	(11)	1,383	2,347
5.	Other receivables and assets	(12)	10,835	9,943
6.	Deferred tax assets	(13)	2,078	2,272
			18,047	18,773
B.	Current assets			
1.	Tax receivables	(14)	1,196	5,113
2.	Other receivables and assets	(15)	2,890	3,449
3.	Cash and cash equivalents	(16)	34,645	35,327
			38,732	43,889
Total assets			56,779	62,662

EQUITY & LIABILITIES

		Note	31/12/2023	31/12/2022
		No.	EUR'000	EUR'000
A.	Equity			
1.	Share capital	(17)	7,018	7,018
2.	Capital reserves	(17)	7,366	7,366
3.	Total comprehensive income	(17)	13,060	14,565
			27,444	28,949
B.	Non-current liabilities			
1.	Provisions for employee benefits	(18)	93	82
2.	Lease liabilities	(18)	1,409	1,437
3.	Other liabilities	(18)	7,773	10,273
			9,275	11,792
C.	Current liabilities			
1.	Other provisions	(19)	3,027	1,903
2.	Trade payables	(20)	1,655	1,548
3.	Tax liabilities	(21)	7,213	11,852
4.	Liabilities to customers	(22)	4,281	4,940
5.	Liabilities from leasing agreements	(23)	322	443
6.	Other liabilities	(24)	3,561	1,235
			20,060	21,921
Total equity and liabilities			56,779	62,662

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CONSOLIDATED STATEMENT OF INCOME

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CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2023, bet-at-home.com AG, Düsseldorf

	Note	01/01- 31/12/2023	01/01- 31/12/2022
	No.	EUR'000	EUR'000
Continuing operations			
Gross betting and gaming revenue	(1)	46,176	53,532
Betting fees and gaming levies	(1)	-10,058	-11,396
VAT on electronic services	(1)	-28	-99
Net gaming revenue		36,090	42,036
Other operating income	(2)	3,014	3,446
Total operating income		39,104	45,482
Personnel expenses	(3)	-8,653	-13,508
Advertising expenses	(4)	-17,029	-13,628
Other operating expenses	(4)	-12,615	-16,242
Earnings before interest, taxes and depreciation		807	2,105
Depreciation and amortisation	(5)	-1,643	-2,209
Earnings before interest and taxes		-835	-105
Finance income	(6)	-595	-585
Earnings before taxes		-1,431	-690
Income tax expense	(7)	-74	1,240
Earnings from continuing operations		-1,505	551
Discontinued operations			
Result from discontinued operations		0	11,356
Consolidated net result Total		-1,505	11,907

Earnings per share total in EUR		
Basic earnings per share in EUR	-0.21	1.70
Diluted earnings per share in EUR	-0.21	1.70
Earnings per share from continued operations in EUR		
Basic earnings per share in EUR	-0.21	0.08
Diluted earnings per share in EUR	-0.21	0.08
Earnings per share from discontinued operations in EUR		
Basic earnings per share in EUR	0.00	1.62
Diluted earnings per share in EUR	0.00	1.62

IFRS – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2023, bet-at-home,com AG, Düsseldorf

	01/01- 31/12/2023	01/01- 31/12/2022
	EUR'000	EUR'000
Consolidated net result Total	-1,505	11,907
Items that are potentially reclassifiable to profit or loss subsequently	0	0
Items that are potentially not reclassifiable to profit or loss subsequently	0	0
Other comprehensive income	0	0
Comprehensive income	-1,505	11,907

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CONSOLIDATED STATEMENT OF CASH FLOWS

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CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2023, bet-at-home.com AG, Düsseldorf

	Note	2023	2022
	No.	EUR'000	EUR'000
Earnings before taxes (EBT)		-1,431	-690
+ Result from discontinued operations		0	11,356
+ Depreciation of non-current assets	(5)	1,643	2,209
+/- Increase/decrease in provisions		1,135	179
-/+ Increase/decrease in trade and other receivables not attributable to investing or financing activities		-140	-9,220
+/- Increase/decrease in trade and other payables not attributable to investing or financing activities		-726	4,685
+/- Increase/decrease in assets held for closing		0	12,830
+/- Increase/decrease in liabilities in connection with assets held for closure		0	-27,322
-/+ Payments/reimbursements for income taxes		-323	955
= Cash flows from operating activities		159	-5,018
- Acquisition of assets (excluding investments)		-385	-946
+ Proceeds from the disposal of assets		42	72
= Cash flows from investing activities		-343	-874
- Redemption of lease liabilities		-498	-770
= Cash flows from financing activities		-498	-770
= Net cash from operating, investing and financing activities		-682	-6,662
+ Cash and cash equivalents at 1 January		35,327	41,989
= Cash and cash equivalents at 31 December	(16)	34,645	35,327

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Company Profile	Report by the Management Board	Report by the Supervisory Board	The Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2023, bet-at-home.com AG, Düsseldorf

	Share capital	Capital reserves	Total comprehensive income	Total equity
	EUR'000	EUR'000	EUR'000	EUR'000
As at 01/01/2022	7,018	7,366	2,658	17,042
Dividend distribution	0	0	0	0
Consolidated net result total	0	0	11,907	11,907
As at 31/12/2022	7,018	7,366	14,565	28,949

	Share capital	Capital reserves	Total comprehensive income	Total equity
	EUR'000	EUR'000	EUR'000	EUR'000
As at 01/01/2023	7,018	7,366	14,565	28,949
Dividend distribution	0	0	0	0
Consolidated net result total	0	0	-1,505	-1,505
As at 31/12/2023	7,018	7,366	13,060	27,444

bet-at-home

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Company Profile	Report by the Management Board	Report by the Supervisory Board	The Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the period ended 31 December 2023, bet-at-home.com AG, Düsseldorf

I. GENERAL DISCLOSURES AND ACCOUNTING PRINCIPLES

bet-at-home.com AG (hereinafter “BaH” or “BaH Group”), listed on the stock market under German law, based in Düsseldorf (Tersteegenstrasse 30) and entered in the commercial register of Düsseldorf District Court under number HRB 52673 (as holding company), prepared its consolidated financial statements as at 31 December 2023 in accordance with international accounting standards.

The consolidated financial statements for the period ended 31 December 2023 of bet-at-home.com AG have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London, United Kingdom, and the interpretations of the IFRS Interpretations Committee (IFRS IC), as applicable in the European Union as at 31 December 2023, as well as additional requirements pursuant to Section 315e of the German Commercial Code (HGB). The consolidated financial statements have been prepared on a going concern basis.

The combined Management Report 2023 was prepared in accordance with the provisions of the German Commercial Code [HGB].

These consolidated financial statements were prepared using the same accounting policies as applied to the previous year’s financial statements as at 31 December 2022.

The Management Board of bet-at-home.com AG at its meeting on 05 March 2024 drew the consolidated financial statements up, submitted them to the Supervisory Board for review and approval, and released for publication.

The following standards/amendments to standards have already been published, but were not yet mandatory for the consolidated financial statements for the period ended 31 December 2023:

Standard	Content	Issued in	Date of EU endorsements	Mandatory for reporting periods beginning on or after
Standards				
Amendments				
IAS 1	Classification of Liabilities as Current and Non-Current	Jan 2020	Dec 23	01/01/2024
	Disclosure of Accounting Policies	Feb 2021	Mar 22	
IAS 1	Non-Current Liabilities with Covenants	Oct 22	Dec 23	01/01/2024
IFRS 16	Lease Liability in a Sale and Leaseback	Sep 22	Nov 23	01/01/2024
IAS7/IFRS 7	Supplier Finance Arrangements	May 23	open	01/01/2024
IAS 21	Lack of Exchangeability	Aug 23	open	01/01/2025

It is not anticipated that the initial application of the standards and interpretations stated above will have any significant effect on the future presentation of the BaH Group's financial position, financial performance and cash flows. As in the previous year, no voluntary early application of this standard was applied during the year.

The core business of the Company's associates is sports betting and casino games, which is exclusively offered online.

The consolidated financial statements have been prepared in EUR 1,000 EUR (EUR thousand). Totals in amounts and percentages are subject to rounding differences.

The consolidated income statement has been prepared in accordance with the nature of expense method. Where relevant for understanding the Group's results, subtotals have been provided and additional line items have been presented in the consolidated income statement.

Since 5 September 2009, Betclic Everest Group SAS, Paris, France has held a controlling interest in the bet-at-home.com group parent. Betclic Everest Group SAS (company registration no. 501 420 939) prepares consolidated financial statements for the smallest group of associated companies, which include BaH's consolidated financial statements. FL Entertainment N.V., Netherlands, listed on the Amsterdam stock exchange, is the ultimate parent company of Betclic Everest Group SAS, Paris/France, and prepares consolidated financial statements for the largest group of affiliated companies.

Due to the lack of positive forecasts for continued business, insolvency proceedings (winding up by the court) were initiated on 23 December 2021 against bet-at-home.com Entertainment Ltd., St. Julian's, Malta. At the hearing on 13 May 2022, the judicial winding up proceedings were confirmed by the Maltese court, and an official receiver was appointed. As a result of the loss of

control over bet-at-home.com Entertainment Ltd. (in liquidation), deconsolidation took place in the financial year 2022 at the moment of the loss of control. Reference is made to the information provided in Section V. "Discontinued Operations (IFRS 5)" of the consolidated financial statements for detailed representations concerning the discontinued operations "Online Casino in Austria".

II. CONSOLIDATED GROUP

General information

The consolidated financial statements include the accounts of bet-at-home.com's Austrian subgroup Entertainment GmbH, which has its registered office in Linz, Austria. The subgroup accounts of bet-at-home.com Entertainment GmbH include six subsidiaries (second-tier subsidiaries of BaH) in which bet-at-home.com Entertainment GmbH holds majority voting rights. BaH holds all voting rights in bet-at-home.com Entertainment GmbH.

In addition to the Group parent, BaH, the following subsidiaries and/or second-tier subsidiaries were fully consolidated in the financial year 2023:

- bet-at-home.com Entertainment GmbH, Linz, Austria (100 % interest);
- Entertainment Beteiligungsholding GmbH, Linz, Austria (100 % interest);
- bet-at-home.com Niederlande GmbH, Linz, Austria (100 % interest);
- bet-at-home.com Holding Ltd., Mosta/ Malta (100 % interest);
- bet-at-home.com International Ltd., Mosta/Malta (100 % interest);
- bet-at-home.com Internet Ltd., Mosta/Malta (100 % interest);
- Jonsden Properties Ltd., Gibraltar (100 % interest).

There are no non-controlling interests in group equity. The profit (loss) for the year does not comprise amounts attributable to shareholders of other companies.

Changes in the consolidated group

There were no changes to the scope of consolidation in the financial year 2023.

III. BASIS OF CONSOLIDATION

All financial statements included in the consolidated financial statements were prepared in accordance with the same accounting policies. The separate financial statements of consolidated domestic and international entities and the financial statements of bet-at-home.com Entertainment GmbH (Austria) were all prepared as at the group reporting date and consolidated in accordance with International Financial Reporting Standards, as adopted by the European Union, on the basis of a fictitious legal entity.

In accordance with IFRS 3.85 (limited retrospective application), from 1 January 2004 IFRS 3 (Business Combinations) and the revised standards IAS 36 (Impairment of Assets) and IAS 38 (Intangible Assets) were applied early with retrospective effect to the Maltese second-tier subsidiaries, which were included in the subgroup accounts of bet-at-home.com Entertainment GmbH (Austria) for the first time in 2004. Capital is consolidated by applying the revaluation method. The investment carrying amounts have been offset against the subsidiaries' proportional revalued equity capital (purchase accounting). The initial consolidation of the Maltese second-tier subsidiaries did not result in any excess or deficit.

As of 31 December 2005, the subgroup financial statements of bet-at-home.com Entertainment GmbH (Austria) were included in the consolidated financial statements of BaH for the first time. At this date all assets, provisions and liabilities of the subgroup financial statements were revalued. Consolidation was therefore performed using the revalued equity of the sub-group. The initial consolidation resulted in goodwill of EUR 1,052 thousand.

In the case of Jonsden Properties Ltd., which was included in the subgroup accounts of bet-at-home.com Entertainment GmbH (Austria) for the first time in 2008, the excess of EUR 2,000 identified upon initial consolidation, due to the cost of acquisition exceeding the fair value of the net identifiable assets acquired, was recognised as goodwill and written down in full as an impairment loss in the same year.

For the companies Entertainment Beteiligungsholding GmbH and bet-at-home.com Niederlande GmbH (both Linz, Austria), which were included in the consolidated financial statements for the first time in 2022, no goodwill arose in the course of capital consolidation.

Trade receivables, loans and other receivables are offset against the corresponding payables and provisions during the elimination of intercompany payables and receivables of entities included in the consolidated financial statements. As part of the consolidation of intercompany revenues and expenses, revenues from intercompany trade receivables were eliminated against expenses from inter-company trade payables. Any significant gains and losses on intercompany transactions were eliminated against each other. Discounts and other entries affecting only profit or loss were eliminated from the consolidated financial statements.

IV. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts in the consolidated financial statements and disclosures in the notes to the consolidated financial statements. These estimates and related assumptions are based on historical information and other factors deemed appropriate under the circumstances, and which serve as the basis for assessing the carrying amounts of assets and liabilities that cannot be derived from other sources. Actual outcomes may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies (IFRS) that have the most significant effect on the amounts recognised in the consolidated financial statements, and estimation uncertainties that may bear the risk of requiring a material adjustment of recognised assets and liabilities in subsequent financial years, are as follows:

- Estimating the likelihood of the outcome of pending civil-law and administrative proceedings and changes in the regulatory environment.
- Assessment of the further course and possible effects of the liquidation proceedings of bet-at-home.com Entertainment Ltd. (in liquidation), St. Julian's, Malta.
- Assessment of the recoveries from the liquidation proceedings and thus the valuation of the receivables of the Group companies due from bet-at-home.com Entertainment Ltd. (in liquidation), St. Julian's, Malta, which are to be serviced from its assets.
- Goodwill, the customer base and software were tested for impairment based on the expected future cash flows and interest rates.
- Estimation of the term of leases in accordance with IFRS 16 and the assessment of the exercise of existing extension and termination options, in addition to the determination of the term and the discount rate used, each have an influence on the respective amount of the rights of use and the lease liabilities.
- Capitalisation and measurement of deferred taxes depends on the assessment of whether it is probable that future taxable profit will be available, against which deductible temporary differences or the loss carryforward can be utilised.

Intangible assets and property, plant and equipment

Acquired intangible assets and office equipment are measured at cost less any accumulated amortisation/depreciation and write-downs.

No internally produced intangible assets are capitalised. The development costs incurred in 2022 and 2023 do not meet the recognition criteria of IAS 38.

Assets subject to wear and tear are written down over their estimated useful lives using the straightline method. The following depreciation and amortisation rates were used for estimating the useful lives of assets:

	Years
Operating and office equipment	3-10
Customer base	2
Software	3

If an asset acquired during the financial year is used for more than six months, the depreciation or amortisation charge recognised for the asset in the subgroup accounts will be the full annual amount; in the case of a shorter period of use, half the annual amount or the monthly amount is used. Assets acquired at a cost of EUR 0.8 thousand or less are fully written down in the year of acquisition and immediately recognised as disposals.

Intangible assets with finite useful lives and items of property, plant and equipment are tested for impairment. If there is evidence of impairment, the recoverable amounts for the relevant assets are determined. If the recoverable amount of an asset is lower than its carrying amount, an impairment loss is recognised.

With the exception of goodwill and domains in the amount of EUR 307 thousand, there are no intangible assets with indefinite useful lives.

Goodwill

Goodwill has an indefinite useful life and is not amortised, but tested annually for impairment instead (so-called "impairment-only" approach). An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. If the recoverable amount of goodwill, which is the higher of its fair value less costs to sell and its value in use, is lower than its carrying amount, an impairment loss is recognised.

Leased office buildings

Leased office buildings under lease agreements (IFRS 16) are initially recognised at the present value of the leasing liabilities. This results in the recognition of non-current assets as well as current and non-current liabilities. The application of IFRS 16 in the Group, which was performed according to the modified retrospective method, pertains to the presentation of lease liabilities for office spaces in Germany, Austria and Malta. Most of these have indefinite terms. The Management Board assumed a remaining term of five years for the majority as at 1 January 2019. In the financial year 2022, there were changes in the office space in Linz/Austria due to restructuring. The reassessment of the term of the remaining leases made by the management in the course of this assumes a subsequent term of five years. In the financial year 2023, the Management Board decided not to extend a rental agreement for the office space in St. Julian's/Malta and to rent a new office space in Mosta/Malta instead. The management also assumes a subsequent term to be at five years.

The estimate of the term of lease agreements according to IFRS 16 is based on the binding minimum term of the lease agreement and the estimate of the exercising of existing extension and termination options. The determination of the term and the discount rates applied have an influence on the rights of use and leasing liabilities.

The borrowing rate is determined on an individual basis for separate companies using a comparative interest rate that the company would have to pay if the assets were acquired using borrowed funds. The average weighted interest rate stands unchanged at 3.0 % to 6.0 % in the future regarding the reassessment made (IFRS 16).

Financial assets and liabilities

Financial assets and liabilities are recognised as soon as contractual rights or obligations are incurred. These transactions are recognised as at the measurement date. Financial assets are derecognised when the contractual rights to payments from financial assets no longer exist or when financial assets have been transferred with all material risks and rewards. Receivables are also derecognised if they are irrecoverable, and we have discontinued our efforts to collect receivables, e.g. after the conclusion of insolvency proceedings. As long as receivables are subject to enforcement, they are not derecognised.

Cash, cash equivalents

BaH treats cash, demand deposits and time deposits with remaining maturities of up to three months as cash and cash equivalents. The valuation is carried out at amortised cost.

Receivables and other assets

According to IFRS 9, receivables and other assets are generally to be allocated to the category “Evaluated at amortised cost” less any impairment losses. This does not apply to receivables due from bet-at-home.com Entertainment Ltd. (in liquidation), which were acquired during the liquidation phase. These receivables are to be measured at the respective expected recovery, whereby the difference between the acquisition cost and the nominal value of these receivables corresponds to the expected lifetime credit loss at the time the receivable was acquired. This expected lifetime credit loss is reviewed on an ongoing basis and any change is recognised in the consolidated income statement. The valuation method applied is in line with the “Level 3 method” of the fair value hierarchy according to IFRS 13. With the exception of the receivables due from bet-at-home.com Entertainment Ltd. (in liquidation), there is no notable credit risk. The other debtors with impeccable credit ratings are generally financial institutions and comparable institutions (for example, a payment provider) where no significant defaults have been recorded in the past and are not expected in the future.

Insofar as the receivables are classified as long-term (> 12 months) from the perspective of the balance sheet date, they are discounted at an interest rate with matching maturities and appropriate to the market.

Provisions for severance pay (redundancy pay)

Due to legal contractual obligations, bet-at-home.com Entertainment GmbH must render a one-off severance payment (redundancy payment) to employees if their contract is terminated or upon retirement. The amount depends on the number of years of service and the relevant salary level at the time of severance (redundancy) or retirement.

A provision is made for such obligations. An actuary performed the calculated in accordance with IAS 19 “Employee benefits” for the consolidated financial statements for the period ended 31 December 2023 and the value was recognised in income accordingly.

As the anticipated actuarial gains and losses pertain to one employee only, they are also expected to be low in the future. The actuarial gains and losses are therefore stated in personnel expenses. The interest cost and employee service cost remain included in the personnel expenses and are not presented in net finance income (costs).

Other provisions

Other provisions are recognised for current, legal or actual obligations stemming from past events, which are likely to lead to an outflow of resources and whose level can be reliably estimated (IAS 37.14). Their level corresponds to the present value of expected future outflows of funds and they are charged to the operative expenses of the functional area concerned. If the scope of the obligation is reduced as the result of an amended estimate, the provision will be

partially dissolved and the income recognised by the functional area that was originally charged for the formation of the provision. When a reasonable estimate is not possible, no provision is recognised but this is disclosed in the notes to the consolidated financial statements instead.

Provisions for legal disputes are formed for legal risks in accordance with the criteria of IAS 37. Legal disputes and other legal proceedings often open up complex issues and are associated with many uncertainties and difficulties, due for example to the matter in hand and the circumstances around each individual case, the court dealing with the dispute and difference between in applicable law. The results of pending or future proceeding can generally not be predicted.

In the case of pending or future legal proceedings, the information available to the legal department of the BaH Group is used in consultation with lawyers and consultants working for the company to check whether and to what extent accounting provisions need to be made. A provision for legal disputes is recognised if it can be reasonably assumed that one of these proceedings is likely to lead to outflows of funds that can already be reliably measured. These provisions cover the estimated payments to suing customers, court and procedural costs and legal and consultancy fees. The existence of a current obligation or likelihood of a potential outflow of resources from pending or future legal proceedings can sometimes not be reliably estimated. Information on the status of significant “legal risks” and the associated contingent liabilities is provided in the summarised management report (“C.1 Risk Report”).

Trade payables

Trade payables are recognised at the settlement amount.

Revenue recognition

BaH Group generates its income from the conclusion and processing of sports bets and the provision of various other online games in the Online Gaming division. In line with the practices in the industry, the net income from bets and/or wagers placed by customers and payouts to customers is initially recognised as gross betting and gaming revenue. The net gambling and gaming revenue recognised in the consolidated income statement is the amount left after deducting betting fees and gambling levies as well as any VAT on electronic services payable on this revenue.

All wagers recorded at the Maltese second-tier subsidiaries are recognised at a point in time when relative bets have been decided and placed up to the reporting date, provided that all performance obligations have been fulfilled, i.e. when events and relative player bets or wagers on online casinos, and other online games, have been completed. Bets that were debited from customers’ settlement accounts up to the reporting date and that were placed on sporting events, which take place after the reporting date and the results of which will be known after the end of the reporting date (pending bets), are recognised as financial liabilities to customers in accordance with IFRS 9 and reported under “Liabilities to customers”.

Income taxes

In comparison to the previous year (EUR 97 thousand), no income tax refund from the Maltese tax entity, in which all Maltese group companies are combined for income tax purposes, was recognised in the financial year 2023. For this reason, no current tax receivable is to be recognised in 2023.

Deferred tax assets relating to losses carried forward are taken into account if it is likely that they can be offset against taxable income during the planning period.

Deferred taxes are determined in accordance with IAS 12 "Income tax" using the balance sheet liability method. Deferred taxes are computed on the basis of an income tax rate of around 31 % for Germany and 24 % (23 % from 2024) for Austria and about 5 % for Malta (taking tax refunds into account), respectively.

Net finance income (costs)

The financial result includes interest and similar income received from the investment of financial resources as well as interest expenses in accordance with IFRS 16, negative interest and interest expenses from the discounting of long-term receivables (> 12 months). Interest is recognised on an accrual basis.

V. DISCONTINUED OPERATION (IFRS 5)

A discontinued operation is a part of the Group's business whose operations and associated cash flow can be clearly distinguished from the rest of the group and which represents a separate, significant line of business or geographical operation, is part of an individual, defined plan to assign a separate, significant line of business or geographical operation or represents a subsidiary which has been acquired solely for the purpose of being resold.

Discontinuation of online casino operations (.com)

As a result of claims from customers for reimbursement of gaming losses from the online casino, bet-at-home.com Entertainment Ltd. (in liquidation) could not meet its liabilities. Due to a lack of positive forecast for continued business, on 23 December 2021, the Group announced that court proceedings (winding up by the court) were initiated in Malta against bet-at-home.com Entertainment Ltd. (in liquidation).

At the hearing on 13 May 2022, the judicial winding-up proceedings were confirmed by the Maltese court and an official liquidator was appointed.

In June 2023, following adoption by the Maltese government, the Gambling Act Bill No. 55 came into force. This Bill is intended to protect local gambling companies in Malta. Invoking an exception in the EU Enforcement Regulation, foreign court rulings that conflict with the Maltese gambling will not be recognised, with reference to Maltese “public policy”. The conformity of Bill No. 55 with EU law is being variously questioned. At the request of the European Parliament, the EU Commission is currently examining the question of conformity of Bill No. 55 with EU law. In view of this fact, BaH together with its Maltese legal advisors have been continuously assessing and examining possible effects of this amendment – in particular with regard to judicial winding-up proceedings of bet-at-home.com Entertainment Ltd (in liquidation). The next hearing is scheduled for April 2024.

As a result of the winding up by the court of bet-at-home.com Entertainment Ltd. (in liquidation) and the appointment of an official receiver at the hearing on 13 May 2022, the Group lost control over bet-at-home.com Entertainment Ltd. (in liquidation), which was deconsolidated in accordance with IFRS 10.25 in the financial year 2022. Consequently, in the 2023 financial year, there is no longer a result from the discontinued operation, which is why the figures are limited to the previous year’s numbers.

Receivables due from and liabilities to bet-at-home.com Entertainment Ltd. (in liquidation), which was fully consolidated before 13 May 2022, from intragroup transactions and receivables from bet-at-home.com Entertainment Ltd. (in liquidation), which were acquired during the liquidation phase, remain in the consolidated balance sheet as of 31 December 2023. While the net carrying amounts of these receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) totalled EUR 10,035 thousand as of 31 December 2023, the net carrying amounts of liabilities to bet-at-home.com Entertainment Ltd. (in liquidation) totalled EUR 7,773 thousand as of 31 December 2023 (see Note (12) “Other receivables and assets” and Note (18) “Non-current liabilities”). From the former tax group of the Maltese subsidiaries, there exist liabilities of bet-at-home.com Holding Ltd. included in the consolidated financial statements at the amount of EUR 6,245 thousand to the Maltese Inland Revenue Department (IRD), which are related to receivables of bet-at-home.com Entertainment Ltd. (in liquidation) at the amount of EUR 7,308 thousand from the Maltese Inland Revenue Department (IRD).

Results from the discontinued operation

	01/01- 31/12/2023	01/01- 31/12/2022
	EUR'000	EUR'000
Net betting and gaming revenue	0	44
Results from operating activities	0	69
Earnings before interest, taxes and depreciation	0	-1,747
Earnings before interest and taxes	0	-1,747
Earnings before taxes	0	-1,751
Results from discontinued operation	0	-1,751
Results from discontinued operation total	0	11,356

VI. OTHER FINANCIAL INFORMATION – EBITDA BEFORE SPECIAL ITEMS* AS AN ALTERNATIVE PERFORMANCE MEASURE

The BaH Group started to calculate this alternative performance measure in 2023, with the aim to enable comparability of its performance over time and with companies from the industry through transparent presentation. It is achieved by making certain adjustments to the consolidated balance sheet or consolidated income statement items prepared in accordance with the applicable accounting standards. Adjustments may result from different calculation and measurement methods, irregular business activities and special effects that may impact the informative value of this item. The EBITDA before special items thus calculated applies to all periods and is used both internally by the Management Board and the Supervisory Board to manage the business and externally to assess the Group's performance and efficiency. The Supervisory Board and the Management Board are of the opinion that the disclosure of this non-IFRS performance indicator enables the users of information to better understand the Group's operating performance and better assess development of trends.

*) For the definition of the non-IFRS performance indicator "EBITDA before special items" please refer to Section B.3.5 ("Other financial information – EBITDA before special items as an alternative performance measure") of the combined management report.

The following table illustrates the reconciliation of EBITDA to EBITDA before special items* (from continuing operations):

Reconciliation (from continuing operations)	2023	2022
	EUR'000	EUR'000
EBITDA in profit & loss statement	807	2,105
Legal cases/customer claims	2,692	4,781
Income from reversals of impairment losses	-1,138	-2,524
EBITDA before special items	2,361	4,361

Special items are recognised in the consolidated income statement under other operating expenses and income. The amount of EUR 2,692 thousand (previous year: EUR 4,781 thousand) relates in particular to expenses in connection with customer claims totalling EUR 1,271 thousand (previous year: EUR 1,320 thousand) as well as fees for legal cases totalling EUR 420 thousand (previous year: EUR 960 thousand) and for legal settlements in connection with bet-at-home.com Entertainment Ltd. (in liquidation) totalling EUR 1,000 thousand (previous year: EUR 2,500 thousand). It also includes income from valuation of receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) as at 31 December 2023 in the amount of EUR 1,138 thousand (previous year: EUR 2,524 thousand).

VII. DISCLOSURES AND NOTES ON THE GROUP'S CONSOLIDATED INCOME STATEMENT, GROUP'S CONSOLIDATED STATEMENT OF FINANCIAL POSITION, GROUP'S CONSOLIDATED STATEMENT OF CASH FLOWS AND GROUP'S CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The following sections provide additional information on items of the Group's consolidated income statement, Group's consolidated statement of financial position, Group's consolidated statement of cash flows and the Group's consolidated statement of changes in equity. The previous year's comparative figures were taken from the consolidated financial statements of BaH as of 31 December 2022.

VII.1. COMMENTS ON ITEMS OF THE CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY 2023 TO 31 DECEMBER 2023

The consolidated income statement was prepared in accordance with the nature of expense method.

*) For the definition of the non-IFRS performance indicator "EBITDA before special items" please refer to Section B.3.5 ("Other financial information – EBITDA before special items as an alternative performance indicator") of the combined management report.

(1) Betting and gaming revenue and segment reporting

For clarity of presentation of the consolidated financial statements, betting and gaming revenue is shown in the consolidated income statement. The composition of the betting and gaming revenue is presented in these notes to the consolidated financial statements.

The BaH Group operates in the product and operating segments Online Sports Betting and Online Gaming. In the financial year 2023, the Online Gaming segment comprised casino and vegas games.

These operating segments correspond to the Group's internal organisational and managerial structure and the internal accounting system. The gross betting and gaming revenue was defined as segment income.

Segment reporting in accordance with IFRS 8

2023	Operating segments		Group total
	Online sports betting	Online gaming (.de)	
	EUR'000	EUR'000	
Betting and gaming volume	353,603	38,406	392,009
Paid out winnings	-311,263	-34,569	-345,833
Gross betting and gaming revenue	42,339	3,837	46,176
Betting fees and gambling levies	-8,249	-1,809	-10,058
VAT recognised in profit and loss	-28	0	-28
Net betting and gaming revenue	34,062	2,028	36,090

2022	Operating segments		Group total
	Online sports betting	Online gaming (.de)	
	EUR'000	EUR'000	
Betting and gaming volume	409,975	60,166	470,141
Paid out winnings	-360,907	-55,703	-416,610
Gross betting and gaming revenue	49,068	4,464	53,532
Betting fees and gambling levies	-9,213	-2,183	-11,396
VAT recognised in profit and loss	-99	0	-99
Net betting and gaming revenue	39,756	2,280	42,036

Segment reporting – supplementary information

Betting and gaming volume can be presented by geographic segment based on player country as follows:

	2023		2022	
	EUR'000	%	EUR'000	%
Germany	164,056	42	183,035	39
Eastern Europe	42,019	11	49,791	11
Austria and the rest of Western Europe	185,934	47	237,315	50
	392,009	100	470,141	100

Countries with similar markets were grouped together by region.

(2) Other operating income

	2023	2022
	EUR'000	EUR'000
Cost allocation to discontinued operations	0	392
Exchange rate gains	536	208
Other	2,478	2,846
	3,014	3,446

The item "Other" in the year 2023 comprises reversals of impairment losses on receivables from the former Group company bet-at-home.com Entertainment Ltd. (in liquidation) (Malta) in the amount of EUR 1,138 thousand (previous year: EUR 2,524 thousand) and derecognition of liabilities to customers in the amount of EUR 306 thousand (previous year: EUR 13 thousand) following a customer analysis conducted in the financial year 2023.

(3) Personnel expenses

Breakdown of **personnel expenses**:

	2023	2022
	EUR'000	EUR'000
Salaries	6,959	10,630
Expenses for severance (redundancy) pay and company pension plan contributions	102	131
Expenses for statutory social contributions and pay-based levies and statutory contributions	1,516	2,643
Other social contributions	76	103
	8,653	13,508

Expenses for severance (redundancy) and contributions to company pension plans include payments totalling EUR 92 thousand (previous year: EUR 146 thousand) under the Austrian Act on Benefits (New Severance Pay Scheme) for Employees and Self-Employed Persons [BMSVG "Abfertigung neu"].

Changes in headcount were as follows:

	Reporting date		Average	
	31/12/2023	31/12/2022	2023	2022
Employees	99	109	101	177

(4) Advertising and other operating expenses

These expenses include the following items:

	2023	2022
	EUR'000	EUR'000
Advertising expenses		
Advertising costs	8,087	4,667
Bonuses and vouchers	8,839	7,428
Sponsoring	103	1,532
	17,029	13,628

The increase in advertising expenses is attributable to an intensified marketing presence accompanied by a large-scale advertising campaign and numerous bonus promotions.

	2023	2022
	EUR'000	EUR'000
Other operating expenses		
Additional transaction costs	2,970	3,134
Software provider expenses	237	395
Information services and software maintenance	2,784	3,392
Legal, audit and advisory fees	1,310	2,343
Additions to provisions for impairment losses on receivables, loan losses and claims	353	566
Exchange rate differences and similar expenses	368	210
Costs for the preparation of financial statements, general meeting of shareholders and stock exchange costs	348	240
Supervisory Board compensation	40	40
Other costs	4,204	5,922
	12,615	16,242

The decrease in other operating expenses is mainly due to a decline in legal and consulting costs, which are associated with bet-at-home.com Entertainment Ltd. (in liquidation) deconsolidated in the previous year. This item also includes legal fees in the amount of EUR 420 thousand (previous year: EUR 960 thousand) in connection with customer claims. The decrease in other operating expenses is also attributable to lower costs for information services and software maintenance.

The item „Other costs“ mainly includes expenses in connection with customer requests for reimbursement of gambling losses in the amount of EUR 1,271 thousand (previous year: EUR 1,320 thousand) and expenses from settlement of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation) amounting to EUR 1,000 thousand (previous year: EUR 2,500 thousand).

(5) Depreciation, amortisation and write-downs

	2023	2022
	EUR'000	EUR'000
Amortisation and write-downs of intangible assets	359	400
Write-down of leased office building	367	719
Depreciation and write-downs of property, plant and equipment	835	1,085
Write-downs of low-value assets	82	5
	1,643	2,209

(6) Net finance income (costs)

	2023	2022
	EUR'000	EUR'000
Finance income		
Interest receivable and similar income	130	1
Finance costs		
Interest expenses from lease agreements	-23	-35
Other financial expenses	-702	-551
	-595	-585

Other financial expenses mainly relate to the interest expense from discounting long-term receivables (> 12 months).

(7) Taxes on income

The tax expense (previous year: tax income) is presented as follows:

	2023	2022
	EUR'000	EUR'000
Current income taxes for the year under review, Austrian subgroup	24	87
Trade tax, Germany	9	0
Expense/income from deferred taxes	143	-821
Tax income for previous years	-103	-507
	74	-1,240

The deferred taxes reported in 2023 result from a reduction in tax loss carry-forwards as well as differences between carrying amounts of leased office spaces, property, plant and equipment, and employee benefits according to corporate and tax law. The difference between the calculated income tax and the reported tax expense can be presented as follows:

	2023	2022
	EUR'000	EUR'000
Earnings before taxes	-1,431	-690
Calculated income tax expense, Austria (24 %; 2022: 25 %)	-83	-172
Tax income for previous years	-103	-507
Tax differences for Malta tax group	0	-67
Expense/income from deferred taxes	143	-821
Other differences and tax rate changes	117	327
Actual/recognised tax income	74	-1,240

VII.2. COMMENTS ON ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31 DECEMBER 2023

(8) to (13) Non-current assets

A breakdown of non-current assets and their movements during the financial year 2023 is presented in the Changes in Non-current Assets for the Group (appendix to the notes).

(8) Intangible assets

Intangible assets include in particular domains, software and licences with a useful life of three years.

(9) Goodwill

Historical composition:

	31/12/2023	31/12/2022
	EUR'000	EUR'000
Acquisition of Wetten-Schwechat business unit	155	155
Acquisition of the Starbet International Ltd. business unit	162	162
Take-over of bet-at-home.com Entertainment GmbH, Linz, Austria	1,052	1,052
	1,369	1,369

Thereof online sports betting operating segment	1,054	1,054
Thereof online sport gaming operating segment	315	315

Acquisition of bet-at-home.com Entertainment GmbH, Linz/Austria

As at 31 December 2005, the subsidiary bet-at-home.com Entertainment GmbH, including its subgroup, was consolidated for the first time. All hidden reserves to be recognised were disclosed. The subgroup was therefore consolidated based on the subgroup's equity as determined using the acquisition method. The initial consolidation resulted in a surplus of EUR 1,052 thousand. This surplus was recognised as goodwill in the consolidated financial statements.

An impairment test was carried out within the operating segments as of 31 December 2023 according to IAS 36. An impairment loss is recognised according to IAS 36 if the recoverable amount of associated goodwill or associated cash-generating unit (CGU) has fallen below the carrying amount. The recoverable amount is the higher amount between the value in use and the fair value minus disposal costs. The impairment test was based on the current corporate plan for 2024 to 2027, which is based on continued operations. The discount rate applied stood at 10 % (previous year: 10 %). No impairment was required as of the reporting date.

As part of a sensitivity analysis for an impairment test of the abovementioned goodwill at the end of the year, a 10 % reduction in future cash flows and a 10 % increase in the weighted average cost of capital were assumed. The sensitivity analysis concluded that there was no need for impairment as at the reporting date.

(10) Leased office buildings

Leased office buildings (application of IFRS 16) pertain to the rights of use from existing rent and lease agreements within the BaH Group for the office spaces in Germany, Austria and Malta. In the financial year 2023, there were changes in the office space in Malta and Germany. The rent agreement in Malta, which expired in February 2023, was not extended and a new office space was rented in Mosta. The management's estimate of the lease term is assumed to be five years and an increase in the recognised right-of-use asset and the lease liability is to amount to EUR 285 thousand. In Germany, at the end of the financial year 2023 and after the expiry of the right-of-use asset, the Management Board reassessed the lease agreement. The lease term is assumed to be five years. The corresponding right-of-use asset and lease liability in the amount of EUR 43 thousand were recognised.

(11) Property, plant and equipment

A breakdown of property, plant and equipment and its movements during the financial year 2023 is presented in the changes in non-current assets for the Group (appendix to the notes).

(12) Other receivables and assets

In addition to tax receivables, other non-current receivables and assets mainly include receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) in the amount of EUR 10,035 thousand (previous year: EUR 9,145 thousand) and result from various different business transactions. This includes receivables due from bet-at-home.com Entertainment Ltd. (in liquidation), Malta, from ongoing business relationships until 13 May 2022 in the amount of EUR 1,900 thousand (previous year: EUR 1,894 thousand) and receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) acquired during the liquidation phase in the amount of EUR 8,135 thousand (previous year: EUR 7,251 thousand).

There exist uncertainties regarding the assets of the estate and the estate liabilities of bet-at-home.com Entertainment Ltd. (in liquidation) recognised by the official receiver. However, the assets of the estate and the recognised estate liabilities influence the quota that the creditors will receive on their established claims. The resulting uncertainties are addressed as part of the valuation of the receivables against bet-at-home.com Entertainment Ltd. (in liquidation) by assuming and assessing various scenarios (best estimate).

As a result of weighting various recoveries in the respective scenarios, the receivables of bet-at-home.com Entertainment Ltd. (in liquidation) were valued at around half of the nominal amount. From the current perspective, the insolvency proceedings in Malta of bet-at-home.com Entertainment Ltd. (in liquidation) are estimated to be settled at the end of 2025 and the receivables are expected to be serviced from assets at that time. Accordingly, the expected payments on receivables were discounted over this period at an interest rate with matching maturities and appropriate to the market.

Whether as expected the inflow actually materialises, depends on whether and to what extent filed requests from players for reimbursement of gambling losses are successful. Please refer to our comments on Bill No. 55 in section V. “Discontinued operations (IFRS 5)” in the notes to the consolidated financial statements. Court and procedural costs as well as costs for experts and consultants additionally reduce the assets to be distributed.

(13) Deferred tax assets

The differences between the valuations of assets, provisions, liabilities and accruals and deferred income according to IFRS and their tax valuations in addition to possible future tax relief due to tax losses carried forward result in a future tax relief from deferred taxes. The company is required to recognise deferred tax assets for this tax relief. Deferred tax assets as of 31 December 2023 amounted to EUR 2,078 thousand in total (previous year: EUR 2,272 thousand). The amount of EUR 2,074 thousand (previous year: EUR 2,186 thousand) stemmed from a group company’s tax losses being carried forward, which the Management Board believes could be used in the period up until 2027 to offset taxable profits. No deferred tax assets were recognised for tax losses carried forward in the amount of EUR 8,199 thousand (previous year: EUR 8,772 thousand).

(14) Tax receivables

Tax receivables include the following items:

	31/12/2023	31/12/2022
	EUR'000	EUR'000
Tax refund claim 2022 (tax refund Malta)	0	99
Tax refund claim 2021 (tax refund Malta)	809	3,429
Corporation tax advance payment Austria	1	1
Other	1,186	1,584
	1,996	5,113

As in previous years, the item “Other” mainly relates to existing credit balances against tax authorities.

(15) Other receivables and assets

All receivables and other assets have residual maturities of up to one year and comprise the following:

	31/12/2023	31/12/2022
	EUR'000	EUR'000
Advance payments	469	743
Receivables from payment service providers	2,189	1,627
Others	233	1,079
	2,890	3,449

The advance payments relate mainly to advance payments from advertising contracts as well as maintenance contracts.

(16) Cash and cash equivalents

	31/12/2023	31/12/2022
	EUR'000	EUR'000
Cash at bank (maturities < 3 months) and in hand	34,645	35,327

Any cash and cash equivalents and short-term deposits used for securing liabilities may only be disposed of with limitations. EUR 5,380 thousand (previous year: EUR 5,380 thousand) of cash and cash equivalents are allocated to pledged funds which can be made available at short notice within three months.

Cash and cash equivalents also include proceeds from customers which are recognised in the consolidated statement of financial position as liabilities to customers amounting to EUR 4,281 thousand (previous year: EUR 4,940 thousand).

(17) Group equity

Breakdown of the Group's equity:

	31/12/2023	31/12/2022
	EUR'000	EUR'000
Subscribed capital	7,018	7,018
Capital reserves	7,366	7,366
Consolidated net profit for the period	13,060	14,565
	27,444	28,949

For more information on group equity, please also refer to the consolidated statement of changes in equity.

The Group's share capital is divided into 7,018,000 no-par-value shares.

The capital reserves stem from capital increases in 2005 and 2006 and decreased in 2016 by EUR 3,509 thousand as a result of an increase in the subscribed capital from company funds. Maintaining business operations in the long term, sustainably increasing the value of the company and securing liquidity are the most important objectives of financial management.

The general meeting of shareholders on 18 May 2021 resolved to authorise the Management Board, with the Supervisory Board's consent, to increase the Company's share capital by 17 May 2026 by issuing up to EUR 1,403,600 new non-par value bearer shares for cash and/or non-cash contributions, once or several times, up to an amount of EUR 1,403,600.00. The shareholders shall be offered to purchase new shares. However, the Management Board is authorised, upon approval by the Supervisory Board, to exclude the shareholders' subscription right in certain cases.

The Management Board is authorised by the resolution of the general meeting of shareholders on 26 May 2023, with the consent of the Supervisory Board, to acquire treasury shares up until 25 May 2025 for an amount of up to 10 % of the share capital of the Company existing when this authorisation is granted, or (if this value is lower) 10 % of the share capital existing at the time of enforcement of this authorisation. In this context, the shares acquired following this authorisation, together with other shares of the Company, which the Company has already acquired and still holds or which are attributable to the Company pursuant to Sections 71a et seq. of the German Stock Corporation Act (AktG), should at no time exceed 10 % of the share capital. The authorisation should not be used for the purpose of trading in treasury shares.

Earnings per share are calculated by dividing the consolidated net profit for the year (EUR -1.5 million) attributable to the shareholders of BaH by the weighted average number of outstanding shares (7,018,000). The number of shares of BaH did not change during the financial year 2023.

As there were no potential shares outstanding as at 31 December 2023 or 31 December 2022 that could dilute earnings per share, basic earnings per share correspond to diluted earnings per share.

(18) Non-current liabilities

	31/12/2023	31/12/2022
	EUR'000	EUR'000
Provisions for employee benefits	93	82
Lease liabilities	1,409	1,437
Other non-current liabilities	7,773	10,273
	9,275	11,792

In order to calculate the provisions for severance pay (provisions for redundancy pay) in accordance with IAS 19 by applying the projected unit credit method, an actuary's opinion was obtained, which is based on an actuarial interest rate of 3.13 % (previous year: 3.72 %) and an annual growth rate of 5.0 %. The interest cost (and employee service cost) is included in the personnel expenses and not presented in net finance income (costs). The remaining term is around eleven years.

In the financial year 2023, there were changes to the office space in Malta and the associated new rental agreement as well as a reassessment of utilisation of the rental space in Germany. The assessment of the term made by the Maltese management is to be five years and an increase in the recognised right-of-use asset and lease liability in the amount of EUR 285 thousand. The reassessment of term of the rental agreement in Germany is also to be five years. This resulted in an increase in the recognised right-of-use asset or lease liability in the amount of EUR 43 thousand.

Other liabilities include EUR 7,773 thousand in liabilities to bet-at-home.com Entertainment Ltd. (in liquidation) resulting from ongoing business transactions with this company until 13 May 2022.

(19) to (24) Current liabilities

Current liabilities include the following items:

	31/12/2023	31/12/2022
	EUR'000	EUR'000
Other provisions	3,027	1,903
Trade payables	1,655	1,548
Tax liabilities	7,213	11,852
Liabilities to customers	4,281	4,940
Liabilities from leasing agreements	322	443
Other liabilities	3,561	1,235
	20,060	21,921

(19) Other provisions

Total other provisions developed as follows in the financial year 2023 (EUR thousand):

	Balance at 31/12/2022	Utilisation	Release	Addition	Balance at 31/12/2023
Audit and advisory	325	514	31	534	314
Affiliate programme	494	0	5	285	774
Other	1,084	158	50	1,063	1,939
	1,903	672	86	1,882	3,027

Other provisions mainly include claims in connection with customer claims totalling EUR 1,715 thousand (previous year: EUR 879 thousand).

(20) Trade payables

Trade payables are recognised at the repayment amount and are entirely short-term.

(21) Tax liabilities

Tax liabilities relate to corporation tax liabilities to the Maltese tax authorities (IRD) amounting to EUR 6,245 thousand (previous year: EUR 10,599 thousand), betting fees, gambling levies and VAT

on electronic services amounting to EUR 858 thousand (previous year: EUR 1,041 thousand) and other taxes amounting to EUR 130 thousand (previous year: EUR 212 thousand).

(22) Liabilities to customers

Liabilities to customers include pending bets (in accordance with IFRS 9) in the amount of EUR 232 thousand (previous year: EUR 296 thousand) and customer balances (in accordance with IFRS 15) in the amount of EUR 4,048 thousand (previous year: EUR 4,644 thousand).

(23) Liabilities from leasing agreements

As at 31 December 2023, current liabilities from the rights of use from leases (less than 12 months) capitalised in accordance with IFRS 16 amounted to EUR 322 thousand (previous year: EUR 443 thousand before considering the new rental properties in Malta).

(24) Other liabilities

Other current liabilities include the following items:

	31/12/2023	31/12/2022
	EUR'000	EUR'000
Liabilities to personnel	801	861
Social security liabilities	160	187
Other liabilities	2,599	187
	3,561	1,235

Other liabilities include the amount of EUR 2,500 thousand attributable to settlement of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation), which are due at the end of the 1st quarter of 2024. Liabilities to employees comprise outstanding holiday entitlements and overtime hours and/or bonuses.

VII.3. COMMENTS ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

Cash and cash equivalents recognised in the statement of cash flows exclusively refers to the “Cash and cash equivalents” item in the statement of financial position. Interest received primarily results from current operating activities.

VII.4. COMMENTS ON THE PRESENTATION OF CHANGES IN GROUP EQUITY

Changes in group equity are presented in the consolidated statement of changes in equity.

VIII. OTHER DISCLOSURES

VIII.1. FINANCIAL INSTRUMENTS

For further details on non-derivative financial instruments, see the consolidated statement of financial position. "Pending bets" are recognised as financial liabilities (derivatives) in accordance with IFRS 9. The Group does not conduct any other financial transactions involving derivative instruments and exclusively holds bank balances, cash and cash equivalents. The Group has receivables from payment providers.

Fair value risk management

The financial instruments at fair value are classified according to the levels in the fair value hierarchy, which are defined as follows:

- Level 1: Quoted prices in active markets for identical assets and liabilities.
- Level 2: Inputs that are observable either directly (such as prices) or indirectly (unlisted prices) are used as the basis for calculating assets or liabilities.
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (i.e. prices), such as internal models or other valuation techniques.

As at the reporting date, 31 December 2023, pending bets were recognised as financial liabilities in accordance with IFRS 9 (fair value measurement according to level 3) and stated in liabilities to customers. Taking into consideration the fact that these are bets that were placed shortly before the reporting date, the Management Board assumes that the fair value as at the reporting date corresponds to the acquisition costs (market value on the date the bet was placed).

There are no other financial instruments that are measured at fair value.

The disclosures on the risks arising from potential financial instruments (IFRS 7.31, 33(b)) are included in the following disclosures on the financial risks.

VIII.2. FINANCIAL RISKS

Cash and cash equivalents and liquidity risk

Liquidity exposure reflects the risk that the Group will have insufficient resources to meet its financial obligations as they fall due. Due to the current slightly positive cash flow within the BaH Group, the liquidity risk in the financial year 2023 is classified as medium.

Interest rate, currency and exchange rate risks

The interest rate risk associated with investments is considered insignificant. The interest rates on the bank balances depend on the market interest rates, which depend on the maturities. A change in the currently level of interest by 0.5 % would change the financial result by EUR 173 thousand (previous year: EUR 177 thousand).

Currency risk relates to exchange rate differences. Despite the Group's international orientation, most cash flows are denominated in the group's functional currency, the euro. Transactions denominated in other currencies were of minor importance. The currency risk was not hedged in previous years either.

Counterparty default (credit risk)

Credit risk refers to the risk of payment delays or default by counterparties. With the exception of receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) (reported under non-current other receivables and assets, see Note 12), there is no credit risk. On the assets side, the amounts reported (current receivables and other assets) also represent the maximum exposure to credit and default risk, as there are no netting agreements.

The default risk relating to bank balances is still considered low and is estimated to be lower than in the previous year due to an improvement in the overall economic situation. If this risk materialises, the impact on the net assets, financial position and results of operations will be classified as high.

There are risks relating to reduced cash flows from receivables from bet-at-home.com Entertainment Ltd (in liquidation). The receivables from bet-at-home.com Entertainment Ltd. (in liquidation) recognised as at 31 December 2023 continue to be subject to an increased risk of default as the company is in liquidation ("winding up by court"). There is no certainty regarding claims to be recognised by the official receiver against the estate. There is uncertainty that claims from gambling losses cannot be asserted or can only be asserted to a limited extent due to the asserted or changed Maltese legal situation. In addition to receivables from ongoing business relationships until 13 May 2022, this also applies to receivables from bet-at-home.com Entertainment Ltd (in liquidation) acquired during the liquidation phase. In addition, there is uncertainty regarding the extent of receivables from bet-at-home.com Entertainment Ltd (in liquidation) that can still be filed

by third parties and recognised by the official receiver. The higher the extent of the receivables recognised by the official receiver, the lower the quota payment to the BaH Group will be, and vice versa. The existing uncertainties regarding the valuation of receivables from bet-at-home.com Entertainment Ltd. (in liquidation) have been addressed by the Management Board by assuming and assessing various scenarios in the sense of a best estimate. The risk that the cash flows from the liquidation of bet-at-home.com Entertainment Ltd. (in liquidation) are lower than estimated in its valuation has decreased compared to the previous year, but is still classified as low to medium. If this risk materialises, the impact on the net assets, financial position and results of operations continues will be classified as medium to high.

VIII.3. RELATED PARTY TRANSACTIONS

The Management Board member of BaH during the financial year 2023 was:

- Marco Falchetto, Master's degree, member of the Management Board, Mödling, Austria.

The remuneration of the Management Board in the financial year 2023 totals EUR 565 thousand (previous year: EUR 850 thousand). Of this, an amount of EUR 125 thousand (previous year: EUR 281 thousand) is attributable to the arithmetical allocation of entitlements from a short-term variable remuneration, which was accrued. In addition, we refer to the compensation report prepared for the financial year 2023. The compensation report is published on the company's website at: <https://www.bet-at-home.ag/de/corporate-governance>.

The Supervisory Board of BaH consisted of the following members in the financial year 2023:

- Martin Arendts, MBL-HSG, lawyer, Grünwald (Chairman),
- Véronique Giraudon, member of the Management Board, Paris, France (deputy chairperson),
- François Riahi, member of the Management Board, Paris, France.

In 2023, the Chairman of the Supervisory Board received fixed compensation of EUR 40 thousand (previous year: EUR 40 thousand). Necessary expenses were also reimbursed. Ms Giraudon and Mr Riahi waived their compensation in the financial year 2023.

In the financial year 2023 the subsidiary bet-at-home.com Entertainment GmbH (Austria) and MF Scientific Studios GmbH, whose sole shareholder is the Management Board of BaH, with the prior authorisation of the Supervisory Board, concluded an agreement. According to the service and licence framework agreement, MF Scientific Studios GmbH delivers a highly transactional CRM & automation platform. The terms of the agreement began in January 2024.

Pursuant to Section 312 (3) of the German Companies Act [Aktiengesetz; AktG], the Board of Management states that, according to the circumstances known to the Board at the time when legal transactions were concluded with related parties, the parent company received appropriate compensation for each legal transaction. No actions subject to Section 312 (1) AktG were taken or omitted.

VIII.4. OTHER FINANCIAL OBLIGATIONS, UNCERTAIN LIABILITIES AND CONTINGENT LIABILITIES

As of the balance sheet date, contingent liabilities existed in the form of bank guarantees amounting to EUR 10,467 thousand (previous year: EUR 10,514 thousand). These are bank guarantees to secure public claims under the Austrian Bookmakers Act, claims in connection with the sports betting licence granted and the licence for virtual machines in Germany, claims from existing tenancies and claims from the Swiss Federal Tax Administration in Switzerland.

With regard to contingent liabilities, please refer to the disclosures on contingent liabilities in the combined management report ("C.1 Risk report").

VIII.5. AUDITOR'S FEE

The Group auditors' expenses amounting to EUR 115 thousand were incurred in the financial year 2023 (previous year: EUR 105 thousand), which relate exclusively to auditing services.

VIII.6. EXPLANATION REGARDING THE MANAGEMENT OF BET-AT-HOME.COM AG IN ACCORDANCE WITH SECTION 289F HGB AND THE GROUP IN ACCORDANCE WITH SECTION 315D HGB AS WELL AS THE CORPORATE GOVERNANCE REPORT

The current corporate governance statement, including the declaration of conformity pursuant to Section 161 of the German Stock Corporation Act (AktG), can be accessed on the website of BaH at: <https://www.bet-at-home.ag/de/corporate-governance>. The corporate governance report is also published there.

VIII.7. MATERIAL SUBSEQUENT EVENTS

At the moment the consolidated financial statements were prepared, there were no significant events after the balance sheet date.

VIII.8. RESPONSIBILITY STATEMENT

I assure that to the best of our knowledge, the consolidated financial statements give a true and fair view of the Group's financial position, financial performance and cash flows in accordance with the applicable reporting standards, and that the summarised management report gives a true and fair view of the business development including the business performance and position of the Group and appropriately presents the significant opportunities and risks of the Group's anticipated development.

Düsseldorf, 05 March 2024

Marco Falchetto

APPENDIX TO THE NOTES

CHANGES IN NON-CURRENT ASSETS FOR THE GROUP

as at 31 December 2023, bet-at-home.com AG, Düsseldorf

	At cost				Accumulated depreciation				Carrying amount 31/12/2022		
	Balance at 01/01/2023	Additions	Disposals	Reclassifications	Balance at 31/12/2023	Balance at 01/01/2023	Additions	Disposals		Balance at 31/12/2023	
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000		
I. Intangible assets	3,863	35	220	18	3,696	2,887	359	220	3,026		
II. Goodwill	1,369	0	0	0	1,369	0	0	0	0		
III. Leased office buildings	4,005	328	1,220	0	3,113	2,140	367	1,107	1,400		
IV. Property and equipment	8,105	22	446	-18	7,663	5,758	917	394	6,280		
1. Furniture and fixtures, office equipment	7,799	22	446	0	7,375	5,758	917	394	6,280		
2. Construction in progress	306	0	0	-18	288	0	0	0	0		
	17,342	385	1,886	0	15,841	10,784	1,643	1,721	10,706		
										5,134	6,558

CHANGES IN NON-CURRENT ASSETS FOR THE GROUP

as at 31 December 2022, bet-at-home.com AG, Düsseldorf

	At cost				Accumulated depreciation				Carrying amount 31/12/2021	
	Balance at 01/01/2022	Additions	Disposals	Reclassifications	Balance at 31/12/2022	Balance at 01/01/2022	Additions	Disposals		Balance at 31/12/2022
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
I. Intangible assets	3,777	527	441	0	3,863	2,927	401	441	2,887	976
II. Goodwill	1,369	0	0	0	1,369	0	0	0	0	1,369
III. Leased office buildings	4,240	1,519	1,755	0	4,005	2,612	719	1,191	2,140	1,865
IV. Property and equipment	8,215	419	529	0	8,105	5,126	1,089	458	5,758	2,347
1. Furniture and fixtures, office equipment	8,209	17	481	54	7,799	5,126	1,089	458	5,758	2,041
2. Construction in progress	6	402	48	-54	306	0	0	0	0	306
	17,602	2,465	2,725	0	17,342	10,664	2,209	2,090	10,784	6,558
										6,937

bet-at-home

COMBINED MANAGEMENT REPORT

Company Profile	Report by the Management Board	Report by the Supervisory Board	The Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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COMBINED MANAGEMENT REPORT 2023

bet-at-home.com AG, Düsseldorf

A. ECONOMIC STATUS OF THE GROUP

A.1 BUSINESS MODEL

The bet-at-home.com AG Group (hereinafter also referred to as “BAH Group”) operates as an on-line sports betting and gaming company via its operational Maltese group companies. With more than 5.7 million registered customers, the Group is one of the leading providers in the German-speaking countries.

The wide-ranging offerings on bet-at-home websites include sports betting and online casino. In the financial year 2023, the sports betting offer comprised more than 1 million events on over 55 types of sport and e-sport, including around 1 million live events. The BaH Group has companies in Germany, Austria, Malta and Gibraltar.

The various online sports betting and online gambling licenses are held by the Maltese Group company. These licences authorise the company to organise and to offer online sports betting and online casinos in Germany as well as in other countries of the European Union.

bet-at-home.com AG Group structure in detail

bet-at-home.com AG, Düsseldorf, as the parent company, is listed on the Regulated Market of the Frankfurt Stock Exchange in the Prime Standard market segment. All operating activities are carried out exclusively by indirect associates.

bet-at-home.com AG holds 100 % of bet-at-home.com Entertainment GmbH. This company, with its registered office in Linz/Austria, provides numerous services in the areas of IT, finance, customer management and law for other Group companies. The Group holds its international online sports betting licenses and online gaming licenses for casino, poker, games and virtual sports via bet-at-home.com Holding Ltd., which has its registered office in Mosta, Malta.

A.2 DEVELOPMENT ACTIVITIES AND OUTSOURCING

By concluding an agreement in 2022, bet-at-home.com AG changed its original approach of extensive in-house development towards an increased outsourcing. This decision was driven by increasingly complex technological requirements and an increased cost pressure. It was possible due to a growing range of cost-effective and high-quality commercial industry solutions.

In February 2023, after months of preparation, the bet-at-home.com Internet Ltd. offering licensed in Malta was outsourced to the external service provider EveryMatrix Holding plc. The outsourcing of the German-licensed offering to www.bet-at-home.de was successfully completed in

October 2023. From now on, the Group will focus exclusively on those customer and revenue-related components that cannot be created and operated externally, or only to an insufficient extent. The operational focus will be made on efficient and effective customer management and marketing. The reduction in internal complexity and necessary resource requirements associated with the increased outsourcing has already had a positive effect on the earnings situation of the BaH Group, due to cost savings in the IT area. This strategic realignment will continue to form the basis for a lean and cost-efficient organisational structure in the future.

B. BUSINESS REPORT

B.1 OVERALL ECONOMIC AND INDUSTRY SITUATION

In the financial year 2023, the EU economy lost momentum after a robust post-pandemic recovery, with private consumption largely stagnating as nominal wage growth continued to lag behind inflation. At the same time, the EU labour market remained resilient and companies retained jobs despite major changes in the production structure. Industrial development was held back by weak demand and high energy costs. Following the monetary tightening measures over the course of the year, inflation is likely to fall further. However, uncertainty and downside risks have increased, mainly due to the protracted Russian aggression against Ukraine and the conflict in the Middle East. The energy markets appear to be the most vulnerable, as renewed disruptions to energy supplies could potentially have a significant impact on energy prices, global production and overall price levels. According to the latest estimates of the European Commission from February 2024, GDP in the EU have increased by 0.5 % in 2023 and is expected to increase by 0.9 % in 2024.

Based on past experience in the BaH Group's key markets, it can be concluded that business development in the online sports betting and online gaming sector is largely independent of overall economic developments in the respective markets. In the past, the BaH Group's business has therefore proven to be consistently resistant to crises. Despite inflation, no significant impact on gaming behaviour attributable to the overall economic situation was identified in the 2023 financial year.

The higher penetration of mobile devices, increasing online affinity and mobile gaming as an established sales channel will continue to be the main drivers of the online gaming market. According to currently available estimates, H2 Gambling Capital expects online gross gaming revenues to have increased by 9 % in 2023. The commercial potential of individual online gambling markets will largely depend on the organisation of the respective national regulatory requirements in the future.

B.2 BUSINESS TREND

(1) Highlights in the financial year 2023

By the end of the financial year 2022, the Group already succeeded in achieving a significantly higher legal and planning certainty in Germany for all products offered by receiving a licence for virtual slot machines and extending the licence for sports betting until the end of 2027.

Following a decline in customer activity in Germany, due to the introduction of concession requirements starting the financial year 2021, the client base has developed largely stable. The introduction of cross-product and cross-provider monthly betting limits on 1 July 2022, as well as of the notification of increased betting limits to the nationwide LUGAS database from the second quarter 2023 had an impact on deposit behaviour of customers. Due to a comprehensive comparison of licensed providers by the supervisory authority with participation of the so-called Gambling Council, a practicable, albeit notably limited, betting offer could be ensured in the meantime. By agreement with the authority, however, the offering can be continuously expanded in the future. Massive restrictions on licensed providers in the area of virtual slot machines and the ban on banking games, combined with insufficient measures against non-licensed providers, continue to have a significant negative impact on the business performance of the BaH Group. At the end of 2023, the supervisory authority announced that further approval of an increased monthly deposit limit per customer would be subject to additional conditions in future, which could also have a negative impact on the business result.

With a gross betting and gaming revenue at EUR 46.2 million, the forecasted range of revenue, which was adjusted in October 2023, between EUR 44 million and EUR 48 million was achieved. The initial EBITDA forecast of EUR -3 million and EUR 1 million for the financial year 2023 was reached by posting an EBITDA of EUR 0.8 million. EBITDA before special items*, which was introduced in 2023 as a new control parameter, amounted to EUR 2.3 million for the financial year 2023. The forecast for the financial year 2024 is based on the EBITDA before special items* as an alternative performance measure.

(2) Human resources and social security

The average number of employees (excluding the Management Board) in the Group in the financial year 2023 amounted to 101 (previous year: 177). As of the reporting date, the Group employed 99 employees (previous year: 109).

Despite the implementation of two successive restructuring programs in the previous year, the targeted personnel development of highly qualified employees remains the basis for the Group's further development. Moreover, intensive professional development is a central cornerstone of human resources management. The personnel reductions and far-reaching internal restructuring

*) EBITDA before special items: for definition refer to Section 3.5 "Other financial information – EBITDA before special items as an alternative performance measure" of the combined annual report

have resulted in a stronger focus on key business areas and significantly improved operational efficiency.

B.3 GROUP SITUATION

B.3.1 Earnings position

All information on the financial performance relates to the financial year 2023. For detailed information on discontinued operations in the previous year, please refer to Section V. "Discontinued operations (IFRS 5)" in the notes to the consolidated financial statements.

Gross revenue from online sports betting (bets less paid out winnings) from continuing operations in the financial year 2023 amounts to EUR 42,339 thousand, which is below the previous year's level (previous year: EUR 49,068 thousand).

Gross revenue from online gaming (gaming revenue less paid out winnings) from continuing operations decreased by EUR 627 thousand compared to the previous year's level to EUR 3,837 thousand (previous year: EUR 4,464 thousand). Online gaming primarily includes slots for the German market.

Gross betting and gaming revenue from continuing operations in the financial year 2023 amounted to EUR 46,176 thousand and was thus below the previous year's level (previous year: EUR 53,532 thousand). The main factors for the reduction were the introduction of cross-product and cross-provider deposit limits in Germany starting mid-2022, obligation to notify about increased betting limits starting the second quarter 2023 as well as losses from the migration of customers from the own .com and .de platforms to the system of EveryMatrix. Gross betting and gaming revenue is an important financial performance indicator for the Group.

The betting fees or taxes and gambling levies payable in various countries reduced earnings by EUR 10,058 thousand during the financial year 2023 (previous year: EUR 11,396 thousand). In addition, value-added tax regulations for electronically supplied services decreased earnings by EUR 28 thousand (previous year: EUR 99 thousand).

Taking into consideration betting taxes and gambling levies and the tax payable due to the VAT regulations for electronically supplied services, net gaming revenue in the financial year 2023 amounted to EUR 36.1 million (previous year: EUR 42.0 million).

In the financial year 2023, the Group's **earnings position** was as follows:

	01/01- 31/12/2023	01/01- 31/12/2022
	EUR'000	EUR'000
Gross betting and gaming revenue	46,176	53,532
Net betting and gaming revenue	36,090	42,036
Total operating income	39,104	45,482
EBT* (earnings before taxes)	-1,431	-690
EBIT** (earnings before interest and taxes)	-835	-105
EBITDA*** (earnings before interest, taxes, depreciation and amortisation)	807	2,105
EBITDA before special items**** (earnings before interest, taxes, depreciation and amortisation before special items)	2,361	4,361

*) corresponds to profit before income tax as shown in consolidated income statement

**) EBT less finance income (costs) in the consolidated income statement

***) EBIT plus depreciation, amortisation and write-downs as shown in consolidated income statement

****) EBITDA before special items: for the definition refer to Section 3.5 "Other financial information – EBITDA before special items as an alternative performance measure" of the combined management report

Advertising expenses amount to EUR 17,029 thousand in the financial year 2023 (previous year: EUR 13,628 thousand). The increase in advertising expenditure was a result of intensified marketing of the company's brand with a large-scale advertising campaign and numerous bonus promotions.

Personnel expenses decreased significantly by EUR 4,855 thousand to EUR 8,653 thousand in the financial year 2023, due to the reduction in headcount in 2022.

B.3.2 Financial situation

All disclosures concerning the financial situation relate to continuing operations. Reference is made specifically to the consolidated financial statements Section V. "Discontinued Operation (IFRS 5)" for detailed information on the discontinued operation.

As at 31 December 2023, the **financial situation** was as follows:

	31/12/2023	31/12/2022
	EUR'000	EUR'000
Earnings before taxes	-1,431	- 690
Cash flows from operating activities	159	-5,018
+ Cash flows from investing activities	-343	-874
+ Cash flows from financing activities	-498	-770
= Net cash from operating, investing and financing activities	-682	-6,662
+ Cash and cash equivalents at the beginning of period	35,327	41,989
= Cash and cash equivalents at the end of period	34,645	35,327

The cash flow from investing activities mainly includes cash outflows for additions to assets.

The cash flow from financing activities reflects the repayment of lease liabilities.

The Group has at all time been able to meet its financial obligations in the continuing operations.

B.3.3 Net assets

As of December 31, 2023, net assets were as follows:

Assets	31/12/2023	31/12/2022
	EUR'000	EUR'000
Non-current assets	18,047	18,773
Current assets		
Tax receivables	1,196	5,113
Other receivables and assets	2,890	3,449
Cash and cash equivalents	34,645	35,327
	56,779	62,662

The non-current assets item includes receivables in the amount of EUR 10,035 thousand due from bet-at-home.com Entertainment Ltd. (in liquidation) from various transactions. Refer to the comments in the notes to the consolidated financial statements (Section VII.2. Note (12)).

Equity and liabilities	31/12/2023	31/12/2022
	EUR'000	EUR'000
Group equity	27,444	28,949
Non-current liabilities (liabilities and provisions)	9,275	11,792
Current liabilities (liabilities and provisions)	20,060	21,921
	56,779	62,662

The equity ratio as of 31 December 2023 increased to 48.3 % (previous year: 46.2 %) despite a decline in equity resulting from the total consolidated result for 2023 in the amount of EUR -1,505 thousand. The consolidated balance sheet total decreased from EUR 62,662 thousand to EUR 56,779 thousand.

Non-current liabilities include liabilities from leases in the amount of EUR 1,409 thousand (previous year: EUR 1,437 thousand), liabilities in the amount of EUR 7,773 thousand (previous year: EUR 7,773 thousand) due to bet-at-home.com Entertainment Ltd. (in liquidation), resulting from ongoing business transactions with this company until 13 May 2022, as well as provisions for employee benefits in the amount of EUR 93 thousand (previous year: EUR 82 thousand).

Current liabilities include other provisions in the amount of EUR 3,027 thousand (previous year: EUR 1,903 thousand), trade payables in amount of 1,655 thousand (previous year: EUR 1,548 thousand), tax liabilities in the amount of 7,213 thousand (previous year: EUR 11,852 thousand), liabilities to customers (contractual liabilities according to IFRS 15) amounting to EUR 4,281 thousand (previous year: EUR 4,940 thousand), lease obligations according to IFRS 16 amounting to EUR 322 thousand (previous year: EUR 443 thousand), and other liabilities amounting to EUR 3,561 thousand (previous year: EUR 1,235 thousand).

As in the previous year, no financing measures were carried out in the financial year 2023.

B.3.4 OVERALL EVALUATION OF THE GROUP'S SITUATION

In the financial year 2023, the economic situation of the Group's business, which since 2022 has been predominantly represented by the online sports betting segment, was overall positive, due to implemented restructuring measures and the outsourcing of key corporate functions. However, possible additional requirements by the German supervisory authorities and customer requests for reimbursement of gaming losses continue to represent a risk.

B.3.5 OTHER FINANCIAL INFORMATION – EBITDA BEFORE SPECIAL ITEMS* AS AN ALTERNATIVE PERFORMANCE MEASURE

The combined management report and the financial statements of the BaH Group are prepared in accordance with applicable accounting standards. In addition to disclosures and key figures required therein, the BaH Group publishes for the first time in the financial year 2023 “EBITDA before special items” as an alternative performance measure (APM), which is not subject to these regulations and for which there is no generally accepted reporting standard (non-IFRS measure). Although the data has been extracted or derived from the consolidated financial statements, neither this data nor the underlying assumptions have been audited or reviewed. This key figure should therefore only be regarded as supplementary information. The Management Board assumes that EBITDA before special items is a more suitable indicator for assessing operating activities, as it is not affected by amortisation, depreciation and impairment or special items. The BaH Group calculates this non-IFRS performance indicator with the aim to enable comparability of its performance over time and with companies from the industry. It is achieved by making certain adjustments to the consolidated balance sheet or consolidated income statement items prepared in accordance with the applicable accounting standards. Adjustments may result from different calculation and measurement methods, irregular business activities and special effects that may impact the informative value of this item. The EBITDA before special items thus calculated applies to all periods and is used both internally by the Management Board and the Supervisory Board to manage the business and externally to assess the Group’s performance and efficiency of the BaH Group. EBITDA before special items is intended to represent the Group’s operating result excluding special items, i.e. effects that are special in terms of their nature and amount for management of the Group. These may include restructuring, legal cases in connection with customer claims, closures or disposals of parts of the company (“transactions with subsidiaries”) or impairment losses or reversals of impairment losses. When calculating this non-IFRS key indicator, EBITDA is increased by extraordinary expenses and reduced by extraordinary income.

The Management Board should exercise prudent judgement when classifying expenses and income as non-recurring or exceptional and ensure that the classification appropriately reflects the nature of the item.

C. OPPORTUNITY AND RISK REPORT

C.1 RISK REPORT

The risk report discloses material internal and external risks which may have an effect on the financial position, financial performance and cash flows of the BaH Group. Within the scope of the Group’s risk management system, potential risks are identified on the basis of qualitative criteria, their probability of occurrence is determined and their potential effects are explained.

*) For the definition of “EBITDA before special items” please refer to Section VI. “Other financial information – EBITDA before special items as an alternative performance measure” of the notes to the consolidated financial statements.

The Group parent's Management Board is responsible for establishing risk management policies. Compliance with these policies is monitored by the managing directors and department heads of the subsidiaries. Among the basic components of risk management are general principles for risk prevention, such as the segregation of duties and applying the four eyes principle for important internal controls.

The Management Board is also responsible for identifying negative developments in good time by employing cross-departmental monitoring systems. The outsourcing of key company processes to the external service provider in 2023 will result in a shift of responsibilities in some areas, particularly in the area of IT risks. For example, IT risks are monitored and reported through the voluntary appointment of external certification bodies (such as eCogra), operational risks through ongoing controls and business monitoring, while financial risks through an ongoing analysis of key financial performance indicators.

Policies on the use of financial instruments are also part of this risk management system. The Group does not hold any derivative financial instruments. Nor does the Management Board intend to use such financial instruments in the future.

C.1.1 Regulatory and tax risks

In some European countries, betting and gaming providers are targeted by legislative interventions aiming to terminate the offering and operation of their activities, based in particular on regulations enforcing state monopolies on gambling. Certain national laws or draft laws contain discriminatory regulations with respect to foreign providers intended to continue sealing off the market for national providers/monopolists.

The Management Board will continue to monitor future regulatory and tax developments and will endeavour to apply for licenses for online sports betting and online gaming in countries selected on the basis of economic criteria that enable fair market access, and allow to enhance the existing offer. The European states are increasingly endeavouring to block customers of unlicensed private gambling offers from market participation by means of website blocking measures and provider blocks, especially since such measures are expressly provided for in some legal regulations. These measures increase the attractiveness of national licenses.

Regulatory environment and risks from existing legal uncertainties

Provided that the BaH Group cannot rely on a national license, business activities within the European Economic Area are offered on the basis of licenses for online gaming and online sports betting granted in Malta, which apply in all EU states, due to the European freedom to provide services and freedom of establishment, as long as the regulations in the respective member state regarding online gambling and online sports betting remain in violation of European law.

At the same time, the regulatory developments in the EU member states are characterized by increasing efforts to establish licence systems for private providers of online gambling and on-line sports betting, which means that national licences within individual countries are becoming increasingly important for the Group.

In the core market of Germany, the Group managed to achieve a high level of legal and planning certainty at the end of the financial year 2022 by obtaining concessions for all products offered.

The major regulatory developments in 2023 were as follows:

- In Germany, a new gaming treaty came into effect as of 1 July 2021, in which the market for online casino products has been opened for the first time. In addition to nationwide concessions for sports betting, these regulations also provide for the first time for concessions for virtual slot machine games and for a possibility of granting licences for gambling games on the Internet at country level. bet-at-home.com Internet Ltd. applied for a virtual slot machine license immediately after entry into force, and the company was granted the license by the competent authority in Saxony-Anhalt in the fourth quarter of 2022. The sports betting license, which expired at the end of 2022, was also reissued to bet-at-home.com Internet Ltd. in the fourth quarter of 2022 with a validity period until the end of 2027.

In the case of traditional gambling (casino) games, such as roulette and blackjack, it is up to individual federal states to decide whether to grant licenses to private providers or to award these licenses exclusively to casinos, with the number of such licenses being linked by law to the number of casinos in respective federal states. As of the end of 2022, the states of Schleswig-Holstein and North Rhine-Westphalia have decided to open up the market for gambling (casino) games, whereby an application was already possible in Schleswig-Holstein in the third quarter of 2022. The Group is considering an application for a concession for gambling (casino) games in North Rhine-Westphalia, subject to the conditions. A Europe-wide tender for the concessions is expected in the second half of 2024.

Based on the transitional regulation as of September 2020, a licence for virtual slot machines was granted in the third quarter of 2022. The Management Board welcomes the legal certainty in Germany resulting from the granting of the licenses.

- In Poland, the Group withdrew – at least temporarily – its offering in May 2021. Following a comprehensive market analysis conducted in 2023, the Management Board does not plan to return to the Polish market.
- In Switzerland, in June 2022, bet-at-home.com Internet Ltd. lost a legal dispute regarding the legality of IP blocking measures before the Swiss Supreme Court. bet-at-home.com Entertainment Ltd. (in liquidation) discontinued its casino offering in Switzerland as of 31 December, 2021 as part of its initiated liquidation. The continuation of the sports betting offering is being evaluated on an ongoing basis by the operational management, as well as the Management Board together with its advisors.

- In Malta, a new regulation (Bill No. 55) of the Gambling Act came into force at the end of June 2023. Citing an exception in the EU Enforcement Regulation, foreign court rulings that contradict the Maltese Gambling Act are not to be recognised, with reference to Maltese public policy. The Management Board together with its Maltese advisors are continuously reviewing a potential impact of this amendment, in particular in relation to the legal winding-up proceedings of bet-at-home.com Entertainment Ltd (in liquidation) and the recoverability of recognised receivables from bet-at-home.com Entertainment Ltd. (in liquidation). It can be assumed that the liquidation proceedings will be delayed beyond the financial year 2024, due to pending supreme court proceedings to review the EU conformity of Maltese Bill No. 55.
- In June 2019, the website www.bet-at-home.com was blocked in Croatia. The Group sees the Group company in question as a legitimate provider, especially since the national regulations provide that only stationary licensees may offer sports betting and gambling on the Internet, thus foreign entrepreneurs are discriminated against in violation of European law. Comprehensive appeals have therefore been lodged against the blocking measures. Due to a negative decision of the Supreme Court, the offering was discontinued in the fourth quarter of 2023 and the Croatian market was closed.

Due to diverging interests of the member states and national tax authorities, no significant standardization of relevant national regulations in the sports betting and gaming sector is to be anticipated in the foreseeable future. However, at the political level, the European Parliament, on the initiative of the EU Commission, passed in 2011 a legislative initiative with the aim of harmonizing national sports betting and gambling regulations. The member states are largely endeavouring to regulate the online sports betting and online gaming sectors and to establish a licensing system at the national level, even if it is not always in line with the provisions of European law. The European Court of Justice is increasingly shifting the review of legality of national licensing requirements to the level of national courts, which means that the provisions of European law are being increasingly neglected.

The risks of negative effects resulting from existing regulatory legal uncertainties continue to be assessed as low to medium compared with previous years. If the risks were to materialize, the impact on the net assets, financial position and results of operations of the Group would be high. In particular, the focus on a smaller number of markets was considered.

Tax risks

Those countries, in which the operational Maltese companies within the BaH Group operate, raise taxes on sports betting and gaming products based on varying measurement bases as well as VAT on electronic services. It cannot be ruled out that the taxes and levies in individual countries will increase to levels that would render the business of the operational Maltese company within the BaH Group wholly or largely unprofitable, either due to the tax rate or selection of measurement base.

In recent years, the regulatory environment for the taxation of multinational companies in general, as well as for BaH Group in particular, has become considerably more complex, particularly with regard to transfer prices, with companies having to drastically increase their efforts to meet tougher regulatory requirements. The fundamental agreement between states concerning the distribution of the overall tax base will, combined with the pending introduction of a global minimum tax, lead to further fundamental adjustments to the international taxation of multinational companies.

At the same time, the certainty that the applied transfer price rates will be accepted by the relevant tax authorities has decreased significantly, particularly as intra-company cross-border transactions are being increasingly investigated by the national tax authorities. The result of these developments are potential tax and interest back payments as well as potential double taxation. In 2020, bet-at-home.com Entertainment GmbH (Austria) entered into a tax ruling with the tax authorities in Austria, which will be evaluated on an annual basis from 2023 onwards to ensure that it is up to date.

In June 2016, the Maltese companies bet-at-home.com Internet Ltd. and bet-at-home.com Entertainment Ltd. (in liquidation) were requested by the Swiss tax authorities to register for national VAT.

- Following a comprehensive legal review and repeated correspondence with the authorities, bet-at-home.com Entertainment Ltd. (in liquidation) was registered in September 2018. The company retroactively paid VAT on Swiss casino sales as of 1 January 2017. In May 2022, the Swiss tax authority was notified of the opening of insolvency proceedings (“winding up by the court”) of bet-at-home.com Entertainment Ltd (in liquidation).
- In October 2019, bet-at-home.com Internet Ltd. decided to conditionally register in the national VAT register and submit its financial data. The company achieved that any tax demands from the authority would be suspended until a final court decision. The potential risk of bet-at-home.com Internet Ltd. amounts to EUR 1.1 million for the period from 2013 to 2016, and EUR 2.9 million for the years since 2017. As at the reporting date, the Management Board does not expect this to result in a potential outflow of resources.

In December 2020, bet-at-home.com Internet Ltd. as well as bet-at-home.com Entertainment Ltd. (in liquidation) received tax rulings for the period from 2013 to 2016 and 2017, which were appealed against to the authorities. bet-at-home.com Internet Ltd. took legal action before the national courts against the appeal decision of the tax authorities issued in the second half of 2022; a final legally effective decision is not expected before the end of 2024.

From today’s perspective, the tax risk is to be regarded as medium, unchanged to the previous year. Should such a risk materialize, the impact on the financial position, financial performance and cash flows would be high.

C.1.2 Risks from customer requests for reimbursement of gaming losses and licensing risks

Customer requests for reimbursement of gaming losses

The BaH Group supports its customers in their responsible use of gambling with a wide range of measures. Among others, the Group has been cooperating for many years with the Institute for Gambling and Addiction (Institut für Glücksspiel und Abhängigkeit), which actively implements measures for the prevention of addiction in Germany and Austria. In addition, voluntary customer protection measures that go beyond the legal requirements complete the efforts of the BaH Group to ensure comprehensive player protection. These measures are verified through annual voluntary compliance audits by eCogra, the industry audit association.

Despite these endeavours, the Group continues to be exposed to legal actions from customers who claim back their gaming losses in court. This had the following impact on the BaH Group's companies in the 2023 financial year:

- In Austria, following the initiation of insolvency proceedings against the Maltese bet-at-home.com Entertainment Ltd. (in liquidation), customers, with the support of companies financing proceedings, increasingly directed their claims for reimbursement of gambling losses in the online casino against other Group companies and their executive bodies in 2023. Through attractive settlement solutions and proactive litigation, the Management Board has succeeded in largely limiting a future risk. At the end of 2023, eight legal proceedings with a total value in dispute of around EUR 4.3 million were still pending in Austria. The Management Board expects hitherto favourable case law to be confirmed, meaning that the fundamental risk from customer claims in Austria can be classified as low.
- In Germany, customers are also attempting to reclaim their losses from sports betting and casino games from the Group companies in court. At the end of 2023, 27 legal proceedings with a total value in dispute of around EUR 2.8 million were pending in court. The customers base their claims on the lack of national gambling licences at the time of gambling losses. In addition to eligibility for a licence and official acquiescence, these claims are based in particular on customers' positive knowledge. Furthermore, such claims are generally time-barred after three years from the date of the plaintiff's knowledge, whereby the Group has held licences for both sports betting and casino games since the end of 2022. In accordance with the Management Board's risk assessment, provisions have been recognised in the balance sheet. The fundamental risk from customer claims in Germany can be classified as overall medium, which is why a risk provision was recognised in accordance with this risk assessment by the Management Board.

Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group would be from medium to high.

Risk of the loss and/or revocation of licenses

The Group companies base their offers on various licenses, which entitle them to non-discriminatory access to the markets in the member states of the European Union.

In Germany, bet-at-home.com Internet Ltd. has held a nationwide license to offer sports betting since November 2020 and a nationwide license to offer virtual slot machines since December 2022. The license provisions provide for revocation in the event of repeated serious breaches of the conditions. An audit has not yet taken place. However, the competent supervisory authority regularly reviews the legally compliant implementation of regulatory requirements. bet-at-home.com Internet Ltd. constantly monitors licensing changes and adjusts internal processes if changes are required. When implementing regulatory requirements relating to technology components, the Group is increasingly reliant on its external technological partners. The corresponding implementation projects are prioritised and specified by internal Group experts.

The respective Maltese licenses of the Malta Gaming Authority (MGA) are issued subject to an ongoing system audit, whereby the technical equipment of the license holder is examined by the MGA, in particular in terms of functionality and IT security.

The Group also holds a sports betting licence from Ireland, which was extended for a further two years in the third quarter of 2023.

In the event that deficiencies are identified during the system audit, the Malta Gaming Authority may impose conditions or revoke the license, provided that

- the licensee does not comply with the terms and conditions of the license,
- customer requirements are not met,
- the licensee becomes insolvent,
- the license was obtained under false pretences,
- the licensee violates anti-money laundering regulations,
- the licensee fails to pay taxes or levies on time,
- at the sole discretion of the licensing authority, there are sufficient reasons for revoking the license or the authority assumes that the licensee is damaging the reputation of the Maltese betting business.

The risk of revocation of existing licenses is to be classified as low. Should such a risk materialize, the impact on the financial position, financial performance and cash flows is to be classified as high.

C.1.3 Risks from operating activities

Odds management and bookmaker risk

Incorrectly estimated odds or manual errors made by bookmakers may result in higher customer payouts and consequently lead to a loss of revenue. With the strategic decision to increasingly rely on outsourcing, central odds management processes were transferred to an external partner. The implementation of comprehensive hedging systems by the outsourcing partner and continuous monitoring of quotas through market comparisons actively contribute to minimising the risk of incorrectly estimated odds.

The continuous development of the Group's own data platform by the internal IT team helps to strengthen the ability to monitor core processes and evaluate the performance of the external service provider.

The risks associated with inaccurate odds estimates and critical bookmaking processes are classified as medium, due to cross-company and more complex processes. Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group is to be classified as of medium significance.

Technical risks

The products and services offered by the Group require a reliable functioning of a variety of technical systems. Serious disruptions of IT systems, in particular through adverse external influences such as hacker attacks, DDoS attacks, etc. could negatively impact on the Group's financial positions, financial performance and cash flows.

To minimise information security and IT risks, the BaH Group has personnel structures in the form of a Chief Information Security Officer (CISO) and team. In addition to implementing individual security measures, this team ensures information security in day-to-day operations, investigates any security incidents, and is responsible for establishing an information security policy by means of awareness training, and focuses on the following measures within the BaH Group, among others:

- Preparing guidelines and processes within the scope of the information security management system (ISMS)
- Risk management based on internationally recognised standards
- Security monitoring (identifying weaknesses and potential threats to hardware and software)
- Employee training and education on security consciousness
- Encryption of confidential data (particularly credit card data and passwords)

- Security of customer ports on user interfaces and transmission routes
- Protection of the productive environment by IDS/IPS, network firewalls and Web application firewall systems
- Operating a centrally managed anti-virus software
- Vulnerability management and monthly vulnerability scans
- Annual penetration tests within the scope of system audits
- Security compliance regarding PCI-DSS, eCogra and established jurisdictions
- Highly redundant infrastructure / ISO 27001 certified data centre provider.

The information security management system (ISMS) used by the BaH Group has been certified since the middle of 2021 according to the ISO/IEC 27001 international standard.

As part of the strategic realignment, which involves the increased outsourcing, the main transaction systems, in particular operation of the customer and payment platform as well as of the on-line sports betting product, are now performed by an external partner. The data platform created and operated within the Group supports operational processes and management decisions. This transfer of risks to the outsourcing partner has led to necessary adjustments to the information security management system in the technology area. For its part, the external partner undertakes now numerous measures to minimise information security and IT risks.

The transition from the company's own system components in 2023, which have been optimised and stabilised over years, to newly configured system components from the outsourcing partner, results in significantly increased technical and procedural risks in the short term. In the medium and long term, the technical and process-related risk from the changed interaction between in-house and outsourced system components will gradually decrease, in particular, due to numerous stabilisation measures that have already been initiated and other measures that are already planned.

The Management Board assumes that far-reaching measures have been taken to minimise IT risks. However, the risks are to be classified as lower compared to the previous year, but still as medium. Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group is to be classified as high.

Compliance risks

Prevention of money laundering and terrorist financing

The basis for the money laundering prevention concept is formed by the requirements of the EU money laundering directives and their national implementations.

The aim of money laundering prevention is to prevent the introduction of illegal assets into the financial and economic cycle.

In an overall assessment, all potential risks relevant to money laundering were analysed. Based on this risk analysis, the BaH Group has implemented a money laundering prevention system that is based on a risk-based approach.

All customers go through a know-your-customer process. This includes, among other things, the unambiguous determination and documentation of customers' identity as well as the origin of assets used during the business relationship or a transaction on an occasion-related basis. As part of continuous monitoring of business relationships, politically exposed persons are identified and comparisons are made with terror and sanctions lists.

The anti-money laundering officer is responsible for ongoing developments and improvements to the overall AML system. Employees are informed about new developments and changes in the area of money laundering and terrorist financing prevention as part of annual training sessions, so that each employee can identify any risky transactions or business relationships at an early stage. Employees are required to report any suspicious circumstances to the anti-money laundering officer.

The anti-money laundering officer acts autonomously and without instructions and is responsible for submitting suspicious activity reports to the relevant competent authority. In order to perform his duties, she or he may call upon expert employees in her or his department.

The management is informed by the anti-money laundering officer at regular intervals about activities and measures to prevent money laundering and terrorist financing.

The risks in this context are classified as low. Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group is to be classified as medium.

Risks from business relationships in connection with financial service providers

Companies in the online gaming industry face increasing compliance requirements, due to a continuously changing and increasingly complex regulatory landscape for financial service providers. The more complex regulations result from higher requirements for banks to meet strict standards in areas such as financial transparency, risk management, customer identification and money laundering prevention. In sectors with a high potential for money laundering, such as the online gaming industry, these requirements lead to increased due-diligence obligations, particularly with regard to periodical KYC (know-your-client) processes and establishment of new business relationships.

In the reporting period, a long-standing payment service provider of the BaH Group unilaterally cancelled its business relationship, due to changes in internal guidelines, providing a transitional period. The BaH Group is working intensively on the prompt implementation of new business relationships with alternative payment service providers for all affected Group companies. The

limited number of banks willing to cooperate makes it more difficult to establish business relationships and increases dependence on a small number of partners, which can lead to increased default risks.

In addition, regulatory changes in individual countries could lead to further restrictions in the area of payment service providers and create more difficult market entry conditions and geographical barriers to growth.

The BaH Group addresses these challenges with an increased diversification. The integration of new business partners for treasury and payment transaction solutions serves to spread the risk, reduce surcharges in transaction costs and increase the reliability of customer payment methods.

The risks associated with the default of payment service providers are classified as high. Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group is to be classified as high.

Risks from pandemics, natural disasters or war

The occurrence of events such as pandemics, natural disasters or a war, which could lead to sustained disruptions in the BaH Group's ongoing business, cannot be ruled out. The Management Board has taken measures to ensure that business operations can be maintained.

The risks in this context are to be classified as low. Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group is to be classified as high.

Personnel and employee risk

The further development of the BaH Group will continue in future to rely heavily on the performance of all employees and managers. With an increasing competition in the market for gambling and betting products, as well as a shortage of skilled workers in the context of ongoing digitalization, there is a growing risk that qualified employees may be poached or that it may not be possible to recruit a sufficient number of suitable new employees. Attractive framework conditions and sufficient prospects for committed employees, as well as ongoing training measures, are intended to successively reduce the personnel and employee risk.

The implementation of two personnel reduction programs in 2022 led to a significant decrease in the number of employees. Therefore, the responsibility for critical business processes is now carried out by fewer employees. The extensive strategic realignment of the BaH Group to the increased outsourcing and numerous technical integration projects connected with it led to additional workload for individual employees. Recruiting qualified personnel remains challenging, due to the current macroeconomic situation, general scepticism of potential employees towards the online gaming industry and an overheated labour market. This increases the risk that any unforeseen personnel departures cannot be compensated for in a timely manner by internal resources or new external recruits.

The risks in this connection continue to be classified as medium and as increased compared with the previous year. Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group is classified as increased compared with the previous year and therefore as high.

Deficient performance of external service providers

In order to conduct its operational business, the BaH Group relies on cooperation with external service providers with relevant expertise and technologies. This mainly affected software products for the casino, games and virtual sports segments, as well as data and voice communication, procurement, installation, development, maintenance and servicing of hardware and software, and payment processing. In the course of the 2023 financial year, further important technology components, in particular the development and operation of the customer and payment platform, as well as the online sports betting product, were gradually outsourced to external service providers. The outsourcing of the core components is partly associated with a change in the connected third-party providers for ancillary services, or proven third-party providers are being newly integrated. New components and changes in integration give rise to an increased availability and process risk in the short term, which is countered by forward-looking planning and intensive communication with the external service providers. There is a possibility that one or more external service providers will fail to provide their services, or will not do so in a stable or error-free manner, or that their integration will be incorrect.

It is therefore possible that the BaH Group could find itself unable to meet its own functional and non-functional obligations with respect to end customers properly or to a desired standard, due to errors or defaults on the part of external service providers engaged. In addition, this could lead to restrictions for customers in terms of general system availability or the range of products or payment methods offered, and even to errors in the settlement of gaming winnings, which could have a negative impact on the Group's earnings situation. In addition, regulatory changes are often announced by responsible authorities with a short time for preparation, and these can often have far-reaching technical implications. By outsourcing key components, there is an increased risk that the external partner will not implement necessary adjustments in a specified timeframe, to a required extent or with a required quality. This is accompanied by an increased risk that system failures or restrictions will not be detected and remedied promptly to the desired standard, as the employees of the BaH Group have no or only indirect access to the system monitoring of service partners and are therefore dependent on their quality assurance processes for detection and remediation.

To minimise external risks, decisive measures, such as regular system audits, internal reviews, training and ongoing monitoring by the Product Management and Controlling departments, were taken. The continuous investment in an internal data platform significantly improves the possibilities of system monitoring in order to recognise potential errors in both our own service provision and in the performance of external service providers at an early stage and rectify them promptly. However, it should be noted that the risks of errors in the provision of services by external service providers increase in proportion to the extent to which key corporate functions are outsourced

and performed by outsourcing partners. The risks are therefore assessed to be medium and increased compared with the previous year. Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group is to be classified as high and thus increased compared with the previous year.

C.1.4 Financial risks

Cash and cash equivalents and liquidity risk

Liquidity risk reflects the risk of not being able to provide sufficient liquidity resources in order to meet financial obligations due at any time.

The major uncertainty regarding the future liquidity situation arises from when and to what extent the BaH Group will still have to make payments to bet-at-home.com Entertainment Ltd. (in liquidation) and to the Maltese tax authorities as part of the winding-up process, or will have its own receivables settled in this context. From today's perspective, a temporary reduction in liquidity of up to EUR 13.9 million is possible, if the BaH Group first settles all liabilities in this context and only then receives payments on its receivables in an amount that is still undetermined. In addition, the BaH Group must be in a position to settle liabilities arising from its ongoing operating business. Furthermore, it is necessary to provide guarantees to licensing authorities as part of regulatory requirements. If the BaH Group is unable to provide corresponding collateral in the form of bank guarantees, existing cash and cash equivalents would have to be deposited as security. Constantly increasing regulatory requirements for securing customer credit balances against payment defaults lead to liquidity commitment and over-collateralisation, which reduces available liquidity and increases the risk of non-compliance with licensing conditions and loss of access to regulated markets.

The remaining freely available liquidity could prove challenging even in the event of negative deviations from the existing planning, if, in addition, a significant reduction in liquidity were to occur, due to payments to bet-at-home.com Entertainment Ltd. (in liquidation) and to the Maltese tax authorities.

In this context, the liquidity risk is classified unchanged as medium. Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group would be classified as high.

Interest rate, currency and exchange rate risks

The interest rate risk associated with investments is considered to be immaterial. Interest rates on bank balances are based on market interest rates depending on maturities. A possible change in the current interest rate level by 0.5 percentage points would affect the financial result by EUR 173 thousand.

The foreign currency risk relates to exchange rate fluctuations. Despite the Group's international orientation, cash flows are predominantly denominated in the Group currency, the euro. Transactions denominated in currencies other than the euro are of minor significance. Irrespective of this, the foreign currency risk was not hedged in previous years either.

The Group's exposure to interest rate, foreign currency and exchange rate risks is still considered to be low and decreased compared to the previous year. Should such risks materialize, the impact on the financial position, financial performance and cash flows of the Group is to be classified as low.

Counterparty default (credit risk)

Credit risk refers to the risk of late payment or payment default by contractual partners. With the exception of receivables from bet-at-home.com Entertainment Ltd. (in liquidation) (reported under other non-current receivables and assets), there is no considerable credit risk. On the assets side, the amounts reported (current receivables and other assets) also represent the maximum credit and default risk. There are no offsetting possibilities.

The default risk relating to bank balances is still considered to be low and is estimated to be lower than in the previous year, due to an improvement in the overall economic situation. Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group would be classified as high.

There are risks relating to reduced cash flows from receivables from bet-at-home.com Entertainment Ltd (in liquidation). The receivables from bet-at-home.com Entertainment Ltd. (in liquidation) recognised as at 31 December 2023 continue to be subject to an increased risk of default as the company is in liquidation ("winding up by court"). There is no certainty regarding claims to be recognised by the official receiver against the estate. There is uncertainty that claims from gambling losses cannot be asserted or can only be asserted to a limited extent due to the asserted or changed Maltese legal situation. In addition to receivables from ongoing business relationships until 13 May 2022, this also applies to receivables from bet-at-home.com Entertainment Ltd (in liquidation) acquired during the liquidation phase. In addition, there is uncertainty regarding the extent of receivables from bet-at-home.com Entertainment Ltd (in liquidation) that can still be filed by third parties and recognised by the official receiver. The higher the extent of the receivables recognised by the official receiver, the lower the quota payment to the BaH Group will be, and vice versa. The existing uncertainties regarding the valuation of receivables from bet-at-home.com Entertainment Ltd. (in liquidation) have been addressed by the Management Board by assuming and assessing various scenarios in the sense of a best estimate. The risk that the cash flows from the liquidation of bet-at-home.com Entertainment Ltd. (in liquidation) are lower than estimated in its valuation has decreased compared to the previous year, but is still classified as low to medium. If this risk materialises, the impact on the net assets, financial position and results of operations continues will be classified as medium to high.

C.1.5 Risk management system

The Group parent's Management Board is responsible for establishing risk management policies. Compliance with these policies is monitored by the managing directors or department heads of the subsidiaries. The basic components of risk management include the general principles of risk prevention, such as the segregation of duties and the dual control principle, for important processes as part of internal controls. Various partially automated procedures using software systems are also applied.

The outsourcing of central business areas in the financial year 2023 has led to significant changes in the nature, possibilities and scope of risk monitoring in these areas. Despite the transfer of executive responsibility for these outsourced workflows and technological components to the outsourcing partner, it remains essential for the Group to ensure adequate risk management. This is ensured through continuous investment in adapting, expanding and improving the corresponding risk management systems. In particular, numerous projects have been initiated to establish and expand the Group's own data platform in accordance with the latest technological standards. This includes measures for the real-time processing of a large number of data streams provided by the outsourcing partner, as well as their integration with data from the legacy systems and customer behaviour forecasts using machine learning. For risk management purposes, credit assessments and risk system checks in the form of credit card checks, payment verifications, and analyses of player behaviour are carried out on an ongoing basis. In addition, controlling activities in the areas of marketing, partner programme, payment systems, and intercompany clearing were further intensified. In order to reduce legal risks and assess a complex regulatory environment, the company engages reputable external legal advisers.

The Management Board also ensures that any negative developments are identified at an early stage by cross-departmental monitoring systems. For example, IT risks are monitored by voluntarily commissioning external certification bodies (e.g., eCogra), operational risks are monitored by means of automated plausibility checks during the preparation of offers, and financial risks are monitored and reported by means of ongoing analysis of key performance indicators.

The BaH Group fulfils the requirement under Section 91 (2) of the German Stock Corporation Act (AktG) that it is able to identify at an early stage all significant developments and/or developments that could jeopardize the continued existence of the company by means of an early risk identification system by means of the Group-wide risk management system with uniform framework conditions and standards for the structuring of the early risk identification system.

C.1.6 Group accounting-related internal control and risk management system

The internal control and risk management system of the BaH Group comprises all principles, procedures and measures designed to ensure the effectiveness, efficiency and correctness of financial reporting and compliance with relevant legal requirements. Apart from additional internal control and risk management measures in relation to the outsourcing of core processes in 2023, there were no significant changes compared to the previous year.

The Management Board of BaH is responsible for the internal control and risk management system required for protecting against risks, as well as designs and monitors the scope and focus of the systems in place based on specific requirements within the Group. Process-integrated and process-independent monitoring measures form the elements of the internal monitoring system.

The measures of the internal control system focus on the correctness and reliability of the Group's accounting system, ensure that business transactions are recorded completely, promptly and in accordance with legal and statutory requirements. Furthermore, the Group's consolidation and accounting policies ensure that assets and liabilities are accurately stated, measured and reported in the consolidated financial statements. The policies also ensure that accounting documents provide reliable and traceable information.

C.2 OPPORTUNITIES REPORT

Within the last ten years, the European market for online gaming achieved a significant growth worldwide and is expected to continue to grow by approximately 7 % per year until 2027. This was stated in various studies by H2 Gambling Capital, most recently in December 2022. According to the studies, this trend is expected to continue, primarily due to a broader acceptance of e-commerce and a global penetration of mobile applications as well as demographic trends, and to help the gambling sector, which is not dependent on economic cycles, to achieve further sustainable growth in the following years.

C.3 FORECAST REPORT

Through the outsourcing and redesign of the platform and its sports betting product, as well as focus of internal capacities on marketing and customer relationship management, the Group has taken significant steps to stabilise the business. The focus on core competencies and outsourcing of tasks have already allowed to reduce internal complexity and minimise resource requirements in the past financial year. This has had a positive impact on the BaH Group's earnings situation and will continue to form the basis for a lean and cost-efficient structure going forward.

The strategic transformation will be continued in the financial year 2024. In terms of in-house development, the Group will focus exclusively on those customer- and revenue-relevant components, which cannot be developed and operated externally, or only to an insufficient extent. In terms of technological development, the internal focus is made on the creation and introduction of an innovative customer loyalty programme based on real-time data processing and machine learning. In addition, continuous investment in the internal data platform enables core value creation processes to be increasingly automated and their efficiency and effectiveness to be constantly increased. In close cooperation with EveryMatrix, the online casino and sports betting product as well as the customer platform are constantly being improved and adapted to customer needs and legal requirements of the German-speaking market.

Due to a high awareness and acceptance of the “bet-at-home” brand in the core markets of Germany and Austria, the BaH Group aims to further expand its market position in the sports betting segment in the financial year 2024 through a set of planned targeted marketing measures. Particular attention will be paid to the first half of 2024, especially to the start of the 2024 European Football Championship, which will take place in the core market of Germany. The Management Board expects the upcoming European Football Championship to provide positive momentum for business development.

Further regulatory developments are to be expected in Germany, in particular additions in relation to the authorised betting offer and further regulatory requirements regarding the system of limits for customers. The configuration of these requirements will significantly influence the way, in which the online gaming market is channelled to licensed providers, and will therefore have a considerable impact on the Group’s earnings opportunities in the German core market.

The consolidated financial result in previous financial years was significantly impacted by the fact that Austrian and German customers, with the support of companies financing legal proceedings, claimed their gaming losses back from the Group’s companies in court. Due to the favourable case law up to date, statutory provisions on the statute of limitations and far-reaching settlement solutions that have already been reached, the future risk in Austria can now be classified as significantly lower. In Germany, there is still legal uncertainty, due to inconsistent case law. As of today, it is difficult to predict future developments. The Management Board further endeavours to gradually reduce the future risk through active risk management and successful litigation.

Due to numerous challenges in the competitive environment and far-reaching adjustments required by the strategic transformation, the financial year 2024 is considered to be challenging and will continue to require further classic turnaround management. Thanks to extensive initiatives and supported by the European Football Championship, the Management Board expects for the financial year 2024:

- Gross betting and gaming revenue: EUR 45 million to EUR 53 million
- EBITDA before special items*: EUR -1 million to EUR 2.5 million

D. NOTES TO THE FINANCIAL STATEMENTS OF BET-AT-HOME.COM AG

The financial statements of bet-at-home.com AG have been prepared in accordance with the requirements of the German Commercial Code (Handelsgesetzbuch; HGB) and the additional requirements of the German Stock Corporation Act (Aktiengesetz; AktG).

*) For the definition of “EBITDA before special items” please refer to Section 3.5. “Other financial information – EBITDA before special items as an alternative performance measure” of the combined management report.

The combined management report of bet-at-home.com AG has been consolidated with the combined management report of the bet-at-home.com AG Group. bet-at-home.com AG is the management holding company of the bet-at-home.com AG Group and as such depends to a significant extent on the development of the bet-at-home.com Group in terms of business trend, position and expected development, including all related material opportunities and risks, which are disclosed in this combined management report.

D.1 EARNINGS POSITION OF BET-AT-HOME.COM AG

	2023	2022	Change	
	EUR'000	EUR'000	EUR'000	%
Revenue	764.4	572.0	192.4	33.6
Other operating income	143.3	20.7	122.6	591.8
Ordinary operating income	907.6	592.7	314.9	53.1
Personnel expenses	-731.6	-684.1	-47.5	6.9
Other administrative expenses	-2,053.8	-3,798.7	1,744.8	-45.9
	-2,785.4	-4,482.7	1,697.3	-37.9
Operating income (expenses)	-1,877.7	-3,890.0	2,012.2	-51.7
Income from investments	2,500.0	2,507.5	-7.5	-0.3
Interest received	0.0	2.0	-2.0	-100.0
Interest paid	-170.9	-153.3	-17.5	11.4
Net finance income (costs)	2,329.1	2,356.1	-27.0	-1.1
Earnings before taxes	451.4	-1,533.9	1,985.3	-129.4
Income taxes	101.9	-308.5	410.4	-133.0
Earnings after taxes	553.3	-1,842.4	2,395.7	-130.0

Revenue includes income from the transfer of management service charges to subsidiaries.

Personnel expenses relate exclusively to the member(s) of the Management Board of the Company.

The increase in other operating expenses is mainly attributable to expenses on the reconciliation of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation) amounting to EUR 1,000 thousand.

D.2 NET ASSETS OF BET-AT-HOME.COM AG

	31/12/2023		31/12/2022		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Non-current assets						
Financial investments	10,871.3	48.3	10,871.3	49.0	0.0	0.0
Current assets						
Other assets, including accruals and deferred income	7,663.3	34.0	7,819.4	35.2	-156.1	-2.0
Receivables from associated companies	2,722.5	12.1	2,539.3	11.4	183.2	7.2
Cash and cash equivalents	1,258.7	5.6	962.3	4.3	296.3	30.8
	11,644.5	51.7	11,321.1	51.0	323.4	2.9
	22,515.8	100.0	22,192.4	100.0	323.4	1.5

Financial assets exclusively comprise the investment in bet-at-home.com Entertainment GmbH.

With regard to other assets including prepaid expenses, please refer to our comments in the notes to the financial statements of bet-at-home.com AG.

Receivables from affiliated companies mainly include receivables from dividend entitlements with respect to bet-at-home.com Entertainment GmbH, Linz, in the amount of EUR 2,500 thousand.

D.3 FINANCIAL SITUATION OF BET-AT-HOME.COM AG

	31/12/2023		31/12/2022		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Equity	12,129.7	53.9	11,576.5	51.4	553.3	4.8
Non-current liabilities and provisions						
Other non-current liabilities	7,567.1	33.6	10,028.8	44.5	-2,461.7	
Current liabilities and provisions						
Suppliers	3.3	0.0	49.1	0.2	-45.8	-93.3
Provisions	163.8	0.7	104.7	0.5	59.1	56.4
Other current liabilities	2,651.9	11.8	433.3	1.9	2,218.6	512.0
	22,515.8	100.0	22,192.4	100.0	323.4	1.5

The item "Other non-current liabilities" comprises intercompany loan liabilities in the amount of EUR 7,567 thousand. The item "Other current liabilities" comprises liabilities with regards to the reconciliation of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation) amounting to EUR 2,500 thousand. Refer to our comments in the notes to the annual financial statements.

E. RISK MANAGEMENT IN RELATION TO THE USE OF FINANCIAL INSTRUMENTS

Freely available cash and cash equivalents were invested in fixed-income securities. The Group believes that the risk relating to the use of these financial instruments is very minor.

F. ADDITIONAL INFORMATION REQUIRED UNDER TAKEOVER LAW (§ 289A AND § 315A HGB)

The composition of the subscribed capital of the parent company and the investments in capital exceeding 10 out of 100 voting rights are stated in the notes to the consolidated financial statements (Section VII.2, Note (17) and Section I.) as corresponding disclosures have to be included in this document.

The respective provisions of the German Stock Corporation Act (Section 84 AktG) apply to the appointment and recall of the members of the Management Board of the parent company.

The general meeting of shareholders on 18 May 2021 resolved to authorise the Management Board of the parent company, with the Supervisory Board's consent, to increase the Company's share capital by 17 May 2026 by issuing up to 1,403,600 new non-par value bearer shares for cash or non-cash contributions, once or several times, up to an amount of EUR 1,403,600.00 (Authorized Capital I). The shareholders shall be offered to purchase new shares. However, the Management Board is authorised, upon approval by the Supervisory Board, to exclude the shareholders' subscription right in certain cases.

Furthermore, the Management Board is authorised by resolution of the general meeting of shareholders of 26 May 2023, with the consent of the Supervisory Board, to acquire treasury shares until 25 May 2025 for an amount of up to 10 % of the share capital of the Company existing when this authorisation is granted, or (if this value is lower) 10 % of the share capital existing at the time of enforcement of this authorisation. In this context, the shares acquired following this authorisation, together with other shares of the Company, which the Company already acquired and still holds or which are attributable to the Company pursuant to Section 71a et seq. of the German Stock Corporation Act (AktG), should at no time exceed 10 % of the share capital. The authorisation should not be used for the purpose of trading in treasury shares.

G. EXPLANATION REGARDING THE MANAGEMENT OF BET-AT-HOME.COM AG IN ACCORDANCE WITH SECTION 289F HGB AND THE GROUP IN ACCORDANCE WITH SECTION 315D HGB AS WELL AS THE CORPORATE GOVERNANCE REPORT

The current corporate governance statement, including the declaration of conformity in accordance with Section 161 of the German Stock Corporation Act (AktG), is available on bet-at-home.com AG's website at <https://www.bet-at-home.ag/de/corporate-governance/>. Further information on corporate governance – such as the rules of procedure for the Supervisory Board, the remuneration systems for the Management Board and the Supervisory Board, and the corporate governance statements for previous financial years – is also available on the bet-at-home.com AG's website.

H. NON-FINANCIAL PERFORMANCE INDICATORS

The economic success of the BaH Group is reflected in financial and non-financial performance indicators. They relate to existing and new registered users as well as technological developments and brand awareness. In the opinion of the BaH Group, these aspects are key components of a forward-looking positioning in the international competitive environment.

The BaH Group had a total of 5,712,143 registered users as of 31 December 2023 (previous year: 5,631,965). In financial year 2023, bet-at-home recorded 80,178 new registrations (previous year: 88,392).

The high standards of functioning software based on state-of-the-art technology and carefully planned and implemented innovations are among the most important assets within the Group. With regards to software development, amount of work performed by each employee is individually assessed and recorded by project teams in order to be able to sustainably plan and evaluate IT project hours. Internal and external operational processes are continuously evaluated on the basis of key figures and adjusted if necessary.

I. FINAL PROVISION IN ACCORDANCE WITH 312 PARA. 3 AKTG

We hereby declare in accordance with Section 312 para. 3 of the German Stock Corporation Act (AktG) and based on the information known to us at the time, we declare that the Company received adequate consideration for all legal transactions with affiliated companies. No actions subject to Section 312 (1) of the German Stock Corporation Act (AktG) were taken or omitted.

Düsseldorf, 5 March 2024

Marco Falchetto

bet-at-home

INDEPENDENT AUDITOR'S REPORT

Company Profile	Report by the Management Board	Report by the Supervisory Board	The Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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Translation, German version prevails

INDEPENDENT AUDITOR'S REPORT

to bet-at-home.com AG, Düsseldorf

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

AUDIT OPINIONS

We have audited the consolidated financial statements of bet-at-home.com AG, Düsseldorf, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2023, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the financial year from January 1, 2023 to December 31, 2023, and notes of the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the combined management report of bet-at-home.com AG, Düsseldorf for the financial year from January 1, 2023 to December 31, 2023.

In accordance with the German legal requirements, we have not audited the items listed in the chapter "Other Information" of this report.

In our opinion, based on the knowledge obtained during the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e para. 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the group as at December 31, 2023, and of its financial performance for the financial year from January 1, 2023 to December 31, 2023, and
- the accompanying combined management report as a whole provides an appropriate view of the group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion does not cover the content of the items of the combined management report listed in the chapter "Other Information" of this report.

In accordance with § 322 para. 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer in Deutschland e.V. [Institute of Public Auditors in Germany] (IDW). We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (ISA). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" the section of our auditor's report. We are independent of the Group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

In addition, in accordance with Article 10 (2) letter (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1, 2023 to December 31, 2023. The matters described below were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; however, we do not provide a separate audit opinion on these matters.

In the following, we present the audit matters we have determined during our audit to be of particular importance:

1. regulatory risks relating to the Group's business activities
2. valuation of receivables due from bet-at-home.com Entertainment Ltd, Malta (in liquidation)

Our presentation of these key audit matters has been structured as follows:

- a. Description of the matter under consideration and problem definition
- b. Auditor's response
- c. Reference to further information

1. Regulatory risks relating to the Group's business activities

- a. The business model of the Group continues to be exposed to fundamental risks regarding the regulatory admissibility of the provided services by the Group in the areas of online sports betting and online gaming. In specific countries, state-granted monopolies questioning the admissibility of online sports betting and online gaming, contradict jurisdiction of the European Court of Justice, which is favorable for the providers. The European Court of Justice has – in its ruling dated September 8, 2010 – generally declined any discrimination against private providers of online sports betting and online gaming in favor of state-owned monopolies but at the same time has accepted current legislation for an indefinite transitory period.

Nevertheless, single EU member states continue to try to prevent the business activities of the Group with regulatory measures, supported by technical provider blockings. In case that such measures are successful, it will have an adverse effect in the long-term on the economic situation of the Group. These actions, provided that important markets are affected to a significant extent, could potentially have a material adverse effect on the Group's results of operations. In principle, the group continues to assume that it is permissible to conduct business activities and offer online sports betting and online gaming on the basis of applicable EU law. All possible regulatory restrictions will also be countered by legal means.

The Group currently operates its business based on licences obtained in Malta, which are valid in all EU states due to the European principles of freedom of services and of establishment, unless national licences have already been obtained in some EU states. To the extent that it is legally accepted, efforts are being made to obtain national licences in order to reduce the risks regarding the permissibility of offering online sports betting and online gaming. Current regulatory developments in the core markets of Germany and Austria indicate that the trend towards national licensing systems is continuing. The outcome of the classification of regulatory risks is highly dependent on the legal assessment and evaluation of European and national case law by the executive directors and is therefore subject to considerable uncertainty.

Against this background and due to the underlying complexity of the legal assessment, this matter was of a key audit matter in the context of our audit.

- b. We continuously monitor legal developments and case law in this area. As part of the audit of the financial statements, we received written valuations from the Group's advisors specialized in this area of law regulations in addition to the conducted interviews. In addition to our own research and valuations, we held extensive discussions with the executive directors and the Chairman of the Supervisory Board of bet-at-home.com AG, who specializes in these matters as a lawyer, in order to obtain their assessment of the legal developments and risks.

We have verified that bet-at-home.com AG’s executive directors, through regular consultation with specialized advisors and regular internal reporting on these issues, are in a position to assess the regulatory risks in a qualified manner at all times, in order to be able to take any necessary measures in a timely manner.

- c. The company’s disclosure on the regulatory situation in the online sports betting and online gaming sector, as well as current developments, are contained in particular in the Combined Management Report (Section C.1.1 “Regulatory and tax risks”).

2. Valuation of receivables due from bet-at-home.com Entertainment Ltd, Malta (in liquidation)

- a. Due to the current legal situation, bet-at-home.com AG announced in October 2021 that it would temporarily discontinue providing its online casino services to customers from Austria through the Maltese company bet-at-home.com Entertainment Ltd (in liquidation). In the absence of a positive going-concern forecast, winding up proceedings with respect to this Maltese company were applied. These were approved by the court on May 13, 2022; while an insolvency administrator was appointed at the same time. Due to lack of control, the Maltese company was deconsolidated on May 13, 2022.

From the Group’s perspective, there are still receivables from bet-at-home.com Entertainment Ltd. (in liquidation) as of December 31, 2023 with a net carrying amount, derived from the expected returned flows, of EUR 10,035 thousand, which represents around half of the nominal amount that the company is now expected to settle as part of the insolvency proceedings. The insolvency proceedings are expected to be completed by the end of 2025. In the event of legal procedures, the information available to the executive directors and the Group’s legal department is used to assess, in close consultation with the lawyers and advisors working for bet-at-home.com AG, whether and to what extent provisions need to be made in the statement of financial position.

The valuation process implemented by the company to determine the fair value of receivables from bet-at-home.com Entertainment Ltd (in liquidation) takes into account the lack of observability of market prices. Irrespective of the method used, the valuation is therefore categorized as Level 3 of the Fair-Value hierarchy, due to the lack of observability of all necessary input factors on the market.

There is a risk for the financial statements that the fair value underlying the valuation of receivables from bet-at-home.com Entertainment Ltd. (in liquidation) does not fulfil the requirements of IFRS 13 and is therefore not determined in an appropriate amount. In addition, there is a risk that disclosures on the valuation of receivables from bet-at-home.com Entertainment Ltd (in liquidation) in the notes to the consolidated financial statements are not appropriate. Whether and to what extent the receivables from bet-at-home.com Entertainment Ltd. (in liquidation) will generate cash inflows

depends on the outcome of the insolvency proceedings. Therefore, the valuation of receivables from bet-at-home.com Entertainment Ltd. (in liquidation) is influenced to a large extent by estimates and discretionary assumptions of executive directors.

Due to significance of the amount of receivables from bet-at-home.com Entertainment Ltd. (in liquidation) for the consolidated financial statements of bet-at-home.com AG, the complexity of the valuation and uncertainties associated with the valuation, due to judgements and estimates made by the executive directors, the valuation of receivables from bet-at-home.com Entertainment Ltd. is a key audit matter in the context of our audit.

- b. We obtained first of all an understanding of the procedure for determining the fair values in the context of valuation of receivables from bet-at-home.com Entertainment Ltd (in liquidation) and assessed whether the company's valuation procedure sufficiently and appropriately implements the requirements of IFRS 13. As part of our audit, we assessed, among others, the process set up by the group to ensure the recording of court and out-of-court proceedings, the assessment of the course and outcome of the proceedings and an accurate presentation of the balance sheet. In order to assess the accuracy of the receivables valuation affected by the insolvency proceedings, we made a risk-oriented selection and, in addition to the available court decisions, we recognised and examined the results of the work, opinions and probability-weighted valuation scenarios of experts working for bet-at-home.com AG on the basis of internal and external audit evidence.

Furthermore, in addition to evaluating external lawyers' confirmations on the progress of the insolvency proceedings, we held regular discussions with the internal legal department in 2023 and in the following period, up to the completion of the audit of the financial statements to obtain explanations of current developments and reasons that led to the assessments regarding ongoing proceedings. In each case, we used professional scepticism to assess explanations, information and evidence obtained.

- c. The company's disclosures and statements made in connection with the insolvency proceedings in Malta, including explanations of the underlying causes and the effects on these financial statements, are provided in sections IV. "Accounting Policies", V. "Discontinued Operations" (IFRS 5) and VI. "Notes to the Consolidated Income Statement, Consolidated Balance Sheet, Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity" of the notes to the consolidated financial statements and in Section C.1.4 "Financial risks" (section: "Default on receivables ("Credit risk")") of the combined management report.

Other information

The executive directors are responsible for the "Other Information" section. This section comprises the following elements, the content of which we have not audited:

- the confirmation pursuant to § 297 para. 2 sentence 4 HGB regarding the consolidated financial statements and the confirmation pursuant to § 315 para. 1 sentence 5 HGB regarding the combined management report,
- the statement on Corporate Governance pursuant to §§ 289f, 315d HGB and the Corporate Governance Report in accordance with principle 23 of the German Corporate Governance Code (2022), to which reference is made in Section G. of the combined management report, and
- the other parts of the annual report with the exception of the audited consolidated financial statements, the audited combined management report and our audit opinion.

Our audit opinions on the consolidated financial statements and the combined management report do not extend to the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion afterwards.

In accordance with our audit, our responsibility is to read the other provided information and, consider whether the other information:

- is materially inconsistent with the consolidated financial statements, the combined management report or our knowledge obtained during the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive directors of bet-at-home.com AG are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e para. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group.

Furthermore, the executive directors are responsible for such internal controls as they have determined to be necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or errors.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are also responsible for the financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) that they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for directing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of certainty but, is not a guarantee that an audit conducted is in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraudulent acts or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We perform professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatements of the consolidated financial statements and of the combined management report, we design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of the internal control system relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive 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 the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. 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 be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e para. 1 HGB.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, oversight and performance of the Group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those that were of most significance during the audit of the consolidated financial statements of the current period and are therefore defined as the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and the Combined Management Report Prepared for the Purposes of Disclosure Pursuant to § 317 para. 3a HGB

AUDIT OPINION

We have performed an audit in accordance with § 317 para. 3a HGB to obtaining reasonable assurance that the information contained in the file „betathome-konzern-2023-12-31.zip“ (SHA256-Hashcode: 93591452a399389d5b98c4664ac45517a1a393b1f976c842538c1947c3249bc5), assembled for the purpose of disclosure of the reproduction of the consolidated financial statements and the combined management report (hereinafter also referred to as “ESEF Documentation”) complying with the requirements for the electronic reporting format (“ESEF format)

pursuant to § 328 para. 1 HGB in all material respects. In accordance with the German legal requirements, this audit only covers the transfer of the information of the consolidated financial statements and the combined management report into the ESEF format and therefore does not include the information contained in these reproductions nor any other information contained in the above-mentioned file.

In our opinion, the reproductions of the consolidated financial statements and the combined management report contained in the file referred to above and prepared for the purpose of disclosure comply, in all material respects, with the requirements for the for the electronic reporting format pursuant to § 328 para. 1 HGB. Beyond this audit opinion and the audit opinions on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1, 2023 to December 31, 2023, contained in the aforementioned "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report", we do not express an opinion on the information contained in these reproductions or on the other information contained in the above mentioned file.

Basis for the Audit Opinion

We have conducted our audit of the reproductions of the consolidated financial statements and the combined management report contained in the above-mentioned file in accordance with § 317 para. 3a HGB in compliance with the IDW audit standard: Report on the audit of the electronic reproductions of the financial statements and the management report prepared for the purposes of disclosure pursuant to § 317 para. 3a HGB (IDW PS 410 (06.2022)). Our responsibility resulting thereafter is further described in the section "Auditor's Responsibility for the Audit of the ESEF Documentation". Our audit firm has applied the requirements for the quality assurance system as specified by the IDW: Requirements for Quality Assurance for Audit Firms (IDW QMS 1 (09.2022)).

Responsibility of the Executive Directors and the Supervisory Board for the ESEF Documentation

The executive directors are responsible for preparing the ESEF documents, containing the electronic reproductions of the consolidated financial statements and the combined management report in accordance with § 328 para. 1 sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 para. 1 sentence 4 no. 2 HGB.

Furthermore, the executive directors are responsible for the internal controls they consider necessary to enable the preparation of the ESEF documents that are free from material non-compliance with the requirements of the electronic reporting format requirements of § 328 para. 1 HGB.

The supervisory board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Auditor's Responsibility for the Audit of the ESEF Documentation

Our objective is to obtain reasonable assurance as to whether the ESEF documents are free from material violations – intended or unintended – of the electronic reporting format requirements of § 328 para. 1 HGB. During the audit, we exercise professional judgement and maintain a critical attitude. In addition

- we identify and assess the risks of material violations – intended or unintended – of the requirements of § 328 para. 1 HGB, we plan and perform audit procedures in response to these risks and we obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- we gain an understanding of the internal controls relevant to the audit of the ESEF documents in order to plan audit procedures that are appropriate in the given circumstances, yet do not aim to express an audit opinion on the effectiveness of these controls.
- we assess the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents complies with the technical specifications in accordance with of the Delegated Regulation (EU) 2019/815 in the version applicable on the reporting date.
- we assess whether the ESEF documentation provides a consistent XHTML representation of the audited consolidated financial statements and the audited combined management report.
- we assess whether the tagging of the ESEF documents with inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of Delegated Regulation (EU) 2019/815 in the version in force as at the reporting date provides an adequate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on May 26, 2023. We were actually engaged in the process by the supervisory board on December 27, 2023. We have been the group auditor of bet-at-home.com AG without interruption since the financial year 2006.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the supervisory board pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other Matter – Use of the Auditor's Report

Our auditor's report should always be read in conjunction with the audited consolidated financial statements and the audited combined management report as well as the audited ESEF documents.

The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be published in the Federal Gazette – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not replace them. In particular, the ESEF opinion and our audit opinion contained therein can only be used in conjunction with the audited ESEF documents provided in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Frederik Hegmanns.

Duisburg, March 5, 2024

PKF Fasselt
Partnerschaft mbB
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Rechtsanwälte

A. Schienstock
Wirtschaftsprüfer
(German Public Auditor)

Hegmanns
Wirtschaftsprüfer
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Disclaimer

The Annual Report is a translation of the valid German version.

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