



**INTERIM  
FINANCIAL REPORT**  
as at 30 June 2024

*LIFE IS A GAME!*



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***bet-at-home***

# GROUP MANAGEMENT REPORT TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## GROUP MANAGEMENT REPORT

for the six-month period ended 30 June 2024, 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 online 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 first half of 2024, the sports betting offer comprised more than 700,000 events on over 55 types of sport and e-sport, including around 637,000 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.

#### The bet-at-home.com AG Group structure

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

By concluding an agreement in 2022, bet-at-home.com AG changed its original approach of extensive inhouse development towards an increased outsourcing. In the financial year 2023, the Malta-licensed offering of bet-at-home.com Internet Ltd. at [www.bet-at-home.com](http://www.bet-at-home.com) and the German-licensed offering at [www.bet-at-home.de](http://www.bet-at-home.de) were outsourced to the external service provider EveryMatrix Holding plc.

Through the outsourcing of key corporate functions and redesign of the platform and its sports betting product, as well as focusing 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 helped to reduce internal complexity and minimise resource requirements in the financial year 2023. 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.

In the current financial year, an increased focus is put on efficient and effective customer management and marketing. Due to the high level of 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 online sports betting segment through targeted marketing initiatives. Particular attention was paid to the first half of 2024, especially to the start of the 2024 European Football Championship, which took place in the core market of Germany from mid-June to mid-July.

In the area of technology, the focus of in-house development 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 continuously improved and adapted to the customer needs and legal requirements of the German-speaking market.

## B. BUSINESS REPORT

### B.1 OVERALL ECONOMIC AND INDUSTRY SITUATION

In the first half of 2024, the EU economy recovered significantly after the challenging year 2023. The upturn was attributable to an improvement in consumer and business sentiment. Household incomes are supported by stable labour markets, which have contributed to a recovery in incomes. According to the European Commission's latest estimates from May 2024, GDP in the EU is expected to increase by 1.0 % in 2024 and by 1.6 % in 2025.

While many European countries have continued to experiencing disinflation, inflation rates remain high in several countries. In the eurozone, the markets now expect a gradual increase in the pace of interest rate cuts as it was assumed in the winter 2024. According to estimates by the European Commission, the inflation rate in the EU will be at 2.7 % 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.

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 increase by 6 % in 2024. 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 first half 2024

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, which by agreement with the authority could be expanded and continuously improved. 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. Since the beginning of the 2024 financial year, the supervisory authority in consultation with the German Sports Betting Association (DSWV) has been evaluating the current criteria for the approval of an increased monthly deposit limit per customer. Additional requirements could have a negative impact on the operating performance as from 2025. For the current financial year stable development is expected in this respect.

As announced during the year, the Management Board expects the Group to generate gross betting and gaming revenue in the range of between EUR 45 million and EUR 53 million and EBITDA before special items\* in the range of between EUR -1 million and EUR 2.5 million for the 2024 financial year.

### (2) Human resources and social security

The average number of employees (excluding the Management Board) in the Group in the first half of 2024 amounted to 98 (01.01.-30.06.2023: 101). As of 30 June 2024, the Group employed 99 employees (01.01.-30.06.2023: 100).

\*) 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 management report



The targeted personnel development of highly qualified employees remains the basis for the Group's further successful development. Moreover, intensive professional development is a central corner-stone of the company's success.

## B.3 GROUP SITUATION

### B.3.1 Earnings position

All information on the financial performance relates to the financial year 2024. For detailed information on discontinued operations in the financial year 2022, 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) in the first half of 2024 amounted to EUR 22,912 thousand, which was above the previous year's level (01.01.-30.06.2023: EUR 22,398 thousand).

Gross revenue from online gaming (gaming revenue less paid out winnings) increased by 37 % year-on-year to EUR 2,494 thousand (01.01.-30.06.2023: EUR 1,819 thousand). Online gaming primarily includes slots for the German market.

Gross betting and gaming revenue in the first half of 2024 amounted to EUR 25,406 thousand and was thus above the previous year's level (01.01.-30.06.2023: EUR 24,217 thousand). The result was achieved through extensive initiatives and marketing measures relating to the 2024 European Football Championship, which took place in the core market of Germany from mid-June to mid-July.

The betting fees or taxes and gambling levies payable in various countries reduced earnings by EUR 5,243 thousand during the first half of 2024 (01.01.-30.06.2023: EUR 5,362 thousand). Due to the licensed offering, the BaH Group does not currently pay any VAT - on the basis of VAT regulations for providers of electronic services (01.01.-30.06.2023: EUR 24 thousand).

Taking into consideration betting taxes and gambling levies, net gaming revenue in the first half of 2024 amounted to EUR 20,163 thousand (01.01.-30.06.2023: EUR 18,831 thousand).

In the first half of 2024, the Group's **earnings position** was as follows:

	01/01- 30/06/2024	01/01- 30/06/2023
	EUR'000	EUR'000
Gross betting and gaming revenue	25,406	24,217
Net betting and gaming revenue	20,163	18,831
Total operating income	21,164	20,176
EBT* (earnings before taxes)	969	2,290
EBIT** (earnings before interest and taxes)	741	2,906
EBITDA*** (earnings before interest, taxes, depreciation and amortisation)	1,474	3,783
EBITDA before special items**** (earnings before interest, taxes, depreciation and amortisation before special items)	1,198	4,291

\*) 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 management report

Advertising expenses amount to EUR 10,285 thousand in the first half of 2024 (01.01.-30.06.2023: EUR 5,488 thousand). The increase in advertising and marketing expenses results from investments in connection with the 2024 European Football Championship, which took place in the core market of Germany from mid-June to mid-July. The Group continues to focus on expanding its market position in the sports betting segment in its core markets of Germany and Austria, acquiring new customers and reactivating existing customers. In contrast, the marketing focus in 2023 was put on advertising measures before the start of the 2023/2024 football season in the second half of the year.

Personnel expenses decreased in the first half of 2024 to EUR 4,273 thousand (01.01.-30.06.2023: EUR 4,684 thousand).

### 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 30 June 2024, the **financial situation** was as follows:

	30/06/2024	30/06/2023
	EUR'000	EUR'000
Earnings before taxes	969	2,290
Cash flows from operating activities	-230	2,676
+ Cash flows from investing activities	-22	-146
+ Cash flows from financing activities	-162	-24
= Net cash from operating, investing and financing activities	-413	2,507
+ Cash and cash equivalents at the beginning of period	34,645	35,327
= Cash and cash equivalents at the end of period	34,232	37,834

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 at 30 June 2024, **net assets** were as follows:

Assets	30/06/2024	31/12/2023
	EUR'000	EUR'000
Non-current assets	17,588	18,047
Current assets		
Tax receivables	726	1,196
Other receivables and assets	3,457	2,890
Cash and cash equivalents	34,232	34,645
	56,003	56,779

The non-current assets item includes receivables in the amount of EUR 10,309 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	30/06/2024	31/12/2023
	EUR'000	EUR'000
Group equity	28,093	27,444
Non-current liabilities (liabilities and provisions)	9,113	9,275
Current liabilities (liabilities and provisions)	18,797	20,060
	<b>56,003</b>	<b>56,779</b>

The equity ratio as of 30 June 2024 increased to 50.2 % (as of 31 December 2023: 48.3 %). The consolidated balance sheet total decreased from EUR 56,779 thousand to EUR 56,003 thousand.

Non-current liabilities include liabilities from leases in the amount of EUR 1,247 thousand (as of 31 December 2023: EUR 1,409 thousand), liabilities in the amount of EUR 7,773 thousand (as of 31 December 2023: 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 (as of 31 December 2023: EUR 93 thousand).

Current liabilities include other provisions in the amount of EUR 3,086 thousand (as of 31 December 2023: EUR 3,027 thousand), trade payables in amount of EUR 1,359 thousand (as of 31 December 2023: EUR 1,655 thousand), tax liabilities in the amount of EUR 7,419 thousand (as of 31 December 2023: EUR 7,213 thousand), liabilities to customers (contractual liabilities according to IFRS 15) amounting to EUR 5,111 thousand (as of 31 December 2023: EUR 4,281 thousand), lease obligations according to IFRS 16 amounting to EUR 323 thousand (as of 31 December 2023: EUR 322 thousand), and other liabilities amounting to EUR 1,498 thousand (as of 31 December 2023: EUR 3,561 thousand).

As in the previous year, no financing measures were carried out in the first half of 2024.

#### **B.3.4 Overall evaluation of the Group's situation**

In the first half of 2024, 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 closing of markets and the focus on the German-speaking markets have reduced the risk in this regard.

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. European countries are increasingly endeavouring to prevent customers of unlicensed private gambling services by blocking websites and imposing regulatory requirements on payment service providers, especially as some legal regulations expressly provide for such measures. 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 state regarding online gambling and online sports betting remain unlawfully organised.

The regulatory developments in the EU member states are characterized by increasing efforts to establish licence systems for private providers of online gambling and online 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 in the first half of 2024 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. Based on a transitional regulation as of September 2020, this entity was also granted a licence for virtual slot machines with the same term in the third quarter of 2022.

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 first half of 2025.

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 developments and market

potential are being evaluated on an ongoing basis by the operational management 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. In April 2024, the competent court ruled that the customer claims should not be recognised in the liquidation proceedings of bet-at-home.com Entertainment Ltd. (in liquidation) based on the current legal situation. The Maltese official receiver endeavours to complete the liquidation proceedings promptly due to these developments. The next court hearing will take place on 4 October 2024. The termination of the Maltese 'Bill No. 55' is currently not in sight.
- 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.

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 2017, which were appealed against to the authorities. bet-at-home.com Internet Ltd. took legal action in the national courts against the appeal decision of the tax authorities issued in the second half of 2022.

On 10 July 2024, bet-at-home.com Internet Ltd. received a judgment of the court of first instance regarding the VAT obligation for the tax periods from 2013 to 2017 in Switzerland. According to it, the claims for the tax period of 2013 are considered time-barred. In terms of content, the court agrees with the opinion of the authorities and qualifies the sports betting as an electronic service. The court therefore recognises tax claims in the amount of 1.667 million francs plus interest; claims in the amount of 227 thousand francs would therefore be time-barred.

Upon the recommendation of Swiss consultants, the BaH Group will appeal against the decision to the Federal Supreme Court. To date, there is a lack of relevant supreme court case law. There are however good arguments against a tax liability. A final decision is expected in the financial year of 2025. There is a risk that the Swiss tax authorities could assess further tax periods from

2018 onwards. The BaH Group will thus recognise a balance sheet provision for the years from 2014 to 2024 in the amount of EUR 4.8 million including interest for delay.

The potential risk of bet-at-home.com Internet Ltd. from a possible obligation to pay VAT in Switzerland amounts to EUR 1.7 million for the tax period from 2014 to 2017, taking into account the partial success in the judgement of the Federal Administrative Court, and EUR 2.7 million from 2018 to 30 June 2024 (plus interest in each case).

From today's perspective, the tax risk is to be regarded as increased compared 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 efforts, 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 first half of 2024:

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 bet-at-home.com AG, die bet-at-home.com Internet Ltd. and their executive bodies. The claims against bet-at-home.com AG and its executive bodies have so far been dismissed by the courts. Following a positive judgement by the Supreme Court for bet-at-home.com Internet Ltd. at the end of 2023, a surprising judgement, in which a plaintiff requires the reimbursement of gambling losses in the amount of around EUR 2.4 million, was issued against the entity in August 2024. The Management Board has succeeded in largely limiting the future risk through attractive settlement solutions. At the end of the first half of 2024, four legal proceedings with a total value in dispute of around EUR 3.7 million were still pending in Austria, not including the current judgement against bet-at-home.com Internet Ltd. The Management Board classifies the fundamental risk from customer claims in Austria as medium.

In Germany, customers also attempt to reclaim their losses from sports betting and casino games from the Group companies in court. At the end of the first half of 2024, 41 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 a ten-year limitation period also remains at the discretion of the courts. Particularly in view of the fact that the Group has held licences for both sports betting and casino games since the end of 2022, the risk is limited in time. In accordance with the risk assessment of legal representatives, provisions have been recognised in the balance sheet.

On 25 July 2024, the German Federal Court of Justice (BGH) submitted the question to the European Court of Justice (ECJ) as to whether the freedom to provide services by a Maltese sports betting provider precludes the reimbursement of losses sustained by players in the context of an online sports betting offer without a national licence. The defendant competitor had already applied for a licence for organisation of sports betting in Germany for a relevant period, the allocation of which was stopped by the court due to a procedure contrary to EU law. The ECJ had ruled in some main proceedings, which also concerned sports betting, that, in accordance with the principle of the primacy of Union law, no member state may impose a penal sanction for behaviour, by which a person concerned has not complied with an administrative requirement, if this member state has refused or failed to fulfil the requirement in breach of Union law. The question now arises as to whether sports betting contracts concluded may be regarded as null and void under civil law.

The final decision based on the judgement of the ECJ is expected in the second half of 2025. The facts underlying this case are relevant to the BaH Group and the outcome of the proceedings is therefore of high importance. In the meantime, the Management Board does not anticipate a significant increase in customer claims.

The fundamental risk from customer claims in Germany can be classified as high.

Should such a risk materialize, the impact on the financial position, financial performance and cash flows of the Group would be 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), who in addition to implementing individual security measures 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
- Operating a centrally managed anti-virus software
- Vulnerability management and quarterly vulnerability scans
- Annual penetration tests
- 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 online 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, which is both certified under ISO 27001 and PCI-DSS.

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 previous reporting period, a long-standing payment service provider of the BaH Group unilaterally cancelled its business relationship, due to changes in internal guidelines, and granted a transitional period to the Group. In the first half of 2024, new business relationships with an alternative payment service provider for all affected Group companies were concluded. A limited number of banks willing to co-operate makes it more difficult to establish business relationships and increases dependence on a small number of partners, which can lead to increased default risks. The BaH Group is currently in the process of switching to this new provider.

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.

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## **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 outsourcing and numerous technical integration projects connected with it led to additional workload for individual employees. Due to a reduced number of employees, critical functions are largely no longer securely staffed, which leads to an increased dependence on existing staff. Recruiting qualified personnel remains challenging, due to the current macroeconomic situation, general scepticism of potential employees towards the online gaming industry, an overheated labour market, as well as an increasingly negative public reporting. 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 to high 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 provider**

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 quality assurance processes of external providers 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 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. Moreover, the BaH Group should be in a position to settle liabilities arising from its ongoing operating business. In addition, there is considerable uncertainty in liquidation planning with regard to potential future payment obligations in connection with customer claims. The international differences in legislation and the transfer of material matters to the European Court of Justice for clarification mean that different developments are possible depending on future case law. 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 171 thousand (31.12.2023: 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 30 June 2024 continue to be subject to an increased risk of default as the company is in liquidation (“winding up by court”). During the court hearing on 10 April 2024 in Malta, the judge agreed with the official receiver’s standpoint that all customer claims including external legal fees and other fees (EUR 25 million) in bet-at-home.com Entertainment Ltd. (in Liquidation) are not to be recognised. This decision is supported by Bill 55, which was adopted in Malta in July 2023 and states that foreign customer claims are not recognised in Malta. 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

According to the latest estimates of H2 Gambling Capital, the European market for online gaming might grow by approximately 7 % per year until 2027. 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

The strategic transformation will continue in the 2024 financial year. In terms of in-house development, 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, as well as on further optimising customer interaction and streamlining internal workflows. In terms of technological development, the focus is made on further development of competitive advantages through real-time automations and AI. Together with the outsourcing partner EveryMatrix, the online casino and sports betting product as well as the customer platform are being continuously improved and adapted to customer needs and the legal requirements of the German-speaking market.

In the 2024 financial year, the savings achieved in operating activities through various measures to reduce fixed costs will continue to be used to promote the company's brand more intensively, expand the market position in the sports betting segment in the core markets of Germany and Austria and acquire new customers. This year, the Group focused on investments relating to the European Football Championship, which took place in the core market of Germany from mid-June to mid-July 2024.

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 future risk of customer claims in Austria has been reduced, due to the discontinuation of the casino offering, statutory provisions on statute of limitations and far-reaching settlements that have already been agreed. However, future claims against the companies in the Group and their executive bodies can not be ruled out.

In Germany, there is still legal uncertainty due to inconsistent case law. However, the current dispute between a competitor and a player at the Federal Court of Justice (BGH), in which the BGH

on 25 July 2024 submitted the question to the European Court of Justice (ECJ) as to whether the freedom to provide services by a Maltese sports betting provider precludes the reimbursement of losses incurred by players in the context of an online sports betting offer without a national licence. The final decision based on the ECJ's judgement is expected in the second half of 2025. The facts underlying this case are relevant to the BaH Group and the outcome of the proceedings is therefore of high importance.

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 and the Olympic Games in Paris, 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. 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.

## **E. 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, 23 September 2024

Marco Falchetto

\* ) 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 management report.



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## CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

at 30 June 2024, bet-at-home.com AG, Düsseldorf

### ASSETS

		Note	30/06/2024	31/12/2023
		No.	EUR'000	EUR'000
<b>A.</b>	<b>Non-current assets</b>			
1.	Intangible assets	(8)	519	670
2.	Goodwill	(9)	1,369	1,369
3.	Leased office buildings	(10)	1,536	1,712
4.	Property and equipment	(11)	999	1,383
5.	Other receivables and assets	(12)	11,131	10,835
6.	Deferred tax assets	(13)	2,034	2,078
			<b>17,588</b>	<b>18,047</b>
<b>B.</b>	<b>Current assets</b>			
1.	Receivables from taxes	(14)	726	1,196
2.	Other receivables and assets	(15)	3,457	2,890
3.	Cash and cash equivalents	(16)	34,232	34,645
			<b>38,415</b>	<b>38,732</b>
<b>Total assets</b>			<b>56,003</b>	<b>56,779</b>

## EQUITY & LIABILITIES

		Note	30/06/2024	31/12/2023
		No.	EUR'000	EUR'000
<b>A.</b>	<b>Equity</b>			
1.	Share capital	(17)	7,018	7,018
2.	Capital reserves	(17)	7,366	7,366
3.	Total comprehensive income	(17)	13,709	13,060
			<b>28,093</b>	<b>27,444</b>
<b>B.</b>	<b>Non-current liabilities</b>			
1.	Provisions for employee benefits	(18)	93	93
2.	Lease liabilities	(18)	1,247	1,409
3.	Other liabilities	(18)	7,773	7,773
			<b>9,113</b>	<b>9,275</b>
<b>C.</b>	<b>Current liabilities</b>			
1.	Short-term provisions	(19)	3,086	3,027
2.	Trade payables	(20)	1,359	1,655
3.	Liabilities from taxes	(21)	7,419	7,213
4.	Customer payables	(22)	5,111	4,281
5.	Lease liabilities	(23)	323	322
6.	Other liabilities	(24)	1,498	3,561
			<b>18,797</b>	<b>20,060</b>
<b>Total equity and liabilities</b>			<b>56,003</b>	<b>56,779</b>

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## CONSOLIDATED INTERIM STATEMENT OF INCOME

for the period from 1 January to 30 June 2024, bet-at-home.com AG, Düsseldorf

	Note	01/01- 30/06/2024	01/01- 30/06/2023
	No.	EUR'000	EUR'000
<b>Continuing operations</b>			
Gross betting and gaming revenue	(1)	25,406	24,217
Betting fees and gaming levies	(1)	-5,243	-5,362
VAT on electronic services	(1)	0	-24
<b>Net gaming revenue</b>		<b>20,163</b>	<b>18,831</b>
Other operating income	(2)	1,001	1,346
<b>Total operating income</b>		<b>21,164</b>	<b>20,176</b>
Personnel expenses	(3)	-4,273	-4,684
Advertising expenses	(4)	-10,285	-5,488
Other operating expenses	(4)	-5,131	-6,221
<b>Earnings before interest, taxes and depreciation</b>		<b>1,474</b>	<b>3,783</b>
Depreciation and amortisation	(5)	-733	-877
<b>Earnings before interest and taxes</b>		<b>741</b>	<b>2,906</b>
Finance income	(6)	228	-616
<b>Earnings before taxes</b>		<b>969</b>	<b>2,290</b>
Income tax expense	(7)	-320	-852
<b>Earnings from continuing operations</b>		<b>649</b>	<b>1,438</b>
<b>Consolidated net result total</b>		<b>649</b>	<b>1,438</b>

<b>Earnings per share total in EUR</b>	(rounded)	(rounded)
Basic earnings per share in EUR	0.09	0.20
Diluted earnings per share in EUR	0.09	0.20
<b>Earnings per share from continued operations in EUR</b>		
Basic earnings per share in EUR	0.09	0.20
Diluted earnings per share in EUR	0.09	0.20

## IFRS – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January to 30 June 2024, bet-at-home.com AG, Düsseldorf

	01/01- 30/06/2024	01/01- 30/06/2023
	EUR'000	EUR'000
Consolidated net result total	649	1,438
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	649	1,438

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## CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

for the period from 1 January to 30 June 2024, bet-at-home.com AG, Düsseldorf

	Note	30/06/2024	30/06/2023
	No.	EUR'000	EUR'000
<b>Earnings before taxes (EBT)</b>		<b>969</b>	<b>2,290</b>
+ Depreciation of non-current assets	(5)	733	877
+/- Increase/decrease in provisions		59	626
-/+ Increase/decrease in trade and other receivables not attributable to investing or financing activities		-819	1,399
+/- Increase/decrease in trade and other payables not attributable to investing or financing activities		-1,528	-1,325
+ Income tax expense		-320	-852
-/+ Payments/reimbursements for income taxes		676	-339
<b>= Cash flows from operating activities</b>		<b>-230</b>	<b>2,676</b>
- Acquisition of assets (excluding investments)		-22	-146
<b>= Cash flows from investing activities</b>		<b>-22</b>	<b>-146</b>
- Redemption of lease liabilities		-162	-24
- Payments to shareholders (dividends)		0	0
<b>= Cash flows from financing activities</b>		<b>-162</b>	<b>-24</b>
<b>= Net cash from operating, investing and financing activities</b>		<b>-413</b>	<b>2,507</b>
<b>+ Cash and cash equivalents as at 1 January</b>		<b>34,645</b>	<b>35,327</b>
<b>= Cash and cash equivalents as at 30 June</b>	<b>(16)</b>	<b>34,232</b>	<b>37,834</b>

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## CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

for the period from 1 January to 30 June 2024, bet-at-home.com AG, Düsseldorf

	Share capital	Capital reserves	Total com-prehensive 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
<b>As at 30/06/2023</b>	<b>7,018</b>	<b>7,366</b>	<b>13,060</b>	<b>27,444</b>

	Share capital	Capital reserves	Total com-prehensive income	Total equity
	EUR'000	EUR'000	EUR'000	EUR'000
As at 01/01/2024	7,018	7,366	13,060	27,444
Dividend distribution	0	0	0	0
Consolidated net result total	0	0	649	649
<b>As at 30/06/2024</b>	<b>7,018</b>	<b>7,366</b>	<b>13,709</b>	<b>28,093</b>

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## NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

for the six-month period ended 30 June 2024, 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 30 June 2024 in accordance with international accounting standards.

The consolidated financial statements for the six-month period ended 30 June 2024 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 30 June 2024, 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 Group Management Report for the six-month period ended 30 June 2024 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 2023.

The following standards/amendments to standards have already been published, but were not yet mandatory for the consolidated financial statements for the six-month period ended 30 June 2024:

Standard	Content	Issued in	Date of EU endorsement	Mandatory for reporting periods
<b>Standards</b>				
<b>Amendments</b>				
IAS 21	Lack of Exchangeability	Aug 23	open	01/01/2025
IFRS 7/ IFRS 9	Classification and Measurement of Financial Instruments	May 24	open	01/01/2026

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, Betclik Everest Group SAS, Paris, France has held a controlling interest in the BaH group, the parent company. Betclik 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. Banijay Group N.V., Netherlands (formerly known as FL Entertainment N.V., Netherlands), listed on the Amsterdam stock exchange, is the ultimate parent company of Betclik 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. For detailed information on the discontinued operation "Online Casino in Austria", please refer to section V. "Discontinued operation (IFRS 5)" of these notes to the consolidated financial statements.

## II. CONSOLIDATED GROUP

### General information

The consolidated financial statements include the accounts of bet-at-home.com's Austrian subgroup Entertainment GmbH with 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 2024:

- 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 first half of 2024.

### **III. BASIS OF CONSOLIDATION**

All financial statements included in the interim 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 applicable in the European Union, on the basis of a fictitious legal entity. The interim consolidated financial statements as at 30 June 2024 were not audited.

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 re-valued. 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 intercompany trade payables. Any significant gains and losses on intercompany transactions during the six-month period 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 2023 and the first half of 2024 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 is obliged to 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 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 the financial year 2023, no income tax refund from the Maltese tax entity, in which all Maltese group companies are combined for income tax purposes, was recognised. For this reason, no current tax receivable is to be covered in 2024.

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, 23 % from 01.01.2024 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 receiver 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).

At the hearing in April 2024, the judge agreed with the official receiver that foreign customer claims that were accrued at bet-at-home.com Entertainment Ltd. (in liquidation) at the insolvency date, should not be recognised by referring to Bill No. 55. However, the judge qualified his judgement to the effect that if a higher national court or the European Court of Justice assesses the situation differently or Bill No. 55 is overturned, he will then follow these courts in this matter and revise his decision. The next hearing is scheduled for October 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 first half of 2024, there was no longer a result from the discontinued operation.

Receivables due from and liabilities to bet-at-home.com Entertainment Ltd. (in liquidation), which was fully consolidated until 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 at 30 June 2024. While the net carrying amounts of these receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) totalled EUR 10,309 thousand as at 30 June 2024, the net carrying amounts of liabilities to bet-at-home.com Entertainment Ltd. (in liquidation) totalled EUR 7,773 thousand as at 30 June 2024 (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).

## **VI. OTHER FINANCIAL INFORMATION – EBITA BEFORE SPECIAL ITEMS\* AS AN ALTERNATIVE PERFORMANCE MEASURE**

The BaH Group started to calculate this alternative performance indicator 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.

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

\*) 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 management report.

Reconciliation (from continuing operations)	30/06/2024	30/06/2023
	EUR'000	EUR'000
EBITDA in profit & loss statement	1,474	3,783
Legal cases/customer claims	-354	724
Income from reversals of impairment losses	78	-216
EBITDA before special items	1,198	4,291

Special items are recognised in the consolidated income statement under other operating expenses and income. The amount of EUR 354 thousand (previous year: expense at EUR 724 thousand) relates in particular to income in connection with customer claims, due to a better comparative ratio for the Group than in the year 2023, totalling EUR 464 (previous year: EUR 455 thousand) as well as fees for legal cases totalling EUR 110 thousand (previous year: EUR 169 thousand). The others include expenses in the amount of EUR 78 thousand (previous year: income of EUR 216 thousand) as at 30 June 2024 from valuation of receivables due from bet-at-home.com Entertainment Ltd. (in liquidation).

## VII. DISCLOSURES AND NOTES ON THE INTERIM CONSOLIDATED INCOME STATEMENT, CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONSOLIDATED STATEMENT OF CASH FLOWS AND 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 at 31 December 2023 and the interim consolidated financial statements of BaH as at 30 June 2023.

### VII.1. COMMENTS ON ITEMS OF THE CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024

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

#### (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 first half of 2024, 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

30/06/2024	Operating segments		Group total EUR'000
	Online sports betting	Online gaming (.de)	
	EUR'000	EUR'000	
Betting and gaming volume	182,800	22,830	205,630
Paid out winnings	-159,888	-20,336	-180,224
Gross betting and gaming revenue	22,912	2,494	25,406
Betting fees and gambling levies	-4,195	-1,047	-5,243
VAT recognised in profit and loss	0	0	0
<b>Net betting and gaming revenue</b>	<b>18,716</b>	<b>1,447</b>	<b>20,163</b>

30/06/2023	Operating segments		Group total EUR'000
	Online sports betting	Online gaming (.de)	
	EUR'000	EUR'000	
Betting and gaming volume	178,002	20,926	198,928
Paid out winnings	-155,603	-19,107	-174,711
Gross betting and gaming revenue	22,398	1,819	24,217
Betting fees and gambling levies	-4,411	-951	-5,362
VAT recognised in profit and loss	-24	0	-24
<b>Net betting and gaming revenue</b>	<b>17,963</b>	<b>867</b>	<b>18,831</b>

## Segment reporting – supplementary information

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

	01/01-30/06/2024		01/01-30/06/2023	
	EUR'000	%	EUR'000	%
Germany	82,130	40	88,068	44
Eastern Europe	21,138	10	20,780	10
Austria and the rest of Western Europe	102,362	50	90,079	45
	205,630	100	198,928	100

Countries with similar markets were grouped together by region.

## (2) Other operating income

	30/06/2024	30/06/2023
	EUR'000	EUR'000
Exchange rate gains	159	141
Income from the reversal of provisions	767	131
Other	75	1,074
	1,001	1,346

Income from the reversal of provisions at the amount of EUR 694 thousand includes a better settlement rate for customer claims compared to the year 2023 and therefore shows a decrease in liabilities. In contrast to the previous year, the item "Other" item in the first half of 2024 does not include any reversals of impairment losses on receivables from the former Group company bet-at-home.com Entertainment Ltd. (in liquidation) (Malta).

### (3) Personnel expenses

Breakdown of personnel expenses:

	30/06/2024	30/06/2023
	EUR'000	EUR'000
Salaries	3,459	3,837
Expenses for severance (redundancy) pay and company pension plan contributions	43	45
Expenses for statutory social contributions and pay-based levies and statutory contributions	744	776
Other social contributions	27	27
	<b>4,273</b>	<b>4,684</b>

Expenses for severance (redundancy) and contributions to company pension plans include payments totalling EUR 43 thousand (01.01.-30.06.2023: EUR 45 thousand) under the Austrian Act on Benefits (New Severance Pay Scheme) for Employees and Self-Employed Persons [BMSVG "Abfertigung neu"].

**Changes in staffing** were as follows:

	Reporting date		Average	
	30/06/2024	30/06/2023	01/01-30/06/2024	01/01-30/06/2023
Employees	99	100	98	101

### (4) Advertising and other operating expenses

These expenses include the following items:

	30/06/2024	30/06/2023
	EUR'000	EUR'000
Advertising expenses		
Advertising costs	4,557	3,434
Bonuses and vouchers	5,701	1,968
Sponsoring	27	85
	<b>10,285</b>	<b>5,488</b>



The increase in advertising expenses is attributable to an intensified marketing presence accompanied by a large-scale advertising campaign and numerous bonus promotions, due to the European Football Championship, which took place from June to July 2024.

	30/06/2024	30/06/2023
	EUR'000	EUR'000
Other operating expenses		
Additional transaction costs	1,691	1,504
Software provider expenses	804	134
Information services and software maintenance	529	1,653
Legal, audit and advisory fees	586	705
Additions to provisions for impairment losses on receivables, loan losses and claims	13	65
Exchange rate differences and similar expenses	375	185
Costs for the preparation of financial statements, general meeting of shareholders and stock exchange costs	58	245
Supervisory Board compensation	20	20
Other costs	1,055	1,710
	<b>5,131</b>	<b>6,221</b>

The increase in software provider expenses is attributable to the outsourcing of key corporate functions to EveryMatrix and the payment of a monthly fee based on the net betting and gaming revenue. This was offset by a reduction in expenses for information services and software maintenance, as no additional purchases for sports betting events and odds suppliers were incurred as a result of the outsourcing. The expenses for the annual general meeting, stock exchange services and annual report preparation are shifted to the second half of 2024 in contrast to the previous year.

The item "Other costs" mainly includes expenses in connection with customer requests for reimbursement of gambling losses in the amount of EUR 230 (01.01.-30.06.2023: EUR 460 thousand) as well as a decrease in other operating expenses in the amount of EUR 230 thousand (01.01.-30.06.2023: EUR 362 thousand).

**(5) Depreciation, amortisation and write-downs**

	30/06/2024	30/06/2023
	EUR'000	EUR'000
Amortisation and write-downs of intangible assets	177	181
Write-down of leased office building	176	208
Depreciation and write-downs of property, plant and equipment	351	443
Write-downs of low-value assets	28	45
	<b>733</b>	<b>877</b>

**(6) Net finance income (costs)**

	30/06/2024	30/06/2023
	EUR'000	EUR'000
Finance income		
Interest receivable and similar income	0	4
Other financial income	295	0
Finance costs		
Interest expenses and similar costs	-16	0
Interest expenses from lease agreements	-51	-13
Other financial expenses	0	-606
	<b>228</b>	<b>-616</b>

Other financial income mainly relate to the interest income from interest accrued on long-term receivables (> 12 months).

## (7) Taxes on income

The tax expense is presented as follows:

	30/06/2024	30/06/2023
	EUR'000	EUR'000
Current income taxes for the year under review, Austrian subgroup	276	587
Trade tax, Germany	0	0
Expense/income from deferred taxes	44	369
Tax income for previous years	0	-104
	320	852

Current income taxes relate to two companies in the Austrian subgroup. The deferred taxes reported in 2024 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:

	30/06/2024	30/06/2023
	EUR'000	EUR'000
Earnings before taxes	969	2,290
Calculated income tax expense, Austria (23 %; 2023: 24 %)	223	550
Tax income for previous years	0	-104
Tax differences for Malta tax group	-42	130
Expense/income from deferred taxes	44	369
Other differences and tax rate changes	96	-93
Actual/recognised taxes	320	852

## VII.2. COMMENTS ON ITEMS OF THE INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

### (8) to (13) Non-current assets

A breakdown of non-current assets and their movements during the first half of 2024 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:

	30/06/2024	31/12/2023
	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
	<b>1,369</b>	<b>1,369</b>
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

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 at 30 June 2024 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 2028, 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 above-mentioned 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 St.Julians, Malta, which expired in February 2023, was not extended and a new office space was rented in Mosta, Malta. 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 first half of 2024 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 10,309 thousand (31.12.2023: EUR 10,035 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 1,949 thousand (31.12.2023: EUR 1,900 thousand) and receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) acquired during the liquidation phase in the amount of EUR 8,359 thousand (31.12.2023: EUR 8,135 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 the inflow actually materialises as expected, 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 operation (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 at 30 June 2024 amounted to EUR 2,034 thousand in total (31.12.2023: EUR 2,078 thousand). The amount of EUR 2,006 thousand (31.12.2023: EUR 2,074 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 10,630 thousand (31.12.2023: EUR 8,199 thousand).

### (14) Tax receivables

Tax receivables include the following items:

	30/06/2024	31/12/2023
	EUR'000	EUR'000
Tax refund claim 2021 (tax refund Malta)	0	809
Corporation tax advance payment Austria	43	1
Other	683	1,186
	726	1,996

As in previous years, the item "Other" mainly relates to existing credit balances against tax authorities. The decrease in the "Tax refund claim 2021 (Tax Refund Malta)" results from the reclassification to the item "Other non-current receivables and assets".

### (15) Other receivables and assets

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

	30/06/2024	31/12/2023
	EUR'000	EUR'000
Advance payments	757	469
Receivables from payment service providers	2,518	2,189
Others	182	233
	<b>3,457</b>	<b>2,890</b>

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

### (16) Cash and cash equivalents

	30/06/2024	31/12/2023
	EUR'000	EUR'000
Cash at bank (maturities < 3 months) and in hand	34,232	34,645

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 5,111 thousand (31.12.2023: EUR 4,281 thousand). The increase is recorded as at the reporting date, due to the European Football Championship, which took place in June and July 2024.

## (17) Group equity

The Group's equity includes the following items:

	30/06/2024	31/12/2023
	EUR'000	EUR'000
Subscribed capital	7,018	7,018
Capital reserves	7,366	7,366
Consolidated net profit for the period	13,709	13,060
	<b>28,093</b>	<b>27,444</b>

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.

The general meeting of shareholders on 16 July 2024 resolved to authorise the Management Board, with the Supervisory Board's consent, to increase the Company's share capital by 15 July 2029 by issuing up to 3,509,000 new non-par value bearer shares for cash and/or non-cash contributions, once or several times, up to an amount of EUR 3,509,000.00 (Authorized Capital 2024). 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

	30/06/2024	31/12/2023
	EUR'000	EUR'000
Provisions for employee benefits	93	93
Lease obligations	1,247	1,409
Other non-current liabilities	7,773	7,773
	9,113	9,275

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) bis (24) Current liabilities

Current liabilities include the following items:

	30/06/2024	31/12/2023
	EUR'000	EUR'000
Other provisions	3,086	3,027
Trade payables	1,359	1,655
Tax liabilities	7,419	7,213
Amounts due to customers	5,111	4,281
Lease obligations	323	322
Other current liabilities	1,498	3,561
	18,797	20,060

### (19) Other provisions

Total other provisions developed as follows in the first half of 2024 (EUR thousand):

	Balance at 31/12/2023	Utilisation	Release	Addition	Balance at 30/06/2024
Audit and advisory	314	213	27	267	342
Affiliate programme	774	299	0	357	832
Other	1,939	312	694	980	1,912
	<b>3,027</b>	<b>824</b>	<b>721</b>	<b>1,605</b>	<b>3,086</b>

Other provisions mainly include claims in connection with customer claims totalling EUR 989 thousand (31.12.2023: EUR 1,715 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 (31.12.2023: EUR 6,245 thousand), betting fees, gambling levies and VAT on electronic services amounting to EUR 903 thousand (31.12.2023: EUR 858 thousand) and other taxes amounting to EUR 271 thousand (31.12.2023: EUR 130 thousand).

### (22) Liabilities to customers

Liabilities to customers include pending bets (in accordance with IFRS 9) in the amount of EUR 408 thousand (31.12.2023: EUR 232 thousand) and customer balances (in accordance with IFRS 15) in the amount of EUR 4,702 thousand (31.12.2023: EUR 4,048 thousand).

### (23) Liabilities from leasing agreements

As at 30 June 2024, current liabilities from the rights of use from leases (less than 12 months) capitalised in accordance with IFRS 16 amounted to EUR 323 thousand (31.12.2023: EUR 322 thousand).

## (24) Other liabilities

Other current liabilities include the following items:

	30/06/2024	31/12/2023
	EUR'000	EUR'000
Liabilities to personnel	1,138	801
Social security liabilities	288	160
Other liabilities	73	2,599
	1,498	3,561

Other liabilities decreased, due to the payment of EUR 2,500 thousand attributable to settlement of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation) in April 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, 30 June 2024, 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. Despite of a currently slightly negative cash flow within the BaH Group, the liquidity risk in the first half of 2024 is classified as average.

### **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 171 thousand (31.12.2023: EUR 173 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 considered 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 30 June 2024 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 first half of 2024 was:

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

The remuneration of the Management Board in the first half of 2024 totals EUR 225 thousand (01.01.-30.06.2023: EUR 161 thousand).

In the first half of 2024, the Supervisory Board of BaH consisted of the following members:

- 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 the first half of 2024, the Chairman of the Supervisory Board received fixed compensation of EUR 20 thousand (previous year: EUR 20 thousand). Necessary expenses were also reimbursed. Ms Giraudon and Mr Riahi waived their compensation in the first half of 2024.

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 (31.12.2023: EUR 10,467 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 information on contingent liabilities in the management report ("C.1 Risk report").

#### **VIII.5. 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.6. MATERIAL SUBSEQUENT EVENTS

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

## VIII.7. 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 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, 23 September 2024

Marco Falchetto





as at 30 June 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 30/06/2023	Balance at 01/01/2023	Additions	Disposals		Balance at 30/06/2023	Carrying amount 30/06/2023
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	
I. Intangible Assets	3,863	6	0	0	3,869	2,887	181	0	3,068	818	976
II. Goodwill	1,369	0	0	0	1,369	0	0	0	0	1,369	1,369
III. Leased office buildings	4,005	285	1,220	0	3,070	2,140	208	1,107	1,241	1,829	1,865
IV. Property and equipment	8,105	20	348	0	7,776	5,758	488	297	5,949	1,809	2,347
1. Furniture and fixtures, office equipment	7,799	20	348	0	7,470	5,758	488	297	5,949	1,521	2,041
2. Construction in progress	306	0	0	0	306	0	0	0	0	288	306
	17,342	311	1,569	0	16,084	10,784	877	1,403	10,258	5,826	6,558

***bet-at-home***

# IMPRINT

## PUBLISHER

bet-at-home.com AG, Düsseldorf

## TEXT

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## DISCLAIMER

The Interim Financial Report is a translation  
of the valid German version.

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***LIFE IS A GAME!***