

Playtech plc

("Playtech", the "Company" or the "Group")

Results for the year ended 31 December 2024

B2B hits medium-term target ahead of schedule; Snaitech disposal on track to complete in Q2 25

Playtech (LSE: PTEC), the leading platform, content and services provider to the gambling industry, today announces its final results for the year ended 31 December 2024.

Financial summary (continuing and discontinued operations)¹

Snaitech now classified as discontinued operations

	Reported			Adjusted ²		
	FY 24	FY 23	Change	FY 24	FY 23	Change
	€'m	€'m		€'m	€'m	
Revenue	1,791.5	1,706.7	5%	1,791.5	1,706.7	5%
EBITDA	358.8	406.5	-12%	480.4	432.3	11%
Post-tax profit³	(23.9)	105.1	n/a	223.5	156.8	42%
Diluted EPS	(7.8)	34.7	n/a	71.7	50.2	43%
Net debt⁴	142.8	282.8	-49%			

Financial summary (continuing operations)¹

	Reported			Adjusted ²		
	FY 24	FY 23	Change	FY 24	FY 23	Change
	€'m	€'m		€'m	€'m	
Revenue	848.0	771.9	10%	848.0	771.9	10%
EBITDA	127.7	152.0	-16%	214.7	176.2	22%
Post-tax profit³	(136.2)	(12.1)	n/a	58.8	14.2	314%
Diluted EPS	(44.6)	(3.9)	n/a	18.8	4.6	309%

Summary

- Excellent Group performance (continuing and discontinued operations) with FY 2024 Adjusted EBITDA up 11% to €480.4 million (FY 2023: €432.3 million), slightly ahead of previously raised expectations.
- Performance driven by strong momentum in B2B and good operating leverage:
 - Adjusted EBITDA in the B2B business grew 22% to €222.0 million (FY 2023: €182.0 million), reaching the medium-term target range of €200 million - €250 million set two years ago, ahead of schedule.
 - Broad-based strength across core markets; material improvement in cash flow generation.
- Sale of Snaitech on track to complete in Q2 2025; intention to return €1,700 million - €1,800 million to shareholders by way of a special dividend.
- Revised agreement with Caliply underpins Playtech's future growth as a predominantly, pure-play B2B business; completion of the revised arrangements scheduled to take place on 31 March 2025.
- New medium-term financial targets for the continuing business, reflecting structure of the new Caliply agreement:
 - Adjusted EBITDA⁵ target range of €250 million - €300 million
 - Free Cash Flow⁶ target range of €70 million - €100 million

Divisional highlights

B2B

- FY 2024 revenue growth of 10% to €754.3 million (FY 2023: €684.1 million), with broad-based strength across the Group's core markets.
- B2B Adjusted EBITDA grew 22% to €222.0 million (FY 2023: €182.0 million), with Adjusted EBITDA margin expansion of 280 bps, driven by strong operating leverage and tight cost control.
- The Americas was the biggest driver of growth, with revenue up 19% to €251.6 million (FY 2023: €211.9 million).
- Excellent progress executing our strategy in the US and Canada; strong revenue growth of 126% in FY 2024, reaching €29.8 million (FY 2023: €13.2 million).
- Hard Rock Digital: launched Casino and Live content in New Jersey; dividends of €3.2 million received in FY 2024; Fair Value of our equity investment increased to €141 million (FY 2023: €77 million).
- In Latin America, strong performance from Wplay in Colombia; strong underlying performance from Caliplay, although additional B2B service fee (based on a percentage of Caliplay's predefined profit) was impacted by legal fees from the dispute, adverse FX, and interest charged on money owed to Playtech. Brazil grew very strongly in FY 2024 and will be classified as a regulated market from 1 January 2025.
- Live revenue saw strong growth of 24% in regulated markets versus FY 2023.
- Achieved the top end of the medium-term SaaS revenue target range ahead of schedule, with SaaS revenues growing 59% to €80.0 million (FY 2023: €50.3 million).
- Launched BetBuddy, Playtech's AI-led safer gambling tool, with seven new brands in FY 2024, bringing the total to 23 brands in 14 jurisdictions.

B2C

- Solid B2C performance with revenue up 2% to €1,052.7 million (FY 2023: €1,037.0 million). Adjusted EBITDA increased 3% to €258.4 million (FY 2023: €250.3 million).

Snaitech (discontinued operations)

- Snaitech revenue increased 1% to €956.1 million (FY 2023: €946.6 million), with performance impacted by customer-friendly sporting results over the course of the year, and particularly acute at the start of 2024.
 - Retail revenue was broadly flat at €697.6 million (FY 2023: €694.8 million)
 - Online revenue grew 3% to €258.5 million (FY 2023: €251.8 million)

Continuing B2C

- HAPPYBET reported Adjusted EBITDA loss of €11.8 million (FY 2023: loss of €11.8 million). Austria business closed in H2 2024; the Group commenced a sales process for the rest of the business in Germany.
- Sun Bingo and Other B2C saw revenue increase 7% to €78.9 million (FY 2023: €73.4 million). Adjusted EBITDA declined to €4.5 million (FY 2023: €6.0 million), due to the impact of affordability checks implemented in H2 2024.

Corporate activity

- Agreement reached on revised strategic agreement with Caliplay, providing clarity on the future relationship and a strong platform to build on the significant growth delivered over the past ten years.
- Definitive agreement reached in September 2024 for the sale of Snaitech to Flutter:
 - Cash consideration of approximately €2,300 million calculated by reference to a debt and cash-free valuation basis and assuming a normalised level of working capital.
 - Playtech intends to return €1,700 million - €1,800 million to shareholders by way of a special dividend.
 - Italian antitrust approval process continuing as planned and sale on track to complete in Q2 2025.

Financial highlights

- Reported post-tax loss (continuing and discontinued operations) of €24.2 million (FY 2023 post-tax profit: €105.1 million), with the movement due to higher impairment charges for sports in FY 2024 compared to FY 2023, a smaller increase in the fair value of derivative financial assets in FY 2024 versus FY 2023 and the derecognition of brought forward deferred tax asset.

- Reported post-tax loss from continuing operations of €136.5 million (FY 2023 post-tax loss €12.1 million) due to the same factors listed above.
- Group leverage declined to 0.3x (continuing and discontinued operations) in FY 2024 compared to 0.7x in FY 2023.
- Agreed a new amended €225 million 5-year RCF facility, which will amend and replace the existing €277 million RCF facility and becomes effective on completion of the Snaitech sale.
- New €225 million 5-year RCF signed in March 2025; to come into effect on completion of Snaitech sale.
- Given the strength of the balance sheet, Playtech repaid €200 million of the €350 million bond due March 2026; remaining balance to be repaid following completion of the sale of Snaitech.

Outlook

- Good start to trading in 2025, reflecting strong underlying growth trends in B2B.
- New medium-term Adjusted EBITDA⁵ target for continuing operations of €250 million – €300 million, reflecting the revised terms of the Calipaly agreement.
- New medium-term Free Cash Flow⁶ target for continuing operations of €70 million to €100 million.
- Increased focus on operational efficiencies within the continuing Group, while also conducting a review of underperforming businesses.
- Strength of balance sheet post the expected completion of the Snaitech deal gives flexibility to pursue both organic and inorganic growth opportunities, as well as potential shareholder returns.
- The Board remains confident in Playtech's ability to execute on growth opportunities for the continuing B2B business.

Mor Weizer, CEO, said:

"2024 was a landmark year for Playtech. We successfully reached an agreement to sell Snaitech to Flutter Entertainment, delivering significant value to our shareholders while enabling Playtech to refocus predominantly on its core strengths as a pure-play B2B business. Additionally, we are pleased to have secured a revised strategic agreement with Calipaly, our partner in Mexico, providing greater certainty and a strong foundation for future growth.

"Our core B2B business had an outstanding year, achieving the medium-term target we set two years ago ahead of schedule. The Americas saw substantial revenue growth, with Wplay in Colombia delivering a particularly strong performance. Meanwhile, our expansion in the US and Canada continues to gain momentum as we sign up and launch with a growing list of operators.

"The combination of Playtech's industry-leading technology with its exposure to attractive markets underpins our confidence in the Group's new medium-term targets. We are excited about the future and the many opportunities ahead."

For further information contact:

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¹Totals in tables throughout this statement may not exactly equal the components of the total due to rounding.

²Adjusted numbers relate to certain non-cash and one-off items. The Board of Directors believes that the adjusted results more closely represent the consistent trading performance of the business. A full reconciliation between the actual and adjusted results is provided in Note 10.

³Adjusted Profit refers to post-tax Profit attributable to the owners of the Company after the relevant adjustments as detailed above. Reported Profit refers to post-tax Profit attributable to the owners of the Company before adjustments.

⁴Net debt is defined as being gross debt less cash and cash equivalents excluding cash held on behalf of clients, progressive jackpots and security deposits.

⁵New medium-term Adjusted EBITDA target includes income from associate.

⁶Free Cash Flow defined to be Adjusted EBITDA less IFRS 16 lease costs, capex and capitalised development costs, net financing costs and cash taxes paid and taking into account any differences between dividends received and amounts recognised on P&L.

Conference call and presentation

A presentation on the earnings will be held today in person at 9.00am at One Moorgate Place, Chartered Accountants Hall, 1 Moorgate Place, London, EC2R 6EA, and accessible via a live audio webcast using this link:

<https://www.investis-live.com/playtech/67cf0cf0480ab4000f4d429b/nerat>

Analysts and investors can also dial into the call using the following details:

United Kingdom (Local): +44 20 3936 2999

United Kingdom (Toll-Free): +44 800 358 1035

[Global Dial-In Numbers](#)

Access Code: 318336

The presentation slides will be available today from 8.30 am at:

<https://www.investors.playtech.com/results-and-presentations>

Forward looking statements

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". By their nature, forward-looking statements involve risk and uncertainty since they relate to future events and circumstances. Actual results may, and often do, differ materially from any forward-looking statements.

Any forward-looking statements in this announcement reflect Playtech's view with respect to future events as at the date of this announcement. Save as required by law or by the Listing Rules of the UK Listing Authority, Playtech undertakes no obligation to publicly revise any forward-looking statements in this announcement following any change in its expectations or to reflect events or circumstances after the date of this announcement.

About Playtech

Founded in 1999 and premium listed on the Main Market of the London Stock Exchange, Playtech is a technology leader in the gambling industry with over 8300 employees across 19 countries.

Playtech is the gambling industry's leading technology company delivering business intelligence driven gambling software, services, content and platform technology across the industry's most popular product verticals, including, casino, live casino, sports betting, virtual sports, bingo and poker. It is the pioneer of omni-channel gambling technology through its integrated platform technology, Playtech ONE. Playtech ONE delivers data driven marketing expertise, single wallet functionality, CRM and responsible gambling solutions across one single platform across product verticals and across retail and online.

Playtech partners with and invests in the leading brands in regulated and newly regulated markets to deliver its data driven gambling technology across the retail and online value chain. Playtech provides its technology on a B2B basis to the industry's leading retail and online operators, land-based casino groups and government sponsored entities such as lotteries.

Chairman's statement

Our thanks to the team

I would like to start by saying thank you to all our people, whose commitment, hard work and dedication have been central to helping us deliver another excellent year of progress across Playtech. They have worked tirelessly to support all our customers and grow our business, proving again that they are amongst the best in the industry. I would also like to take this opportunity to acknowledge the outstanding contribution from the executive management team and the Non-executive Directors, who have again demonstrated their drive and focus in what has been a remarkable year for the business.

2024 in review

Our core B2B business delivered an excellent performance, reaching our medium-term Adjusted EBITDA target range ahead of schedule. We were also delighted to reach an agreement on a revised strategic agreement with Caliply. Meanwhile, the expected sale of Snaitech to Flutter Entertainment for €2.3 billion is a transformational deal that will deliver significant returns for shareholders while also strategically repositioning Playtech as a leading global gaming business operating in high-growth B2B gambling markets.

B2B

Our B2B performance was underpinned by the breadth and depth of our product offering in some of the most attractive online gambling markets:

- We continue to make good progress with our strategy in the fast-growing US market. 2024 saw a shift in focus from signing deals with multiple operators towards execution and delivery, including launching with DraftKings across multiple states.
- We were pleased to see another year of strong performance across Latin America in 2024. While Caliply further solidified its leadership position in Mexico, Wplay in Colombia continues to benefit from its strong position in the market and the transition to online. Looking to 2025, the Brazil market presents a big opportunity as it regulated on 1 January 2025, and we are strongly positioned to take advantage of this fast-growing market.
- Our Live Casino offering continues to go from strength to strength. Our new partnership with MGM Resorts International, which sees games streamed directly from the floors of the Bellagio and MGM Grand, underlines Playtech's reputation as the partner of choice for ambitious operators looking for new and innovative ways to reach customers.

B2C

I will touch on the sale of Snaitech to Flutter Entertainment in more detail later on but first a quick word on the performance of the business in 2024.

- Snaitech saw marginal revenue growth in the year due to the impact of a string of customer-friendly sporting results, which was particularly acute at the start of 2024.
- Underlying growth remained strong across the retail sports betting and online segments, and Snaitech is well-placed to continue to execute in the Italian market in the future.

Corporate activity

Delivering exceptional value for shareholders with the sale of Snaitech

As announced in September 2024, Playtech agreed the sale of Snaitech to Flutter Entertainment for €2.3 billion. The deal represents a significant return on our investment in Snaitech, which was acquired in 2018 for €846 million, and is recognition of all the work that has gone in to growing Snaitech into a high-quality business with a leading position in the Italian sports betting and gaming market.

We are also indebted to the hard work of Fabio Schiavolin, Chief Executive of Snaitech, and his team over the past seven years. They successfully navigated the pandemic and emerged stronger with an established retail presence and a leading online business. We have no doubt that Snaitech will continue to excel under Flutter's ownership, and we wish them the very best.

While Snaitech has been an important part of Playtech's growth in recent years, the Board agreed that the transaction with Flutter represented a compelling opportunity to maximise value for shareholders. Following completion of the disposal, the Company intends to return between €1.7 billion - €1.8 billion to shareholders by way of a special dividend.

At the same time, shareholders will have the opportunity to benefit from significant further upside from continued ownership in a predominantly pure-play B2B business operating in attractive markets with strong growth prospects. This strategic shift is already underway and the Company is excited about the opportunity and growth prospects in 2025 and beyond.

In December 2024, shareholders approved significant new remuneration and incentive schemes. We appreciate that some shareholders had concerns, but the significant majority of our shareholders recognised the importance of this as a foundation for the ongoing growth and development of the Group as a B2B business. We are grateful to all our shareholders for their support and feedback in respect of these schemes.

Striking a revised strategic agreement with Caliply

We also announced in September 2024 that we had reached an agreement on a revised strategic agreement with Caliply, our partner in Mexico. We're pleased to have drawn a line under the disagreement that preceded this revised set of arrangements, providing greater certainty for both sides.

We are now firmly focused on building on our successful partnership, which, over the past ten years, has created an extremely successful and rapidly growing digital business in Mexico. The revised agreement, scheduled to complete on 31 March 2025, provides a strong platform to build on the impressive progress to date and drive significant further growth in the future.

Board changes

Our evolution as a Company has been accompanied by a transition in the make-up of our Board. In July 2024, we welcomed Doreen Tan to the Board as a new independent Non-executive Director, bringing more than 30 years' experience of working at leading financial institutions.

Anna Massion stepped down as an independent Non-executive Director and Chair of the Remuneration Committee on 28 February 2025. I would like to take this opportunity to thank Anna for the valuable contribution she has made to the Company's strategy, over what has been a period of significant transformation for the business.

In addition, as announced in January 2025, I am also preparing to step down from my position as Non-executive Chair, having joined the Board in 2021. During this time, we have built a highly experienced and diverse Board, which will continue to play a critical role in promoting the long-term success of the business.

It has been an absolute privilege to serve as Chair of Playtech and to help steward the Group through an important phase of growth and transition. I am proud of the milestones we have achieved as Playtech prepares to embark on a new chapter as a predominantly pure-play B2B business. It is with that in mind that I feel now is the right time to step aside and allow a successor to lead Playtech through the next phase of its growth.

The process to appoint a new Chair is well-advanced and we look forward to sharing the details of their appointment in due course, while we will also review the composition of the Board in light of recent changes.

We have also made changes to the composition of the Board committees to ensure that we are making the most of the Board's experience and skillset.

Sustainability

Looking back on my tenure over these past few years, I am particularly proud of the progress we have made against our sustainability strategy. Playtech has always been known as a pioneer of gambling technology, and we are now using that same expertise to advance safer gambling and player protection. The Company's commitment to working alongside licensees on this journey is increasingly cited as a key reason that customers choose Playtech as their technology partner.

BetBuddy – our AI-enabled safer gambling tool – is a great example of how we are taking the latest advances in technology to develop personalised responsible gambling tools. In 2024, we launched BetBuddy with seven new brands, bringing the total to 23 brands in 14 jurisdictions. We remain committed to further enhancing our offering and ultimately ensuring a sustainable future for the industry.

A confident outlook

If 2024 was the year that Playtech laid out a plan to redefine itself as a predominantly pure-play B2B business, this year will see that transition take effect. The sale of Snaitech is on track to complete by Q2 2025 and plenty of work is taking place behind the scenes to ensure the go-forward business gets off to the strongest possible start, alongside our expectation of paying a special dividend of between €1.7 billion to €1.8 billion to our shareholders from the proceeds of Snaitech's disposal. Playtech is a remarkable business with a blend of brilliant people and industry-leading technology. I have no doubt that the management will continue to deliver strong returns for all of the Company's stakeholders, and I wish you all the very best.

Thank you for your continued support of Playtech.

Chief Executive Officer's Review

Overview

2024 marked Playtech's 25th anniversary, and was a year of transformational change for the business. The expected sale of Snaitech to Flutter Entertainment will deliver significant returns for shareholders, while the revised agreement with Caliply will underpin Playtech's future growth as a predominantly pure-play B2B business. The Group also delivered an excellent financial performance, with Adjusted EBITDA (including Snaitech) slightly ahead of previously raised expectations.

A strong performance across the Group's high-growth markets meant that the B2B segment delivered revenue growth of 10% (+11% on a constant currency basis) to €754 million (FY 2023: €684 million). Strong operating leverage and tight cost control ensured B2B's Adjusted EBITDA margin expanded 280 bps, helping to deliver a 22% increase in B2B Adjusted EBITDA to €222 million (FY 2023: €182 million), meeting our medium-term Adjusted EBITDA target of €200 million - €250 million, ahead of schedule.

Since we entered the US in 2019, we have signed and launched partnerships with all of the major operators and are making good progress on our strategy, with US and Canada revenues growing 126% in 2024 to €29.8 million. Growth was broad-based across Casino, Live and PAM+, with the launch of multiple dedicated tables in Michigan, New Jersey and Pennsylvania with DraftKings a particular highlight. Our landmark strategic agreement with Hard Rock Digital continued to develop, and delivered €3.1 million in dividends in 2024, while in June, we also signed a new agreement with MGM Resorts to provide Live Casino content directly from the floor of two of its resorts in Las Vegas to players outside the US.

Revenue in Latin America also grew strongly in 2024, driven primarily by a very strong performance from Wplay in Colombia. The revised strategic agreement with Caliply, due to complete on 31 March 2025, also marks a significant milestone that will allow us to build on our progress and drive significant further growth in the future.

At the FY 2022 results, we announced a medium-term SaaS revenue target of €60 million – €80 million. Just two years later, we are delighted to report that after another year of excellent revenue growth (+59% in FY 2024), we have hit the top end of the target range and delivered €80.0 million of revenue in FY 2024 (FY 2023: €50.3 million), with growth coming from a diverse spread of brands and geographies.

Revenue from Playtech's B2C business was up 2% to €1,052.7 million (FY 2023: €1,037.0 million) and Adjusted EBITDA increased 3% to €258.4 million (FY 2023: €250.3 million) due to the impact of customer-friendly sports results on Snaitech over the course of the year, and particularly acute at the start of 2024. The Austrian HAPPYBET business was closed in H2 2024. The Group commenced a sales process for the rest of the business in Germany, and failing that, we'll look at a closure.

As announced in September 2024, Playtech agreed the sale of Snaitech to Flutter for a total enterprise value of €2,300 million. This reflects the fundamental business transformation achieved since acquiring Snaitech in 2018 and creates significant value for shareholders, with €1,700 million to €1,800 million expected to be paid out as a special dividend.

I would like to take this opportunity to personally thank our incredible team members around the world, who have contributed to our success over the past 25 years. Your passion, dedication and hard work have been key to our ability to stay ahead of the competition, and the true driving force of our success.

B2B

Core B2B

Regulated markets

Playtech's B2B business is one of the leading platform, content and services providers in regulated and soon-to-be-regulated markets. The majority of these are high-growth markets such as the US, Latin America and certain European countries.

Revenue from regulated markets grew by 10% (10% on a constant currency basis) in 2024, primarily driven by a very strong performance in the US and Colombia. There was also good growth from other regulated markets such as Canada, Italy, Spain and UK.

The Americas

The Americas saw rapid growth once again, with 2024 revenue up 19% (22% on a constant currency basis) compared to 2023. This was largely driven by a strong performance in the US with multiple operators contributing, and Wplay in Colombia.

US

Our journey in the US began in 2019, and over the past five years, we have successfully built a strong presence and laid the foundation for significant growth. We have signed and launched partnerships with nearly all of the major operators and are making good progress in the execution and delivery phases, aiming to capitalise on the substantial opportunities presented by the US market.

In 2024, we secured a number of key agreements with operators across multiple states. We launched with DraftKings and their Golden Nugget brand for Casino and launched multiple dedicated Live tables in each of the three biggest iGaming states, Michigan, New Jersey and Pennsylvania. We have also now launched with FanDuel for Casino and Live across Michigan, New Jersey and Pennsylvania. Rush Street ("BetRivers" brand) launched with Live Casino in Michigan, New Jersey and Pennsylvania. Bet365 launched with both Casino and Live Casino in Pennsylvania, while we also launched Casino and Live with Penn Entertainment in Michigan, Pennsylvania and New Jersey.

Two new operators now use our PAM+ platform in the US, in addition to Parx. Delaware North launched our sports offering and PAM+ in Ohio and Tennessee with their Betly brand in 2024, with Betly online sports betting launched in Arkansas in January 2025 and West Virginia set to launch shortly. As the first licensee in the US using both our mobile sports product and having a dedicated Playtech managed services team, we are excited to see this relationship develop going forward. Ocean Casino Resort migrated its online casino platform in New Jersey onto Playtech, going live with PAM+, Live and Casino. Platform deals are especially attractive given the value that accrues to Playtech when operators use both our PAM+ platform and content. Ocean Casino Resort and Delaware North are also the first US operators to go live with our BetBuddy product, Playtech's AI-enabled safer gambling technology.

2024 marks the second year since we signed our landmark strategic agreement with Hard Rock Digital (HRD), the exclusive interactive gaming and sports betting partner for Hard Rock International and Seminole Gaming, where we provide Casino and Live content in North America. Through this partnership, in 2024, we delivered a range of games across slots, table games and live dealer through HRD's proprietary Hard Rock Bet platform in New Jersey, which is contributing to our revenue growth in the US.

Throughout the year, we continued to launch innovative content across the US, as we saw our content resonate with US audiences. Eight branded games were launched in 2024 with a US-audience focus, including household titles such as Breaking Bad and The Walking Dead. Additionally, we received recognition from Eilers & Krejcie in their 7th Annual EKG Slot Awards, nominated in the Top Performing Online Live Casino Game for our highly regarded titles, Adventures Beyond Wonderland and Mega Fire Blaze Roulette, as well as for Top Performing New Online Slots Game with Breaking Bad: Collect 'Em.

Strong demand in the US is driving investments within our Live offering. In 2024, we expanded the capacity of our three Live studios located in Michigan, New Jersey, and Pennsylvania, while our total headcount in the US reached close to 500 people by year-end. Playtech now holds licences in 14 US states, including recent licence approvals in Arkansas and Tennessee.

Since the repeal of PASPA in 2018, the regulatory landscape for sports betting in the US has remained favourable. Over 30 states have approved legislation to legalise sports betting, and many of these markets have already launched in both online and retail channels. In 2024, Missouri became the latest state to approve sports betting, with several others expected to launch soon. The progress of iGaming, which is not governed by PASPA, relies on decisions made by individual states. Regulation in this segment has been slow, with only eight states currently allowing iGaming and no additional states in 2024. However, we are extending our casino and live casino partnerships into West Virginia and other iGaming regulated states, to maximise our footprint.

Canada

In Canada, following the successful introduction of online gambling legislation in Ontario, the province of Alberta is on the verge of regulation, while British Columbia is expected to follow suit soon. This ongoing evolution of the regulatory landscape in Canada presents significant growth opportunities for Playtech given our structured agreement with NorthStar as well as several other B2B licensees. In 2024, NorthStar continued to execute its growth strategy, demonstrating strong revenue growth. In January 2025, NorthStar also announced that it had secured additional financing to accelerate its growth initiatives and expand its presence across Canada. In addition to NorthStar, Playtech has further exposure to the Canadian market through more than 20 operators, including FanDuel, Entain, and BetMGM, and launched Casino and Live with Penn Entertainment and Casino with Rush Street, both in Ontario.

Latin America

Latin America is an exciting market for Playtech, and remains a key driver of growth for Playtech. Revenue grew 12% in 2024 versus 2023, driven primarily by a very strong performance in Colombia due to Wplay. On an underlying basis, Caliplay continues to perform strongly. However, the additional B2B services fee (based on a percentage of Caliplay's predefined profit) in 2024 was impacted by one-off items in the second half of the year including legal fees from the dispute, interest charge on money owed to Playtech, customer-friendly sporting results, and an adverse FX impact.

The launch of Brazil's national licensing regime on 1 January 2025 represents a fundamental step in confirming Latin America's emergence as a largely regulated region for online gambling. Brazil is anticipated to be a significant, high-growth market given its large population and love of sports, and Playtech is well positioned to benefit given its exciting strategic agreement with Galerabet and exposure via its other B2B partners in the country such as Betano and Bet365.

Peru's regulations came into effect in the second half of 2024, with over 100 licences issued. Playtech is well positioned to benefit from the opportunity with several licensees launched including Rush Street for Live and Casino, and Betsson for Casino, Live and Poker.

Europe ex-UK

In Europe ex-UK, B2B revenue saw a slight decline of 1% (-1% at constant currency), with strong growth in Spain and Italy. This was offset by declines in Greece, due to a contract loss, Poland, due to an EBITDA-neutral change in commercial terms with an operator and the Netherlands due to tighter regulation.

We continue to see strong uptake for multiple products across some of our key markets:

- In Italy, we launched Casino and Live Casino with Betway, Betsson and NetBet, and GamesDivision for Poker.
- In Spain, we launched Casino and Live Casino with GoldenPark and Aupabet. We also launched Live Casino with Wanabet.
- In the Netherlands, we launched with LeoVegas for both Casino and Live Casino.

We continue to expand our relationships into new markets with existing customers as we launched with Betano in Denmark for Casino and Live, and with Entain for Poker in Latvia.

This broad set of agreements demonstrates the attractiveness of Playtech's range of products, the versatility and scalability of our business model and our ability to grow customer relationships over time.

Investment in studio infrastructure continues to remain a priority for the Live segment, including within Europe, where additional tables have been added in our facilities in Latvia, Romania and the UK, as demand for our content continues to increase, while we have also opened additional studios in Czech Republic and Slovakia.

France saw regulatory developments in 2024, with the government tabling a proposal to Parliament to regulate online casino. At present, only poker, sports betting and horse race betting are regulated within the online sector, so the regulation of online casino would be a positive for Playtech, particularly as we have multiple customers already taking our poker product.

UK

UK revenue in 2024 was up 8% (+5% growth on a constant currency basis) compared to 2023, with good growth across multiple operators, partly offset by a decline in revenue due to the impact of a customer insourcing their self-service betting terminals.

The UK remains an important market for Playtech and its customers, as well as being one of the largest and most mature regulated markets in the world, and we continue to launch new products with operators. For example, we launched Live with both Rank and Jumpman, Casino and Live with Kwiff, and Casino with Dazzletag all in 2024.

Unregulated

The Group's strategy to focus on both regulated and regulating markets includes unregulated markets which are likely to regulate in the future. Revenue from these unregulated markets was up 12% (+15% on a constant currency basis) versus 2023, with growth in Brazil and Canada, offsetting declines in Asia, although the latter saw stabilisation in the second half of the year, following the termination of our two existing distributor arrangements and subsequent agreement with a new distributor in the region.

The Company is excited about the potential of the South African market, which has begun to regulate. It is a nascent but fast-growing market, which permits sports betting and live casino. Playtech has increased its exposure there, launching with both Betway and another Betway brand, Jackpotcity, for both Casino and Live Casino in 2024.

B2B – driving growth through innovation

SaaS

As part of efforts to diversify its revenue streams, Playtech launched the SaaS business model in 2019, which targets the long tail of providers that lack access to PAM+. The SaaS model provides a low friction method of exposing operators to Playtech's content, allowing us to cross-sell and upsell additional Playtech products over time. Meanwhile, a broad range of customers from multiple countries across different product sets helps us to diversify our revenue base, ensuring resiliency of our B2B revenues to changes in the operating environment.

At the FY 2022 results, we announced a medium-term SaaS revenue target of €60 million – €80 million. Just two years later, we are delighted to report that after another year of excellent revenue growth (+59% in FY 2024), we have hit the top end of the target range and delivered €80.0 million of revenue in FY 2024 (FY 2023: €50.3 million), with growth coming from a broad range of brands and countries.

Product developments

The online gaming landscape is changing rapidly, and Playtech stands at the forefront of this exciting industry. With our technology, diverse content offerings, and industry-leading position, we are well-placed to cater to the increasing demand for unique, captivating, and immersive entertainment experiences for consumers.

In June 2024, we announced a partnership with MGM Resorts International to pioneer streaming of Live casino content from the iconic Las Vegas properties, Bellagio and MGM Grand. This innovative content is currently available to players outside of the US. As the partnership evolves, the plan is to broaden the portfolio, to include access to several proprietary Playtech games as well as exclusive branded TV game shows, celebrity-hosted trivia shows, and immersive entertainment experiences.

Throughout the year, the Casino vertical launched a number of highly popular slot games. Our award-winning Cash Collect™ suite expanded to include two innovative animal-themed games: 'Lucky Bass: Mega Cash Collect' and 'Wolves! Cash Collect & Link', while our ever-popular Fire Blaze™ suite added new fan-favourite game 'Dwarves and Goblins Mega Fire Blaze'.

The successful collaboration between Quickspin Studio and Playtech's Live vertical continued in 2024 with the launch of Sticky Bandits Roulette Live and Busted or Bailed Live crash game, both of which received positive feedback from customers and operators. In addition, Playtech Live designed and launched several bespoke game shows tailored for our largest customers, including Paddy's Mansion Heist for Paddy Power, The Chase for Entain, and Pig Champions for Betano. Furthermore, we continued to invest in the latest streaming technology and implemented high-efficiency streaming protocol (HESP) across our Live Studios to ensure ultra-low latency globally on all devices.

B2C

Snaitech has been classified as discontinued operations

Playtech's B2C business spans Snaitech (pending disposal to Flutter Entertainment), HAPPYBET, Sun Bingo and Other B2C operations. Overall, B2C revenues grew 2% to €1,052.7 million (FY 2023: €1,037.0 million). Adjusted EBITDA grew 3%, rising to €258.4 million (FY 2023: €250.3 million).

Snaitech (discontinued operations)

Revenue from Snaitech in Italy increased slightly by 1% in FY 2024 compared to FY 2023, while Adjusted EBITDA grew by 4% year over year. The overall performance reflected the negative impact of customer-friendly sporting results over the course of the year and particularly acute at the start of 2024.

The retail segment experienced flat revenue, while Adjusted EBITDA rose by 5% compared to FY 2023. In contrast, the online business saw a revenue increase of 3% and a 3% rise in Adjusted EBITDA during the same period.

Retail betting sales were up 6% versus FY 2023, as healthy underlying volumes in the year were partly offset by the negative effects of customer-friendly results. Gaming Machines revenue was down 2% versus FY 2023, with growth in VLT revenue more than offset by a decline in AWP revenue. At the Adjusted EBITDA level, retail margins increased by 90bps versus FY 2023, due to the impact of operational efficiency activities.

The online segment saw 3% revenue growth, with strong casino performance offset by unfavourable sports betting results early in the year. The under-penetration of the online segment continues to be a powerful structural tailwind for the business, with Snaitech well-placed to benefit given the strength of the Snai brand, the continuous improvements to apps and technology and a broadening of its content offering. Adjusted EBITDA margins remained high at 50.5% in FY 2024 versus 50.5% in FY 2023, despite the negative impact of customer-friendly sporting results.

HAPPYBET

HAPPYBET revenues were up 4% in FY 2024 compared to FY 2023, driven by the retail segment in Germany due to favourable sporting results, partly offset by the impact from the closure of the Austrian business in H2 2024, as this business lacked the scale to be a viable entity. Adjusted EBITDA losses remained flat at €11.8 million in FY 2024 (FY 2023 losses of: €11.8 million).

Given Playtech's shift back towards a pure-play B2B business, the impending loss of the Snaitech management team who oversaw HAPPYBET's operations, a focus on cash generation, and the continued difficult regulatory environment in Germany, the Group commenced a sales process for the rest of the business in Germany, and failing that, we'll look at a closure.

Sun Bingo and Other B2C

Sun Bingo and Other B2C saw 7% revenue growth in FY 2024 to reach €78.9 million (2023: €73.4 million) while Adjusted EBITDA declined to €4.5 million, from €6.0 million in FY 2023 due to increased marketing spend in H1 2024 and tighter regulation with affordability checks coming into effect in H2 2024.

Responsible Business and Sustainability

Our sustainability commitments continue to be instrumental, as we pursue our vision to be the trusted technology partner of choice, grow our business, attract the best talent and deliver long term value for all of our stakeholders. This year, we achieved some important milestones in our journey, across multiple facets of our sustainability strategy.

- I am particularly proud that our progress has been recognised by several independent external organisations this year, including being:
 - Selected as one of seven companies from the Casinos & Gaming industry for the S&P Global Sustainability Yearbook 2025.
 - Listed as one of the World's Best Companies in Sustainable Growth for 2025 by TIME; positioning Playtech at 245 out of 500 companies.
 - Our commitment and progress on gender diversity in executive and senior leadership ranks has been recognised in the FTSE Female Leaders Review and recognition in our sector with the Women in Gaming Award.
- As we look to accelerate our growth in the Americas and other soon-to-be-regulated markets, safer and sustainable gambling continues to be both a concern and an opportunity for our sector. With that backdrop, I

am pleased with our progress to enhance the quality and extend the reach of our safer gambling technology offering. Highlights include:

- By the end of 2024, we have deployed BetBuddy with 23 brands in 14 jurisdictions, including in several states in the US and Brazil.
- BetBuddy was recognised as the Responsible Gambling Service / Solution of the Year at the 2024 VIXIO Gambling Compliance Awards.
- Expanded our partnerships in the Americas with a new collaboration with UNLV and extended partnerships with ICRG and Kindbridge.
- The Company also committed to reach net-zero by 2040, with the targets validated by the Science Based Targets initiative in February 2024.
- Our commitment to taking care of each other in incredibly tough times is another area element of our culture that I am incredibly proud of. And, this year, we continued to support our colleagues through our Benevolent fund, which aims to support colleagues who are living through difficult, personal situations. This year, we extended support for 36 individuals and immediate families.

Chief Financial Officer's review

Overview

Group performance

Snaitech has been classified as discontinued operations

Overall, Playtech delivered a strong financial performance in 2024, with Adjusted EBITDA¹ (continuing and discontinued operations) of €480.4 million (2023: €432.3 million), growing 11% compared to 2023. Total reported revenue from continuing and discontinued operations was €1,791.5 million (2023: €1,706.7 million), representing a 5% increase compared to 2023.

The performance was driven by the B2B division with strong growth in its core regulated markets, led by the Americas, with revenues increasing by 10% from €684.1 million in 2023 to €754.3 million in 2024. Adjusted EBITDA increased by 22% from €182.0 million in 2023 to €222.0 million in 2024 driven by strong operating leverage and tight cost control.

Within B2C, revenue was up 2% to €1,052.7 million (2023: €1,037.0 million) and Adjusted EBITDA increased 3% to €258.4 million (2023: €250.3 million). The Snaitech division within B2C was impacted by customer-friendly sporting results across 2024, and particularly acute at the start of the year.

In September 2024, the Group made two significant announcements:

- The Group entered into a definitive agreement for the sale of Snaitech to Flutter for a total enterprise value of €2,300 million on a debt and cash-free valuation basis and assuming a normalised level of working capital. Following completion of the sale of Snaitech, which is expected in Q2 2025, the Group intends to pay a special dividend of between €1.7 billion and €1.8 billion. Snaitech was classified as held for sale and its results for the year have been shown as discontinued operations.
- Playtech entered into a revised strategic agreement with Caliply. Under the revised terms, Playtech will hold a 30.8% equity interest in Caliente Interactive, Inc. ("Cali Interactive"), which will be the new holding company of Caliply, incorporated in the United States, and be entitled to receive dividends alongside other shareholders. The revised arrangements were conditional upon Mexican antitrust approval, which was received in March 2025. Following the announcement of the revised agreement in September 2024, Caliply resumed paying Playtech its fees, with more than €150 million having been received in September 2024, which included a settlement of the entirety of the amount outstanding at 31 December 2023. An amount of €33.3 million relating to 2024 invoices was paid into an escrow account and will be released following completion of the revised strategic agreement and, in any event, by the end of 2025. On 21 March 2025, the Group announced that all necessary approvals have been received, and completion of the revised arrangements is now scheduled to take place on 31 March 2025.

Reported and Adjusted Profit

Continuing operations

Adjusted Profit before tax grew by 87% to €99.5 million (2023: €53.1 million), driven mainly by an increase in Adjusted EBITDA and finance income.

Reported loss before tax was €9.4 million (2023: Reported profit before tax €70.4 million). The movement is due to a reduction in reported EBITDA to €127.7 million (2023: €152.0 million), increase in impairment of intangible assets to €119.7 million (2023: €89.8 million) (refer to Note 16-18) and a decrease in the unrealised fair value gain of derivative financial assets to €61.5 million (2023: €153.4 million) (Note 19C). These movements were only partly offset by the increase in unrealised fair value gain of equity investments to €51.1 million (2023: loss of €6.6 million) (Note 19B) and the increase in finance income.

Total post-tax reported loss was €136.5 million (2023: Total post-tax reported loss of €12.1 million), with the movement in tax explained further in this report.

Discontinued operations

Snaitech Adjusted Profit, net of tax, increased to €164.7 million (2023: €142.6 million). This was mostly driven by a 4% rise in Adjusted EBITDA to €265.7 million (2023: €256.1 million) and an increase in finance income from €1.9 million in 2023 to €8.0 million in 2024.

Snaitech Reported Profit, net of tax, decreased slightly to €112.3 million (2023: €117.2 million), which includes a decrease in reported EBITDA to €231.1 million (2023: €254.5 million). This was offset by the aforementioned year-on-year rise in finance income and the decrease in reported depreciation and amortisation to €75.7 million (2023: €86.7 million).

Balance sheet, liquidity and financing

The Group continues to maintain a strong balance sheet with Adjusted gross cash, including cash shown within assets held for sale but excluding the cash held on behalf of clients, progressive jackpots and security deposits, of €304.9 million as at 31 December 2024 (2023: €363.3 million). Net debt decreased to €142.8 million as at 31 December 2024 (2023: €282.8 million), which is a combination of the Group's strong performance and receiving all the Caliply prior year outstanding debt in 2024.

Adjusted gross cash above, includes €139.1 million which is part of assets held for sale at 31 December 2024.

In December 2024, the Group made a €200.0 million partial repayment of the 2019 Bond.

In March 2025, the Group signed an agreement for a new amended €225 million 5-year RCF facility, which, subject to completion of the sale of Snaitech, will amend and restate the existing €277 million RCF facility and become effective on completion of the Snaitech sale.

Group summary (continuing operations)³

	2024 €'m	2023 €'m
B2B	754.3	684.1
B2C	97.8	91.6
B2B License fee – intercompany*	(4.1)	(3.8)
Total Group revenue from continuing operations	848.0	771.9
Adjusted costs ¹	(633.3)	(595.7)
Adjusted EBITDA from continuing operations	214.7	176.2
Reconciliation from EBITDA to Adjusted EBITDA:		
EBITDA	127.7	152.0
Employee stock option expenses	4.7	5.7
Professional fees	22.3	13.4
Contract termination fees	24.0	-
Playtech incentive arrangements	36.0	-
Impairment of investment and receivables	-	5.1
Adjusted EBITDA	214.7	176.2
Adjusted EBITDA margin	25%	23%

* B2B license fees paid from the B2C divisions to B2B

Group summary (continuing and discontinued operations)³

	2024 €'m	2023 €'m
B2B	754.3	684.1
B2C	1,052.7	1,037.0
B2B License fee – intercompany*	(15.5)	(14.4)
Total Group revenue from continuing and discontinued operations	1,791.5	1,706.7
Adjusted costs ¹	(1,311.1)	(1,274.4)
Adjusted EBITDA from continuing and discontinued operations	480.4	432.3
Reconciliation from EBITDA to Adjusted EBITDA:		
EBITDA	358.8	406.5
Employee stock option expenses	5.3	6.3
Professional fees	23.3	14.4
Contract termination fees	24.0	-
Playtech incentive arrangements	69.0	-
Impairment of investment and receivables	-	5.1
Adjusted EBITDA	480.4	432.3
Adjusted EBITDA margin	27%	25%

* B2B license fees paid from the B2C divisions to B2B

The Group's total reported EBITDA from continuing and discontinued operations decreased by 12% to €358.8 million (2023: €406.5 million).

The adjusted items between reported and Adjusted EBITDA from continuing and discontinued operations are explained in Note 10 and Note 8 of the financial statements, respectively.

Divisional performance

B2B

B2B revenue

	2024 €'m	2023 €'m	Change %	Constant currency %
Americas	251.6	211.9	19%	22%
- USA and Canada	29.8	13.2	126%	126%
- Latin America	221.8	198.7	12%	15%
Europe excluding UK	198.7	200.1	-1%	-1%
UK	136.2	126.1	8%	5%
Rest of the World	11.9	7.0	70%	70%
Total regulated B2B revenue	598.4	545.1	10%	10%
Unregulated	155.9	139.0	12%	15%
Total B2B revenue	754.3	684.1	10%	11%

Overall, B2B revenues increased by 10% (11% on a constant currency basis), largely due to an increase in the Americas.

Regulated B2B revenues² increased by 10%, driven by an increase in regulated markets in the Americas and UK of 19% and 8% respectively.

In the US and Canada, revenue growth was driven by a combination of increasing wallet share with existing licensees, as well as the launching of various new operators. Growth in Latin America has been driven by Wplay's strong performance, partly driven by high demand during and post the 2024 Copa América. Caliplay in Mexico saw good growth on an underlying basis. However, the additional B2B services revenue element⁵ was impacted by one-off items within Caliplay's distributable results in the second half of the year, including legal fees from the dispute, interest charge on money owed to Playtech, customer-friendly sporting results, and an adverse impact from foreign exchange movements. The European market (excluding the UK) showed a 1% year-on-year decline in revenues. The loss of a retail sports contract in Greece, decrease in revenues in the Netherlands due to tighter regulations, as well as an EBITDA-neutral change in commercial terms with an operator in Poland have been offset by growth in Spain and Italy, as we continue to see uptake in our suite of products across key markets.

The UK is showing growth across existing and new licensees mainly in Live. This growth was partly offset by a decline in revenue from an operator continuing to insource their self-service betting terminals.

Unregulated revenue increased by 12% (15% on a constant currency basis) against 2023. The growth was driven by Brazil (which will be reclassified as a regulated market from 1 January 2025), as well as Canada and India. This was offset by declines in Asia, although this saw stabilisation in the second half of the year, following the termination of two existing distributor arrangements and a subsequent agreement with a new distributor in the region (refer to Note 6).

B2B costs

	2024 €'m	2023 €'m	Change %
Research and Development	113.7	100.2	13%
General and Administrative	91.0	85.5	6%
Sales and Marketing	20.0	19.5	3%
Operations	307.6	296.9	4%
Total B2B Costs	532.3	502.1	6%
Total B2B Revenue and Costs			
B2B revenue	754.3	684.1	10%
B2B costs	(532.3)	(502.1)	6%
Total B2B Adjusted EBITDA	222.0	182.0	22%
Margin	29%	27%	

Research and Development (R&D) costs, which include employee-related costs and proportional office expenses, increased by 13% to €113.7 million (2023: €100.2 million). This rise was driven by a decrease in capitalised costs and an increase in employee-related costs. Capitalised development costs represented 29% of total B2B R&D costs in 2024 (2023: 35%). The decline in the capitalisation ratio was primarily due to the full impairment of the Sports CGU, resulting in the Group ceasing cost capitalisation in 2024.

General and Administrative costs, encompassing employee-related costs, proportional office expenses, consulting and legal fees, and corporate costs such as audit, tax, and listing expenses, increased by 6% to €91.0 million (2023: €85.5 million). This growth was mainly attributed to increases in professional fees and other administrative costs.

Sales and Marketing costs remained relatively stable at €20.0 million (2023: €19.5 million).

Operations costs, which include infrastructure and operational project costs, IT and security expenses, general day-to-day operational costs (including employee and office-apportioned costs), and branded content fees, increased by 4% to €307.6 million (2023: €296.9 million). This increase was primarily driven by the Group's ongoing expansion of Live studios in North America, Latvia, Peru, and Romania, and a €12.4 million bad debt provision in Asia. These increases were partially offset by lower branded game fees (due to changes in commercial terms with an operator in Poland, with no impact on EBITDA), reduced sports operational costs, and lower reseller commissions.

B2B Adjusted EBITDA

Total B2B Adjusted EBITDA increased by 22% to €222.0 million (2023: €182.0 million), while EBITDA margin increased to 29% from 27% in 2023, driven by the movement in revenue and costs, as described above. Once the revised agreement with Caliply comes into effect on 31 March 2025 (as per the announcement made by the Group on 21 March 2025), Playtech will no longer receive the additional B2B services revenue element⁴, but will be entitled to receive dividends as a 30.8% equity holder in Caliente Interactive, Inc. (the new holding company of Caliply incorporated in the United States).

B2C

	2024 €'m	2023 €'m	Change
<i>Continuing operations</i>			
Sun Bingo and Other B2C			
Revenue	78.9	73.4	7%
Costs	(74.4)	(67.4)	10%
Adjusted EBITDA	4.5	6.0	-25%
Margin	6%	8%	
HAPPYBET			
Revenue	18.9	18.2	4%
Costs**	(30.7)	(30.0)	2%
Adjusted EBITDA	(11.8)	(11.8)	-1%
Margin	N/A	N/A	
<i>Discontinued operations</i>			
Snaitech			
Revenue*	956.1	946.6	1%
Costs	(690.4)	(690.5)	0%
Adjusted EBITDA	265.7	256.1	4%
Margin	28%	27%	
<i>Continuing and discontinued operations</i>			
B2C Adjusted EBITDA	258.4	250.3	3%
Margin	25%	24%	
<i>Continuing operations</i>			
B2C Adjusted EBITDA	(7.3)	(5.8)	26%
Margin	N/A	N/A	

* Includes intercompany revenue from HAPPYBET of €1.2 million (2023: €1.2 million).

** Includes intercompany costs from Snaitech of €1.2 million (2023: €1.2 million).

Snaitech (discontinued operations)

Snaitech revenues increased by 1% from the prior year to €956.1 million (2023: €946.6 million), as they were affected by customer-friendly sports results in 2024. Operating costs remained stable at €690.4 million (2023: €690.5 million) due to the impact of operational efficiency activities.

As a result of Snaitech's movement in revenue and costs, Adjusted EBITDA increased by 4% with a slight improvement to the margin at 28%, compared to 27% in 2023.

Sun Bingo and Other B2C

Revenue from the Sun Bingo business increased by 7% to €78.9 million (2023: €73.4 million). Operating costs within Sun Bingo increased by 10% to €74.4 million (2023: €67.4 million), leading to an Adjusted EBITDA of €4.5 million (2023: €6.0 million). The decrease in Adjusted EBITDA is attributed to an acceleration of marketing spend in 2024 to fuel further growth, as well as the impact of tighter regulation that came into effect during the year. Adjusted EBITDA continues to include the unwinding of the minimum guarantee prepayment of €5.3 million in the current year (2023: €5.2 million), recognised as an expense over the period of the new contract which was renegotiated in 2019.

HAPPYBET

Revenue from HAPPYBET increased by 4% to €18.9 million (2023: €18.2 million), with costs increasing by 2%. The business remains loss-making, with Adjusted EBITDA loss in 2024 of €11.8 million (2023: loss of €11.8 million). The current year includes shut down costs of the Austrian arm of the HAPPYBET business, whereas 2023 costs included a €2.0 million expense for a historic litigation settlement.

Depreciation and amortisation

Reported and adjusted depreciation for continuing operations increased by 17% to €36.7 million (2023: €31.4 million). Adjusted amortisation for continuing operations (excluding amortisation of acquired intangibles of €6.2 million (2023: €12.0 million), decreased by 8% to €44.0 million (2023: €47.8 million). The remainder of the balance under depreciation and amortisation for continuing operations of €17.3 million (2023: €16.5 million) relates to IFRS 16 Leases and the recognition of the right-of-use asset amortisation.

Impairment of intangible assets

The reported impairment of intangible assets of €119.7 million (2023: €89.8) mainly relates to:

- the impairment of the IGS cash-generating unit (CGU) of €4.9 million, following the termination of two key contracts;
- the impairment of the Sports B2B CGU of €96.3 million, driven by the revised strategic agreement with Caliply, which we expect to impact the sports revenue generated from 2025, as well as expected reductions in revenue from other sports licensees, following contractual changes; and
- the impairment of Quickspin CGU of €18.2 million due to the challenges of operating in an extremely competitive market with stricter regulations being introduced.

The prior year impairment of €89.8 million mainly related to the impairments of the Eyecon CGU of €7.8 million, Quickspin CGU of €9.6 million and B2B Sports CGU of €72.2 million.

Finance income and finance costs

The reported finance income for continuing operations of €30.2 million (2023: €10.2 million) mainly relates to net foreign exchange gain of €7.2 million (2023: €2.1 million), interest received of €19.7 million (2023: €8.0 million) with 2024 including €7.5 million interest from Caliply and dividend income of €3.3 million (2023: €0.1 million), of which €3.2 million was from Hard Rock Digital (2023: €Nil).

Reported finance costs from continuing operations include interest payable on bonds and other borrowings, bank facility fees, bank charges, interest expense on lease liabilities and expected credit losses on loan receivables. Reported finance costs from continuing operations were €46.5 million (2023: €41.8 million), whereas Adjusted finance costs were €42.7 million (2023: €38.3 million). The difference between adjusted and reported finance costs from continuing operations is the movement in contingent consideration of €3.8 million (2023: €3.5 million) which mainly relates to the acquisition of AUS GMTCT PTY Ltd.

Unrealised fair value changes in derivative financial assets

The unrealised fair value increase in derivative financial assets from continuing operations of €61.5 million (2023: €153.4 million) is due to the movement of the fair value of the various call options held by the Group which fall under the definition of derivatives within IFRS 9 Financial Instruments, with the most significant increase being as a result of the uplift in the fair value of the Playtech M&A Call Option in Caliply of €71.7 million.

The unrealised fair value gain of equity investments of €51.1 million (2023: loss of €6.6 million) is mostly driven by the uplift in the value of the Group's small minority interest in Hard Rock Digital.

Further details on the fair value of the various call options and equity investments are disclosed in Note 19 of the financial statements.

Taxation

A reported tax expense from continuing operations of €127.1 million (2023: €82.5 million) arises on a reported loss before tax from continuing operations of €9.4 million (2023: profit before tax of €70.4 million) compared to an expected credit of €2.4 million based on the UK headline rate of tax for the period of 25%. The key items for which the reported tax charge has been adjusted are the release of brought forward deferred tax assets of €57.0 million as expected utilization would fall outside the forecasting period and therefore there is not sufficient certainty they will be recovered.

The total adjusted tax expense from continuing operations is €41.0 million (2023: €38.9 million) which arises on an Adjusted Profit before tax from continuing operations of €99.5 million (2023: €53.1 million). The total adjusted tax expense from continuing operations of €41.0 million consists of an income tax expense of €25.3 million (2023: €24.4 million) and a deferred tax expense of €15.7 million (2023: €14.5 million). The Group's effective adjusted tax rate for continuing operations for the current period is 41.2%. This rate is higher than the UK headline rate for the period of 25%. The key reasons for the differences are current year tax losses not recognised for deferred tax purposes and expenses not deductible for tax purposes which includes impairment of intangibles.

Adjusted Profit

	2024 €'m	2023 €'m
Reported loss from continuing operations	(136.5)	(12.1)
Employee stock option expenses	4.7	5.7
Professional fees	22.3	13.4
Contract termination fees	24.0	-
Playtech incentive arrangements	36.0	-
Fair value changes and finance costs on contingent consideration	3.8	3.5
Impairment of investment and receivables	-	5.1
Fair value changes of equity instruments	(51.1)	6.6
Fair value changes of derivative financial assets	(61.5)	(153.4)
Amortisation of intangible assets on acquisitions	6.2	12.0
Impairment of intangible assets, property plant and equipment and right of use assets	120.2	89.8
Provision against assets held for sale	4.3	-
Deferred tax on intangible assets on acquisitions	(8.0)	(1.6)
Release of brought forward deferred tax asset	30.9	37.2
Release of brought forward deferred tax asset on group restructuring	26.1	-
Tax on unrealised fair value changes of derivative financial assets	10.9	-
Deferred tax on unrealised fair value changes of equity investments	12.9	-
Deferred tax asset recognised in respect of refundable tax credit relating to prior years	(6.5)	-
Tax related to uncertain positions	-	8.0
Income tax relating to prior years	19.8	-
Adjusted Profit from continuing operations	58.5	14.2

The reconciling items in the table above are further explained in Note 10 of the financial statements. Reported loss post tax from continuing operations was €136.5 million (2023: loss €12.1 million).

Adjusted EPS (in Euro cents)

	2024	2023
Adjusted basic EPS from continuing operations	19.2	4.7
Adjusted diluted EPS from continuing operations	18.8	4.6

Basic EPS from profit attributable to the owners of the Company	(7.8)	34.7
Diluted EPS from profit attributable to the owners of the Company	(7.8)	33.7
Basic EPS from profit attributable to the owners of the Company from continuing operations	(44.6)	(3.9)
Diluted EPS from profit attributable to the owners of the Company from continuing operations	(44.6)	(3.9)

Basic EPS is calculated using the weighted average number of equity shares in issue during 2024 of 305.4 million (2023: 303.3 million). Diluted EPS also includes the dilutive impact of share options and is calculated using the weighted average number of shares in issue during 2024 of 311.7 million (2023: 311.9 million).

Discontinued operations

Snaitech

An announcement was made on 17 September 2024 that Playtech Services (Cyprus) Limited, a subsidiary of the Group, has entered into a definitive agreement for the sale of the Snaitech B2C segment to Flutter Entertainment Holdings Ireland Limited, a subsidiary of Flutter Entertainment plc ("Flutter"), for a total enterprise value of €2,300 million in cash. Following this announcement, the Snaitech division was classified as an asset held for sale and its results for the year shown in discontinued operation.

Total reported profit after tax from discontinued operations (which only includes the results of the Snaitech division) decreased to €112.3 million from €117.2 million in 2023, whereas Adjusted profit after tax increased to €164.7 million (2023: €142.6 million).

Adjusted EBITDA for this division has been analysed above. Reported EBITDA decreased to €231.1 million (2023: €254.5 million). The majority of the difference between Reported and Adjusted EBITDA in 2024 was the Snaitech cash bonus payable to the Snaitech senior management team on completion of the SNAI disposal, which is not included in Adjusted EBITDA as it is considered a one-off bonus.

The full profit or loss of this division can be found in Note 8 of the financial statements.

Cash flow

Cash conversion (continuing and discontinued operations)

Playtech continues to be cash generative and delivered operating cash flows of €391.1 million (2023: €358.8 million) including cash from both continuing and discontinued operations.

	2024 €'m	2023 €'m
Adjusted EBITDA	480.4	432.3
Net cash provided by operating activities	391.1	358.8
Cash conversion	81%	83%
Change in jackpot balances	(1.9)	3.3
Change in client funds	5.7	(2.1)
Professional fees	23.2	14.4
ADM security deposit (Italian Regulator)	(0.2)	0.7
Adjusted net cash provided by operating activities	417.9	375.1
Adjusted cash conversion	87%	87%

Adjusted cash conversion of 87% (2023: 89%) is shown after adjusting for jackpot balances, client funds, professional fees and ADM security deposit.

Adjusting for the above cash fluctuations is essential in order to truly reflect the quality of revenue and cash collection. This is because the timing of cash inflows and outflows for jackpots, security deposits and client funds only impact the reported operating cash flow and not Adjusted EBITDA, while professional fees are excluded from Adjusted EBITDA but impact operating cash flow.

Cash conversion (excluding discontinued operations)

2024

2023

	€'m	€'m
Adjusted EBITDA	214.7	176.2
Net cash provided by operating activities	147.2	119.8
Cash conversion	69%	68%
Change in jackpot balances	(3.1)	3.4
Change in client funds and security deposits	1.2	0.5
Professional fees	22.3	13.4
Adjusted net cash provided by operating activities	167.6	137.1
Adjusted cash conversion	78%	78%

Cash flow statement analysis

Net cash outflows used in investing activities totalled €188.4 million (2023: €309.5 million), key items of which include:

- €18.9 million for the additional acquisition in LSports and acquisition of the Telnlot El Salvador option of €2.1 million (refer to Note 19);
- €155.8 million (2023: €150.0 million) used in the acquisition of property plant and equipment, intangibles and capitalised development costs.

Net cash outflows from financing activities totalled €266.0 million (2023: inflows of €39.9 million), key movements of which include:

- 2024 includes the partial repayment of the 2019 Bond of €200.0 million in December 2024;
- 2023 includes partial payment of the 2018 Bond of €200.0 million and net proceeds of €297.2 million received from the new Bond issued in 2023.

Balance sheet, liquidity and financing

Cash

	2024 €'m	2023 €'m
Cash and cash equivalents (net of ECL)	268.1	516.2
Cash and cash equivalents included in assets held for sale	185.9	-
Total cash	454.0	516.2
Cash held on behalf of clients, progressive jackpots and security deposits	(102.3)	(152.9)
Cash held on behalf of clients, progressive jackpots and security deposits included in assets held for sale	(46.8)	-
Adjusted gross cash and cash equivalents	304.9	363.3
Bonds	447.7	646.1
Gross debt	447.7	646.1
Net debt	142.8	282.8
Adjusted EBITDA	480.4	432.3
Net debt/Adjusted EBITDA ratio	0.3	0.7

The Group continues to maintain a strong balance sheet with total cash and cash equivalents of €454.0 million at 31 December 2024 (2023: €516.2 million). Adjusted gross cash, which excludes the cash held on behalf of clients, progressive jackpots and security deposits, decreased to €304.9 million as at 31 December 2024 (2023: €363.3 million).

Financing and net debt

As at 31 December 2024, the Group had the following borrowing facilities:

- €150.0 million 2019 Bond (2023: €350.0 million) (4.25% coupon, maturity 2026) which was raised in March 2019;
- Undrawn €277.0 million revolving credit facility (2023: Undrawn); This facility is available until October 2025, with a current option to extend by 12 months; and
- €300.0 million 2023 Bond (2023: €300.0 million) (5.875% coupon, maturity 2028) which was raised in June 2023;

Net debt, after deducting Adjusted gross cash, decreased to €142.8 million (2023: €282.8 million), while net debt/Adjusted EBITDA fell to 0.3x (2023: 0.7x).

On 26 March 2025, the Group signed an agreement for a new amended €225 million 5-year RCF facility, which, subject to completion of the sale of Snaitech (expected to occur in Q2 2025), will amend and restate the existing €277 million RCF facility and become effective on completion of the sale.

Contingent and deferred consideration

Contingent consideration (excluding liabilities held for sale) increased to €17.9 million (2023: €6.2 million) mostly due to the recognition of deferred consideration payable on the purchase of the Tenlot El Salvador option and additional acquisition in LSports (refer to Note 19 of the financial statements). The existing liability as at 31 December 2024 comprised the following:

Acquisition	Maximum payable earnout (per terms of acquisition)	Contingent/deferred consideration as at 31 December 2024	Payment date (based on maximum payable earnout)
Aus GMTC PTY Ltd	€48.1 million	€9.8 million	Q1 2026
LSports	€6.9 million	€6.9 million	Q1 2025
Tenlot El Salvador	€1.2 million	€1.2 million	Q4 2025

Included in liabilities held for sale at 31 December 2024 are €2.0 million in relation to various acquisitions made by Snaitech (2023: €0.8 million included in Group liabilities).

Going concern and viability assessment

In adopting the going concern basis in the preparation of the financial statements, the Group has considered the current trading performance, financial position and liquidity of the Group, the principal risks and uncertainties together with scenario planning and reverse stress tests completed for a period of no less than 15 months from the approval of these financial statements.

Given the announcement published in September 2024 on the definitive agreement for the sale of Snaitech S.p.A. to Flutter Entertainment Holdings Ireland Limited and considering the high likelihood that the transaction will complete by Q2 2025 the Directors have assessed only one base case scenario, being the Group without Snaitech.

As per the going concern assessment under Note 2, the Directors have a reasonable expectation that the Group will have adequate financial resources to continue in operational existence over the relevant going concern period and have therefore considered it appropriate to adopt the going concern basis of preparation in these financial statements.

- 1 Adjusted numbers throughout relate to certain non-cash and one-off items. The Board of Directors believes that the adjusted results represent more closely the consistent trading performance of the business. A full reconciliation between the actual and adjusted results is provided in Note 10 of the financial statements.
- 2 Core B2B refers to the Company's B2B business excluding unregulated Asia.
- 3 Totals in tables throughout this statement may not exactly equal the components of the total due to rounding.
- 4 Additional B2B service fee as explained in Note 6 of the financial statements is based on predefined revenue generated by each customer under each structured agreement which is typically capped at a percentage of the profit (also defined in each agreement) generated by the customer.

Consolidated statement of comprehensive income

For the year ended 31 December 2024

		2024		2023	
	Note	Actual €'m	Adjusted €'m ¹	Actual €'m ²	Adjusted €'m ^{1,2}
Continuing operations					
Revenue	9	848.0	848.0	771.9	771.9
Distribution costs before depreciation and amortisation		(553.0)	(527.2)	(500.7)	(499.4)
Administrative expenses before depreciation and amortisation		(156.7)	(95.5)	(112.9)	(91.4)
Impairment of financial assets		(10.6)	(10.6)	(6.3)	(4.9)
EBITDA	10	127.7	214.7	152.0	176.2
Depreciation and amortisation		(104.2)	(98.0)	(107.7)	(95.7)
Impairment of property, plant and equipment, intangible assets and right of use assets	16,17,18	(120.2)	—	(89.8)	—
Provision against asset held for sale	24	(4.3)	—	—	—
(Loss)/Profit on disposal of property, plant and equipment and intangible assets		(0.9)	(0.9)	1.6	1.6
Finance income	12A	30.2	30.2	10.2	10.2
Finance costs	12B	(46.5)	(42.7)	(41.8)	(38.3)
Share of loss from associates	19A	(3.8)	(3.8)	(0.9)	(0.9)
Unrealised fair value changes of equity investments	19B	51.1	—	(6.6)	—
Unrealised fair value changes of derivative financial assets	19C	61.5	—	153.4	—
Profit/(Loss) before taxation from continuing operations	10	(9.4)	99.5	70.4	53.1
Income tax expense	10, 13	(127.1)	(41.0)	(82.5)	(38.9)
Profit/(Loss) after taxation from continuing operations	10	(136.5)	58.5	(12.1)	14.2
Profit from discontinued operations, net of tax	8	112.3	164.7	117.2	142.6
Profit/(Loss) for the year – total		(24.2)	223.2	105.1	156.8
Other comprehensive loss:					
<i>Items that are or may be classified subsequently to profit or loss:</i>					
Exchange gain/(loss) arising on translation of foreign operations		12.7	12.7	(7.7)	(7.7)
Other comprehensive income/(loss) for the year		12.7	12.7	(7.7)	(7.7)
Total comprehensive income/(loss) for the year		(11.5)	235.9	97.4	149.1
Profit for the year attributable to the owners of the Company					
Owners of the Company		(23.9)	223.5	105.1	156.8
Non-controlling interests	25F	(0.3)	(0.3)	—	—
		(24.2)	223.2	105.1	156.8
Total comprehensive income/(loss) attributable to the owners of the Company					
Owners of the Company		(11.2)	236.2	97.4	149.1
Non-controlling interests	25F	(0.3)	(0.3)	—	—
		(11.5)	235.9	97.4	149.1
Earnings per share attributable to the ordinary equity holders of the Company					
Profit or loss – total					
Basic (cents)	14	(7.8)	73.2	34.7	51.7
Diluted (cents)	14	(7.8)	71.7	34.7	50.2
Profit or loss from continuing operations					
Basic (cents)	14	(44.6)	19.2	(3.9)	4.7
Diluted (cents)	14	(44.6)	18.8	(3.9)	4.6

- Adjusted numbers relate to certain non-cash and one-off items. The Board of Directors believes that the adjusted results more closely represent the consistent trading performance of the business. A full reconciliation between the actual and adjusted results is provided in Note 10.
- Comparative information has been represented as the Group now has discontinued operations, as further disclosed in Note 8.

Consolidated statement of changes in equity

For the year ended 31 December 2024

	Additional paid in capital €'m	Employee termination indemnities €'m	Retained earnings €'m	Employee Benefit Trust €'m	Foreign exchange reserve €'m	Total attributable to equity holders of Company €'m	Non- controlling interests €'m	Total equity €'m
Balance at 1 January 2023, as previously reported	606.0	0.4	1,113.0	(17.2)	0.3	1,702.5	—	1,702.5
Prior year adjustment (Note 37)	—	—	15.3	—	—	15.3	—	15.3
Restated as at 1 January 2023	606.0	0.4	1,128.3	(17.2)	0.3	1,717.8	—	1,717.8
Total comprehensive income for the year								
Profit for the year	—	—	105.1	—	—	105.1	—	105.1
Other comprehensive loss for the year	—	—	—	—	(7.7)	(7.7)	—	(7.7)
Total comprehensive income for the year	—	—	105.1	—	(7.7)	97.4	—	97.4
Transactions with the owners of the Company								
Contributions and distributions								
Exercise of options	—	—	(11.9)	11.9	—	—	—	—
Equity-settled share-based payment charge	—	—	6.3	—	—	6.3	—	6.3
Transfer from treasury shares to Employee Benefit Trust	5.8	—	6.7	(12.5)	—	—	—	—
Total contributions and distributions	5.8	—	1.1	(0.6)	—	6.3	—	6.3
Total transactions with owners of the Company	5.8	—	1.1	(0.6)	—	6.3	—	6.3
Balance at 31 December 2023/1 January 2024	611.8	0.4	1,234.5	(17.8)	(7.4)	1,821.5	—	1,821.5
Total comprehensive income for the year								
Loss for the year	—	—	(23.9)	—	—	(23.9)	(0.3)	(24.2)
Other comprehensive income for the year	—	—	—	—	12.7	12.7	—	12.7
Total comprehensive income/(loss) for the year	—	—	(23.9)	—	12.7	(11.2)	(0.3)	(11.5)
Transactions with the owners of the Company								
Contributions and distributions								
Exercise of options	—	—	(9.1)	9.1	—	—	—	—
Equity-settled share-based payment charge	—	—	5.3	—	—	5.3	—	5.3
Total contributions and distributions	—	—	(3.8)	9.1	—	5.3	—	5.3
Acquisition of subsidiary with non-controlling interests	—	—	—	—	—	—	(0.2)	(0.2)
Total changes in ownership interests	—	—	—	—	—	—	(0.2)	(0.2)
Total transactions with owners of the Company	—	—	(3.8)	9.1	—	5.3	(0.2)	5.1
Balance at 31 December 2024	611.8	0.4	1,206.8	(8.7)	5.3	1,815.6	(0.5)	1,815.1

Consolidated balance sheet

As at 31 December 2024

	Note	2024 €'m	2023 €'m ¹	2022 €'m ¹
ASSETS				
Property, plant and equipment	16	93.9	350.2	341.4
Right of use assets	17	34.0	71.0	71.6
Intangible assets	18	314.1	881.2	980.9
Investments in associates	19A	76.4	51.5	36.6
Other investments	19B	152.1	92.8	9.2
Derivative financial assets	19C	895.0	827.8	636.4
Trade receivables	21	—	1.9	1.1
Deferred tax asset	31	16.6	77.8	129.3
Other non-current assets	20	147.0	137.0	109.6
Non-current assets		1,729.1	2,491.2	2,316.1
Trade receivables	21	141.6	207.1	163.9
Other receivables	22	85.8	100.5	107.6
Inventories		6.9	6.8	5.5
Cash and cash equivalents	23	268.1	516.2	426.5
		502.4	830.6	703.5
Assets classified as held for sale	24	1,066.4	19.3	19.6
Current assets		1,568.8	849.9	723.1
TOTAL ASSETS		3,297.9	3,341.1	3,039.2
EQUITY				
Additional paid in capital		611.8	611.8	606.0
Employee termination indemnities		0.4	0.4	0.4
Employee Benefit Trust		(8.7)	(17.8)	(17.2)
Foreign exchange reserve		5.3	(7.4)	0.3
Retained earnings		1,206.8	1,234.5	1,128.3
Equity attributable to equity holders of the Company		1,815.6	1,821.5	1,717.8
Non-controlling interests		(0.5)	—	—
TOTAL EQUITY	25	1,815.1	1,821.5	1,717.8
LIABILITIES				
Bonds	27	447.7	646.1	348.0
Lease liability	17	26.5	61.9	54.0
Deferred revenues		1.1	1.8	1.0
Deferred tax liability	31	19.2	161.6	124.8
Deferred and contingent consideration	29	9.8	5.8	2.3
Provisions for risks and charges	28	—	8.9	10.0
Other non-current liabilities	32	15.1	34.8	24.9
Non-current liabilities		519.4	920.9	565.0
Bonds		—	—	199.6
Trade payables	30	61.6	66.9	61.2
Lease liability	17	19.8	24.9	31.8
Progressive operators' jackpots and security deposits	23	99.8	111.0	114.3
Client funds	23	2.5	41.9	39.8
Income tax payable		45.0	14.0	17.3
Gaming and other taxes payable		4.8	116.1	112.8
Deferred revenues		5.8	4.4	5.0
Deferred and contingent consideration	29	8.1	0.4	0.6
Provisions for risks and charges	28	—	0.6	3.9
Other payables	32	210.8	217.5	169.1
		458.2	597.7	755.4
Liabilities directly associated with assets classified as held for sale	24	505.2	1.0	1.0
Current liabilities		963.4	598.7	756.4
TOTAL LIABILITIES		1,482.8	1,519.6	1,321.4
TOTAL EQUITY AND LIABILITIES		3,297.9	3,341.1	3,039.2

The consolidated financial statements were approved by the Board and authorised for issue on 27 March 2025.

Mor Weizer
Chief Executive Officer

Chris McGinnis
Chief Financial Officer

¹ See Note 37 for details regarding a restatement as a result of a prior year error.

Consolidated statement of cash flows

For the year ended 31 December 2024

	Note	2024 €'m	2023 €'m
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/Profit for the year		(24.2)	105.1
Adjustments to reconcile net income to net cash provided by operating activities (see below)		452.7	299.6
Net taxes paid		(37.4)	(45.9)
Net cash from operating activities		391.1	358.8
CASH FLOWS FROM INVESTING ACTIVITIES			
Loans granted	20	(28.1)	(23.8)
Loans repaid		2.8	0.4
Interest received		22.9	8.1
Dividend income		3.5	1.5
Acquisition of subsidiaries/assets under business combinations, net of cash acquired	18	(12.0)	(3.6)
Acquisition of property, plant and equipment	16	(62.3)	(57.6)
Acquisition of intangible assets		(44.7)	(35.7)
Capitalised development costs		(48.8)	(56.7)
Acquisition of investment in associates	19A	(18.9)	(9.2)
Acquisition of investments at fair value through profit or loss	19B,19C	(4.9)	(94.1)
Subcontractor option redemption	19C	—	(41.3)
Proceeds from the sale of property, plant and equipment and intangible assets		2.1	2.5
Net cash used in investing activities		(188.4)	(309.5)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid on bonds and loans and borrowings		(35.0)	(31.3)
Repayment of loans and borrowings		—	(77.4)
Proceeds from loans and borrowings		—	79.9
Proceeds from the issuance of 2023 Bond, net of issue costs	27	—	297.2
Repayment of 2018 Bonds	27	—	(200.0)
Repayment of 2019 Bonds	27	(200.0)	—
Payment of contingent consideration		(0.5)	(0.2)
Principal paid on lease liability		(25.8)	(23.1)
Interest paid on lease liability		(4.7)	(5.2)
Net cash (used in)/from financing activities		(266.0)	39.9
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(63.3)	89.2
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		516.6	426.9
Exchange gain on cash and cash equivalents		1.1	0.5
CASH AND CASH EQUIVALENTS AT END OF YEAR		454.4	516.6

Cash and cash equivalent consists of:

Cash and cash equivalent - continuing operations	23	268.5	516.6
Cash and cash equivalent - treated as held for sale	23,24	185.9	—
		454.4	516.6

ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED FROM OPERATING ACTIVITIES

Income and expenses not affecting operating cash flows:

Depreciation on property, plant and equipment	16	48.9	46.5
Amortisation of intangible assets	18	109.0	126.7
Amortisation of right of use assets	17	23.3	23.3
Capitalisation of amortisation of right of use assets		(1.2)	(1.7)
Impact on early termination of lease contracts	17	(0.3)	(0.4)
Share of loss from associates	19A	3.8	0.8
Impairment and expected credit losses on loans receivable	20	2.6	2.4
Impairment of investment	19B	—	1.3
Impairment of other receivables		—	2.2
Impairment of intangible assets, property, plant and equipment and right of use assets	16,17,18	120.2	89.8
Provision against assets held for sale	24	4.3	—
Changes in fair value of equity investments	19B	(51.1)	6.6
Changes in fair value of derivative financial assets	19C	(61.5)	(153.4)
Dividend income		(3.3)	—
Interest on bonds and loans and borrowings		34.0	30.9
Interest on lease liability		4.7	5.2
Interest income on loans receivable	20	(3.3)	(1.9)
Interest income from banks and other		(24.5)	(8.1)
Income tax expense		173.1	130.7
Changes in equity-settled share-based payment		5.3	6.3
Movement in contingent consideration		3.8	3.3
Unrealised exchange gain		(5.7)	(2.9)

Loss/(profit) on disposal of property, plant and equipment and intangible assets	0.6	(1.4)
Changes in operating assets and liabilities:		
Change in trade receivables	(15.1)	(47.9)
Change in other receivables	(24.0)	(0.4)
Change in inventories	(0.7)	(1.3)
Change in trade payables	19.4	4.5
Change in progressive operators, jackpots and security deposits	1.9	(3.3)
Change in client funds	(5.6)	2.0
Change in other payables	93.1	44.1
Change in provisions for risks and charges	(0.7)	(4.6)
Change in deferred revenues	1.7	0.3
	452.7	299.6

Notes to the financial statements

Note 1 – General

Playtech plc (the “Company”) is an Isle of Man company. The registered office is located at St George's Court, Upper Church Street, Douglas, Isle of Man IM1 1EE. Playtech plc is managed and controlled in the UK and, as a result, is UK tax resident.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”).

Note 2 – Basis of accounting

This financial information does not constitute the Group or company's statutory accounts for the years ended 31 December 2024 or 2023 but is derived from those accounts. The auditor has reported on those accounts; their reports were (i) unqualified and (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report. The financial information has been prepared in accordance with the UK adopted International Accounting Standards (IAS).

Details of the Group's accounting policies are included in Notes 4 and 5.

Going concern basis

In adopting the going concern basis in the preparation of the financial statements, the Directors have considered the current trading performance, financial position and liquidity of the Group, the principal and emerging risks and uncertainties together with scenario planning and reverse stress tests. The Directors have assessed going concern over a 15-month period to 30 June 2026 which aligns with the six-monthly covenant measurement period.

	31 December 2024	31 December 2023
	€'m	€'m
Cash and cash equivalents	454.0	516.2
Cash held on behalf of clients, progressive jackpots and security deposits	(149.1)	(152.9)
Adjusted gross cash and cash equivalents	304.9	363.3

The decrease in adjusted gross cash and cash equivalents from €363.3 million at 31 December 2023 to €304.9 million at 31 December 2024 is due to the bond repayment of €200.0 million in December 2024 offset by cash generation due to the strong Group performance in 2024. The cash position during the year improved significantly due to the resolution of the Caliply dispute which meant that all aged outstanding amounts were repaid, with a balance held in escrow that will be released either on completion of the revised Caliply arrangements, or in any case by the end of 2025.

The base case cash flows for the going concern period include only the continuing operations post sale of Snaitech, implementation of the revised terms of the Caliply arrangements (Note 6), repayment in 2025 of the remaining €150 million of the original €350.0 million 2019 Bond and activation of a new RCF on completion of the sale of Snaitech (see below).

The Directors have reviewed liquidity and covenant forecasts for the Group and have also considered sensitivities in respect of potential downside scenarios, reverse stress tests and the mitigating actions available to management. The modelling of downside stress test scenarios assessed if there is a significant risk to the Group's liquidity and covenant compliance position. This includes risks such as not realising budget/forecasts across certain markets and the unlikely event that no dividend is received from Caliply, post the completion of the revised arrangements.

The Group's principal financing arrangements as at 31 December 2024 includes a revolving credit facility (RCF) of up to €277.0 million (which as at 31 December 2024 remains fully undrawn), as well as the remaining outstanding balance of the 2019 Bond of €150.0 million (€200.0 million was repaid in December 2024) and the 2023 Bond of €300.0 million, which are repayable in March 2026 and June 2028 respectively.

The current RCF of €277.0 million is available until October 2025, with the Group having the option to request a 12 month extension. On 26 March 2025, the Group signed an agreement for a new amended €225.0 million 5-year RCF facility, which, subject to completion of the sale of Snaitech (expected to occur in Q2 2025), will amend and restate the existing €277.0 million RCF facility and become effective on completion of the Snaitech sale.

If the sale of Snaitech does not proceed to completion, the Group would exercise the option to extend the current RCF to October 2026. In those circumstances, it is not currently anticipated that the Group would experience any issues in negotiating a new RCF prior to October 2026.

The existing RCF is subject to certain financial covenants which are tested every six months on a rolling 12-month basis, as set out in Notes 26 and 27. Under the amended RCF, the below covenant ratios have not changed. As at 31 December 2024, the Group comfortably met its covenants, which were as follows:

- Leverage: Net Debt/Adjusted EBITDA to be less than 3.5:1 for the 12 months ended 31 December 2024 (2023: less than 3.5:1).
- Interest cover: Adjusted EBITDA/Interest to be over 4:1 for the 12 months ended 31 December 2024 (2023: over 4:1).

The Bonds only have one financial covenant, being the Fixed Charge Coverage Ratio (same as the Interest cover ratio for the RCF), which should equal or be greater than 2:1.

If the Group's results and cash flows are in line with its base case projections as approved by the Board, it would not be in breach of the financial covenants (under both the existing but also amended RCF that will become effective following the Snaitech disposal) for a period of no less than 15 months from approval of these financial statements (the "relevant going concern period"). This period covers the bank reporting requirements for June 2025, December 2025 and June 2026 and is the main reason why the Directors selected a 15-month period of assessment. Under the base case scenario, the Group would not need to utilise its RCF facility over the going concern period.

Stress test

The stress test assumes a worst-case scenario for the entire Group which includes additional sensitivities around USA and Latin America but with mitigations available (including capital expenditure reductions) if needed. It also assumes a scenario whereby Caliply does not pay any dividends once the revised arrangements are completed (Playtech will own a 30.8% stake in Caliply Interactive - see Note 6), although this is considered extremely remote since (subject to available cash and applicable law) Playtech and all other Caliply Interactive stockholders will receive dividends, at least quarterly, pursuant to an agreed dividend policy.

Under this scenario, the Group would still comfortably meet its covenants. From a liquidity perspective the Group would still not need to utilise the RCF.

Reverse stress test

The reverse stress test was used to identify the reduction in Adjusted EBITDA required that could result in either a liquidity event or breach of the RCF and bond covenants.

As a result of completing this assessment, without considering further mitigating actions, management considered the likelihood of the reverse stress test scenario arising to be remote. In reaching this conclusion, management considered the following:

- current trading is performing above the base case;
- Adjusted EBITDA would have to fall by 67% in the year ending 31 December 2025 and 78% in the 12 months to June 2026, compared to the base case, to cause a breach of covenants; and
- in the event that revenues decline to this point to drive the decrease in Adjusted EBITDA, additional mitigating actions are available to management which have not been factored into the reverse stress test scenario.

As such, the Directors have a reasonable expectation that the Group will have adequate financial resources to continue in operational existence over the relevant going concern period and have therefore considered it appropriate to adopt the going concern basis in preparing these financial statements.

Note 3 – Functional and presentation currency

These consolidated financial statements are presented in Euro, which is the Company's functional currency. The main functional currencies for subsidiaries includes Euro, United States Dollar and British Pound. All amounts have been rounded to the nearest million, unless otherwise indicated.

Note 4 – Accounting standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. However, the Group has not early adopted the following new or amended accounting standards in preparing these consolidated financial statements.

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 January 2026:

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7).

The Group is currently assessing the effect of these new amendment.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change.
- Management defined performance measures (MPMs) are disclosed in a single note in the financial statements.

- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group is currently assessing the effect of this new standard.

Note 5 – Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in the consolidated financial statements, except if mentioned otherwise.

A. Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill arising is tested for impairment at least annually, or more frequently if there are indicators of impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss. A contingent consideration arrangement in which the contingent payments are forfeited if employment is terminated is compensation for the post-combination services and is not included in the calculation of the consideration and recognised as employee-related costs.

Cash payments arising from settlement of contingent consideration and redemption liability are disclosed in financing activities in the consolidated statement of cash flows.

When a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the profit or loss, where such treatment would be appropriate if that interest were disposed of.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group:

- has the power over the entity;
- is exposed, or has rights, to variable return from its involvement with the entity; and
- has the ability to use its power over the entity to affect its returns.

The Group reassesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Where the Group holds a currently exercisable call option, the rights arising as a result of the exercise of the call option are included in the assessment above of whether the Group has control.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(iii) Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of the acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iv) Investments in associates and equity call options

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. In the consolidated financial statements, the Group's investments in associates are accounted for using the equity method of accounting.

Under the equity method, the investment in an associate or a joint venture is carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of the net assets of the associate. The Group's share of the results of the associate is included in the profit or loss. Losses of the associate or joint venture in excess of the Group's cost of the investment are recognised as a liability only when the Group has incurred obligations on behalf of the associate.

On acquisition of the investment, any difference between the cost of the investment and share of the associate's identifiable assets and liabilities is accounted for as follows:

- Any premium paid is capitalised and included in the carrying amount of the associate.
- Any excess of the share of the net fair value of the associate's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the share of the associate's profit or loss in the period in which the investment is acquired.

Any intangibles identified and included as part of the investment are amortised over their assumed useful economic life. Where there is objective evidence that the investment in an associate may be impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of profit or loss outside operating profit and represents profit or loss before tax. The associated tax charge is disclosed in income tax.

The Group recognises its share of any changes in the equity of the associate through the consolidated statement of changes in equity. Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

The Group applies equity accounting only up to the date an investment in associate meets the criteria for classification as held for sale. From then onwards, the investment is measured at the lower of its carrying amount and fair value less costs to sell.

When potential voting rights or other derivatives containing potential voting rights exist, the Group's interest in an associate is determined solely on the basis of existing ownership interests and does not reflect the possible exercise or conversion of potential voting rights and other derivative instruments unless there is an existing ownership interest as a result of a transaction that currently gives it access to the returns associated with an ownership interest. In such circumstances, the proportion allocated to the entity is determined by taking into account the eventual exercise of those potential voting rights and other derivative instruments that currently give the entity access to the returns. When instruments containing potential voting rights in substance currently give access to the returns associated with an ownership interest in an associate or a joint venture, the instruments are not subject to IFRS 9 and equity accounting is applied. In all other cases, instruments containing potential voting rights in an associate or a joint venture are accounted for in accordance with IFRS 9.

A derivative financial asset is measured under fair value per IFRS 9. In the case where there is significant influence over the investment under which Playtech holds the derivative financial asset, it should be accounted for under IAS 28 Investment in Associate. However, if the option is not currently exercisable and there is no current access to profits, the option is fair valued without applying equity accounting to the investment in associate.

Derivatives are recorded at fair value and classified as assets when their fair value is positive and as liabilities when their fair value is negative. Subsequently, derivatives are measured at fair value.

(v) Equity investments held at fair value

All equity investments in scope of IFRS 9 are measured at fair value in the balance sheet. Fair value changes are recognised in profit or loss. Fair value is based on quoted market prices (Level 1). Where this is not possible, fair value is assessed based on alternative methods (Level 3).

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

B. Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

(ii) Foreign operations

On consolidation, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Euro using the exchange rates at the reporting date and profit or loss items are translated into Euro at the end of each month at the average exchange rate for the month which approximates the exchange rates at the date of the transactions.

The exchange differences arising on the translation for consolidation are recognised in other comprehensive income (OCI) and accumulated in the foreign exchange reserve.

When a foreign operation is disposed of in its entirety, or partially such that control, significant influence or joint control is lost, the cumulative amount in the foreign exchange reserve relating to the foreign operation is reclassified to the profit or loss as part of the gain or loss on disposal.

C. Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale (refer to Note 5K).

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

D. Revenue recognition

The majority of the Group's revenue is derived from selling services with revenue recognised when services have been delivered to the customer. Revenue comprises the fair value of the consideration received or receivable for the supply of services in the ordinary course of the Group's activities. Revenue is recognised when economic benefits are expected to flow to the Group. Specific criteria and performance obligations are described below for each of the Group's material revenue streams.

Type of income	Nature, timing of satisfaction of performance obligations and significant payment terms
B2B licensee fee	Licensee fee is the standard operator income of the Group which relates to licensed technology and the provision of certain services provided via various distribution channels (online, mobile or land-based interfaces). Licensee fee is based on the underlying gaming revenue earned by our licensees calculated using the contractual terms in place. Revenue is recognised when performance obligation is met which is when the gaming transaction occurs and is net of refunds, concessions and discounts provided to certain licensees. The payment terms of the B2B licensee fee are on average 30 days from the invoice date.
B2B fixed-fee income	Fixed-fee income is the standard operator income of the Group which includes revenue derived from the provision of certain services and licensed technology for which charges are based on a fixed fee and/or stepped according to the monthly usage of the service/technology. The usage measurement is typically reset on a monthly basis. The performance obligation is met and revenue is recognised once the obligations under the contracts have been met which is when the services have been provided. Services provided and fees for: - minimum revenue guarantee: the additional revenue recognised by the Group for the difference in the minimum guarantee per licensee contract and actual performance; and - other: hosting, live, set-up, content delivery network and maintenance fees. The fees charged to licensees for these services are fixed per month. The amounts for the above are recognised over the life of the contracts and are typically charged on a fixed percentage and stepped according to the monthly usage of the service depending on the type of service. Set-up fees are recognised over the whole period of the contract, with an average period of 36 months. The revenue is recognised monthly over the period of the contract and the payment terms of the B2B fixed fee income are on average 30 days from the invoice date.
B2B cost-based revenue	Cost-based revenue is the standard operator income of the Group which is made up of the total revenue charged to the licensee based on the development costs needed to satisfy the contract with the licensee. The largest type of service included in cost-based revenue is the dedicated team costs. Dedicated team employees are charged back to the client based on time spent on each product. Cost-based revenues are recognised on a monthly basis based on the contract in place between each licensee and Playtech, and any additional services needed on development are charged to the licensee upon delivery of the service. The payment terms of the B2B cost-based revenue are on average 30 days from the invoice date.
B2B revenue received from the sale of hardware	Revenue received from the sale of hardware is the total revenue charged to customers upon the sale of each hardware product. The performance obligation is met and revenue is recognised on delivery of the hardware and acceptance by the customer. Revenue received from future sale of hardware is recognised as deferred revenue. Once the obligation for the future sale is met, revenue is then recognised in profit or loss. The payment terms of the B2B revenue received from the sale of hardware are on average 30 days from the invoice date.
Additional B2B services fee	This income is calculated based on the profit and/or net revenues generated by the customer in return for the additional services provided to them by the Group. This is typically charged on a monthly basis and is measured using a predetermined percentage set in each licensee arrangement. The revenue is

	only recognised when the customer's activities go live and the revenue from the additional B2B services is recognised only once the Group is unconditionally contractually entitled to it. The Directors have determined that this is when the customer starts generating profits, which is later than when the customer goes live with its B2C operations. The Directors' rationale is that there is uncertainty that the Group will collect the consideration to which it is entitled before the customer starts generating profits and, therefore, the revenue is wholly variable. The payment terms of the additional B2B services fees are on average 30 days from the invoice date.
	In respect of B2C Snaitech revenues, the Group acts as principal with the end customer, with specific revenue policies as follows: • The revenues from land-based gaming machines are recognised net of the winnings, jackpots and certain flat-rate gaming tax; revenues are recognised at the time of the bet. • The revenues from online gaming (games of skill/casino/bingo) are recognised net of the winnings, jackpots, bonuses and certain flat-rate gaming tax at the conclusion of the bet. • The revenues related to the acceptance of fixed odds bets are considered financial instruments under IFRS 9 and are recognised net of certain flat-rate gaming tax, winnings, bonuses and the fair value of open bets at the conclusion of the event. • Poker revenues in the form of commission (i.e. rake) are recognised at the conclusion of each poker hand. The performance obligation is the provision of the poker games to the players. • All the revenues from gaming machines are recorded net of players' winnings and certain gaming taxes while the concession fees payable to the regulator and the compensation of operators, franchisees and platform providers are accounted as expenses. Revenue is recognised at the time of the bet. Where the gaming tax incurred is directly measured by reference to the individual customer transaction and related to the stake (described as "flat-rate tax" above), this is deducted from revenue. Where the tax incurred is measured by reference to the Group's net result from betting and gaming activity, this is not deducted from revenue and is recognised as an expense. In respect of Sun Bingo and B2C Sport revenue, the Group acts as principal with the end customer, with revenue being recognised at the conclusion of the event, net of winnings, jackpots and bonuses.
B2C revenue	

E. Share-based payments

Certain employees participate in the Group's share option plans. Following the 2012 LTIP employees are granted cash-settled options and equity-settled options. The Remuneration Committee has the option to determine if the option will be settled in cash or equity, a decision that is made at grant date. The fair value of the equity-settled options granted is charged to profit or loss on a straight-line basis over the vesting period and the credit is taken to equity, based on the Group's estimate of shares that will eventually vest. Fair value is determined by the Black-Scholes, Monte Carlo or binomial valuation model, as appropriate. The cash-settled options are presented as a liability. The liability is remeasured at each reporting date and settlement date so that the ultimate liability equals the cash payment on settlement date. Remeasurements of the fair value of the liability are recognised in profit or loss.

The Group has also granted awards to be distributed from the Group's Employee Benefit Trust. The fair value of these awards is based on the market price at the date of the grant; some of the grants have performance conditions. The performance conditions are for the Executive Management and include targets based on growth in earnings per share and total shareholder return over a specific period compared to other competitors. The fair value of the awards with market performance conditions is factored into the overall fair value and determined using a Monte Carlo method. Where these options lapse due to not meeting market performance conditions the share option charge is not reversed.

F. Income tax

The income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist tax advice.

(ii) Deferred tax

The Group adopted the amendments to IAS 12 issued in May 2023, which provide a temporary mandatory exception from the requirement to recognise and disclose deferred taxes arising from enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. Under these amendments, any Pillar Two taxes incurred by the Group has been accounted for as current taxes from 1 January 2024.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised in the period in which the deductible temporary differences arise when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse, or where it is probable that taxable profit will be available against which a deductible temporary difference can be utilised.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses, can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently, if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was recognised during the measurement period or is otherwise recognised in profit or loss. The Group recognises a deferred tax liability for all taxable temporary differences associated with investments.

The Group offsets deferred tax assets and deferred tax liabilities, if and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

The tax base of assets and liabilities is assessed at each reporting date, and changes in the tax base that result from internal reorganisations, changes in the expected manner of recovery or changes in tax law are reflected in the calculation of deductible and taxable temporary differences.

G. Finance expense

Finance expense arising on interest-bearing financial instruments carried at amortised cost is recognised in the profit or loss using the effective interest rate method. Finance expense includes the amortisation of fees that are an integral part of the effective finance cost of a financial instrument, including issue costs, and the amortisation of any other differences between the amount initially recognised and the redemption price. All finance expenses are recognised over the availability period.

Interest expense arising on the above during the period is disclosed under the financing activities in the consolidated statement of cash flows.

H. Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The Group's inventories consist of hardware that has been purchased but not sold before the year-end.

I. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

	%
Computers and gaming machines	14–33
Office furniture and equipment	7–33
Freehold and leasehold buildings and improvements	3–20, or over the length of the lease

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

J. Intangible assets and goodwill

(i) Recognition and measurement

Goodwill

Goodwill represents the excess of the cost of a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Cost comprises the fair value of assets given, liabilities assumed and equity instruments issued, plus the amount of any non-controlling interests in the acquiree plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree. Direct costs of acquisition are recognised immediately as an expense. Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to profit or loss. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the profit or loss on the acquisition date as a gain on bargain purchase.

Externally acquired intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Business combinations

Intangible assets are recognised on business combinations if they are separable from the acquired entity or arise from other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques.

Internally generated intangible assets (development costs)

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Expenditure includes salaries, wages and other employee-related costs directly engaged in generating the assets and any other expenditure that is directly attributable to generating the assets (i.e. certifications and amortisation of right of use assets). Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including expenditures on internally generated goodwill and brands, are recognised in the profit or loss as incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the profit or loss. Goodwill is not amortised.

The estimated useful lives for current and comparative periods are as follows:

	%
Domain names	Indefinite
Internally generated capitalised development costs	20–33
Technology IP	13–33
Customer lists	In line with projected cash flows or 7–20
Affiliate contracts	5–12.5
Patents and licences	10–33 or over the period of the licence

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

K. Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

The criteria for held for sale classification are regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Such assets, or disposal groups, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets on a pro rata basis, except that no loss is allocated to inventories, financial assets or deferred tax assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in the profit or loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

L. Financial instruments

Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortised cost (debt instruments);
- financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses (debt instruments);
- financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost include trade receivables, loans receivable and cash and cash equivalents.

At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers whether there has been a significant increase in credit risk depending on the characteristics of each debt instrument.

Cash and cash equivalents consist of cash at bank and in hand, short-term deposits with an original maturity of less than three months and customer balances.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in profit or loss. This category includes listed equity investments which the Group has not irrevocably elected to classify at fair value through OCI.

The Group recognises a debt financial instrument with an embedded conversion option, such as a loan convertible into ordinary shares of an entity, as a financial asset in the balance sheet. On initial recognition, the convertible loan is measured at fair value with any gain or loss arising on subsequent measurement until conversion recognised in profit or loss. On conversion of a convertible instrument, the Group derecognises the financial asset component and recognises it as an investment (equity interest, associate, joint venture or subsidiary) depending on the results of the assessment performed under the relevant standards.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement, and either (a) the Group has transferred substantially all the risks and rewards of the asset; or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither: transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- financial liabilities at fair value through profit or loss; and
- financial liabilities at amortised cost (loans and borrowings and bonds).

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(iii) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

M. Share capital

Ordinary shares are classified as equity and are stated at the proceeds received net of direct issue costs.

N. Share buyback

Consideration paid for the share buyback is recognised against the additional paid in capital. Any excess of the consideration paid over the weighted average price of shares in issue is debited to the retained earnings.

O. Employee Benefit Trust

Consideration paid/received for the purchase/sale of shares subsequently put in the Employee Benefit Trust, which is controlled by the Company, is recognised directly in equity. The cost of shares held is presented as a separate reserve (the "Employee Benefit Trust reserve"). Any excess of the consideration received on the sale of treasury shares over the weighted average cost of the shares sold is credited to retained earnings.

P. Dividends

Dividends are recognised when they become legally due. In the case of interim dividends to equity shareholders, this is when paid by the Company. In the case of final dividends, this is when they are declared and approved by the shareholders at the AGM.

Q. Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill in particular, the Group is required to test annually and also when impairment indicators arise, whether goodwill and indefinite life assets have suffered any impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in the profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

R. Provisions

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be minimum.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

S. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

(i) Right of use assets

The Group recognises right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated amortisation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are amortised on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in the profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The cash payments made in relation to long-term leases are split between principal and interest paid on lease liability and disclosed within financing activities in the consolidated statement of cash flows.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term and included within financing activities in the consolidated statement of cash flows.

T. Fair value measurement

"Fair value" is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: (a) in the principal market for the asset or liability; or (b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

U. Adjusted performance measures (APMs)

In the reporting of financial information, the Directors use various APMs. The Directors use the APMs to understand, manage and evaluate the business and make operating decisions. These APMs are among the primary factors management uses in planning for and forecasting future periods.

As these are non-GAAP measures, they should not be considered as replacements for IFRS measures. The Group's definition of these non-GAAP measures may not be comparable to other similarly titled measures reported by other companies.

The following are the definitions and purposes of the APMs used:

APM	Closest equivalent IFRS measure	Reconciling items to statutory measure	Definition and purpose
Adjusted EBITDA and Adjusted Profit	Operating profit and Profit before tax	Note 10	Adjusted results exclude the following items: • Material non-cash items: these items are excluded to better analyse the underlying cash transactions of the business as management regularly monitors the operating cash conversion to Adjusted EBITDA. • Material one-off items: these items are excluded to get normalised results that are not distorted by unusual or infrequent items. Unusual items include highly abnormal, one-off and only incidentally relating to the ordinary activities of the Group. Infrequent items are those which are not reasonably expected to recur in the foreseeable future given the environment in which the Group operates. • Investment/acquisition-related items: these items are excluded as they are not related to the ordinary activities of the business and therefore are not considered to be ongoing costs of the operations of the business. These APMs provide a consistent measure of the performance of the Group from period to period by removing items that are considered to be either non-cash, one-off or investment/acquisition related items. This is a key management incentive metric.
Adjusted gross cash and cash equivalents	Cash and cash equivalents	Chief Financial Officer's statement	Adjusted gross cash and cash equivalents is defined as the cash and cash equivalents after deducting the cash balances held on behalf of operators in respect of operators' jackpot games and poker and casino operations as well as client funds with respect to B2C.
Net debt	None	Chief Financial Officer's statement	Net debt is defined as the Adjusted gross cash and cash equivalents after deducting loans and borrowings and bonds. Used to show level of net debt in the Group and movement from period to period.
Adjusted net cash provided by operating activities	Net cash provided by operating activities	Chief Financial Officer's statement	Net cash provided by operating activities after adjusting for jackpots and client funds, professional fees and ADM (Italian regulator) security deposit. Adjusting for the above cash fluctuations is essential in order to truly reflect the quality of revenue and cash collection. This is because the timing of cash inflows and outflows for jackpots, security deposits and client funds only impact the reported operating

			cash flow and not Adjusted EBITDA, while professional fees are excluded from Adjusted EBITDA but impact operating cash flow.
Cash conversion	None	Chief Financial Officer's statement	Cash conversion is defined as cash generated from operations as a percentage of Adjusted EBITDA.
Adjusted cash conversion	None	Chief Financial Officer's statement	Adjusted cash conversion is defined as Adjusted net cash provided by operating activities as a percentage of Adjusted EBITDA.
Adjusted EPS	EPS	Note 14	The calculation of Adjusted EPS is based on the Adjusted Profit and weighted average number of ordinary shares outstanding.
Adjusted diluted EPS	Diluted EPS	Note 14	The calculation of Adjusted diluted EPS is based on the Adjusted Profit and weighted average number of ordinary shares outstanding after adjusting for the effects of all dilutive potential ordinary shares.
Adjusted tax	Tax expense	Note 10	Adjusted tax is defined as the tax charge for the period after deducting tax charges related to uncertain tax positions relating to prior years, deferred tax on acquisition and the write down of deferred tax assets in respect of tax losses arising in prior years. As these items either do not relate to the current year or are adjusted in arriving at the Adjusted Profit, they distort the effective tax rate for the period.

V. Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Note 6 – Significant accounting judgements, estimates and assumptions

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual events may differ from these estimates.

Judgements

In the process of applying the Group's accounting policies management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Calipay – impact of dispute and revised strategic agreement

Background

Following the announcement made on 16 September 2024 on the revised Tecnologia en Entretenimiento Calipay, S.A.P.I. ("Calipay") agreement, the following legal proceedings were on an agreed standstill as at 31 December 2024 and will be dismissed in full once the revised arrangements come into effect:

- As per the public announcement released by Playtech on 6 February 2023, the Group, through its subsidiary, PT Services Malta Limited ("PT Malta"), was seeking a declaration from the English Courts to obtain clarification on a point of disagreement between Calipay and PT Malta in relation to the Caliente Call Option. The Caliente Call Option is an option held by Calipay whereby, for 45 days after the finalisation of Calipay's 2021 accounts, Calipay could redeem PT Malta's additional B2B services fee or (if the Playtech Call Option had been exercised at that time) Caliente would have the option to acquire PT Malta's 49% stake in Calipay. The Group believes the Caliente Call Option has expired and first referred to its expiry having taken place in its interim report for the six-month period ended 30 June 2022, which was published on 22 September 2022. The Group has not changed its position with regards to expiry. If the Caliente Call Option was declared as being exercisable and was exercised, this would extinguish the Playtech Call Option and the Playtech M&A Call Option (refer to Note 19A for details on these option arrangements).
- From H2 2023 the dispute with Calipay also included litigation in relation to the B2B licensee fees and additional B2B services fees owed by Calipay to Playtech under the terms of the Group's licence agreement. The dispute related to amounts that date back to July 2023. The details of this dispute are further explained in Note 7 of the Group's audited financial statements for the year ended 31 December 2023.

Revised strategic agreement with Calipay

Under the amended terms, Playtech will:

- Hold a 30.8% equity interest in Caliente Interactive, Inc. ("Cali Interactive"), which will be the new holding company of Calipay (the "Calipay Group"), incorporated in the United States;
- Be entitled to receive dividends alongside other shareholders in Cali Interactive. Playtech will also have the right to appoint a Director to the Board of Cali Interactive;
- Enter into a revised eight-year B2B software licence and services agreement; and
- Receive from Cali Interactive an additional US\$140.0 million paid in cash, phased over a four-year period

The revised arrangements are conditional upon Mexican antitrust approval. On 21 March 2025, the Group announced that all necessary approvals have been received, and completion of the revised arrangements is scheduled to take place on 31 March 2025.

Impact on revenue recognition and recovery of receivable

At 31 December 2023, the outstanding amount of the B2B licensee fee was €32.3 million and the outstanding amount of the additional B2B services fee was €54.2 million. The Group recognised the full outstanding amount of €86.5 million within its total revenue for the year ended 31 December 2023 and in line with its revenue recognition policies. In recognising the entire amount, the Group assessed that it was highly probable that there will not be a significant reversal of this revenue in a subsequent period.

Following the entering into of the revised strategic agreement on 15 September 2024, Caliply resumed paying Playtech its fees, which included a settlement of the entirety of the amount outstanding at 31 December 2023, a significant portion of the outstanding receivable relating to 2024 performance prior to the agreement, with a balance due also being paid into an escrow account and to be released to Playtech on completion of the revised arrangements. In 2024, the Group continued to recognise revenue from Caliply in line with its current license agreement and revenue recognition policies. As a result of this, the Group released €0.7 million from expected credit losses related to trade receivables as of 31 December 2024.

Finally, the settlement included late payment fees of €7.1 million which have been recognised within interest income.

Revenue from contracts with customers

The Group applies judgement in determining whether it is acting as a principal or an agent specifically on the revenue earned under the B2B licensee fee stream. This income falls within the scope of IFRS 15 Revenue from Contracts with Customers. In making these judgements, the Group considers, by examining each contract with its customers, which party has the primary responsibility for providing the services and is exposed to the majority of the risks and rewards associated with providing the services, as well as if it has latitude in establishing prices, either directly or indirectly. The business model of this division is predominantly a revenue share model which is based on software fees earned from B2C business partners' revenue.

IFRS 15, paragraph B37 describes indicators that an entity controls the specified good or service before it is transferred to a customer and therefore acts as the principal. Based on this assessment it was concluded that Playtech is acting as an agent under the B2B licensee fee stream due to the three indicators under B37 which are not satisfied as follows:

- Playtech is responsible in fulfilling the contract to the operator, principally in respect of the software solutions, and not to the end customer which is the responsibility of the operator;
- there is no inventory risk as Playtech does not have the ability to direct the use of, and obtain substantially all of the remaining benefits from, the good or service before it is transferred to the end customer; and
- Playtech does not have any discretion in establishing prices set by the operator to third parties.

Based on the above it was determined that the Group was acting as agent and revenue is recognised as the net amount of B2B licensee fees received. The majority of this B2B revenue is recognised when the gaming or betting activity used as the basis for the revenue share calculation takes place, and furthermore is only recognised when collection is virtually certain with a legally enforceable right to collect.

The Group applied judgement in determining whether price concessions in respect of ongoing negotiations and contract modifications should be accounted for as variable consideration in revenue. Once there is a valid expectation that the concession of the variable consideration is highly probable, the Group accounts for it under IFRS 15 paragraph 52.

IFRS 15, paragraph 52 describes that in addition to the terms of the contract, the promised consideration is variable if either of the following circumstances exists:

- The operator has a valid expectation arising from Playtech's customary business practices, published policies or specific statements that Playtech will accept an amount of consideration that is less than the price stated in the contract, that is, it is expected that Playtech will offer a price concession. Depending on the jurisdiction, industry or customer this offer may be referred to as a discount, rebate, refund or credit.
- Other facts and circumstances indicate that Playtech's intention, when entering into the contract with the operator, is to offer a price concession to the operator.

The Group has estimated the variable consideration based on the best estimates of future outcomes to determine the most likely amount of consideration to be received.

Internally generated intangible assets

The Group capitalises costs for product development projects. Expenditure on internally developed products is capitalised when it meets the following criteria:

- adequate resources are available to complete and sell the product;
- the Group is able to sell the product;
- sale of the product will generate future economic benefits; and
- expenditure on the project can be measured reliably.

Initial capitalisation of cost is based on management's judgement that the technological and economic feasibility is confirmed, usually when product development has reached a defined milestone and future economic benefits are expected to be realised according to an established project management model. Following capitalisation, an assessment is performed in regard to project recoverability which is based on the actual return of the project. During the year, the Group capitalised €48.8 million for continuing and discontinued operation (2023: €56.7 million continuing and discontinued operations) and the carrying amount of capitalised development costs as at 31 December 2024 was €111.9 million for continuing operations (2023: €133.5 million including held for sale).

Adjusted performance measures

As noted in Note 5, paragraph U, the Group presents adjusted performance measures which differ from statutory measures due to exclusion of certain non-cash and one-off items from the actual results. The determination of whether these items should form part of the adjusted results is a matter of judgement as management assess whether these items meet the definition disclosed in Note 5 paragraph U. The items excluded from the adjusted measures are described in further detail in Note 10.

Provision for risks and charges and potential liabilities

The Group operates in a number of regulated markets and is subject to lawsuits and potential lawsuits regarding complex legal matters, which are subject to a different degree of uncertainty in different jurisdictions and under different laws. For all material ongoing and potential legal and regulatory claims against the Group, an assessment is performed to consider whether an obligation or possible obligation exists and to determine the probability of any potential outflow to determine whether a claim results in the recognition of a provision or disclosure of a contingent liability. The timing of payment of provisions is subject to uncertainty and may have an effect on the presentation of the provisions as current and non-current liabilities in the balance sheet. Expected timing of payment and classification of provision is determined by management based on the latest information available at the reporting date. See Note 28 for further details.

Classification of equity call options

Background

In addition to the provision of software-related solutions as a B2B product, the Group also offers certain customers a form of offering (which includes software and related services) which is termed a "structured agreement". Structured agreements are customarily with customers that have a gaming licence and are retail/land-based operators that are looking to establish their online B2C businesses – these customers require initial support beyond the provision of the Group's standard B2B software technology. With this product offering, Playtech offers additional services to support the customer's B2C activities over and above the B2B software solution products.

Playtech generates revenues from the structured agreements as follows:

- B2B licensee fee income (as per Note 5D); and
- revenue based on predefined revenue generated by each customer under each structured agreement which is typically capped at a percentage of the profit (also defined in each agreement) generated by the customer, which compensates Playtech for the additional services provided (additional B2B services fee as per Note 5D).

Under these agreements, Playtech typically has a call option to acquire equity in the operating entities. If the call option is exercised by Playtech, the Group would no longer provide certain services (which generally include technical and general strategic support services) and would no longer receive the related additional B2B services fee. This mechanism is not designed as a control feature but mainly to protect Playtech's position should the customer be subject to an exit transaction. Playtech is therefore able to benefit from any value appreciation in the operation and could also potentially cease to provide the additional B2B services should it choose to do so dependent on the nature of the exit transaction.

Judgement applied

In respect of each of the structured agreements where the Group holds equity call options, management applies judgement to assess whether the Group has control or significant influence. For each of the Group's structured agreements an assessment was completed in Note 19 using the below guidance.

The existence of control by an entity is evidenced if all of the below are met in accordance with IFRS 10 Consolidated Financial Statements, paragraph 7:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the investor's returns.

In the cases where the Group assessed that it exercises control over these arrangements, then the company is consolidated in the Group's annual results in accordance with IFRS 10.

The existence of significant influence by an entity is usually evidenced in one or more of the following ways in accordance with IAS 28 Investment in Associates and Joint Ventures, paragraph 6:

- representation on the board of directors or equivalent governing body of the investee;
- participation in policy-making processes, including participation in decisions about dividends or other distributions;
- material transactions between the entity and its investee;
- interchange of managerial personnel; or
- provision of essential technical information.

If the conclusion is that the Group has significant influence, the next consideration made is whether there is current access to net profits and losses of the underlying associate. This is determined by the exercise conditions of each relevant equity call option and in particular whether the options are exercisable at the end of each reporting period.

If the option is exercisable then the investment is accounted for using the equity accounting method. However, in the cases where the company over which the Group has a current exercisable option generates profits, management made a judgement and concluded that Playtech's share of profits (were the option to be exercised) should not be recognised as it is unlikely that the profits will be realised as the existing shareholder has the right, and is entitled, to extract distributable profits. As such, management did not consider it appropriate to recognise any share of these profits. However, in the cases where the associate has generated losses, the Group's percentage share is recognised and deducted from the carrying value of the investment in associate.

Management has made a further judgement that if the equity call option is not exercisable at the end of the reporting period, then the option is recorded at fair value as per IAS 28, paragraph 14 and recognised as a derivative financial asset as per IFRS 9 Financial Instruments.

Furthermore, under some of these arrangements the Group has provided loan advances. In such instances a judgement was made as to whether these amounts form part of the Group's investment in the associate as per IAS 28, paragraph 38, with a key consideration being whether the Group expects settlement to occur in the foreseeable future. In the case where this is not expected and there is no set repayment term, then it is concluded that in substance these loans are extensions of the entity's investment in the associate and therefore would form part of the cost of the investment.

Finally, the Group has certain agreements in relation to the provision of services by service providers in connection with certain of the Group's obligations under their various structured agreements. Under these arrangements, the service providers have certain rights to equity. In order for these rights to crystallise, the Group must first exercise the relevant option. A judgement was therefore made that no current liability exists under IAS 32, until the point when Playtech exercises the option.

Classification of assets as held for sale and discontinued operations

In applying the principles of asset held for sale and discontinued operations under IFRS 5, a significant degree of judgement is required.

In order for an asset to be classified as held for sale, it must be available for immediate sale in its present condition and its sale must be highly probable at the reporting date. The meaning of 'highly probable' is highly judgmental and therefore IFRS 5 Non-current Assets Held for Sale and Discontinued Operations sets out criteria for the sale to be considered as a highly probable as follows:

- Management must be committed to a plan to sell the asset;
- An active program to find a buyer must be initiated;
- The asset must be actively marketed for sale at a price that is reasonable to its current fair value;
- The sale must be completed within one year from the date of classification;
- Significant changes to be made to the plan must be unlikely.

Similarly, in order for a relevant operation of assets held for sale to also be shown in discontinued operations, judgements will need to be made to assess whether the operation is a component of the Group's business for which the operations and cash flows can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Snaitech CGU

An announcement was made on 17 September 2024 that Playtech Services (Cyprus) Limited, a subsidiary of the Group, has entered into a definitive agreement for the sale of Snaitech B2C segment (through a sale of its immediate parent company) to Flutter Entertainment Holdings Ireland Limited, a subsidiary of Flutter Entertainment plc ("Flutter"), for a total enterprise value of €2,300 million in cash. Completion of the sale, which is subject to certain conditions including relevant antitrust, gaming and other regulatory authority approvals, is currently expected by Q2 2025. All the above criteria for held for sale and discontinued operations were met at the point of the announcement. Therefore, the Snaitech B2C segment has been presented as an asset held for sale and the results of the Snaitech B2C segment are included in discontinued operations, in a single line in the statement of comprehensive income.

HAPPYBET

During 2024 and following the announcement in relation to the Snaitech sale as outline above, the Group decided to also sell the Happybet business. This was for various reasons, including the fact that it has been loss making since initial acquisition, it uses the intellectual property of Snaitech, and the Snaitech management team overseeing the Happybet operations, will no longer be with the Group once the Snaitech sale completes. By the end of 2024, the Austrian side of the Happybet business was shut down, and the Group commenced the sales process for the rest of the business. Therefore, in applying the above criteria, it was determined that the assets relating to the Happybet business meet the definition of an asset held for sale at 31 December 2024. In making an assessment as to the lower of carrying amount and fair value less costs to sell, an impairment of €5.1 million was recorded. With respect to the classification as discontinued operations, Happybet does not meet the criteria as its operations are not considered a separate line of business of the Group.

Recognition of Playtech incentive arrangements

Part of the proceeds from the expected disposal of the Snaitech CGU have been allocated as bonuses to Playtech's ongoing senior team to be used as a retention tool. The total amount of €100 million plus social security costs will be paid 60% on completion of the disposal and the payment of dividends, with the other 20% and 20% paid 12 and 24 months respectively post the completion of the transaction. Since this amount is funded from the Snaitech disposal, and payable over a definitive 3-year period, it is not included in Adjusted EBITDA. The communication sent out to the senior team in relation to this bonus pre year end created a constructive obligation linked to IAS 19 Employee Benefits, paragraph 19 where a benefit is expected to be settled by virtue of the certainty the Group had that the transaction will complete. The bonus has therefore been accrued from the point the constructive obligation was created in 2024 to the point of expected payment post completion.

Exercise of option in LSports

In September 2024, the Group exercised its option in LSports, acquiring an additional 18%. Following the exercise of the option, the new shareholding is 49%, making the Group the largest shareholder in LSports. Under IFRS 10, paragraph 7, the Group does

not have control over the investee by holding 49% because the remaining 51% shareholders form a consortium by virtue of being related, a position which has also been supported through a legal confirmation from LSports.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Cash-generating units

Impairment exists when the carrying value of an asset or cash-generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model (DCF). The cash flows are derived from the three-year budget, with CGU-specific assumptions for the subsequent two years. They do not include restructuring activities that the Group is not yet committed to or significant future investments that may enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rates used in years four and five and for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount of the different CGUs are disclosed and further explained in Note 18, including a sensitivity analysis for the CGUs that have lower headroom.

Investment in associates

In assessing impairment of investments in associates, management utilises various assumptions and estimates that include projections of future cash flows generated by the associate, determination of appropriate discount rates reflecting the risks associated with the investment, and consideration of market conditions relevant to the investee's industry. The Group exercises judgement in evaluating impairment indicators and determining the amount of impairment loss, if any. This involves assessing the recoverable amount of the investment based on available information and making decisions regarding the appropriateness of key assumptions used in impairment testing.

Income taxes

The Group is subject to income tax in several jurisdictions and significant judgement is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Group recognises tax liabilities based on estimates of whether additional taxes and interest will be due. These tax liabilities are recognised when, despite the Group's belief that its tax return positions are supportable, the Group believes it is more likely than not that a taxation authority would not accept its filing position. In these cases, the Group records its tax balances based on either the most likely amount or the expected value, which weights multiple potential scenarios. The Group believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgements about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made. Where management conclude that it is not probable that the taxation authority will accept an uncertain tax treatment, they calculate the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates. The effect of uncertainty for each uncertain tax treatment is reflected by using the expected value – the sum of the probabilities and the weighted amounts in a range of possible outcomes. More details are included in Note 13.

Deferred tax asset

In evaluating the Group's ability to recover our deferred tax assets in the jurisdiction from which they arise, management considers all available positive and negative evidence, projected future taxable income, tax-planning strategies and results of recent operations. Deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Judgement is required in determining the initial recognition and the subsequent carrying value of the deferred tax asset. Deferred tax asset is only able to be recognised to the extent that utilisation is considered probable. It is possible that a change in profit forecasts or risk factors could result in a material change to the income tax expense and deferred tax asset in future periods.

Deferred tax asset in the UK

As a result of the Group's internal restructuring in January 2021, the Group is entitled to UK tax deductions in respect of certain goodwill and intangible assets. A deferred tax asset was recognised as the tax base of the goodwill and intangible assets is in excess of the book value base of those assets. At the beginning of the period, the net recognised deferred tax asset amounted to €36.8million. During the period, the Group released €36.8 million of this deferred tax asset as expected utilisation would fall outside the forecasting period and therefore there is not sufficient certainty that the Group would be able to generate taxable profits. At 31 December 2024, the deferred tax asset recognised in respect of future tax deductions for goodwill and intangible assets is €Nil. A total of €57.0 million of deferred tax asset has not been recognised in respect of the benefit of future tax deductions related to the goodwill and intangible assets as there is not sufficient certainty of utilisation.

Deferred tax assets are reviewed at each reporting date. In considering their recoverability, the Group assesses the likelihood of their being recovered within a reasonably foreseeable timeframe, which is broadly in line with our viability assessment and the cash flow forecasts period used in our CGU impairment assessment. The Group updated its forecasts, following changes in assumptions made to the forecasts during 2024, due to certain changes in the current period to the expected profit profile within its UK business unit that carries significant losses. This included the impact of the revised arrangements with Caliply (Note 6) and expected reductions in revenue from other sports licensees, which together also led to the full impairment of the Sports B2B CGU (Note 18) in the current year. Furthermore, the recognition and settlement of the Playtech incentive arrangements as outlined above is also expected to increase the taxable losses in the UK. This forms a change in accounting estimate and resulted in a reversal of €33.0 million in the current year of previously recognised deferred tax assets in respect of UK tax losses brought forward and excess interest expense.

As at 31 December 2024, there is a deferred tax asset of €2.6 million in respect of UK tax losses and excess interest expense (2023: €35.6 million). Based on the current forecasts, these losses will be fully utilised over the forecast period.

Remaining UK tax losses and excess interest expense have not been provided for representing an unrecognised deferred tax asset of €141.2 million (2023: €40.3 million) as at 31 December 2024 as expected utilisation would fall outside the forecasting period and therefore there is not sufficient certainty they will be recovered.

Any future changes in the tax law or the structure of the Group could have a significant effect on the use of the tax deductions, including the period over which the deductions can be utilised.

Deferred tax assets in Italy

The Group has utilised its tax losses in Italy and therefore has €Nil deferred tax asset as at 31 December 2024 (2023: €2.1 million) in respect of tax losses in Italy.

Impairment of financial assets

The Group undertook a review of trade receivables and other financial assets, as applicable, and their expected credit losses (ECLs). The review considered the macroeconomic outlook, customer credit quality, exposure at default, and effect of payment deferral options as at the reporting date. The ECL methodology and definition of default remained consistent with prior periods. The model inputs, including forward-looking information, scenarios and associated weightings, together with the determination of the staging of exposures, were revised. The Group's financial assets consist of trade and loans receivables and cash and cash equivalents. ECL on cash balances was considered and calculated by reference to Moody's credit ratings for each financial institution, while ECL on trade and loans receivables was based on past default experience and an assessment of the future economic environment. More details are included in Note 35.

The contracts relating to two Asia distributors were terminated in 2024 in conjunction with Playtech entering into an agreement in September 2024 with a new distributor in Asia for a period of 5 years. With respect to the two terminated contracts an additional provision was made in the year ended 31 December 2024 against receivables of €12.4 million (2023: €3.4 million). The provision is part of €10.6 million of impairment of financial assets in the statement of comprehensive income as at 31 December 2024. The total provision at 31 December 2024 is €38.7 million, which represents a 100% provision of all unpaid balances at year end.

Under the termination agreements, a total amount of €24.0 million is payable by the Group, of which €10.2 million was paid in 2024 and the remaining amount payable by 31 December 2025. Management concluded that since the payments are not in relation to Playtech's performance under the contract's pre-termination, they represented a separate transaction and as such disclosed an expense rather than taking a reduction against revenue. Furthermore, some of the termination payments to be made in 2025 relate to a non-compete period to 31 December 2025, and therefore would ordinarily be capitalised as an intangible and amortised over the period. However, a judgement was made that both the length and enforceability of the non-compete clause does not meet the high threshold of asset recognition and as such expensed the full amount in 2024. As per Note 10, these costs are not considered an ongoing cost of operations and have therefore been excluded from Adjusted EBITDA.

Sun Bingo agreement

Background

The News UK contract commenced in 2016 and was originally set for a five-year period to June 2021. Both parties have obligations under the contract, which includes News UK providing access to brand and related materials as well as other services. Playtech has the primary responsibility for the operation of the arrangement, but both parties have contractual responsibilities.

The related brands are used in Playtech's B2C service, where the Group acts as the principal, meaning that in the Group's consolidated statement of comprehensive income:

- revenue from B2C customers is recognised as income; and
- the fees paid to News UK for use of the brands are an expense as they are effectively a supplier.

In the original contract, the fees payable were subject to a predetermined annual minimum guarantee (MG) which Playtech had to pay to News UK.

During the period from 2016 to 2018, performance was not in line with expectations, and as such, the MG made this operation significantly loss-making for the Group. This opened the negotiations with News UK for certain amendments to the contract, which were agreed and signed in February 2019 as follows:

- the MG was still payable up until the end of the original contract period, being June 2021, with no MG payable after that; and

- the contract term was extended to permit Playtech access to News UK's brands and other related materials and other services, for a longer period, to allow Playtech to recover its MG payments and to make a commercial return as was always envisaged. The term of the contract was extended to end at the earlier of: a) five years from the date when Playtech had fully recovered all MG payments made; or b) 15 years from the renegotiation (i.e. June 2036).

Judgements made on recognition and measurement

The annual MG paid to News UK was recognised in Playtech's profit or loss up until February 2019, essentially being expensed over the original term of the contract. However, from the point at which the amended contract became effective, the timing of the MG paid (being based on the original terms) no longer reflected the period over which Playtech was consuming the use of the News UK brands and other related services from them. As such, a prepayment was recorded to reflect the amount that had been paid, as at each period end, which related to the future use of the brands and services. IFRS do not have a specific standard that deals with accounting for prepayments; however, the asset recognised as a prepayment is in accordance with IAS 1 Presentation of Financial Statements.

At the commencement of the agreement and on renegotiation of the contract, the Directors considered whether the nature of the arrangement gave rise to any intangible assets. At contract inception the Directors concluded that there were no such assets to recognise as both parties had contractual obligations under the agreement to deliver services, as explained above. Post the contract renegotiation, the amounts to be paid in the remainder of the initial period were considered to be advanced payments in respect of amounts to be earned by News UK over the remainder of the extended contract period. Consequently, the Directors did not believe that there was a fundamental change in the nature of the arrangements and it was considered most appropriate to categorise the amounts paid as operating expense prepayments.

As noted above, the term of this renegotiated contract is dependent on the future profitability of the contract, and it was expected that the future profitability would mean the contract would finish before the end of the fixed term period. For this reason, it was considered appropriate that the prepayment recognised should be released to the profit or loss in line with this expected profitability, rather than on a straight-line basis.

The amounts held in non-current and current assets of €56.2 million (2023: €58.7 million) and €4.5 million (2023: €4.4 million) in Notes 20 and 22, respectively, are the differences between the MG actually paid to News UK from February 2019 to June 2021 and the amounts recognised in the Group's profit or loss from February 2019 to December 2024.

As with any budgeting process, there is always a risk that the plan may not be realised. This risk increases the longer the period for which the budget covers and in this instance the period is potentially up to 12 years from 31 December 2024. When producing the budget, management applies reasonable assumptions based on known factors, but sometimes and outside of management's control, these factors may vary. However, management also reviews these forecasts at each reporting period and more regularly internally and adjusts the expense released accordingly. Based on the most recent forecasts and current profitability and the fact that the Group had been running the operation since 2016 and therefore has significant experience of the level of profitability that can be derived from the operation, it is confident that the performance of the business will allow the full recovery of this asset, before the contract ends.

Calculation of legal provisions

The Group ascertains a liability in the presence of legal disputes or ongoing lawsuits when it believes it is probable that a financial outlay will take place and when the amount of the losses can be reasonably estimated. The Group is subject to lawsuits regarding complex legal problems, which are subject to a differing degree of uncertainty (also due to a complex legislative framework), including the facts and the circumstances inherent to each case, the jurisdiction and the different laws applicable. Given the uncertainties inherent to these problems, it is difficult to predict with certainty the outlay which will derive from these disputes and it is therefore possible that the value of the provisions for legal proceedings and disputes may vary depending on future developments in the proceedings underway. The Group monitors the status of the disputes underway and consults with its legal advisers and experts on legal and tax-related matters. More details are included in Note 28.

Galera loan recovery

As per Note 19A, the total outstanding loan amount from Ocean 88 at 31 December 2024 was €71.8 million (2023: €48.8 million). Based on the recoverability assessment performed, it was deemed that these loans will be repaid and are therefore recoverable. However, an additional ECL percentage of 5% was recorded at 31 December 2024 to reflect the risk that any operator faces at the verge of regulation within a country. This includes risks related to system integration, user experience, and compliance monitoring, which could result in the loss of players due to operational disruptions, penalties, and loss of licenses for Galera. The total ECL on Galera loans at 31 December 2024 is €4.7 million (31 December 2023: €2.0 million).

Measurement of fair values of equity investments and equity call options

The Group's equity investments and, where applicable (based on the judgements applied above), equity call options held by the Group, are measured at fair value for financial reporting purposes. The Group has an established control framework with respect to the measurement of fair value.

In estimating the fair value of an asset and liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third-party qualified valuers to assist in performing the valuation. The Group works closely with the qualified valuers to establish the appropriate valuation techniques and inputs to the model.

As mentioned in Note 19, the Group has:

- investments in listed securities where the fair values of these equity shares are determined by reference to published price quotations in an active market;
- equity investments in entities that are not listed, accounted at fair value through profit or loss under IFRS 9; and
- derivative financial assets (call options in instruments containing potential voting rights), which are accounted at fair value through profit or loss under IFRS 9.

The fair values of the equity investments that are not listed, and of the derivative financial assets, rely on non-observable inputs that require a higher level of management judgement to calculate a fair value than those based wholly on observable inputs. Valuation techniques used to calculate fair values include comparisons with similar financial instruments for which market observable prices exist, DCF analysis and other valuation techniques commonly used by market participants. Upon the use of DCF method, the Group assumes that the expected cash flows are based on the EBITDA.

The Group only uses models with unobservable inputs for the valuation of certain unquoted equity investments. In these cases, estimates are made to reflect uncertainties in fair values resulting from a lack of market data inputs; for example, as a result of illiquidity in the market. Inputs into valuations based on unobservable data are inherently uncertain because there is little or no current market data available from which to determine the level at which an arm's length transaction would occur under normal business conditions. Unobservable inputs are determined based on the best information available. Further details on the fair value of assets are disclosed in Note 19.

The following table shows the carrying amount and fair value of non-current assets, as disclosed in Note 19, including their levels in the fair value hierarchy.

	Carrying amount	Fair value		
	2024 €'m	Level 1 €'m	Level 2 €'m	Level 3 €'m
Non-current assets				
Other investments (Note 19B)	152.1	11.1	—	141.0
Derivative financial assets (Note 19C)	895.0	—	—	895.0
	1,047.1	11.1	—	1,036.0

	Carrying amount	Fair value		
	2023 €'m	Level 1 €'m	Level 2 €'m	Level 3 €'m
Non-current assets				
Other investments (Note 19B)	92.8	15.8	—	77.0
Derivative financial assets (Note 19C)	827.8	—	—	827.8
	920.6	15.8	—	904.8

Note 7 – Segment information

The Group's reportable segments are strategic business units that offer different products and services.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board including the Chief Executive Officer and the Chief Financial Officer.

The operating segments identified are:

- B2B: Providing technology to gambling operators globally through a revenue share model and, in certain agreements, taking a higher share in exchange for additional services;
- B2C – Snaitech (discontinued operations): Acting directly as an operator in Italy and generating revenues from online gambling, gaming machines and retail betting;
- B2C – Sun Bingo and Other B2C: Acting directly as an operator in the UK market and generating revenues from online gambling;
- B2C – HAPPYBET: Acting directly as an operator in Germany (previously also Austria but operations were shut down in 2024) and generating revenues from online gambling and retail betting.

The Group-wide profit measure is Adjusted EBITDA (see Note 10).

Year ended 31 December 2024	B2B	Sun Bingo and Other	B2C HAPPYBET	Total B2C – continuing	Intercompany	Total continuing operations	Snaitech – discontinued operations	Intercompany	Total Group
	€'m	€'m	€'m	€'m	€'m	€'m	€'m	€'m	€'m
Revenue	754.3	78.9	18.9	97.8	(4.1)	848.0	956.1	(12.6)	1,791.5
Adjusted EBITDA	222.0	4.5	(11.8)	(7.3)	—	214.7	265.7	—	480.4

Year ended 31 December 2024	B2B	Sun Bingo and Other	Total continuing operations	Held for sale	Total Group
	€'m	B2C €'m	€'m	€'m	€'m
Total assets	2,126.4	105.1	2,231.5	1,066.4	3,297.9
Total liabilities	951.5	26.1	977.6	505.2	1,482.8

Year ended	B2B	Sun Bingo and Other	HAPPYBET	Total B2C – continuing	Intercompany B2C	Total continuing operations	Snaitech – discontinued operations	Intercompany	Total Group
31 December 2023	€'m	€'m	€'m	€'m	€'m	€'m	€'m	€'m	€'m
Revenue	684.1	73.4	18.2	91.6	(3.8)	771.9	946.6	(11.8)	1,706.7
Adjusted EBITDA	182.0	6.0	(11.8)	(5.8)	—	176.2	256.1	—	432.3

Year ended	B2B	Sun Bingo and Other	HAPPYBET	Snaitech	Total B2C	Total Continuing	Held for sale	Total Group
31 December 2023	€'m	€'m	€'m	€'m	€'m	€'m	€'m	€'m
Total assets	2,117.7	90.6	17.3	1,096.2	1,204.1	3,321.8	19.3	3,341.1
Total liabilities	1,018.6	26.0	5.6	468.4	500.0	1,518.6	1.0	1,519.6

Geographical analysis of non-current assets

The Group's information about its non-current assets by location is detailed below:

	2024 €'m	2023 €'m
Italy	18.3	750.3
UK	299.1	332.9
Austria	8.9	54.8
Alderney	61.9	63.9
Sweden	7.8	48.7
Gibraltar	22.3	27.8
Cyprus	15.2	19.4
Latvia	16.3	17.5
Australia	12.4	17.3
Ukraine	2.2	4.0
Estonia	7.5	8.6
British Virgin Islands	6.8	7.5
Rest of World	101.0	76.6
	579.7	1,429.3

Note 8 – Discontinued operations

As identified in Note 24, the Group has treated the Snaitech B2C segment as discontinued in these results.

The results of the Snaitech B2C segment for the year are presented below:

	2024		2023	
	Actual €'m	Adjusted €'m	Actual €'m	Adjusted €'m
Revenue	956.1	956.1	946.6	946.6
Distribution costs before depreciation and amortisation	(655.8)	(655.8)	(658.2)	(657.5)
Administrative expenses before depreciation and amortisation	(69.7)	(35.1)	(33.8)	(32.9)
Reversal/(Impairment) of financial assets	0.5	0.5	(0.1)	(0.1)
EBITDA	231.1	265.7	254.5	256.1
Depreciation and amortization	(75.7)	(52.9)	(86.7)	(56.1)
Loss on disposal of property, plant and equipment and intangible assets	—	—	(0.2)	(0.2)
Finance income	8.0	8.0	2.1	1.9
Finance costs	(5.1)	(5.1)	(4.4)	(4.4)
Share of (loss)/profit from associates (Note 19A)	(0.1)	(0.1)	0.1	0.1
Profit before taxation	158.2	215.6	165.4	197.4
Tax expense	(45.9)	(50.9)	(48.2)	(54.8)
Profit from discontinued operations, net of tax	112.3	164.7	117.2	142.6

The following table provides a full reconciliation between adjusted and actual results from discontinued operations:

	Revenue €'m	EBITDA €'m	Profit from discontinued operations attributable to the owners of the Company €'m
For the year ended 31 December 2024			
Reported as actual	956.1	231.1	112.3
Employee stock option expenses	—	0.6	0.6
Professional fees	—	0.9	0.9
SNAI cash bonus ¹	—	33.1	33.1
Amortisation of intangibles on acquisitions	—	—	22.8
Deferred tax on acquisitions	—	—	(5.0)
Adjusted measure	956.1	265.7	164.7

¹Cash bonus pool that will be paid to the Snaitech senior management team on completion of the SNAI disposal.

For the year ended 31 December 2023	Revenue €'m	EBITDA €'m	Profit from discontinued operations attributable to the owners of the Company €'m
Reported as actual	946.6	254.5	117.2
Employee stock option expenses	—	0.6	0.6
Professional fees	—	1.0	1.0
Fair value changes and finance cost on contingent consideration	—	—	(0.2)
Amortisation of intangibles on acquisitions	—	—	30.6
Deferred tax on acquisitions	—	—	(6.6)
Adjusted measure	946.6	256.1	142.6

Earnings per share from discontinued operations

	2024		2023	
	Actual	Adjusted	Actual	Adjusted
Basic (cents)	36.8	54.0	38.6	47.0
Diluted (cents)	36.8	52.9	38.6	45.6

The net cash flows incurred by the Snaitech segment in the period are as follows:

	2024 €'m	2023 €'m
Operating	243.9	239.0
Investing	(76.6)	(57.6)
Financing	(7.5)	(6.3)
Net cash inflow	159.8	175.1

Note 9 – Revenue from contracts with customers

The Group has disaggregated revenue into various categories in the following tables which is intended to:

- depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by recognition date; and
- enable users to understand the relationship with revenue segment information provided in the segmental information note.

Revenue analysis by geographical location of licensee, product type and regulated vs unregulated by geographical major markets

The revenues from B2B (consisting of licensee fee, fixed-fee income, revenue received from the sale of hardware, cost-based revenue and additional B2B services fee) and B2C are described in Note 5D.

Upon signing a software licence agreement with a new licensee, the Group verifies its gambling licence (jurisdiction) and registers it accordingly to the Group's database. The table below shows the revenues generated from the jurisdictions of the licensee.

Playtech has disclosed jurisdictions with revenue greater than 10% of the total Group revenue separately and categorised the remaining revenue by wider jurisdictions, being Rest of Europe, Latin America (LATAM) and Rest of World.

For the year ended 31 December 2024

Primary geographic markets	B2B €'m	Sun Bingo and Other B2C €'m	HAPPYBET €'m	Total B2C Continuing €'m	Intercompany €'m	Total Continuing operations €'m	Snaitech-discontinued operations €'m	Intercompany €'m	Total Group €'m
Italy	41.6	—	—	—	—	41.6	954.9	(11.4)	985.1
Mexico	189.9	—	—	—	—	189.9	—	—	189.9
UK	137.3	78.9	—	78.9	(4.1)	212.1	—	—	212.1
Rest of Europe	232.8	—	18.9	18.9	—	251.7	1.2	(1.2)	251.7
LATAM	79.2	—	—	—	—	79.2	—	—	79.2
Rest of World	73.5	—	—	—	—	73.5	—	—	73.5
	754.3	78.9	18.9	97.8	(4.1)	848.0	956.1	(12.6)	1,791.5

Product type	B2B €'m	B2C €'m	Intercompany €'m	Total €'m
B2B licensee fee	511.5	—	—	511.5
B2B fixed-fee income	65.6	—	—	65.6
B2B cost-based revenue	76.2	—	—	76.2
B2B revenue received from the sale of hardware	9.7	—	—	9.7
Additional B2B services fee ¹	91.3	—	—	91.3
Total B2B	754.3	—	—	754.3
Sun Bingo and Other B2C	—	78.9	(4.1)	74.8
HAPPYBET	—	18.9	—	18.9
Total B2C	—	97.8	(4.1)	93.7
Total from continued operations	754.3	97.8	(4.1)	848.0
Snaitech- discontinued operations	—	956.1	(12.6)	943.5
Total Group	754.3	1,053.9	(16.7)	1,791.5

	2024 €'m
Regulated – Americas	
– US and Canada	29.8
– Latin America	221.8
Regulated – Europe (excluding UK)	198.7
Regulated – UK	136.2
Regulated – Rest of World	11.9
Total regulated B2B revenue	598.4
Unregulated	155.9
Total B2B revenue	754.3

For the year ended 31 December 2023

Primary geographic markets	B2B €'m	Sun Bingo and Other B2C €'m	HAPPYBET €'m	Total B2C Continuing €'m	Intercompany €'m	Total Continuing operations €'m	Snaitech- discontinued operations €'m	Intercompany €'m	Total Group €'m
Italy	36.9	—	—	—	—	36.9	945.4	(10.6)	971.7
Mexico	183.0	—	—	—	—	183.0	—	—	183.0
UK	127.0	73.4	—	73.4	(3.8)	196.6	—	—	196.6
Rest of Europe	232.4	—	18.2	18.2	—	250.6	1.2	(1.2)	250.6
LATAM	44.8	—	—	—	—	44.8	—	—	44.8
Rest of World	60.0	—	—	—	—	60.0	—	—	60.0
	684.1	73.4	18.2	91.6	(3.8)	771.9	946.6	(11.8)	1,706.7

Product type	B2B €'m	B2C €'m	Intercompany €'m	Total €'m
B2B licensee fee	467.2	—	—	467.2
B2B fixed-fee income	32.8	—	—	32.8
B2B cost-based revenue	57.4	—	—	57.4
B2B revenue received from the sale of hardware	13.8	—	—	13.8
Additional B2B services fee ¹	112.9	—	—	112.9
Total B2B	684.1	—	—	684.1
Sun Bingo and Other B2C	-	73.4	(3.8)	69.6
HAPPYBET	-	18.2	-	18.2
Total B2C	-	91.6	(3.8)	87.8
Total from continued operations	684.1	91.6	(3.8)	771.9
Snaitech- discontinued operations	-	946.6	(11.8)	934.8
Total Group	684.1	1,038.2	(15.6)	1,706.7

	2023 €'m
Regulated – Americas	
– US and Canada	13.2
– Latin America	198.7
Regulated – Europe (excluding UK)	200.1
Regulated – UK	126.1
Regulated – Rest of World	7.0
Total regulated B2B revenue	545.1
Unregulated	139.0
Total B2B revenue	684.1

¹ The additional B2B services fee includes €80.6 million from Caliply (2023: €111.7 million), which as per Note 19C will cease following completion of the revised arrangements.

There were no changes in the Group's revenue measurement policies and procedures in 2024 and 2023. The vast majority of the Group's B2B contracts are for the delivery of services within the next 12 months. For the year ended 31 December 2024, Playtech recognised revenue from a single customer totalling approximately 20.6% of the Group's total continuing revenue (2023: a single customer totalling approximately 23.1%). The revenue with a single customer amounting to 20.6% of total revenue of the Group is under B2B operating segment and is attributed from Mexico in both years.

The Group's contract liabilities, in other words deferred income, primarily include advance payment for hardware and services and also include certain fixed fees paid by the licensee in the beginning of the contract. Deferred income as at 31 December 2024 was €6.9 million (2023: €6.2 million).

The movement in contract liabilities during the year was as follows:

	2024 €'m	2023 €'m
Balance at 1 January	6.2	6.0
Recognised during the year	10.9	8.0
Realised in profit or loss	(9.3)	(7.8)
Reclassified to held for sale (Note 24)	(0.9)	—
Balance at 31 December	6.9	6.2

Note 10 – Adjusted items

Management regularly uses adjusted financial measures internally to understand, manage and evaluate the business and make operating decisions. These adjusted measures are among the primary factors management uses in planning for and forecasting future periods. The primary adjusted financial measures are Adjusted EBITDA and Adjusted Profit, which management considers are relevant in understanding the Group's financial performance. The definitions of adjusted items and underlying adjusted results are disclosed in Note 5 paragraph U.

As these are not a defined performance measure under IFRS, the Group's definition of adjusted items may not be comparable with similarly titled performance measures or disclosures by other entities.

The following tables provide a full reconciliation between adjusted and actual results from continuing operations:

	Revenue €'m	EBITDA – B2B €'m	EBITDA – B2C €'m	EBITDA €'m	(Loss)/Profit before tax from continuing operations €'m	(Loss)/Profit from continuing operations €'m
For the year ended 31 December 2024						
Reported as actual	848.0	135.0	(7.3)	127.7	(9.4)	(136.5)
Employee stock option expenses ¹	—	4.7	—	4.7	4.7	4.7
Professional fees ²	—	22.3	—	22.3	22.3	22.3
Contract termination fees ³	—	24.0	—	24.0	24.0	24.0
Playtech incentive arrangements ⁴	—	36.0	—	36.0	36.0	36.0
Fair value changes and finance costs on contingent consideration ⁵	—	—	—	—	3.8	3.8
Fair value changes of equity instruments ⁶	—	—	—	—	(51.1)	(51.1)
Fair value change of derivative financial assets ⁶	—	—	—	—	(61.5)	(61.5)
Amortisation of intangible assets on acquisitions ⁷	—	—	—	—	6.2	6.2
Impairment of intangible assets, property plant and equipment and right of use assets ⁸	—	—	—	—	120.2	120.2
Provision against asset held for sale	—	—	—	—	4.3	4.3
Deferred tax on intangible assets on acquisitions ⁷	—	—	—	—	—	(8.0)
Release of brought forward deferred tax asset ⁹	—	—	—	—	—	30.9
Release of brought forward deferred tax asset on group restructuring ¹⁰	—	—	—	—	—	26.1

Tax on unrealised fair value changes of derivative financial assets ¹¹	—	—	—	—	—	10.9
Deferred tax on unrealised fair value changes of equity investments ¹²	—	—	—	—	—	12.9
Deferred tax asset recognised in respect of refundable tax credit relating to prior years	—	—	—	—	—	(6.5)
Income tax relating to prior years ¹³	—	—	—	—	—	19.8
Adjusted measure	848.0	222.0	(7.3)	214.7	99.5	58.5

- 1 Employee stock option expenses relate to non-cash expenses of the Group and differ from year to year based on share price and the number of options granted.
- 2 The vast majority of the professional fees relate to the Caliplay disputes (Note 6), disposal of Snaitech CGU, and tax advisory fees in relation to prior year income tax which has now been settled with the relevant authority (Note 13). These expenses are not considered ongoing costs of operations and therefore are excluded.
- 3 Following the early termination of certain contracts in Asia as disclosed in Note 6 the Group had to pay termination fees of €24.0 million. These expenses are not considered an ongoing cost of operations, are one off in nature and therefore are excluded. Please refer to Note 6 for further information.
- 4 Part of the proceeds from the expected disposal of the Snaitech CGU have been allocated as bonuses to Playtech's ongoing senior team to be used as a retention tool. These bonuses are in addition to normal performance bonuses. The total amount of €100 million plus social security costs will be paid 60% on completion of the disposal and the payment of dividends, with the other 20% and 20% paid 12 and 24 months respectively post the completion of the transaction. Since this amount is funded from the Snaitech disposal, and payable over a definitive 3-year period, it is not included in Adjusted EBITDA.
- 5 Fair value change and finance costs on contingent consideration mostly related to the acquisition of AUS GMTC. These expenses are not considered ongoing costs of operations and therefore are excluded.
- 6 Fair value changes of equity instruments and derivative financial assets. These are excluded from the results as they relate to unrealised profit/loss.
- 7 Amortisation and deferred tax on intangible assets acquired through business combinations of which €6.4 million relates to the release of deferred tax liability of impairment of acquired intangibles. Costs directly related to acquisitions are not considered ongoing costs of operations and therefore are excluded.
- 8 Impairment of intangible assets, property, plant and equipment and right of use assets mainly relates to the impairment of IGS CGU of €4.9 million, Sports B2B CGU €96.3 million and Quickspin €18.2 million. Refer to Note 18.
- 9 The reported tax expense has been adjusted for the derecognition of a deferred tax asset of €30.9 million relating to UK tax losses. This was adjusted because the losses in relation to the derecognised amount were generated over a number of years and therefore distorts the effective tax rate for the year. Refer to Notes 6, 13 and 31.
- 10 The reported tax expense has been adjusted for the derecognition of a deferred tax asset relating to the Group reorganisation in January 2021 of €26.1 million. Refer to Note 5.
- 11 This current tax charge of €10.9 million relates to unrealised fair value changes of derivative financial assets which is also adjusted. See Note 13.
- 12 Tax on unrealised fair value changes of equity investments of €12.9 million is adjusted to match the treatment of the equity investment fair value movement which is also adjusted.
- 13 Income tax in respect of prior years which have now been settled with the relevant tax authority.

	Revenue €'m	EBITDA – B2B €'m	EBITDA – B2C €'m	EBITDA €'m	Profit before tax from continuing operations €'m	(Loss)/Profit from continuing operations attributable to the owners of the Company €'m
For the year ended 31 December 2023						
Reported as actual	771.9	157.9	(5.9)	152.0	70.4	(12.1)
Employee stock option expenses ¹	—	5.6	0.1	5.7	5.7	5.7
Professional fees ²	—	13.4	—	13.4	13.4	13.4
Impairment of investment and receivables ³	—	5.1	—	5.1	5.1	5.1
Fair value changes and finance costs on contingent consideration ⁴	—	—	—	—	3.5	3.5
Fair value changes of equity instruments ⁵	—	—	—	—	6.6	6.6
Fair value change of derivative financial assets ⁵	—	—	—	—	(153.4)	(153.4)
Amortisation of intangible assets on acquisitions ⁶	—	—	—	—	12.0	12.0
Impairment of intangible assets ⁷	—	—	—	—	89.8	89.8
Deferred tax on acquisitions ⁶	—	—	—	—	—	(1.6)
Derecognition of brought forward deferred tax asset ⁸	—	—	—	—	—	37.2
Tax related to uncertain positions ⁹	—	—	—	—	—	8.0
Adjusted measure	771.9	182.0	(5.8)	176.2	53.1	14.2

- 1 Employee stock option expenses relate to non-cash expenses of the Group and differ from year to year based on share price and the number of options granted.
- 2 The vast majority of the professional fees relate to the acquisition of Hard Rock Digital (Note 19B) and the Caliplay disputes (Note 6). These expenses are not considered ongoing costs of operations and therefore are excluded.
- 3 Provision against investments and other receivables that do not relate to the ordinary operations of the Group.
- 4 Fair value change and finance costs on contingent consideration mostly related to the acquisition of AUS GMTC. These expenses are not considered ongoing costs of operations and therefore are excluded.
- 5 Fair value changes of equity instruments and derivative financial assets. These are excluded from the results as they relate to unrealised profit/loss.
- 6 Amortisation and deferred tax on intangible assets acquired through business combinations. Costs directly related to acquisitions are not considered ongoing costs of operations and therefore are excluded.
- 7 Impairment of intangible assets mainly relates to the impairment of Eyecon €7.8 million, Quickspin €9.6 million and Sports B2B €72.2 million. Refer to Note 18.

- 8 The reported tax expense has been adjusted for the derecognition of a deferred tax asset of €37.2 million relating to UK tax losses. This was adjusted because the losses in relation to the derecognised amount were generated over a number of years and therefore distorts the effective tax rate for the year. Refer to Notes 6, 13 and 31.
- 9 Change in estimates related to uncertain overseas tax positions in respect of prior years which have now been settled with the relevant tax authority.

The following table provides a full reconciliation between adjusted and actual tax from continuing operations:

	2024 €'m	2023 €'m
Tax on profit or loss for the year	127.1	82.5
Adjusted for:		
Deferred tax on intangible assets on acquisitions	8.0	1.6
Release of brought forward deferred tax asset	(30.9)	(37.2)
Release of brought forward deferred tax asset on group restructuring	(26.1)	—
Tax on unrealised fair value changes of derivative financial assets	(10.9)	—
Deferred tax on unrealised fair value changes of equity investments	(12.9)	—
Deferred tax asset recognised in respect of refundable tax credit relating to prior years	6.5	—
Income tax relating to prior years/tax related to uncertain positions	(19.8)	(8.0)
Adjusted tax	41.0	38.9

Note 11 – Auditor's remuneration

	2024 €'m	2023 €'m
Group audit and Parent Company (BDO)	3.0	3.0
Audit of subsidiaries (BDO)	1.4	1.4
Audit of subsidiaries (non-BDO)	0.2	0.2
Total audit fees	4.6	4.6
Non-audit services provided by Parent Company auditor and its international member firms		
Other non-audit services	1.4	0.9
Total non-audit fees	1.4	0.9

Note 12 – Finance income and costs

A. Finance income

	2024 €'m	2023 €'m
Interest income ¹	19.7	8.0
Dividend income	3.3	0.1
Net foreign exchange gain	7.2	2.1
	30.2	10.2

¹ Interest income of €19.7 million includes €7.5 million interest income from Caliplay, which is part of normal contractual terms.

B. Finance costs

	2024 €'m	2023 €'m
Interest on bonds	(34.0)	(29.5)
Interest on lease liability	(3.0)	(3.6)
Interest on loans and borrowings and other	—	(1.5)
Bank facility fees	(2.3)	(2.3)
Bank charges	(0.8)	(0.5)
Movement in contingent consideration	(3.8)	(3.5)
Expected credit loss on loans receivable	(2.6)	(0.9)
	(46.5)	(41.8)
Net finance costs	(16.3)	(31.6)

Note 13 – Tax expense

	2024 €'m	2023 €'m
Current tax expense		
Income tax expense for the current year	33.1	15.6
Income tax relating to prior years ¹	22.5	16.1
Withholding tax	0.3	0.8
Total current tax expense	55.9	32.4
Deferred tax		
Origination and reversal of temporary differences		
Deferred tax movements relating to prior years	20.7	5.8
	50.5	44.3
Total deferred tax expense	71.2	50.1
Total tax expense from continuing operations	127.1	82.5

A reconciliation of the reported income tax charge of €127.1 million (2023: €82.5million) applicable to loss before tax of €9.4 million (2023: profit before tax of €70.4 million) at the UK statutory income tax rate of 25% (2023: 23.5%) is as follows:

	2024 €'m	2023 €'m
Profit/(loss) from continuing operations	(136.5)	(12.1)
Income tax expense	(127.1)	(82.5)
Profit/(loss) before income tax	(9.4)	70.4
Tax using the Company's domestic tax rate (25% in 2024 and 23.5% in 2023)	(2.4)	16.5
Tax effect of:		
Non-taxable fair value movements on call options	—	(36.1)
Non-deductible expenses	29.5	29.6
Deferred tax asset released in respect of Group restructuring	26.1	(5.2)
Deferred tax asset released in respect of prior years	30.9	39.1
Deferred tax in respect of refundable credit relating to prior years	(6.5)	—
Increase in unrecognised tax losses	40.3	24.5
Difference in tax rates in overseas jurisdictions	(11.4)	(8.8)
Other	(1.9)	7.1
Adjustment in respect of previous years in respect of income tax	22.5	15.8
Total tax expense	127.1	82.5

Reported tax charge

A reported tax charge of €127.1million from continuing operations arises on a loss before tax of €9.4 million (2023: profit before tax of €70.4 million) compared to an expected credit of €2.4 million (2023: an expected tax charge of €16.5 million). The reported tax expense includes adjustments in respect of prior years relating to current tax and deferred tax of €72.9 million (2023: €58.0 million). The prior year adjustment in respect of current tax of €19.8 million relates to income tax which has now been settled with the relevant tax authority. The Group's effective tax rate for the current period is higher than the expected tax credit of 25%. The key reasons for the differences are:

- Profits of subsidiaries located in territories where the tax rate is lower than the UK statutory tax rate.
- The release of a deferred tax asset of €70.5 million in respect of UK tax attributes. Further details of this release are included in Note 7.
- Current year tax losses and excess interest not recognised for deferred tax purposes which increases the reported tax by €46.2 million. The tax losses and excess interest mainly relate to the UK Group companies.
- Expenses not deductible for tax purposes including professional fees and impairment of intangible assets.

Changes in tax rates and factors affecting the future tax charge

The most significant elements of the Group's income arise in the UK where the tax rate for the current period is 25%. The Finance Act 2021 (enacted on 24 May 2021) increased the main rate of UK corporate income tax to 25% with effect from 1 April 2023. Deferred tax balances have been calculated using the tax rates upon which the balance is expected to unwind.

The Group adopted the amendments to IAS 12 issued in May 2023, which provide a temporary mandatory exception from the requirement to recognise and disclose deferred taxes arising from enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. Under these amendments, any Pillar Two taxes incurred by the Group will be accounted for as current taxes from 1 January 2024. Based on an initial analysis of the current year financial data, most territories in which the Group operates are expected to qualify for one of the safe harbour exemptions such that top-up taxes should not apply. In territories where this is not the case, the reported tax charge includes income tax of €12.2 million related to Pillar 2 income tax. The Group continues to refine this assessment and analyse the future consequences of these rules and, in particular, in relation to the fair value movements as to how future fair value movements, should these arise, may impact the tax charge.

Deferred tax

The deferred tax asset and liability are measured at the enacted or substantively enacted tax rates of the respective territories which are expected to apply to the year in which the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. The deferred tax balances within the financial statements reflect the increase in the UK's main corporation tax rate from 19% to 25% from 1 April 2023.

Note 14 – Earnings per share

The calculation of basic earnings per share (EPS) has been based on the following profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

	2024		2023	
	Actual €'m	Adjusted €'m	Actual €'m	Adjusted €'m
Profit/(Loss) attributable to the owners of the Company	(23.9)	223.5	105.1	156.8
Basic (cents)	(7.8)	73.2	34.7	51.7

Diluted (cents)	(7.8)	71.7	33.7	50.2
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	2024		2023	
	Actual €'m	Adjusted €'m	Actual €'m	Adjusted €'m
Profit/(Loss) attributable to the owners of the Company from continuing operations	(136.2)	58.8	(12.1)	14.2
Basic (cents)	(44.6)	19.2	(3.9)	4.7
Diluted (cents)	(44.6)	18.8	(3.9)	4.6

	2024		2023	
	Actual Number	Adjusted Number	Actual Number	Adjusted Number
Denominator – basic				
Weighted average number of equity shares	305,355,970	305,355,970	303,279,998	303,279,998
Denominator – diluted				
Weighted average number of equity shares	305,355,970	305,355,970	303,279,998	303,279,998
Weighted average number of option shares	6,318,633	6,318,633	8,647,771	8,647,771
Weighted average number of shares	311,674,603	311,674,603	311,927,769	311,927,769

The calculation of diluted EPS has been based on the above profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. The effects of the anti-dilutive potential ordinary shares are ignored in calculating diluted EPS.

EPS for discontinued operations is disclosed in Note 8.

Note 15 – Employee benefits

Total staff costs (from continuing operations) comprise the following:

	2024 €'m	2023 €'m
Salaries and personnel-related costs	456.1	379.9
Cash-settled share-based payments	1.7	0.2
Equity-settled share-based payments	4.7	5.6
	462.5	385.7
Average number of personnel:		
Distribution	6,712	6,130
General and administration	382	372
	7,094	6,502

The Group has the following employee share option plans (ESOP) for the granting of non-transferable options to certain employees:

- the Long Term Incentive Plan 2012 (LTIP). Awards (options, conditional share awards, cash-settled awards, or a forfeitable share award) granted under this plan vest on the first day on which they become exercisable, which is typically between 18 and 36 months after grant date; and
- the Long Term Incentive Plan 2022 (LTIP22). Awards (options, conditional share awards, restricted shares, cash-settled awards) granted under this plan vest on the first day on which they become exercisable, which is typically after 36 months.

The overall term of the ESOP is ten years. These options are settled in equity or cash once exercised. Option prices are denominated in GBP.

There were no grants during 2024.

During 2023 the Group granted 3,023,945 nil cost options under its LTIP22 which are subject to EPS growth, relative total shareholder return (TSR) against constituents of the FTSE 250 but excluding the investment trusts index, and relative TSR against a sector comparator group of peer companies. The fair value per share at the grant date according to the Monte Carlo simulation model is between £3.84 and £5.85. Inputs used were as follows:

Expected life (years)	Share price at grant date	Dividend yield	Risk-free rate	Projection period (years)	Volatility
3	£5.85	Nil	3.78%	3	36%-46%

At 31 December 2024 and 2023 the following options were outstanding:

	2024 Number	2023 Number
Shares vested on 1 March 2018 at nil cost	72,596	72,596
Shares vested between 1 September 2016 and 1 March 2018 at nil cost	9,902	12,411
Shares vested on 1 March 2019 at nil cost	21,820	21,820
Shares vested between 1 September 2017 and 1 March 2019 at nil cost	20,026	23,344
Shares vested on 21 December 2019 at nil cost	7,734	9,779

Shares vested on 1 March 2020 at nil cost	51,939	77,326
Shares vested on 1 March 2021 at nil cost	158,729	612,618
Shares vested between 1 March 2022 and 1 August 2022 at nil cost	561,678	1,260,489
Shares vested by 19 December 2024 at nil cost	700,000	1,400,000
Shares vested between 1 March 2023 and 26 October 2023 at nil cost	1,820,235	3,323,693
Shares will vest by 18 August 2025 at nil cost	351,724	351,724
Shares will vest by 5 May 2026 at nil cost	2,954,767	3,012,659
	6,731,150	10,178,459

The total number of shares exercisable as of 31 December 2024 is 3,424,659 (2023: 6,114,076).

The total number of outstanding shares that will be cash settled is 412,517 (2023: 570,545). The total liability outstanding for the cash-settled options is €2.81 million (2023: €2.2 million).

The following table illustrates the number and weighted average exercise prices of share options for the ESOP.

	2024 Number of options	2023 Number of options	2024 Weighted average exercise price	2023 Weighted average exercise price
Outstanding at the beginning of the year	10,178,459	12,172,864	—	—
Granted	-	3,023,945	—	—
Forfeited	(761,466)	(1,137,717)	—	—
Exercised	(2,685,843)	(3,880,633)	—	—
Outstanding at the end of the year	6,731,150	10,178,459	—	—

Included in the number of options exercised during the year are 153,890 options (2023: 176,142) which were cash settled.

The weighted average share price at the date of exercise of options was £7.18 (2023: £5.39).

Share options outstanding at the end of the year have the following exercise prices:

Expiry date	Exercise price	2024 Number	2023 Number
21 December 2025	Nil	82,498	85,007
Between 21 December 2026 and 31 December 2026	Nil	49,580	54,943
Between 1 March 2027 and 28 June 2027	Nil	51,939	77,326
23 July 2028	Nil	155,718	609,607
Between 27 February 2029 and 19 December 2029	Nil	1,264,689	2,663,500
Between 17 July 2030 and 26 October 2030	Nil	1,820,235	3,323,693
18 August 2032	Nil	351,724	351,724
5 May 2033	Nil	2,954,767	3,012,659
		6,731,150	10,178,459

Note 16 – Property, plant and equipment

	Computer software and hardware €'m	Gaming machines €'m	Office furniture and equipment €'m	Buildings, leasehold buildings and improvements €'m	Total €'m
Cost					
At 1 January 2024	153.4	137.5	51.4	278.7	621.0
Additions	18.6	26.1	6.2	11.4	62.3
Acquisitions through business combinations	0.1	0.3	0.3	—	0.7
Disposals	(4.6)	(7.2)	(2.3)	(3.0)	(17.1)
Reclassifications					
Reclassification to assets classified as held for sale (Note 24)	(1.2)	(104.8)	(22.0)	(233.8)	(361.8)
Foreign exchange movement	0.4	—	0.2	0.5	1.1
At 31 December 2024	166.7	51.9	33.8	53.8	306.2
Accumulated depreciation and impairment losses					
At 1 January 2024	114.1	93.4	31.3	32.0	270.8
Charge	18.7	16.5	5.7	8.0	48.9
Impairment loss	—	0.2	0.1	—	0.3
Disposals	(4.2)	(6.5)	(2.2)	(2.4)	(15.3)
Reclassifications	—	(0.2)	0.2	—	—
Reclassification to assets classified as held for sale (Note 24)	(1.2)	(69.3)	(12.3)	(9.9)	(92.7)
Foreign exchange movement	0.2	—	—	0.1	0.3
At 31 December 2024	127.6	34.1	22.8	27.8	212.3
Net book value					
At 31 December 2024	39.1	17.8	11.0	26.0	93.9
At 1 January 2024	39.3	44.1	20.1	246.7	350.2

	Computer software and hardware €'m	Gaming machines €'m	Office furniture and equipment €'m	Buildings, leasehold buildings and improvements €'m	Total €'m
Cost					
At 1 January 2023	142.5	115.2	49.0	274.4	581.1
Additions	19.5	23.1	6.2	8.8	57.6
Acquisitions through business combinations	—	0.1	0.1	—	0.2
Disposals	(6.2)	(2.8)	(1.1)	(3.8)	(13.9)
Reclassifications	—	1.9	(1.9)	—	—
Foreign exchange movement	(2.4)	—	(0.9)	(0.7)	(4.0)
At 31 December 2023	153.4	137.5	51.4	278.7	621.0
Accumulated depreciation and impairment losses					
At 1 January 2023	104.1	78.0	28.2	29.4	239.7
Charge	17.5	16.1	6.1	6.8	46.5
Disposals	(6.1)	(2.6)	(0.7)	(3.6)	(13.0)
Reclassifications	—	1.9	(1.9)	—	—
Foreign exchange movement	(1.4)	—	(0.4)	(0.6)	(2.4)
At 31 December 2023	114.1	93.4	31.3	32.0	270.8
Net book value					
At 31 December 2023	39.3	44.1	20.1	246.7	350.2
At 1 January 2023	38.4	37.2	20.8	245.0	341.4

Note 17 – Leases

Set out below are the carrying amounts of right of use assets recognised and the movements during the year:

	Office leases €'m	Hosting €'m	Machinery rentals €'m	Total €'m
At 1 January 2024	59.9	10.1	1.0	71.0
Additions/modifications	9.8	7.1	0.1	17.0
On business combinations	2.0	—	—	2.0
Reclassification to assets classified as held for sale (Note 24)	(31.1)	(0.5)	(0.8)	(32.4)
Amortisation charge	(14.9)	(8.1)	(0.3)	(23.3)
Impairment loss	(0.2)	—	—	(0.2)
Foreign exchange movement	(0.1)	—	—	(0.1)
At 31 December 2024	25.4	8.6	—	34.0

	Office leases €'m	Hosting €'m	Machinery rentals €'m	Total €'m
At 1 January 2023	60.5	11.1	—	71.6
Additions/modifications	14.2	6.8	1.4	22.4
On business combinations	1.9	—	—	1.9
Amortisation charge	(15.1)	(7.8)	(0.4)	(23.3)
Foreign exchange movement	(1.6)	—	—	(1.6)
At 31 December 2023	59.9	10.1	1.0	71.0

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2024 €'m	2023 €'m
At 1 January	86.8	85.8
Additions/modifications	16.7	22.0
On business combinations	2.0	1.9
Reclassification to assets classified as held for sale (Note 24)	(34.7)	—
Accretion of interest	4.7	5.2
Payments	(30.5)	(28.3)
Foreign exchange movement	1.3	0.2
At 31 December	46.3	86.8
Current	19.8	24.9
Non-current	26.5	61.9
	46.3	86.8

The maturity analysis of lease liabilities is disclosed in Note 35B.

The following are the amounts recognised in profit or loss:

	2024 €'m	2023 €'m
Amortisation expense of right of use assets	18.7	18.3
Interest expense on lease liabilities	3.0	3.6
Impact of early termination of lease contracts	(0.2)	(0.1)
	21.5	21.8

Note 18 – Intangible assets

	Patents, domain names and licence €'m	Technology IP €'m	Development costs €'m	Customer list and affiliates €'m	Goodwill €'m	Total €'m
Cost						
At 1 January 2024	273.2	79.7	483.4	526.5	680.4	2,043.2
Additions	11.7	—	50.0	—	—	61.7
Assets acquired through business combinations*	—	—	—	—	15.4	15.4
Reclassification to assets classified as held for sale (Note 24)	(243.4)	—	(12.3)	(245.3)	(307.6)	(808.6)
Disposal	—	—	(5.1)	—	(3.4)	(8.5)
Foreign exchange movement	0.1	—	—	—	—	0.1
At 31 December 2024	41.6	79.7	516.0	281.2	384.8	1,303.3
Accumulated amortisation and impairment losses						
At 1 January 2024	177.3	75.4	349.9	408.0	151.4	1,162.0
Charge	40.8	1.8	45.2	21.2	-	109.0
Impairment loss	2.1	0.1	20.6	26.5	70.4	119.7
Reclassification to assets classified as held for sale (Note 24)	(180.4)	—	(6.5)	(181.6)	(25.3)	(393.8)
Disposals	—	—	(5.1)	—	(2.7)	(7.8)
Foreign exchange movement	0.1	—	—	—	—	0.1
At 31 December 2024	39.9	77.3	404.1	274.1	193.8	989.2

Net book value

At 31 December 2024	1.7	2.4	111.9	7.1	191.0	314.1
At 1 January 2024	95.9	4.3	133.5	118.5	529.0	881.2

* During 2024 the Group made acquisitions with net cash outflows of €12.0 million. Other than the Mixzone acquisition which created goodwill of €1.2 million (Note 25F) all other assets created on business combinations were transferred to held for sale. See Note 24 for further details.

	Patents, domain names and licence €'m	Technology IP €'m	Development costs €'m	Customer list and affiliates €'m	Goodwill €'m	Total €'m
Cost						
At 1 January 2023	222.4	79.7	428.4	523.5	676.6	1,930.6
Additions	51.0	—	58.4	—	—	109.4
Assets acquired through business combinations	0.4	—	—	3.0	4.2	7.6
Disposal	(0.2)	—	(3.4)	—	(0.4)	(4.0)
Foreign exchange movement	(0.4)	—	—	—	—	(0.4)
At 31 December 2023	273.2	79.7	483.4	526.5	680.4	2,043.2
Accumulated amortisation and impairment losses						
At 1 January 2023	133.8	72.4	300.3	376.4	66.8	949.7
Charge	43.5	3.0	49.4	30.8	—	126.7
Impairment loss	0.4	—	3.6	0.8	85.0	89.8
Disposals	—	—	(3.4)	—	(0.4)	(3.8)
Foreign exchange movement	(0.4)	—	—	—	—	(0.4)
At 31 December 2023	177.3	75.4	349.9	408.0	151.4	1,162.0

Net book value

At 31 December 2023	95.9	4.3	133.5	118.5	529.0	881.2
At 1 January 2023	88.6	7.3	128.1	147.1	609.8	980.9

During the year, the research and development costs net of capitalised development costs were €116.9 million (2023: €101.2 million). The internal capitalisation for the year was €48.8 million (2023: €56.7 million).

Out of the total amortisation charge of €109.0 million (2023: €126.7 million), an amount of €29.0 million (2023: €42.6 million including continuing and discontinued operations) relates to the intangible assets acquired through business combinations.

In accordance with IAS 36, the Group regularly monitors the carrying value of its intangible assets, including goodwill. Goodwill is allocated to 14 cash-generating units (CGUs) (2023: 13) out of which two CGUs are held for sale.

The allocation of the goodwill to CGUs (excluding CGUs held for sale) is as follows:

	2024 €'m	2023 €'m
Snai (Reclassified to assets held for sale)	—	263.4
AUS GMTc	4.4	4.4
Bingo retail	9.5	9.5
Casino	50.8	50.8
Poker (€5.0 million reclassified to assets held for sale - Note 24)	10.6	15.6
Quickspin	—	10.2
Sports B2B	—	60.3
VB retail	4.6	4.6
Services	109.9	109.9
Sports B2C	—	0.3
Mixzone	1.2	—
	191.0	529.0

Management reviews CGUs for impairment bi-annually with a detailed assessment of each CGU carried out annually and whenever there is an indication that a unit may be impaired. During the annual detailed review, the recoverable amount of each CGU is determined from value in use calculations based on cash flow projections covering five years (using the Board approved three-year plan along with a remaining two-year forecasted period) plus a terminal value which have been adjusted to take into account each CGU's major events as expected in future periods. A potential risk for future impairment exists should there be a significant change in the economic outlook versus those trends management anticipates in its forecasts due to the occurrence of these events.

With the exception of CGUs which have been fully impaired to date and CGUs deemed sensitive to impairment from a reasonably possible change in key assumptions as reviewed in further detail below, management has used the Group's three-year plan, however extended it to five years and calculated the growth estimates for years one to five by applying an average annual growth rate for revenue based on the underlying economic environment in which the CGU operates and the expected performance over that period. Beyond this period, management has applied an annual growth rate of 2.0%. Management has included appropriate capital expenditure requirements to support the forecast growth and assumed the maintenance of the current level of licences. Management has also applied post-tax discount rates to the cash flow projections as summarised below.

2024 CGUs not sensitive to changes in assumptions:

	Average revenue growth rate 2025-2029	Discount rate applied
AUS GMTc	10.8%	11.46%
Bingo retail	8.8%	12.12%
Bingo VF	8.1%	13.49%
Casino	6.0%	11.59%
Services	(1.5%)	16.61%
Poker	0.8%	12.75%

2023 CGUs not sensitive to changes in assumptions:

	Average revenue growth rate 2024-2028	Discount rate applied
Snai	3.1%	15.2%
AUS GMTc	15.8%	13.1%
Bingo retail	4.9%	13.8%
Casino	4.7%	13.1%
Poker	4.0%	14.9%

In relation to the IGS, Sports B2B and Quickspin CGUs, following impairment tests completed in 2024, impairments have been recognised as disclosed below. Certain other CGUs, which are specifically referred to below but not impaired, are considered sensitive to changes in assumptions used for the calculation of value in use.

IGS CGU (Impaired at 30 June 2024)

The recoverable amount of the IGS CGU, with a carrying value of €4.9 million at 30 June 2024, has been determined using a cash flow forecast that includes annual revenue growth rates ranging between a decline of 19.9% to an increase of 59.0%, over the one to five-year forecast period (31 December 2023: annual revenue growth rates between 5.0% and 26.0%), a 2.0% long-term growth rate (31 December 2023: 2.0% long-term growth rate) and a post-tax discount rate of 14.7% (31 December 2023: post-tax discount rate of 20.9%). Following the termination of two key contracts, the recoverable amount of this CGU is €Nil and hence the carrying value has been impaired by €4.9 million in the year ended 31 December 2024. Following the impairment posted, all assets have been impaired to the recoverable amount.

Sports B2B CGU (Impaired at 30 June 2024)

The recoverable amount of the Sports B2B CGU, with a carrying value of €113.0 million at 30 June 2024 (pre-impairment), has been determined using a cash flow forecast that includes annual revenue growth rates ranging between a decline of 6.5% to an

increase 3.0%, over the one to five year forecast period (31 December 2023: annual revenue growth rates ranging from a decline of 20.0% and an increase of 15.0%), a 2.0% long-term growth rate (31 December 2023: 2.0% long-term growth rate) and a post-tax discount rate of 13.7% (31 December 2023: post-tax discount rate of 13.7%).

Following the announcement of the revised strategic agreement with Caliply, which will impact the sports revenue generated from 2025 (when the conditions were met and the revised arrangements become effective from 31 March 2025 as announced on 21 March 2025), in addition to further expected reductions in revenue from other sports licensees, the recoverable amount of €16.6 million does not exceed the carrying value as stated above (pre-impairment) and therefore an impairment loss of €96.3 million was recognised in the year ended 31 December 2024 (31 December 2023: impairment of €72.2 million due to the termination of two key contracts). Following the impairment posted, all assets have been impaired to the recoverable amount.

The impairment recorded in the interim review to 30 June 2024 contained an error due to the incorrect allocation of CGU assets to the Sports CGU. This has resulted in a €15.9 million reduction to the impairment previously recorded in the period to 30 June 2024. This matter will also be disclosed as a restatement in the 6-month period to 30 June 2025.

Quickspin CGU

Given the challenges of operating in an extremely competitive market with stricter regulations being introduced, the recoverable amount of the Quickspin CGU was impaired by €18.2 million in 2024 (2023: €9.6 million).

The recoverable amount of this CGU of €6.4 million, with a carrying value of €24.6 million (pre-impairment) at 31 December 2024, has been determined using a cash flow forecast that includes annual revenue growth rates between 2.6% and -4.0% over the one to five-year forecast period (2023: annual revenue growth rates between 5.0% and 7.2%), 2.0% long-term growth rate (2023: 2.0% long-term growth rate) and a post-tax discount rate of 12.5% (2023: post-tax discount rate of 12.4%).

If the revenue growth rate per annum is lower by 1%, then an additional impairment of €3.5 million would be recognised. Similarly, if the discount rate increases to a post-tax discount rate of 13.5% from 12.5%, this would result in a further impairment of €0.2 million.

Eyecon CGU

The Eyecon CGU recognised an impairment of €7.8 million in 2023. The CGU was largely in line with budget in 2024. The recoverable amount of this CGU of €15.8 million, with a carrying value equal to €10.2 million at 31 December 2024, was determined using a cash flow forecast that includes annual revenue growth rates of 5.0% over the one to five-year forecast period (2023: annual revenue growth rates between 2.0% and 11.0%), 2.0% long-term growth rate (2023: 2.0% long-term growth rate) and a post-tax discount rate of 13.6% (2023: post-tax discount rate of 15.1%). The recoverable amount would equal the carrying value of the CGU if:

- the discount rate applied reached a post-tax discount rate of 20.0%.
- the revenue growth was lower by 0.4% when compared to the forecasted average five-year growth.

VB Retail CGU

The recoverable amount of the VB Retail CGU showed signs of underperformance during H2 2024, mainly due to delays in securing new revenue streams. However, given the fact that new opportunities have been secured for 2025, no impairment has been recognised as at 31 December 2024.

The recoverable amount of this CGU of €41.2 million, with a carrying value of €27.9 million at 31 December 2024, has been determined using a cash flow forecast that includes annual revenue growth rates between 18.0% and 4.5% over the one to five-year forecast period (2023: annual revenue growth rates between 8.0% and 13.0%), 2.0% long-term growth rate (2023: 2.0% long-term growth rate) and a post-tax discount rate of 11.25% (2023: post-tax discount rate of 12.7%). The recoverable amount would equal the carrying value of the CGU if:

- the discount rate applied was higher by 39.7%, i.e. reaching a post-tax discount rate of 15.7%; or
- the revenue growth was lower by 4.5% when compared to the forecasted average five-year growth.

Note 19 – Investments and derivative financial assets

Introduction

Below is a breakdown of the relevant assets at 31 December 2024 and 2023 per the consolidated balance sheet:

	2024 €'m	2023 €'m
A. Investments in associates	76.4	51.5
B. Other investments	152.1	92.8
C. Derivative financial assets	895.0	827.8
	1,123.5	972.1

The following are the amounts recognised in the statement of comprehensive income:

	2024 €'m	2023 €'m
Profit or loss		
A. Share of loss from associates	(3.8)	(0.9)
B. Unrealised fair value changes of equity investments	51.1	(6.6)
C. Unrealised fair value changes of derivative financial assets	61.5	153.4

Other comprehensive income

Foreign exchange movement from the derivative call options and equity investments held in non-Euro functional currency subsidiaries	12.4	(5.9)
	121.2	140.0

Where the underlying derivative call option and equity investments are held in a non-Euro functional currency entity, the foreign exchange movement is recorded through other comprehensive income. As at 31 December 2024, the foreign exchange movement of the derivative call options held in Caliplay and NorthStar (Note 19C) is recorded in profit or loss as these options are held in Euro functional currency entities. The foreign exchange movement of the derivative call options held in Wplay, Onjoc, Tenbet, Tenlot El Salvador S.A. de C.V. ('Tenlot El Salvador') (Note 19C) and the small minority equity investment in Hard Rock Digital (Note 19B) are recorded through other comprehensive income as these are held in USD functional currency entities.

The recognition and valuation methodologies for each category are explained in each of the relevant sections below, including key judgements made under each arrangement as described in Note 6.

A. Investments in associates

Balance sheet

	2024 €'m	2023 €'m
Caliplay	—	—
ALFEA SPA	1.6	1.7
Galera	—	—
LSports	65.6	35.2
Stats International	—	—
NorthStar	5.4	9.0
Sporting News Holdings Limited	5.4	5.6
Total investment in equity accounted associates	78.0	51.5
Transfer to held for sale	(1.6)	—
Total investment in equity accounted associates (continued operations)	76.4	51.5

Profit and loss impact

	2024 €'m	2023 €'m
Share of loss in Galera	—	—
Share of profit in LSports	—	2.1
Share of loss in NorthStar	(3.6)	(2.8)
Share of loss in Sporting News Holdings Limited	(0.2)	(0.2)
Total profit and loss impact	(3.8)	(0.9)

Balance sheet movement

	LSports €'m	NorthStar €'m	Sporting News Holdings Limited €'m	Total €'m
Balance as at 31 December 2023/1 January 2024	35.2	9.0	5.6	49.8
Transfer of fair value of the option on exercise	4.8	—	—	4.8
Total consideration to acquire additional 18% shareholding (pre-dilution)	25.8	—	—	25.8
Share of loss	—	(3.6)	(0.2)	(3.8)
Dividend income	(0.2)	—	—	(0.2)
Balance as at 31 December 2024	65.6	5.4	5.4	76.4

Caliplay

Background

During 2014, the Group entered into an agreement with Turística Akalli, S. A. de C.V., which has since changed its name to Corporación Caliente S.A. de C.V. ("Caliente"), the majority owner of Tecnología en Entretenimiento Caliplay, S.A.P.I. de C.V. ("Caliplay"), which is a leading online betting and gaming operator in Mexico which operates the "Caliente" brand in Mexico.

The Group made a €16.8 million loan to September Holdings B.V. (previously the 49% shareholder of Caliplay), a company which is 100% owned by Caliente, in return for a call option that would grant the Group the right to acquire 49% of the economic interest of Caliplay for a nominal amount (the "Playtech Call Option").

During 2021, Caliplay redeemed its share at par from September Holdings, which resulted in Caliente owning substantially all of the shares in Caliplay. The terms of the existing structured agreement were varied, with the following key changes:

- A new additional option (in addition to the Playtech Call Option) was granted to the Group which allowed the Group to take up to a 49% equity interest in a new acquisition vehicle should Caliplay be subject to a corporate transaction – this additional option is only exercisable in connection with a corporate transaction and therefore was not exercisable at 31 December 2024 or 31 December 2023 (the "Playtech M&A Call Option").
- Caliente received a put option which would require Playtech to acquire September Holding Company B.V. for a nominal amount (the "September Put Option"). This option has been exercised and the parties are in the process of transferring legal ownership of September Holding Company B.V. to the Group.

The Group has no equity holding in Caliplay and is currently providing services to Caliplay including technical and general strategic support services for which it receives income (including an additional B2B services fee as described in Note 9). If either the Playtech Call Option or the Playtech M&A Call Option is exercised, the Group would no longer be entitled to receive the additional B2B services fee (and will cease to provide certain related services) which for the year ended 31 December 2024 was €80.6 million (2023: €111.7 million).

In addition to the above, from 1 January 2025, if there is a change of control of Caliplay or any member of the Caliente group which holds a regulatory permit under which Caliplay operates, each of the Group and Caliente shall be entitled (but not obligated), within 60 days of the time of such change of control, to require that the Caliente group redeems the Group's additional B2B services fee or (if the Playtech Call Option had been exercised at that time) acquires Playtech's 49% stake in Caliplay (together the "COC Option"). If such change of control were to take place and the right to redeem/acquire were to occur, this would extinguish the Playtech Call Option (to the extent not exercised prior thereto) and the Playtech M&A Call Option. The COC option was historically considered in the valuation of the Playtech M&A Option (refer to Note 19C).

Finally, for 45 days after the finalisation of Caliplay's 2021 accounts, Caliplay also had an option to redeem the Group's additional B2B services fee or (if the Playtech Call Option had been exercised at that time) Caliente would have the option to acquire Playtech's 49% stake in Caliplay (together the "Caliente Call Option"). As per the public announcement made by the Group on 6 February 2023, the Group was seeking a declaration from the English Courts to obtain clarification on a point of disagreement between the parties in relation to the Caliente Call Option. The Group believes the Caliente Call Option has expired and referred to its expiry having taken place in its interim report for the six-month period ended 30 June 2022, which was published on 22 September 2022. If the Caliente Call Option was declared as being exercisable and was exercised, this would extinguish the Playtech Call Option and the Playtech M&A Call Option.

As per the public announcement made in September 2024, the Group agreed a revised strategic agreement related to Caliplay. Under these revised terms, Playtech will hold a 30.8% equity interest in Caliente Interactive, Inc. ("Cali Interactive"), which will be the new holding company of Caliplay, incorporated in the United States and be entitled to receive dividends alongside other shareholders in Cali Interactive. Playtech will also have the right to appoint a Director to the Board of Cali Interactive. In the meantime, there is an agreed standstill of all the existing legal proceedings between Caliente, Caliplay and Playtech which were disclosed in the audited accounts for the year ended 31 December 2023 and in Note 6 of these financial statements (including the point of disagreement on the Caliente Call Option above), and those proceedings will be dismissed in full once the revised arrangements come into effect.

The revised arrangements are conditional upon Mexican antitrust approval. On 21 March 2025, the Group announced that all necessary approvals have been received, and completion of the revised arrangements is scheduled to take place on 31 March 2025. On closing of the revised arrangements, the Playtech Call Option, the Caliente Call Option and the COC Option will cease to exist and the Playtech M&A Call Option will have been exercised. Refer to Note 19C for further details.

Assessment of control and significant influence

As at 31 December 2024 and 2023 it was assessed that the Group did not have control over Caliplay, because it does not meet the criteria of IFRS 10 Consolidated Financial Statements, paragraph 7 due to the following:

- Despite the Group previously having a nominated director on the Caliplay board in 2020 and having consent rights on certain decisions (in each case, removed in 2021), there was no ability to control the relevant activities.
- The Playtech Call Option or the Playtech M&A Call Option, if exercised, would result in Playtech having up to 49% of the voting rights and would not result in Playtech having control.
- Whilst the Group currently does receive variable returns from its strategic agreement, it does not have the power to direct relevant activities so any variation cannot arise from such a power.

As at 31 December 2024 and 2023, the Group has significant influence over Caliplay because it meets one or more of the criteria under IAS 28, paragraph 6 as follows:

- The standard operator revenue by itself is not considered to give rise to significant influence; however, when combined with the additional B2B services fee, this is an indicator of significant influence.
- The material transaction of the historical loan funding is also an indicator of significant influence.

Accounting for each of the options

The Playtech Call Option was exercisable at 31 December 2024 and 31 December 2023, although it was still unexercised as at 31 December 2024. As the Group has significant influence and the option is exercisable, the investment is recognised as an investment in associate using the equity accounting method which includes having current access to profits and losses. The cost of the investment was previously deemed to be the loan given through September Holdings of €16.8 million, which at the time was assessed under IAS 28, paragraph 38 as not recoverable for the foreseeable future and part of the overall investment in the entity.

In 2021, with the introduction of the September Put Option, the investment in associate relating to the original Playtech Call Option was reduced to zero and the €16.8 million original loan amount was determined by management to be the cost of the new Playtech

M&A Call Option and therefore fully offset the balance of €16.8 million against the overall fair value movement of the Playtech M&A Call Option (refer to part C of this Note).

The Playtech M&A Call Option is not currently exercisable (although it will be amended, become exercisable and will be exercised in connection with the closing of the revised strategic agreement) and therefore in accordance with IAS 28, paragraph 14 has been recognised as derivative financial asset, and disclosed separately under part C of this Note.

As per the judgement in Note 6, the Group did not consider it appropriate to equity account for the share of profits as the current 100% shareholder is entitled to any undistributed profits.

Below is the financial information of Caliply:

	31 December 2024 ¹ €'m	31 December 2023 ¹ €'m
Current assets	191.8	215.0
Non-current assets	18.2	23.9
Current liabilities	(204.5)	(123.6)
Non-current liabilities	—	—
Equity	5.5	115.3
Revenue	863.7	759.4
Profit from continuing operations	36.3	58.8
Other comprehensive income, net of tax	(20.5)	10.4
Total comprehensive income	15.8	69.2

1 The 2024 balances above have been extracted from Caliply's draft 2024 financial statements.
The 2023 balances have been extracted from Caliply's 2023 audited financial statements.

Investment in ALFEA SPA

The Group has held 30.7% equity shares in ALFEA SPA since June 2018. At 31 December 2024, the Group's value of the investment in ALFEA SPA was €1.6 million (31 December 2023: €1.7 million). A share of loss of €0.1 million was recognised in profit or loss within discontinued operations for the year ended 31 December 2024 (2023: a share of profit of €0.1 million was recognised in profit or loss within discontinued operations). The investment was shown as held for sale as at 31 December 2024.

Investment in Galera

In June 2021, the Group entered into an agreement with Ocean 88 Holdings Ltd (Ocean 88) (shareholder of Galera Gaming Group (together "Galera"), a company registered in Brazil. Galera offers and operates online and mobile sports betting and gaming (poker, casino, etc.) in Brazil. They will continue to do so under the local regulatory licence, which was obtained and became effective 1 January 2025, when regulation went live in Brazil.

The Group's total consideration paid for the investment in Galera was \$5.0 million (€4.2 million) in the year ended 31 December 2021, which was the consideration for the option to subscribe and purchase from Galera an amount of shares equal to 40% in Galera at nominal price.

In addition to the investment amount paid, Playtech made available to Galera a line of credit up to \$20.0 million. In 2022, an amendment was signed to the original framework agreement to increase the credit line to \$45.0 million. As at 31 December 2024, an amount of €43.0 million, which is included in loans receivable from related parties (refer to Note 33), has been drawn down (31 December 2023: €39.2 million). An amount of €1.4 million has been loaned in the year ended 31 December 2024. The loan is required to be repaid to Playtech prior to any dividend distribution to the current shareholders of Galera. Galera repaid Playtech €1.5 million in the year ended 31 December 2024. The remainder of the year on year movement is additional interest charged, as well as foreign exchange gain on retranslation of the loan, which is denominated in US Dollars. The Group recognised an allowance for expected credit losses (ECL) for this loan of €2.8 million at 31 December 2024 (2023: €1.6 million).

In respect of the loan receivable from Galera under this credit line, even though the framework agreement does not state a set repayment term, management has assessed that this should still be recognised as a loan as opposed to part of the overall investment in associate in line with IAS 28. The Directors have made a judgement that the loan will be settled from operational cash flows as opposed to being settled as part of an overall transaction. The cost of the investment was deemed to be the price paid for the option of \$5.0 million (€4.2 million), which was reduced to €Nil through the recognition of the Group's share of losses as at 31 December 2022. The Galera Group continues to be loss making as at 31 December 2024 and 31 December 2023.

On 6 November 2023, Ocean 88 acquired 60% of F12.bet. Playtech loaned Galera the amount of \$10.1 million (€9.5 million) for the acquisition of F12.bet. As at 31 December 2024, this amount was €10.1 million and is included in loans receivable from related parties (31 December 2023: €9.6 million) (refer to Note 33). The loan is repayable within five years from the disbursement date, in November 2028. The Group recognised an allowance for ECL for this loan of €0.7 million as at 31 December 2024 (2023: €0.4 million).

On 15 May 2024, Playtech loaned an additional \$10.0 million (€9.2 million) to Galera to acquire 60% of Luva.bet. Luva.bet is a recently established operator targeting the Brazilian market which commenced operations in April 2023. As at 31 December 2024, an amount of €9.5 million is included in loans receivable from related parties (Note 33). The loan is repayable within five years from the disbursement date, in May 2029. The Group recognised an allowance for ECL for this loan of €0.6 million as at 31 December 2024.

On 6 December 2024, Playtech provided an additional credit facility of 70.0 million BRL (€11.0 million) to Galera to assist them in acquiring the Brazil licenses. An amount of €9.2 million was withdrawn as at 31 December 2024 and is included in loans receivable

from related parties (Note 33). The loan is repayable in November 2029. The Group recognised an allowance for ECL for this loan of €0.6 million as at 31 December 2024.

An additional ECL percentage of 5% was recorded for all Galera loans at 31 December 2024 to reflect the risk that any operator faces at the verge of regulation within a country. This includes risks related to system integration, user experience, and compliance monitoring, which could result in the loss of players due to operational disruptions, penalties, and loss of licenses for Galera. The total ECL on Galera loans at 31 December 2024 is €4.7 million (31 December 2023: €2.0 million).

The total outstanding loans to Ocean88 as at 31 December 2024 is €71.8 million (31 December 2023: €48.8 million), including interest.

Playtech has assessed whether it holds power to control Galera and it was concluded that this is not the case. Even if the option is exercised, it would only result in a 40% voting right over the operating entity and therefore no control.

Under the agreement in place:

- the standard operator income to be generated from services provided to Galera when combined with the additional B2B services fee, the loan and certain other contractual rights, are all indicators of significant influence; and
- the Group provides standard B2B services (similar to services provided to other B2B customers) as well as additional services to Galera that Galera requires to assist it in successfully running its operations, which could be considered essential technical information.

Considering the above factors, the Group has significant influence under IAS 28, paragraph 6 over Galera.

As the option is currently exercisable and gives Playtech access to the returns associated with the ownership interest, the investment is treated as an investment in associate. Playtech's interest in Galera is accounted for using the equity method in the consolidated financial statements. Galera is currently loss-making. If the call option is exercised by Playtech, the Group will no longer provide certain services and as such will no longer be entitled to the additional B2B services fee. The additional B2B services fee was €Nil in the year ended 31 December 2024 (2023: €Nil).

The cost of the investment was deemed to be the price paid for the option of \$5.0 million (€4.2 million), which was reduced to €Nil through the recognition of the Group's share of losses.

Investment in LSports

Background

In November 2022, the Group acquired 15% of Statscore for €1.8 million, making it a 100% subsidiary. Subsequently, the Group disposed of 100% of Statscore to LSports Data Ltd ("LSports") for €7.5 million, less a novated inter-company loan of €1.6 million, resulting in a non-cash net consideration of €5.9 million. Additionally, the Group acquired 31% of LSports for €36.7 million, which included an option to acquire up to 18% more shares. Of the total consideration, €29.2 million was paid in cash.

The Group exercised its option to acquire up to 49% (an additional 18%) of the equity of LSports in September 2024, increasing their shareholding to 49%. The Group paid LSports €18.9 million, calculated based on a valuation of LSports at €115.0 million. Upon finalisation of LSports' annual audited financial statements for the year ended 31 December 2024, an additional consideration of €6.9 million, based on EBITDA multiplied by a factor of 7, was recorded as deferred consideration and was paid in March 2025 (Note 38). Under IFRS 10, paragraph 7, the Company does not have control over the investee despite being the largest shareholder in LSports by holding 49% because the rest of the 51% shareholders form a consortium by virtue of being related (Note 6).

LSports is a company whose principal activity is to empower sportsbooks and media companies with the highest quality sports data on a wide range of events, so they can build the best product possible for their business. The company is based in Israel. The principal reason of the acquisition is the attractive opportunity considered by Playtech to increase its footprint in the growing sports data market segment.

Assessment of control and significant influence

As at the date of acquisition, 31 December 2024 and 2023, it was assessed that the Group did not have control over LSports, because it does not meet the criteria of IFRS 10 Consolidated Financial Statements, paragraph 7 due to the following:

- despite the appointment and representation on the board of directors by a Playtech employee as at 31 December 2024, there is still no ability to control the relevant activities, as the total number of directors including the Playtech appointed director is five;
- Playtech has neither the ability to change any members of the board nor of the management of LSports; and
- as of 31 December 2024, despite Playtech's shareholding being 49%, under IFRS 10, paragraph 7, the Group does not have control over LSports because the other combined shareholding/voting power exceeds 50% and is collectively held by family members.

Per the above assessment, Playtech does not hold power over the investee and as such does not have control.

As at 31 December 2024 and 2023, the Group has significant influence over LSports because it meets one or more of the criteria under IAS 28, paragraph 6, the main one being the Playtech employee appointed on the board of LSports, enabling it to therefore participate in policy-making processes, including decisions about dividends and/or other distributions. As a result of this assessment, LSports has been recognised as an investment in associate.

Purchase Price Allocation (PPA)

The Group prepared an initial PPA following the acquisition of the investment in 2022, where any difference between the cost of the investment and Playtech's share of the net fair value of the LSports identifiable assets and liabilities results in goodwill. Goodwill is not recognised separately but is included as part of the carrying amount of the investment in associate.

The Group prepared an updated PPA in September 2024 upon acquiring the additional 18% stake in LSports. The difference again resulted in goodwill, included in the investment's carrying amount.

Details of Playtech's share of net fair value of the identifiable assets and liabilities acquired are as follows:

	Playtech's share of net fair value of the identifiable assets and liabilities acquired 2024 €m
Net book value of assets acquired	3.7
Fair value of customer contracts and relationships	28.4
Fair value of technology – internally developed	23.4
Fair value of brand	4.8
Deferred tax arising on acquisition	(4.3)
Total net assets	56.0
Resulting goodwill	14.0

The total share of profit recognised in profit or loss in the year ended 31 December 2024 from the investment in LSports was €Nil million (2023: €2.1 million). This includes the amortisation of intangibles and the release of the deferred tax liability, arising from the original acquisition of the investment and subsequent exercise of the option (2024: €2.9 million, 2023: €2.1 million) and the share of the LSports profits (2024: €2.9 million, 2023: €4.2 million), with a corresponding entry against the investment in associate on the consolidated balance sheet.

During 2024, the Group received a dividend of €0.2 million from LSports (2023: €1.8 million), which reduced the investment in associate value in the consolidated balance sheet.

Below is certain financial information of LSports:

	31 December 2024 ¹ €m	31 December 2023 ¹ €m
Current assets	9.5	10.9
Non-current assets	43.0	26.8
Current liabilities	(8.7)	(6.6)
Non-current liabilities	(8.3)	(2.3)
Equity	35.5	28.8

1 The 2024 and 2023 balances above have been extracted from LSport's audited consolidated financial statements.

Investment in Stats International

Background

In January 2022, the Group provided a \$2.3 million loan to Stats International Limited ("Stats"), at an interest rate of 3.5% and a repayment date of 30 June 2024. As at 31 December 2024, the carrying value of the loan was €2.4 million and is included in loans receivable from related parties (Note 33) (2023: €2.2 million).

The Stats group's business activities are focused on securing rights in connection with sporting competitions and the exploitation of the same, typically in exchange for the payment of certain fees and provision of analytical and statistical services by the Stats group to the relevant rightsholder. The initial focus of the Stats group is on Brazilian sports competitions.

In May 2023, the Group and Stats signed an amended loan agreement which, amongst other things, changed the repayment obligations such that the final repayment date will be 31 December 2026 and the loan agreement will be novated from Stats to Jewelrock (Stats' sole shareholder) in consideration of \$1. Moreover, a framework agreement was signed between Stats and Playtech whereby Playtech, for a €1 consideration, has been granted the option to acquire from Jewelrock 36% of the issued share capital of Stats.

Finally, Playtech entered into a service agreement whereby Playtech provides Stats its business development and knowledge-sharing services in connection with the operational and industry standard procedures of Stats in exchange for additional B2B services fee as per Note 9. As the business is still a start-up, the additional B2B services fee as at 31 December 2024 was €Nil (2023: €Nil). Once the option is exercised, the Group would no longer provide certain services and, as such, would no longer be entitled to the additional B2B services fee.

The option may be exercised at any time but prior to the termination of all sporting rights agreements. It shall also lapse on the expiry or termination of the Playtech service agreement in accordance with its terms or at the written election of Playtech.

Playtech has assessed whether it holds power to control the investee and it was concluded that this is not the case. Even if the option is exercised, it would only result in a 36% voting right over the operating entity and therefore no control.

However, Playtech has assessed whether the Group has significant influence over Stats and due to the existence of the service agreement whereby Playtech would be assisting a start-up business by providing knowledge-sharing services, these could be considered essential technical information. Considering this, it was concluded that the Group has significant influence under IAS 28, paragraph 6, over Stats.

The cost of the option, which was considered to be the inherent value of Playtech allowing the loan repayment date to be extended, is considered negligible. No share of profits/losses have been recognised as at 31 December 2024 in profit or loss as these were immaterial.

Investment in NorthStar

Background

NorthStar Gaming Inc. is a Canadian gaming brand incorporated in Ontario in Q4 2021. In Q2 2022, NorthStar received its license from the Alcohol and Gaming Commission of Ontario (AGCO) and launched its online gaming site, www.northstarbets.ca, offering regulated sports betting markets and a curated casino experience. Playtech saw this as an opportunity to expand its presence in the growing Canadian betting market.

In December 2022, the Group issued NorthStar a convertible loan of CAD 12.25 million, which could be converted into common shares, A warrants, and B warrants upon the completion of a reverse takeover (RTO) transaction. Baden Resources, listed on the TSX, agreed to acquire NorthStar through an RTO. The loan's fair value as of 31 December 2022 was €8.4 million.

In March 2023, the RTO was completed, and Baden Resources was renamed NorthStar Gaming Holdings ("NorthStar"). This triggered the automatic conversion of the Group's loan into NorthStar common shares, which were then exchanged for NorthStar common shares. The Group also received NorthStar Warrants, exercisable at CAD 0.85 and CAD 0.90 per share, expiring on the fifth anniversary of their issue.

In September 2023, the Group entered into a subscription agreement with NorthStar, acquiring additional shares and warrants (exercisable at CAD 0.36 and CAD 0.40 per share) for CAD 5.0 million. This investment closed in October 2023, and Playtech also loaned NorthStar an 8% senior convertible debenture for CAD 5.0 million.

As of 31 December 2024, Playtech owns approximately 25.8% of NorthStar's issued and outstanding common shares (down from 27.5% as of 31 December 2023 following NorthStar's issue of new shares in June 2024). If the convertible debenture is converted and all warrants are exercised, Playtech could potentially increase its stake to over 40%.

The Group's convertible debenture has been classified at fair value through profit or loss based on IFRS 9 criteria. As at 31 December 2024, an amount of CAD 5.5 million (€3.6 million) is included in loans receivable from related parties (31 December 2023: €3.4 million) (Note 33). The loan is required to be repaid to Playtech by October 2026 or upon conversion (to the extent not fully converted) once conversion criteria are met.

In April 2024, the Group signed a promissory note with NorthStar for the amount of CAD 3.0 million (€2.1 million), which is included in current assets as loans receivable from related parties. (Note 33). The principal and the outstanding interest under the promissory note are required to be paid the earliest of:

- i. 12 months from April 2024,
- ii. the date on which Playtech declares the Indebtedness to be immediately due and payable following the occurrence of an event of default (as defined in agreement between Playtech and NorthStar),
- iii. the date on which NorthStar or any of its subsidiaries complete an offering of debt or equity securities to one or more third parties that, when aggregated with any other financing completed, results in gross proceeds to NorthStar and its subsidiaries of at least CAD 10 million.

In September 2024 and December 2024 further promissory notes to the value of CAD 3.0 million (€2.1 million) and CAD 3.5 million (€2.3 million) respectively were issued to NorthStar to assist with its growth plans while establishing more medium to long term financing, which are included in current assets as loans receivable from related parties (Note 33). All three of these promissory notes were repaid by NorthStar in January 2025 (Note 38).

The fair value of all of Playtech's warrants is €Nil as at 31 December 2024 (2023: €Nil) (refer to Note 19C).

Assessment of control and significant influence

As at 31 December 2024 and 2023, it was assessed that the Group did not have control over NorthStar, because it does not meet the criteria of IFRS 10 Consolidated Financial Statements, paragraph 7 due to the following:

- despite representation on the NorthStar board of directors by Playtech's CFO and one more Playtech employee at 31 December 2023 and 31 December 2024, there is still no ability to control the relevant activities, as the total number of appointed directors is eight; and
- Playtech has neither the ability to change any other members of the NorthStar board nor the management of NorthStar.

Per the above assessment, Playtech does not hold power over the investee and as such does not have control.

As at 31 December 2024 and 2023, the Group has significant influence over NorthStar because it meets one or more of the criteria under IAS 28, paragraph 6, the main one being that it has two appointed members sitting on the board of NorthStar, enabling it to therefore participate in policy-making processes, including decisions about dividends and/or other distributions. As a result of this assessment NorthStar has been recognised as an investment in associate.

The NorthStar warrants are fair valued as per paragraph 14 of IAS 28 and shown as a derivative financial asset in accordance with IFRS 9 (refer to Note 19C).

Purchase Price Allocation (PPA)

The Group prepared a PPA following the acquisition of the investment, where any difference between the cost of the investment and Playtech's share of the net fair value of NorthStar's identifiable assets and liabilities results in goodwill.

Goodwill is not recognised separately but is included as part of the carrying amount of the investment in associate. Up until October 2023, Playtech's shareholding was diluted to 15% due to NorthStar issuing more shares as part of an acquisition they completed in May 2023. Playtech's shareholding at 31 December 2024 was 25.8% (31 December 2023: 27.5%). Playtech's shareholding decrease from 2023 to 2024 is due to NorthStar issuing more shares to new and existing shareholders.

The total share of loss recognised in profit or loss in the year ended 31 December 2024 from the investment in NorthStar was €3.6 million (2023: €2.8 million). This includes the amortisation of intangibles, arising on acquisition, and the share of NorthStar's losses, with a corresponding entry against the investment in associate on the consolidated balance sheet.

Investment in Sporting News Holdings Limited

Background

In August 2023, the Group acquired 12.6% of Sporting News Holdings Limited ("TSN"), for a total consideration of \$6.3 million (€5.8 million).

TSN's principal activities are the sale of digital advertising and the offering of media services, the provision of multimedia sports content across internet-enabled digital platforms and the distribution directly to customers and business clients around the world. The company is incorporated in the Isle of Man. The principal reason of the acquisition is the attractive opportunity considered by Playtech to increase its footprint in the growing sports and media market segment.

Assessment of control and significant influence

As at the date of acquisition and at 31 December 2024 it was assessed that the Group did not have control over TSN, because it does not meet the criteria of IFRS 10 Consolidated Financial Statements, paragraph 7 due to the following:

- despite Playtech having the right to appoint a director on the TSN board, as at 31 December 2024 and 31 December 2023, one had not yet been appointed. Playtech has preferred to only appoint an observer to the board. Moreover, once Playtech appoints a director, there is still no ability to control the relevant activities, as the total number of directors including potentially one Playtech appointed director will be five; and
- Playtech has neither the ability to change any members of the board nor of the management of TSN.

Per the above assessment, Playtech does not hold power over the investee and as such does not have control.

As at 31 December 2024, the Group has significant influence over TSN because it meets one or more of the criteria under IAS 28, paragraph 6, the main one being Playtech having the ability to appoint a member on the board of TSN, enabling it to therefore participate in policy-making processes, including decisions about dividends and/or other distributions. As a result of this assessment TSN has been recognised as an investment in associate.

The cost of the investment was deemed to be the consideration paid for the shares of \$6.3 million (€5.8 million) in August 2023. The total share of loss recognised in profit or loss in the year ended 31 December 2024 from the investment in TSN was €0.2 million (2023: €0.2 million).

Other investments in associates that are fair valued under IFRS9 per IAS 28, paragraph 14

The following are also investments in associates where the Group has significant influence but where the option is not currently exercisable. As there is no current access to profits, the relevant option is fair valued under IFRS 9, and disclosed as derivative financial assets under part C of this Note:

- Wplay;
- Tenbet (Costa Rica)
- Onjoc (Panama); and
- Tenlot El Salvador S.A. de C.V

The financial information required for investments in associates, other than Caliplay and LSports, has not been included here as from a Group perspective the Directors do not consider them to have a material impact jointly or separately.

B. Other investments

Balance sheet

	2024 €'m	2023 €'m
Listed investments	11.1	15.8
Investment in Tenlot Guatemala	—	—
Investment in Tentech Costa Rica	—	—
Investment in Gameco	—	—
Investment in Hard Rock Digital	141.0	77.0
Total other investments	152.1	92.8

Statement of comprehensive income

	2024 €'m	2023 €'m
Profit and loss		
Change in fair value of equity investments	51.1	(6.6)
Impairment of investment in Gameco (included in the impairment of financial assets)	—	(1.3)
	51.1	(7.9)
Other comprehensive income		
Foreign exchange movement from equity investments held in a non-Euro functional subsidiary	6.4	(2.6)

Listed investments

The Group has shares in listed securities, which includes new shares purchased during the year for €1.8 million (2023: €14.3 million). The fair values of these equity shares are determined by reference to published price quotations in an active market. For

the year ended 31 December 2024, the fair values of these listed securities have decreased by €6.5 million (2023: increased by €0.1 million).

Investment in Tenlot Guatemala

In 2020, the Group entered into an agreement with Tenlot Guatemala, a member of the Tenlot Group. Tenlot Guatemala, which is in the lottery business in Guatemala, commenced its activity in 2018.

The Group acquired a 10% equity holding in Tenlot Guatemala for a total consideration of \$5.0 million (€4.4 million) in 2020, which has been accounted at fair value through profit or loss under IFRS 9.

The fair value of the equity holding as at 31 December 2024 and 31 December 2023 was €Nil because of changes to market conditions which led to changes in its original business plans. The fair value of the equity holding has decreased by €4.4 million to €Nil in the year ended 31 December 2023.

In addition, the Group was granted a 10% equity holding in Super Sports S.A. at no additional cost. The Group also has an option to acquire an additional 80% equity holding in Super Sports S.A. If the option is exercised, the Group would no longer provide certain services and, as such, would no longer be entitled to the additional B2B services fee. The additional B2B services fee was €Nil for the year ended 31 December 2024 (2023: €Nil). There are no conditions attached to the exercise of the option.

The right of exercising the call option at any time and the acquisition of the additional 80% in Super Sports S.A. give Playtech:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the investor's returns.

It therefore satisfies all the criteria of control under IFRS 10, paragraph 7 and, as such, at 31 December 2024 Super Sports S.A. has been consolidated in the consolidated financial statements of the Group, noting that this is not material from a Group perspective.

Investment in Tentech Costa Rica

In 2020, the Group entered into an agreement in Costa Rica with the Tenlot Group. The Group acquired a 6% equity holding in Tentech CR S.A., a member of the Tenlot Group, for a total consideration of \$2.5 million (€2.1 million). Tentech CR S.A. sells printed bingo cards in accordance with article 29 of the Law of Raffles and Lotteries of Costa Rica (CRC – Costa Rican Red Cross Association).

The 6% equity holding in Tentech CR S.A. is accounted at fair value through profit or loss under IFRS 9.

The fair value of the equity holding as at 31 December 2024 and 31 December 2023 was €Nil because of changes to market conditions which led to changes in its original business plans. The fair value of the equity holding has decreased by €2.3 million to €Nil in the year ended 31 December 2023.

Investment in Gameco

In 2021, the Group entered into a convertible loan agreement with GameCo LLC ("Gameco"), where it provided \$4.0 million (€3.8 million) in the form of a debt security with 8% interest. In December 2022, Gameco acquired Green Jade Games and, subsequently, the Playtech debt was converted into equity shares, representing a 7.1% interest in the newly formed group. Immediately prior to the conversion, the loan was impaired by €3.0 million, and this has been recognised in profit or loss in the prior year.

The 7.1% equity holding in the newly formed group was accounted at fair value through profit or loss under IFRS 9 at 31 December 2022. As at 31 December 2024 and 2023, the fair value of the equity holding has been €Nil.

Investment in Hard Rock Digital

In March 2023, the Group invested \$85.0 million (€79.8 million in March 2023, €77.0 million at 31 December 2023) in Hard Rock Digital (HRD) in exchange for a small minority interest in a combination of equity shares and warrants. HRD is the exclusive Hard Rock International vehicle for interactive gaming and sports betting on a global basis and the primary vendor to the Seminole Tribe of Florida (the "Seminole Tribe") for sports betting in the State of Florida. During late 2023 and 2024 positive outcomes were received in respect of claims made in both the Federal and Supreme Courts. Following this, sports betting was re-launched in Florida by the Seminole Tribe.

The Group assessed whether the warrants met the definition of a separate derivative as per IFRS 9. A financial instrument or other contract should have all three of the following characteristics:

- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided, in the case of a non-financial variable, that the variable is not specific to a party to the contract (sometimes called the "underlying");
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- it is settled at a future date.

Management made a judgement that the warrants did not meet the definition of a separate derivative asset as: (i) the value of the warrants is part of the total investment and cannot be distinguished between the two and therefore the value of the warrants was deemed to be equal to the equity shares value; and (ii) the consideration was paid at the time of the transaction.

Furthermore, the equity investment did not meet the definition of held for trading, as the investment was acquired for long-term investment purposes and with no current intention for sale. The investment was therefore classified as an investment held at fair value through profit or loss with initial and subsequent recognition at fair value, with any subsequent gain/loss recognised in profit or loss.

In the year ended 31 December 2024, the Group received a dividend of €3.1 million (2023: €Nil) from HRD, recognised in finance income.

Valuation

The Group has assessed the fair value of the investment at 31 December 2024 by applying a DCF approach with a market exit multiple assumption to the two CGUs within the investment. The discount rate and exit multiples used were within the range of 19%-29% and 8.5x - 10.0x respectively. Due to the small minority interest and the limited influence Playtech has over HRD, the Group included a discount for lack of control of 10%, as well as a 15%-20% discount for lack of marketability due to the shares not being publicly traded.

As at 31 December 2024, the fair value of the equity investment in HRD increased to €141.0 million (\$146.5 million). The difference of €64.0 million between the fair value at 31 December 2023 of €77.0 million and the fair value at 31 December 2024 has been recognised as follows:

- a. €57.6 million derived from the fair value increase of the equity investment calculated using the DCF model in profit or loss for the period ended 31 December 2024. The increase was mainly driven by the performance of the business, positive developments in the regulatory environment which primarily aided the relaunch of the Florida sports operations by the Seminole Tribe in late 2023.
- b. €6.4 million derived from the fair value increase due to the exchange rate fluctuation of USD to EUR (as the equity investment is under a foreign subsidiary of the Group whose functional currency is USD) in other comprehensive income for the year ended 31 December 2024.

The Group will continue to monitor the development of the HRD business including the wider regulatory landscape internationally, as well as in the key operational states in the US which can impact the value of the equity investment.

Sensitivity analysis

The assumptions and judgements made in the valuation of the equity investment as at 31 December 2024 include the following sensitivities, noting that factors and circumstances, for example regulatory changes, that may arise that are outside the Group and HRD's control which could impact the option value positively or negatively:

- A plus or minus shift of 5% to the discount rates used will result in a fair value of the equity investment within the range of €127.1 million - €159.8 million.
- An increase or decrease of 2.0x on the 2029 exit multiple will result in a fair value change of the equity investment within the range of €124.7 million to €157.9 million.
- A 10% fluctuation in the revenue growth rate will result in a fair value of the equity investment within the range of €105.9 million – €190.6 million.
- A 10% fluctuation in the Adjusted EBITDA margin will result in a fair value of the equity investment within the range of €130.0 million – €152.6 million.

C. Derivative financial assets

Balance sheet

	2024 €'m	2023 €'m
Playtech M&A Call Option (Calipay)	801.9	730.2
Wplay	84.7	88.0
Onjoc	3.4	3.1
Tenbet	0.4	1.7
Tenlot El Salvador S.A. de C.V	4.6	—
NorthStar warrants (Note 19A)	—	—
LSports (Note19A)	—	4.8
Total derivative financial assets	895.0	827.8

Statement of comprehensive income impact

	2024 €'m	2023 €'m
Calipay		
Fair value change of Playtech M&A Call Option	26.1	180.9
Foreign exchange movement to profit or loss	45.6	(16.0)
Wplay		
Fair value change in Wplay	(9.0)	(2.7)
Foreign exchange movement recognised in other comprehensive income	5.7	(2.8)
Onjoc		
Fair value change in Onjoc	0.1	(5.3)
Foreign exchange movement recognised in other comprehensive income	0.2	(0.2)
Tenbet		
Fair value change in Tenbet	(1.3)	(6.9)
Foreign exchange movement recognised in other comprehensive income	—	(0.3)
Tenlot El Salvador S.A. de C.V		
Fair value change in Tenlot El Salvador S.A. de C.V	—	—
Foreign exchange movement recognised in other comprehensive income	0.1	—
LSports		

Fair value change of call option (Note 19A)	—	3.4
Total comprehensive income impact	67.5	150.1

Caliplay

The Playtech M&A Call Option is not currently exercisable and therefore in accordance with IAS 28, paragraph 14 has been recognised as a derivative financial asset and fair valued under IFRS 9.

As further disclosed in Note 19A, in September 2024 Playtech has signed a revised strategic agreement in relation to Caliplay in which the Playtech M&A Call Option currently held by Playtech would be amended so that on exercise Playtech will receive a 30.8% equity interest in Caliente Interactive Inc, Caliplay's newly incorporated US holding company. Exercise of the amended Playtech M&A Call Option will occur in connection with closing of the revised arrangements, with the 30.8% shareholding (the "Equity Right"), being achieved after taking account of the rights of its service providers. The completion of these revised arrangements, which were announced in September 2024, was conditional upon Mexican antitrust approval, which was received in March 2025, with closing now scheduled for 31 March 2025. Furthermore, there is currently an agreed standstill of all current legal proceedings between Caliente, Caliplay and Playtech, and those proceedings will be dismissed in full once the revised arrangements come into effect. Under the Equity Right scenario, Playtech will:

- no longer be entitled to the additional B2B services fee;
- have certain customary shareholder rights, including the right to appoint a Director to the Board of Cali Interactive for so long as Playtech's equity interest is at least 15% of Cali Interactive; and
- subject to available cash and applicable law, Playtech and all other Cali Interactive stockholders will receive dividends, at least quarterly, pursuant to an agreed dividend policy.

Whilst the resultant 30.8% shareholding on closing of the revised arrangements is less than the 49% interest (before taking account of the rights of the Playtech Group's service providers) which the Playtech Group would have held in Caliplay were it to have exercised the existing Playtech M&A Call Option, the Playtech Group was willing to accept this reduced interest in the context of the terms of these revised arrangements taken as a whole which include:

- (i) the resultant settlement and dismissal of all legal proceedings between Caliente, Caliplay and Playtech;
- (ii) the receipt (and/or payment into escrow) of the entirety of the outstanding fees owing to the Playtech Group;
- (iii) Playtech holding shares in a newly incorporated US holding company of Caliplay; and
- (iv) the Caliente Call Option and the COC Option (and the Playtech Call Option) ceasing to exist with the Playtech M&A Call Option having been exercised.

At 31 December 2024, a key judgement was made that the Group is certain that the revised arrangements with Caliplay would complete in H1 2025, and as such only valued Playtech's 30.8% Equity Right.

As at 31 December 2023, the Group valued the existing Playtech M&A Option using a DCF approach with a market exit multiple assumption. The Group also made assumptions on the probability of a possible transaction that may be completed on a number of exit date scenarios over a five-year period, until December 2028. Management did not model a scenario of no exit as this was considered highly remote. Finally, taking account of matters arising in the period, Playtech included some probability weighted scenarios to consider the impact of the COC Option as explained in part A of this Note, noting that the probabilities assigned to this scenario were above zero but low.

Valuation

The Group has assessed the fair value of the Equity Right as at 31 December 2024 using the income approach, which estimates the value of the Equity Right based on the value of the expected future cash flows generated by Caliplay.

The Group's view of a reasonable market participant base discount rate for the 31 December 2024 valuation is 1% higher than last year. However, as Playtech was certain at 31 December 2024 that the revised arrangements will complete in 2025 and that therefore the legal proceedings will subsequently be dismissed, the Group removed the additional company specific premium (of 5%) from the discount rate used in the valuation as at 31 December 2023. The discount rate used for the valuation of the Equity Right was 16% as at 31 December 2024 (2023: 20%).

The Group used a compound annual growth rate of 23.7% (2023: 17.0%) on revenue over the forecasted cash flow period, an average Adjusted EBITDA margin of 23.5% (2023: 31.3%) and an exit multiple of 8.75x (2023: 7.7x). The change in Adjusted EBITDA margin is due to changes in marketing strategies that impacted 2024 actuals and going forward into 2025 and beyond. The increase in the exit EBITDA multiple is supported by the observed median EV/EBITDA multiple of the publicly listed peers as at 31 December 2024 and share price increases.

Given the fact that under the revised arrangements related to Caliplay, the Equity right will be 30.8%, the Group applied a 5% discount for lack of control (DLOC) on the value of Playtech's indirect stake in Caliplay, reflecting the fact that Playtech will not have control of Caliplay but it will continue to have significant influence (Note 19A) with the ability to appoint a director on the board and voting rights in proportion to its shareholding. The Group also included an additional discount for lack of marketability (DLOM) of 15% for the non- marketable equity right (2023: 10.0%). Furthermore, as part of the restructured arrangements, Playtech's stake in Caliplay was adjusted to reflect the rights to Caliplay shares that a service provider is entitled (currently also entitled to part of the value of the Playtech M&A Call Option).

As at 31 December 2024, the fair value of the Playtech M&A Call Option was \$833.0 million (2023: \$805.8 million) which converted to €801.9 million (2023: €730.2 million). The year-on-year change in the fair value of the Playtech M&A call option is a combination of an uplift from:

- the decrease in the discount rate to remove the 5% litigation risk included in the discount rate as at 31 December 2023;

- the increase in the exit multiple as explained above;
- favourable movement in the USD to EUR foreign exchange rate;
- the roll forward of the valuation due to passage of time.

These were partially offset by:

- the change in methodology. In December 2023, the valuation was based on an entitlement to 49% (pre share of service provider) of the equity value on exercise of a call option (considering the impact of both the Playtech M&A Call Option and the COC Option). Based on the revised arrangements signed in September 2024, the equity stake to be held in Caliente Interactive Inc. (Calipay's newly incorporated US holding company) has decreased to 30.8% (post share of service provider).

Sensitivity analysis

The assumptions and judgements made in the valuation of the derivative financial asset as at 31 December 2024 include the following sensitivities, noting that factors and circumstances may arise that are outside the Group's control which could impact the option value:

- A different discount rate within the range of 11% to 21% will result in a fair value of the derivative financial asset in the range of €725.8 million – €889.5 million.
- A 5% fluctuation in the Adjusted EBITDA margin will result in a fair value of the derivative financial asset within the range of €763.4 million – €840.4 million.
- A 10% fluctuation in the Adjusted EBITDA margin will result in a fair value of the derivative financial asset within the range of €724.9 million – €878.9 million.
- A 5% fluctuation in the revenue growth rate will result in a fair value of the derivative financial asset within the range of €715.2 million – €895.3 million.
- A 10% fluctuation in the revenue growth rate will result in a fair value of the derivative financial asset within the range of €635.3 million – €997.3 million.
- A 1.0 fluctuation on the market exit multiple will result in a fair value of the derivative financial asset within the range of €724.9 million – €878.9 million.
- If the incremental DLOM fluctuates by 5% (to 10% and 20% instead of 15%) will result in a fair value of the derivative financial asset within the range of €754.7 million – €849.1 million.
- If the incremental DLOC fluctuates by 5% (to 0% and 10% instead of 5%) will result in a fair value of the derivative financial asset within the range of €759.5 million – €844.2 million.

Wplay

In August 2019, Playtech entered into a structured agreement with Aquila Global Group SAS ("Wplay"), which has a licence to operate online gaming products and services in Colombia. Under the agreement, the Group provides Wplay its technology products, where it receives standard operator revenue and additional B2B services fee as per Note 9. The Group has no shareholding in Wplay.

Playtech has a call option to acquire a 50% equity holding in the Wplay business. As at 31 December 2024, the option exercise date was in February 2025 or earlier if an M&A event takes place, however management was in active discussions with Wplay to further extend the option exercise date pre-year end. The extension was signed in February 2025, and the option exercise date was deferred to February 2026. For the call option valuation as at 31 December 2024, Playtech assumed that the call option cannot be exercised any date before February 2026. If the call option is exercised by Playtech, the Group would no longer provide certain services and as such will no longer be entitled to the additional B2B services fee. The additional B2B services fee was €10.6 million for the year ended 31 December 2024 (2023: €1.2 million).

Assessment of control and significant influence

The Group assessed whether it holds power over the investee (in accordance with IFRS 10, paragraph 7) with the following considerations:

- Playtech does not have the ability to direct Wplay's activities as it has no voting representation on the executive committee or members of the executive committee.
- Whilst they are not members on the executive committee, Playtech has the ability to appoint and change both the COO and CMO who form part of the management team (albeit this right has never been exercised). The COO and the CMO are part of the wider management team but would not be able to control the relevant activities of Wplay.
- If the option is exercised it would result in Playtech acquiring 50% of the voting rights of the operating entity and therefore would not result in having control. Furthermore, as at 31 December 2024 and 31 December 2023, the option is not exercisable and therefore can be disregarded in the assessment of power.

Per the above assessment Playtech does not hold power over the investee and as such does not have control.

With regard to the assessment of significant influence, the following facts were considered:

- Playtech has the right to appoint and remove the COO and CMO, which is a potential indicator of significant influence given their relative positions and involvement in the day-to-day operations of Wplay.
- The standard operator revenue is not considered to give rise to significant influence. However, when combined with the additional B2B services fee, this is an indicator of significant influence.
- The Group provides additional services to Wplay which Wplay requires to assist it in successfully running its operations, which could be considered essential technical information.

The Group therefore has significant influence under IAS 28, paragraph 6 over Wplay. However, as the option is not currently exercisable, the Group has an investment in associate but with no access to profits. As such, the option is fair valued as per paragraph 14 of IAS 28 and shown as a derivative financial asset in accordance with IFRS 9.

The Group has given two loans to Wplay, with an outstanding balance at 31 December 2023 of €1.3 million, included in loans receivable from related parties (Note 33). The loans were repaid in 2024.

Valuation

The fair value of the option at 31 December 2024 has been estimated using a DCF approach with a market exit multiple assumption. The Group used a discount rate of 22% (2023: 22%), as well as a discount for illiquidity and control until the expected Playtech exit date of February 2026 (used as an accounting assumption solely for the purposes of valuing the Wplay option) (2023: expected exit date of February 2025). The Group used a compound annual growth rate of 7.1% (2023: 8.2%) over the forecasted cash flow period, an average Adjusted EBITDA margin of 23.9% (2023: 28.5%) and an exit multiple of 10.4x (2023: 10.2x). As part of the agreement, there is a lock-in mechanism that contractually might prevent Playtech from selling the resulting shares, however an assumption was made that if the exit date assumed in the model is earlier, then both parties would be in agreement to this earlier exit point, therefore no further discounts were applied post transaction. Furthermore, Playtech's share in Wplay was adjusted to reflect the rights to shares that a service provider has under its services agreement with the Group.

As at 31 December 2024, the fair value of the Wplay derivative financial asset is €84.7 million. The difference of €3.3 million between the fair value at 31 December 2023 of €88.0 million and the fair value at 31 December 2024 has been recognised as follows:

- a. €9.0 million derived from the fair value decrease of the derivative call option calculated using the DCF model in profit or loss for the year ended 31 December 2024. The decrease was due to downgrading of forecasts because of the depreciation of USD against COP by 14% from 31 December 2023 to 31 December 2024 and offset by the increase in the exit multiple.
- b. €5.7 million derived from the fair value increase due to the exchange rate fluctuation of USD to EUR (as the derivative call option is under a foreign subsidiary of the Group whose functional currency is USD) in other comprehensive income for the year ended 31 December 2024.

In February 2025, the Colombian government implemented a temporary 19% VAT on online gambling deposits starting on 22 February 2025. The temporary tax will be in place for 90 days, with the option of two extensions, each also 90 days long. The tax reform bill, including the 19% VAT, was still under discussion and had not been approved by Congress as at 31 December 2024. Playtech, through advice also concluded that it would be unlikely that the bill around the 19% VAT would be passed, especially since it has been on the agenda for several years. As such it was not considered for purposes of valuing the Wplay option at 31 December 2024, and will be assessed as part of the valuation at 30 June 2025, noting that it could have a material impact on the value disclosed at 31 December 2024.

Sensitivity analysis

The assumptions and judgements made in the valuation of the derivative financial asset as at 31 December 2024 include the following sensitivities, noting that factors and circumstances may arise that are outside the Group's control which could impact the option value:

- A different discount rate within the range of 17% to 27% will result in a fair value of the derivative financial asset in the range of €72.6 million – €99.8 million.
- If the expected Playtech exit date is extended by one year, the fair value of the derivative financial asset will decrease to €75.8 million.
- A 5% fluctuation in the Adjusted EBITDA margin will result in a fair value of the derivative financial asset within the range of €80.8 million – €88.6 million.
- A 10% fluctuation in the Adjusted EBITDA margin will result in a fair value of the derivative financial asset within the range of €77.0 million – €92.4 million.
- A 5% fluctuation in the revenue growth rate will result in a fair value of the derivative financial asset within the range of €80.1 million – €89.3 million.
- A 10% fluctuation in the revenue growth rate will result in a fair value of the derivative financial asset within the range of €75.6 million – €94.0 million.
- A 1.0 fluctuation on the market exit multiple will result in a fair value of the derivative financial asset within the range of €78.8 million – €90.6 million.

Onjoc

In June 2020, Playtech entered into a framework agreement with ONJOC CORP. ("Onjoc"), which holds a licence to operate online sports betting, gaming and gambling activities in Panama. The Group has no equity holding in Onjoc but has an option to acquire 50%. Under the agreement the Group provides Onjoc its technology products, where it receives standard operator revenue and additional B2B services fee as per Note 9. If the option is exercised, the Group would no longer provide certain services and, as such, would no longer be entitled to the additional B2B services fee. The additional B2B services fee was €Nil in the year ended 31 December 2024 and 2023. The option can be exercised any time subject to Onjoc having \$15.0 million of Gross Gaming Revenue (GGR) over a consecutive 12-month period.

Assessment of control and significant influence

The Group performed an analysis for Onjoc to assess whether it holds power over Onjoc (in accordance with IFRS 10, paragraph 7) with the following considerations:

- Playtech can propose an independent member to the board of directors, who has to be independent to both Playtech and Onjoc, and as such does not have the ability to direct Onjoc's activities as it has no voting representation on the board;

- Playtech has the right to propose the COO, CTO and CMO, which although would form part of the wider management team, would not be able to control the relevant activities of Onjoc by themselves; and
- if the option is exercised it would result in Playtech acquiring 50% of the voting rights of the operating entity and therefore would not result in having control. Furthermore, as at 31 December 2024 and 31 December 2023, the option is not exercisable and therefore can be disregarded in the assessment of power.

Per the above assessment Playtech does not hold power over the investee and as such does not have control.

Regarding the assessment of significant influence, the following facts were considered:

- Playtech can propose an independent member to the board of directors and has the right to propose the COO, CTO and CMO, which are potential indicators of significant influence given their relative positions and the involvement in day-to-day operations of Onjoc;
- the standard operator revenue is not considered to give rise to significant influence. However, when combined with the additional B2B services fee, this is an indicator of significant influence; and
- the Group provides additional services to Onjoc which Onjoc requires to assist it in successfully running its operations which could be considered essential technical information.

The Group therefore has significant influence under IAS 28, paragraph 6 over Onjoc. However, as the option is not currently exercisable, the Group has an investment in associate but with no access to profits. As such, the option is fair valued as per paragraph 14 of IAS 28 and shown as a derivative financial asset in accordance with IFRS 9. The Group has given an interest-bearing loan to Onjoc of €3.3 million (2023: €2.3 million) which is due for repayment in December 2027 and is included in loans receivable from related parties (refer to Note 33).

Valuation

The fair value of the option at 31 December 2024 has been estimated using a DCF approach with a market exit multiple assumption. The Group used a discount rate of 34% (2023: 32%) reflecting the cash flow risk given the high growth rates in place and the early stages of the business, as well as a discount for illiquidity and control until the expected Playtech exit date of December 2028 (2023: expected exit date of December 2027). The Group used a compound annual growth rate of 29.0% (2023: 49.2%) over the forecasted cash flow period and an average Adjusted EBITDA margin of 21.3% (2023: 24.2%). As part of the agreement, there is a lock-in mechanism that contractually might prevent Playtech from selling the resulting shares, however an assumption was made that if the exit date assumed in the model is earlier, then both parties would be in agreement to this earlier exit point, therefore no further discounts applied post transaction. Furthermore, Playtech's share in Onjoc was adjusted to reflect the rights to shares that a service provider has under its services agreement with the Group.

As at 31 December 2024, the fair value of the Onjoc derivative financial asset is €3.4 million. The difference of €0.3 million between the fair value at 31 December 2023 of €3.1 million and the fair value at 31 December 2024 has been recognised as follows:

- €0.1 million derived from the fair value increase of the derivative call option calculated using the DCF model in profit or loss in the year ended 31 December 2024. This increase is mostly due to the assumed exercise date getting closer in 31 December 2024 than 31 December 2023 and the further 12 months roll forward of the valuation period.
- €0.2 million derived from the fair value increase from the exchange rate fluctuation of USD to EUR (as the derivative call option is under a foreign subsidiary of the Group whose functional currency is USD) in other comprehensive income in the year ended 31 December 2024.

Sensitivity analysis

The assumptions and judgements made in the valuation of the derivative financial asset as at 31 December 2024 include the following sensitivities, noting that factors and circumstances may arise that are outside the Group's control which could impact the option value:

- A different discount rate within the range of 29% to 39% will result in a fair value of the derivative financial asset in the range of €2.9 million – €4.0 million.
- A 5% fluctuation in the Adjusted EBITDA margin will result in a fair value of the derivative financial asset within the range of €3.2 million – €3.6 million.
- A 10% fluctuation in the Adjusted EBITDA margin will result in a fair value of the derivative financial asset within the range of €3.0 million – €3.8 million.
- A 5% fluctuation in the revenue growth rate will result in a fair value of the derivative financial asset within the range of €2.7 million – €4.1 million.
- A 10% fluctuation in the revenue growth rate will result in a fair value of the derivative financial asset within the range of €2.1 million – €4.8 million.
- A 1.0 fluctuation on the market exit multiple will result in a fair value of the derivative financial asset within the range of €2.8 million – €3.9 million.

Tenbet Costa Rica

In addition to the 6% equity holding in Tentech CR S.A as per section B of this Note, the Group has an option to acquire 81% equity holding in Tenbet. Tenbet, which is another member of the Tenlot Group, operates online bingo games and casino side games. Playtech provides certain services to Tenbet in return for its additional B2B services fee. The Group has no equity holding in Tenbet but has an option to acquire 81% equity. If the option is exercised, the Group would no longer provide certain services to Tenbet and, as such, would no longer be entitled to the additional B2B services fee. The additional B2B services fee was €Nil in the year ended 31 December 2024 and 31 December 2023. In H1 2023, the Group signed an amendment to the Tenbet agreement in which the option can be exercised at any time from July 2024 (previously 35 months of Tenbet going live). In H2 2023, the Group signed

an amendment to the Tenbet agreement in which the option can be exercised at any time from 1 January 2025 based on the condition that Tenbet has generated at least once, prior to the exercise, accumulative GGR (as defined in the agreement) of at least \$10.0 million, in a consecutive 12-month period. Based on the business plan used for the DCF valuation, the accumulative GGR is not expected to be met before 31 December 2027.

The Group has given an interest-bearing loan to Tenbet of €6.0 million (2023: €4.2 million) which is due for repayment in December 2029 and is included in loans receivable from related parties (refer to Note 33).

Assessment of control and significant influence

The Group assessed whether it holds power over Tenbet (in accordance with IFRS 10, paragraph 7) with the following considerations:

- Playtech does not have the ability to direct Tenbet's activities as it has no voting representation on the board of directors (or equivalent) or people in managerial positions;
- Playtech has neither the ability to appoint, nor change, any members of the board of Tenbet; and
- as at 31 December 2024 and 31 December 2023, the option is not exercisable and therefore can be disregarded in the assessment of power.

Per the above assessment, Playtech does not hold power over the investee and as such does not have control.

With regard to the assessment of significant influence, the standard operator revenue alone is not considered to give rise to significant influence. However, when combined with the additional B2B services fee, this is an indicator of significant influence. Furthermore, the Group provides additional services to Tenbet which Tenbet requires to assist it in successfully running its operations that could be considered essential technical information. Playtech therefore has significant influence under IAS 28, paragraph 6 over Tenbet. However, as the option is not currently exercisable, the Group has an investment in associate but with no access to profits. As such, the option is fair valued as per paragraph 14 of IAS 28 and shown as a derivative financial asset in accordance with IFRS 9.

Valuation

The fair value of the option at 31 December 2024 has been estimated using a DCF approach with a market exit multiple assumption. The Group used a discount rate of 34% (2023: 33%) reflecting the cash flow risk given the high growth rates in place and the early stages of the business, as well as a discount for illiquidity and control until the expected Playtech exit date of December 2028 (2023: expected exit date of December 2028). The Group used a compound annual growth rate of 91.4% (2023: 96.2%) over the forecasted cash flow period and an average Adjusted EBITDA margin of 1.1% (2023: average of 0.9%). As part of the agreement, there is a lock-in mechanism that contractually might prevent Playtech from selling the resulting shares, however an assumption was made that if the exit date assumed in the model is earlier, then both parties would be in agreement to this earlier exit point. Furthermore, Playtech's share in Tenbet was adjusted to reflect the rights to shares that a service provider has under its services agreement with the Group.

As at 31 December 2024, the fair value of the Tenbet derivative financial asset is €0.4 million, with the €1.3 million decrease from the fair value of €1.7 million at 31 December 2023 recognised in profit or loss for the year ended 31 December 2024, primarily due to downgraded cash flow forecasts based on Tenbet's current performance, calculated using the DCF.

Tenlot El Salvador S.A. de C.V

During 2024, the Group entered into a new structured agreement with Tenlot El Salvador S.A. de C.V. (Tenlot El Salvador), which has a license to operate online betting and gaming on behalf the national lottery of El Salvador. Under the agreement the Group will provide Tenlot El Salvador its technological platform, as well as operational and other related services, where it will receive in return standard operator revenue and additional B2B services fee as per Note 9. The additional B2B services fee was €Nil in the year ended 31 December 2024. The Group has no shareholding in Tenlot El Salvador.

Under the structured agreement, Playtech has paid Tenlot El Salvador an amount of \$3.3 million with an additional \$1.3 million to be paid in instalments upon certain conditions being met, in exchange for an option to acquire 70% of the shares in Tenlot El Salvador. The option can be exercisable at any time after 18 months from February 2024 subject to Tenlot El Salvador generating at least once prior to the exercise, a cumulative gross gaming revenue of at least \$10.0 million in any consecutive period of 12 months.

Playtech also made available to Tenlot El Salvador a \$5.5 million line of credit out. As at 31 December 2024, an amount of \$0.5 million was withdrawn. The carrying amount of the loan is €0.5 million as of 31 December 2024 and is included in loans receivable from related parties (refer to Note 33).

Assessment of control and significant influence

The Group assessed whether it holds power over Tenlot El Salvador (in accordance with IFRS 10, paragraph 7) with the following considerations:

- Playtech does not have the ability to direct Tenlot El Salvador's activities as it has no voting representation on the board of directors (or equivalent) or people in managerial positions;
- Playtech has neither the ability to appoint, nor change, any members of the board of Tenlot El Salvador; and
- as at 31 December 2024, the option is not exercisable and therefore can be disregarded in the assessment of power.

Per the above assessment, Playtech does not hold power over the investee and as such does not have control.

Regarding the assessment of significant influence, the standard operator revenue alone is not considered to give rise to significant influence. However, when combined with the additional B2B services fee, this is an indicator of significant influence. Furthermore, the Group will provide additional services to Tenlot El Salvador which Tenlot El Salvador requires to assist it in successfully running its operations that could be considered essential technical information. Playtech therefore has significant influence under IAS 28, paragraph 6 over Tenlot El Salvador. However, as the option is not currently exercisable, the Group has an investment in associate but with no access to profits. As such, the option is fair valued as per paragraph 14 of IAS 28 and shown as a derivative financial asset in accordance with IFRS 9.

Valuation

As at 31 December 2024, the fair value of the Tenlot El Salvador derivative financial asset is €4.6 million. Since the date the derivative was acquired until 31 December 2024, there have been no changes in the operations of Tenlot El Salvador that would indicate that the fair value of the derivative financial asset would be different to the original arm's length price payable of \$4.8 million (€4.5 million).

The difference of €0.1 million between the fair value at acquisition and the fair value at 31 December 2024 is derived from the fair value increase from the exchange rate fluctuation of USD to EUR (as the derivative call option is under a foreign subsidiary of the Group whose functional currency is USD) in other comprehensive income in the year ended 31 December 2024.

Note 20 – Other non-current assets

	2024 €'m	2023 €'m
Security deposits	2.5	4.3
Guarantee for gaming licences	2.1	2.2
Prepaid costs relating to Sun Bingo contract	56.2	58.7
Loans receivable (net of ECL)	3.4	3.1
Loans receivable from related parties (net of ECL) (Note 33)	82.5	58.5
Other receivables	0.3	10.2
	147.0	137.0

The movement of loans and interest receivable is as follows:

	€'m
Balance as at 1 January 2024	63.3
Net loans granted/repaid	25.3
Non-cash loans granted (transfer from trade receivables)	1.0
Interest charge for the year	3.3
ECL	(2.6)
Foreign exchange movements	2.9
Balance as at 31 December 2024	93.2
Split to:	
Non-current assets	85.9
Current assets (Note 22)	7.3
	93.2

Note 21 – Trade receivables

	2024 €'m	2023 €'m
Trade receivables	85.4	109.9
Related parties (Note 33)	56.2	99.1
Trade receivables – net	141.6	209.0
Split to:		
Non-current assets	—	1.9
Current assets	141.6	207.1
	141.6	209.0

Note 22 – Other receivables

	2024 €'m	2023 €'m
Prepaid expenses	21.4	23.3
VAT and other taxes	14.2	14.8
Security deposits for regulators	—	24.4
Prepaid costs relating to Sun Bingo contract	4.5	4.4
Receivable for legal proceedings and disputes ¹	—	16.4
Loans receivable (net of ECL)	0.9	0.5
Loans receivable from related parties (net of ECL) (Note 33)	6.4	1.2
Other receivables from related parties (Note 33)	0.3	0.3
Other receivables	4.8	15.2
Calipay - funds held in escrow (Note 6)	33.3	—
	85.8	100.5

1 Receivable for legal proceedings and disputes relates to funds held in escrow, in relation to a historical and ongoing legal matter. The corresponding liability is included under gaming and other taxes. The funds will be released when the case is finally settled, in accordance with the escrow agreement. At 31 December 2024 this was included in assets held for sale.

Note 23 – Cash and cash equivalents

Cash and cash equivalents for the purposes of the statement of cash flows comprises:

	2024 €'m	2023 €'m
Continuing operations		
Cash at bank	268.5	516.6
Treated as held for sale		
Cash at bank	185.9	—
Cash and cash equivalents in the statement of cash flows	454.4	516.6
Less: expected credit loss (Note 35A)	(0.4)	(0.4)
	454.0	516.2

Out of the total cash at bank (from continuing operations and treated as held for sale), an amount of €6.2 million was held by payment processors as at 31 December 2024 (2023: €9.4 million). Of this, €4.8 million relates to cash included in held for sale.

The total cash held on behalf of operators comprises of the following balances:

	2024 €'m	2023 €'m
Continuing operations		
Funds attributed to jackpots	76.7	81.1
Security deposits	23.1	29.9
Players' balances ¹	2.5	41.9
	102.3	152.9
Treated as held for sale		
Funds attributed to jackpots	5.9	—
Security deposits	7.2	—
Players' balances ¹	33.7	—
	46.8	—

¹ The player balances are held in segregated bank accounts in line with licensing requirements.

Note 24 – Assets held for sale

	2024 €'m	2023 €'m
Assets		
A. Property, plant and equipment	—	19.3
B. Snaitech B2C CGU	1,058.6	—
C. HAPPYBET CGU	2.8	—
D. Poker Strategy	5.0	—
	1,066.4	19.3

- A. During 2021, the Group entered into a binding agreement for the disposal of a real estate area in Milan for a total consideration of €20.0 million. Accordingly, the real estate was classified as held for sale. Of the total consideration, €1.0 million was received during the year ended 31 December 2021. The advance received was classified as part of the liabilities directly associated with assets classified as held for sale. The sale has been finalised but the disposal is expected to complete in H1 2025 with the movement of the trot track from La Maura area to San Siro (previously it was expected that the sale would be completed during 2024). The balance at 31 December 2024 is now included in the Snaitech B2C CGU as part of the overall asset held for sale group.

- B. On 17 September 2024, the Group entered into an agreement for the disposal of the Snaitech B2C segment for a cash consideration of €2,300 million. Completion of the sale, which is subject to certain conditions including relevant antitrust, gaming and other regulatory authority approvals, is currently expected by Q2 2025.

In this respect, the results of this CGU are presented as discontinued operations in the consolidated statement of profit or loss and the comparatives have been restated to show the discontinued operation separately from the continuing operations.

The total major class of assets and liabilities of Snaitech B2C CGU classified as held for sale as at 31 December 2024, are as follows:

	€'m
Assets	
Property, plant and equipment	288.8
Right of use assets	32.4
Intangible assets	409.8
Investment in associates	1.6
Trade receivables	81.1
Inventory	0.6

Other receivables	63.2
Cash and cash equivalents	181.1
Assets classified as held for sale	1,058.6

Liabilities

Deferred tax liability	143.6
Trade payables	25.8
Progressive operators' jackpots and security deposits	12.9
Client funds	33.2
Income tax payable	43.3
Gaming and other taxes payable	106.0
Lease liability	34.5
Deferred revenues	0.9
Contingent consideration	2.0
Provisions for risks and charges	8.2
Other payables	91.5
Liabilities directly associated with the asset classified as held for sale	501.9

- C. The total major class of assets and liabilities of HAPPYBET CGU classified as held for sale as at 31 December 2024, are as follows:

	€'m
Assets	
Trade receivables and other receivables	2.3
Cash and cash equivalents	4.8
Provision against assets held for sale	(4.3)
Assets classified as held for sale	2.8
Liabilities	
Trade payables	0.4
Progressive operators' jackpots and security deposits	0.2
Client funds	0.5
Gaming and other taxes payable	0.3
Lease liability	0.2
Provisions for risks and charges	0.5
Other payables	0.7
Liabilities directly associated with the asset classified as held for sale	2.8

- D. By the end of the year, the Group was in discussion for the sale of the business and assets comprising PokerStrategy.com. The negotiations as at 31 December 2024 were at an advance stage and close to the finalization of the agreement and at that point, it was expected to complete beginning of 2025. In this respect, the assets and liabilities of PokerStrategy.com were classified as held for sale.

Based on the agreement, the consideration for the transfer of the business and assets is \$6.1 million (€5.9 million), out of which \$0.5 million (€0.5 million) was received before the end of the year by a way of a non-refundable deposit which was classified as part of the liabilities directly associated with assets shown as held for sale. The agreement was finalised in January 2025, with an estimated profit on disposal of €0.9 million, which will be recognised in the year ending 31 December 2025.

Note 25 – Shareholders' equity

A. Share capital

Share capital is comprised of no par value shares as follows:

	2024 Number of shares	2023 Number of shares
Authorised ¹	N/A	N/A
Issued and paid up	309,294,243	309,294,243

¹ The Company has no authorised share capital, but the Directors are authorised to issue up to 1,000,000,000 shares of no par value.

The table below shows the movement of the shares:

	Shares in issue/ circulation Number of shares	Treasury shares	Shares held by EBT	Total
At 1 January 2023	300,988,316	2,937,550	5,368,377	309,294,243
Transfer from treasury shares to EBT	—	(2,937,550)	2,937,550	—
Exercise of options	3,704,491	—	(3,704,491)	—
At 31 December 2023/1 January 2024	304,692,807	—	4,601,436	309,294,243
Exercise of options	2,531,953	—	(2,531,953)	—
At 31 December 2024	307,224,760	—	2,069,483	309,294,243

B. Employee Benefit Trust

In 2014, the Group established an Employee Benefit Trust by acquiring 5,517,241 shares for a total of €48.5 million.

In 2021, the Company transferred 7,028,339 shares held by the Company in treasury to the Employee Benefit Trust for a total of €22.6 million.

In 2023, the Company transferred 2,937,550 shares held by the Company in treasury to the Employee Benefit Trust for a total of €12.5 million.

During the year ended 31 December 2024, 2,531,953 shares (2023: 3,704,491) were issued at a cost of €9.1 million (2023: €11.9 million). As at 31 December 2024, a balance of 2,069,483 shares (2023: 4,601,436 shares) remains in the EBT with a cost of €8.7 million (2023: €17.8 million).

C. Share options exercised

During the year 2,685,843 (2023: 3,880,633) share options were exercised, of which 153,890 were cash settled (2023: 176,142).

D. Distribution of dividends

During 2024 the Group did not pay any dividends.

E. Reserves

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	Description and purpose
Additional paid in capital	Share premium (i.e. amount subscribed for share capital in excess of nominal value)
Employee Benefit Trust	Cost of own shares held in treasury by the trust
Foreign exchange reserve	Gains/losses arising on retranslating the net assets of overseas operations
Employee termination indemnities	Gains/losses arising from the actuarial remeasurement of the employee termination indemnities
Non-controlling interest	The portion of equity ownership in a subsidiary not attributable to the owners of the Company
Retained earnings	Cumulative net gains and losses recognised in the consolidated statement of comprehensive income

F. Non-controlling interest

During the year the Group acquired 48.32% of the shares in Mix Zone Ltd ("MixZone"), however the Group assessed that it has control over MixZone in accordance with IFRS10 Consolidated Financial Statements and therefore Mixzone has been consolidated in the results of the Group for the year ended 31 December 2024. In this respect, a non-controlling interest is recognised from the date of the acquisition.

Note 26 – Loans and borrowings

The main credit facility of the Group is a revolving credit facility (RCF) up to €277.0 million and is available until October 2025, with an option to extend by 12 months. Interest payable on the loan is based on SONIA depending on the currency of each withdrawal. As at the reporting date the credit facility drawn amounted to €Nil (2023: €Nil).

Under the RCF, the covenants are monitored on a regular basis by the finance department, including modelling future projected cash flows under a number of scenarios to stress-test any risk of covenant breaches, the results of which are reported to management and the Board of Directors. The covenants are as follows:

- Leverage: Net Debt/Adjusted EBITDA to be less than 3.5:1 for the year ended 31 December 2024 (2023: less than 3.5:1).
- Interest cover: Adjusted EBITDA/Interest to be over 4:1 for the year ended 31 December 2024 (2023: over 4:1).

As at 31 December 2024 and 2023 the Group met these financial covenants.

Note 27 – Bonds

	2018 Bond €'m	2019 Bond €'m	2023 Bond €'m	Total €'m
At 1 January 2023	199.6	348.0	—	547.6
Repayment of bonds	(200.0)	—	—	(200.0)
Issue of new bond	—	—	297.2	297.2
Release of capitalised expenses	0.4	0.6	0.3	1.3
At 31 December 2023/1 January 2024	—	348.6	297.5	646.1
Repayment of bonds	—	(200.0)	—	(200.0)
Release of capitalised expenses	—	1.0	0.6	1.6
At 31 December 2024	—	149.6	298.1	447.7

	2024 €'m	2023 €'m
Split to:		
Non-current	447.7	646.1
Current	—	—
	447.7	646.1

Bonds

(a) 2018 Bond

On 12 October 2018, the Group issued €530.0 million of senior secured notes (the “2018 Bond”) maturing in October 2023. The net proceeds of issuing the 2018 Bond after deducting commissions and other direct costs of issue totalled €523.4 million.

Commissions and other direct costs of issue have been offset against the principal balance and are amortised over the period of the 2018 Bond.

The issue price was 100% of its principal amount and bears interest from 12 October 2018 at the rate of 3.75% per annum payable semi-annually, in arrears, on 12 April and 12 October commencing on 12 April 2019.

During the year ended 31 December 2022, the Group made a partial repayment towards the 2018 Bond of €330.0 million. It was fully repaid in 2023.

(b) 2019 Bond

On 7 March 2019, the Group issued €350.0 million of senior secured notes (the “2019 Bond”) maturing in March 2026. The net proceeds of issuing the 2019 Bond after deducting commissions and other direct costs of issue totalled €345.7 million.

Commissions and other direct costs of issue have been offset against the principal balance and are amortised over the period of the 2019 Bond.

The issue price is 100% of its principal amount and bears interest from 7 March 2019 at a rate of 4.25% per annum payable semi-annually, in arrears, on 7 September and 7 March commencing on 7 September 2019.

During the year, the Group made a partial repayment towards the 2019 Bond of €200.0 million.

(c) 2023 Bond

On 28 June 2023, the Group issued €300.0 million of senior secured notes (the “2023 Bond”) maturing in June 2028. The net proceeds of issuing the 2023 Bond after deducting commissions and other direct costs of issue totalled €297.2 million.

Commissions and other direct costs of issue have been offset against the principal balance and are amortised over the period of the 2023 Bond.

The issue price is 100% of its principal amount and bears interest from 28 June 2023 at a rate of 5.875% per annum payable semi-annually, in arrears, on 28 December and 28 June commencing on 28 December 2023.

As at 31 December 2024 and 2023, the Group met the required interest cover financial covenant of 2:1 Adjusted EBITDA/Interest ratio, for the combined 2018, 2019 and 2023 Bonds.

Note 28 – Provisions for risks and charges, litigation and contingent liabilities

The Group is involved in proceedings before civil and administrative courts, and other legal or potential legal actions related to its business, including certain matters related to previous acquisitions. Based on the information currently available, and taking into consideration the existing provisions for risks, the Group currently considers that such proceedings and potential actions will not result in an adverse effect upon the financial statements; however, where this is not considered to be remote, they have been disclosed as contingent liabilities.

All the matters were subject to a review and estimate by the Board of Directors based on the information available at the date of preparation of these financial statements and, where appropriate, supported by updated legal opinions from independent professionals. These provisions are classified based on the Directors' assessment of the progress and probabilities of success of each case at each reporting date.

Movements of the provisions outstanding as at 31 December 2024 are shown below:

	Legal and regulatory €'m	Contractual €'m	Other €'m	Total €'m
Balance at 1 January 2024	5.7	0.8	3.0	9.5
Provisions made during the year	0.5	—	1.4	1.9
Provisions used during the year	(0.7)	—	(0.3)	(1.0)
Provisions reversed during the year	(0.4)	(0.5)	(0.8)	(1.7)
Reclassification to assets classified as held for sale (Note 24)	(5.1)	(0.3)	(3.3)	(8.7)
Balance at 31 December 2024	—	—	—	—

	Legal and regulatory €'m	Contractual €'m	Other €'m	Total €'m
2023				
Non-current	5.7	0.3	2.9	8.9
Current	—	0.5	0.1	0.6
	5.7	0.8	3.0	9.5
2024				
Non-current	—	—	—	—
Current	—	—	—	—
	—	—	—	—

Provision for legal and regulatory issues

The Group is subject to proceedings and potential claims regarding complex legal matters which are subject to a different degree of uncertainty. Provisions are held for various legal and regulatory issues that relate to matters arising in the normal course of

business including, in particular, various disputes that arose in relation to the operation of the various licences held by the Group's subsidiary Snaitech. The uncertainty is due to complex legislative and licensing frameworks in the various territories in which the Group operates. The Group also operates in certain jurisdictions where legal and regulatory matters can take considerable time for the required local processes to be completed and the matters to be resolved.

Contractual claims

The Group is subject to historic claims relating to contractual matters that arise with customers in the normal course of business. The Group believes they have a robust defence to the claims raised and has provided for the likely settlement where an outflow of funds is probable. The uncertainty relates to complex contractual dealings with a wide range of customers in various jurisdictions, and because, as noted above, the Group operates in certain jurisdictions where contractual disputes can take considerable time to be resolved in the local legal system.

Given the uncertainties inherent, it is difficult to predict with certainty the outlay (or the timing thereof) which will derive from these matters. It is therefore possible that the value of the provisions may vary further based on future developments. The Group monitors the status of these matters and consults with its advisers and experts on legal and tax-related matters in arriving at the provisions recorded. The provisions included, which were shown as part of assets held for sale at 31 December 2024, represent the Directors' best estimate of the potential outlay and none of the matters provided for are individually material to the financial statements.

Accounting for uncertain tax positions

The Group is subject to various forms of tax in a number of jurisdictions. Given the nature of the industry and the jurisdictions within which the Group operates, the tax, legal and regulatory regimes are continuously changing and subject to differing interpretations. As such, the Group is exposed to a small number of uncertain tax positions and open audits/enquiries. Judgement is applied in order to adequately provide for uncertain tax positions where it is believed that it is more likely than not that an economic outflow will arise. The Group has provided for uncertain tax positions which meet the recognition threshold and these positions are included within tax liabilities. There is a risk that additional liabilities could arise. Given the uncertainty and the complexity of application of international tax in the sector, it is not feasible to accurately quantify any possible range of liability or exposure, and this has therefore not been disclosed.

Note 29 – Deferred and contingent consideration

	2024 €'m	2023 €'m
Non-current contingent consideration		
Acquisition of AUS GMTTC PTY Ltd	9.8	5.4
Others	—	0.4
Total non-current contingent consideration	9.8	5.8
Current deferred and contingent consideration consists of:		
LSports – deferred	6.9	—
Other acquisitions - contingent	1.2	0.4
Total current deferred and contingent consideration	8.1	0.4
Total contingent consideration	17.9	6.2

The maximum deferred and contingent consideration payable is as follows:

	2024 €'m	2023 €'m
Acquisition of AUS GMTTC PTY Ltd	48.1	45.3
LSports	6.9	—
Other acquisitions	1.2	0.8
	56.2	46.1

Note 30 – Trade payables

	2024 €'m	2023 €'m
Suppliers	25.2	46.0
Customer liabilities	36.4	20.9
	61.6	66.9

Note 31 – Deferred tax

The movement on the deferred tax is as shown below:

	2024 €'m	2023 €'m
At 1 January as previously reported	(83.8)	(10.8)
Impact of correction of errors	—	15.3
Restated balance at 1 January	(83.8)	4.5
Charge to profit or loss (continuing and discontinued operations)	(62.4)	(87.4)
On business combinations	—	(0.9)
Reclassification to assets classified as held for sale (Note 24)	143.6	—
At 31 December	(2.6)	(83.8)

	2024 €'m	2023 €'m
Split as:		

Deferred tax liability	(19.2)	(161.6)
Deferred tax asset	16.6	77.8
	(2.6)	(83.8)

Deferred tax assets and liabilities are offset only when there is a legally enforceable right of offset, in accordance with IAS 12.

As at 31 December 2024, the Directors continued to recognise deferred tax assets arising from temporary differences and tax losses carried forward, with the latter only to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. Please refer to Notes 6 and 13 for the assessment performed on the recognition of deferred tax in the period.

Details of the deferred tax outstanding as at 31 December 2024 and 2023 are as follows:

	2024 €'m	2023 €'m
Deferred tax recognised on Group restructuring	—	36.8
Tax losses	2.9	20.6
Other temporary and deductible differences	(5.3)	(6.4)
Deferred tax on acquisitions	(0.2)	(81.2)
Intangible assets	—	(53.6)
	(2.6)	(83.8)

Details of the deferred tax, amounts recognised in profit or loss are as follows:

	2024 €'m	2023 €'m
Accelerated capital allowances	(24.2)	(2.0)
Other temporary and deductible differences	(21.3)	(39.4)
Leases	—	0.1
Tax losses	(16.9)	(46.1)
	(62.4)	(87.4)

Note 32 – Other payables

	2024 €'m	2023 €'m
Non-current liabilities		
Payroll and related expenses	14.0	30.6
Other	1.1	4.2
	15.1	34.8
Current liabilities		
Payroll and related expenses	146.0	99.8
Accrued expenses	47.9	76.0
VAT payable	3.1	2.7
Interest payable	2.6	5.9
Other payables	11.2	33.1
	210.8	217.5

Note 33 – Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party's making of financial or operational decisions, or if both parties are controlled by the same third party. Also, a party is considered to be related if a member of the key management personnel has the ability to control the other party.

During the year, Group companies entered into the following transactions with related parties which are not members of the Group:

	2024 €'m	2023 €'m
Revenue		
Investments in associates	209.2	193.4
Interest income		
Investments in associates	10.6	1.7
Operating expenses		
Investments in associates	0.8	0.7
Dividend income		
Investments in associates	0.4	2.0

The revenue from investments in associates includes income from Caliply, Galera, Wplay, Onjoc, Tenbet and NorthStar. The interest income relates to the same companies plus Stats International.

The following amounts were outstanding at the reporting date:

	2024 €'m	2023 €'m
Trade receivables (Note 21)		
Investments in associates	56.2	99.1
Other receivables (Note 22)		
Investments in associates	0.3	0.3
Loans and interest receivable – current (Note 22)		
Investments in associates	6.5	1.3
Loans and interest receivable – non-current (Note 20)		
Investments in associates	87.6	60.9
Trade payables		
Investments in associates	0.2	—

The loans and interest receivables above do not include the expected credit losses. For the year ended 31 December 2024, the Group recognised a provision for expected credit losses of €0.1 million relating to amounts owed by related parties in less than one year (2023: €0.1 million) and €5.1 million for more than one year (2023: €2.4 million).

The loans due from related parties are further disclosed in Note 19.

Key management personnel compensation, which includes the Board members (Executive and Non-executive Directors) and senior management personnel, comprised the following:

	2024 €'m	2023 €'m
Short-term employee benefits	48.8	16.5
Post-employment benefits	—	0.1
Termination benefits	—	0.1
Share-based payments	2.2	2.8
	51.0	19.5

The Group is aware that a partnership in which a member of key management personnel (who is not a Board member) has a non-controlling interest provides certain advisory and consulting services to third-party service providers of the Group in connection with certain of the Group's structured and other commercial agreements. The partnership contracts with and is compensated by the third-party service providers, and the Group has no direct arrangement with the partnership. The total paid to this partnership by the third-party service providers was €2.7 million (2023: €12.5 million).

Note 34 – Subsidiaries

Details of the Group's principal subsidiaries as at the end of the year are set out below:

Name	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
Playtech Holdings Limited	Isle of Man	100%	Main trading company of the Group up to December 2020, which owned the intellectual property rights and licensed the software to customers. From January 2021 onwards, following the transfer of intellectual property rights to Playtech Software Limited, the principal activity of this company is the holding of investment in subsidiaries
Playtech Software Limited	United Kingdom	100%	Main trading company from 2021 onwards. Owns the intellectual property rights and licenses the software to customers
Video B Holding Limited	British Virgin Islands	100%	Trading company for the Videobet software. Owns the intellectual property rights of Videobet and licenses it to customers. From January 2021 onwards, the principal activity is the holding of investment in subsidiaries
Playtech Services (Cyprus) Limited	Cyprus	100%	Manages the iPoker Network in regulated markets and is a main holding company of the Group
VB (Video) Cyprus Limited	Cyprus	100%	Trading company for the Videobet product to Romanian companies
Virtue Fusion (Alderney) Limited	Alderney	100%	Online bingo and casino software provider
Intelligent Gaming Systems Limited	United Kingdom	100%	Casino management systems to land-based businesses
VF 2011 Limited	Alderney	100%	Holds licence in Alderney for online gaming and Bingo B2C operations
PT Turnkey Services Limited	Isle of Man	100%	Holding company of the Turnkey Services group
PT Entertimiento Online EAD	Bulgaria	100%	Poker and bingo network for Spain
PT Marketing Services Limited	British Virgin Islands	100%	Holding company
PT Operational Services Limited	British Virgin Islands	100%	Holding company
PT Network Management Limited	British Virgin Islands	100%	Holding company
Videobet Interactive Sweden AB	Sweden	100%	Trading company for the Aristocrat Lotteries VLTs
Quickspin AB	Sweden	100%	Owns video slots intellectual property
Best Gaming Technology GmbH	Austria	100%	Trading company for sports betting
Playtech BGT Sports Limited	Cyprus	100%	Trading company for sports betting and provider of development services
ECM Systems Ltd	United Kingdom	100%	Owns bingo software intellectual property and bingo hardware
Eyecon Limited	Alderney	100%	Develops and provides online gaming slots
Rarestone Gaming PTY Ltd	Australia	100%	Development company
HPYBET Austria GmbH	Austria	100%	Operating shops in Austria
Snaitech SPA	Italy	100%	Italian retail betting market and gaming machine market
OU Playtech (Estonia)	Estonia	100%	Designs, develops and manufactures online software
Techplay Marketing Limited	Israel	100%	Provider of marketing support services, software development and support services
OU Videobet	Estonia	100%	Develops software for fixed odds betting terminals and casino machines (as opposed to online software)
Playtech Bulgaria EOOD	Bulgaria	100%	Designs, develops and manufactures online software
PTVB Management Limited	Isle of Man	100%	Management services company
Techplay S.A. Software Limited	Israel	100%	Software development and operational support services
CSMS Limited	Bulgaria	100%	Consulting and online technical support, data mining processing and advertising services to Group companies
Mobenga AB Limited	Sweden	100%	Mobile sportsbook betting platform developer
PokerStrategy Ltd	Gibraltar	100%	Operates poker community business
Snai Rete Italia S.r.l.	Italy	100%	Italian retail betting market
PT Services UA LTD	Ukraine	100%	Designs, develops and manufactures software
Trinity Bet Operations Ltd	Malta	100%	Retail and digital sports betting
Euro live Technologies SIA	Latvia	100%	Provider of live services to Group companies

Note 35 – Financial instruments and risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and

- market risk.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The principal financial instruments of the Group, from which financial instrument risks arises, are as follows:

- trade receivables;
- loans receivable;
- convertible loans;
- cash and cash equivalents;
- investments in equity securities;
- derivative financial assets;
- trade payables;
- bonds;
- loans and borrowings; and
- deferred and contingent consideration.

Financial instrument by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

			Carrying amount	Fair value		
	Note	Measurement category	2024 €'m	Level 1 €'m	Level 2 €'m	Level 3 €'m
Continuing operations						
31 December 2024						
Non-current assets						
Equity investments	19B	FVTPL	152.1	11.1	—	141.0
Derivative financial assets	19C	FVTPL	895.0	—	—	895.0
		Amortised				
Loans receivable	20	cost	85.9	—	—	—
Current assets						
		Amortised		—	—	—
Trade receivables	21	cost	141.6			
		Amortised		—	—	—
Loans receivable	20	cost	7.3			
		Amortised				
Cash and cash equivalents	23	cost	268.1	—	—	—
Non-current liabilities						
		Amortised		—	—	—
Bonds	27	cost	447.7			
		Amortised		—	—	—
Lease liability	17	cost	26.5			
Deferred and contingent and consideration	29	FVTPL	9.8	—	—	9.8
Current liabilities						
		Amortised		—	—	—
Trade payables	30	cost	61.6			
		Amortised		—	—	—
Lease liability	17	cost	19.8			
Progressive operators' jackpots and security deposits	23	Amortised cost	99.8	—	—	—
		Amortised		—	—	—
Client funds	23	cost	2.5			
Deferred and contingent and consideration	29	FVTPL	8.1	—	—	8.1
		Amortised				
Interest payable	32	cost	2.6	—	—	—

	Note	Measurement category	Carrying amount	Fair value		
			2024 €'m	Level 1 €'m	Level 2 €'m	Level 3 €'m
Treated as held for sale						
31 December 2024						
Current assets						

Trade receivables	24	Amortised cost	81.7	—	—	—
Cash and cash equivalents	23	Amortised cost	185.9	—	—	—
Current liabilities						
Trade payables	24	Amortised cost	26.2	—	—	—
Lease liability	24	Amortised cost	34.7	—	—	—
Progressive operators' jackpots and security deposits	24	Amortised cost	13.1	—	—	—
Client funds	24	Amortised cost	33.7	—	—	—
Contingent consideration	24	FVTPL	2.0	—	—	2.0

			Carrying amount	Fair value		
	Note	Measurement category	2023 €'m	Level 1 €'m	Level 2 €'m	Level 3 €'m
31 December 2023						
Non-current assets						
Equity investments	19B	FVTPL	92.8	15.8	—	77.0
Derivative financial assets	19C	FVTPL	827.8	—	—	827.8
Convertible loans	20	FVTPL	3.5	—	—	3.5
Trade receivables	21	Amortised cost	1.9	—	—	—
Loans receivable	20	Amortised cost	58.1	—	—	—
Current assets						
Trade receivables	21	Amortised cost	207.1	—	—	—
Loans receivables	20	Amortised cost	1.7	—	—	—
Cash and cash equivalents	23	Amortised cost	516.2	—	—	—
Non-current liabilities						
Bonds	27	Amortised cost	646.1	—	—	—
Lease liability	17	Amortised cost	61.9	—	—	—
Contingent consideration	29	FVTPL	5.8	—	—	5.8
Current liabilities						
Trade payables	30	Amortised cost	66.9	—	—	—
Lease liability	17	Amortised cost	24.9	—	—	—
Progressive operators' jackpots and security deposits	23	Amortised cost	111.0	—	—	—
Client funds	23	Amortised cost	41.9	—	—	—
Contingent consideration	29	FVTPL	0.4	—	—	0.4
Interest payable	32	Amortised cost	5.9	—	—	—

The fair value of the contingent consideration is calculated by discounting the estimated cash flows. The valuation model considers the present value of the expected future payments, discounted using a risk adjusted discount rate.

For details of the fair value hierarchy, valuation techniques and significant unobservable inputs relating to determining the fair value of equity investments and derivative financial assets, which are classified as Level 1 and 3 of the fair value hierarchy, refer to Note 6.

The carrying amount does not materially differ from the fair value of the financial assets and liabilities.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's Finance function. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

Further details regarding these policies are set out below:

A. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables), its investing activities through loans made and from its financing activities, including deposits with banks and financial institutions. After the impairment analysis performed at the reporting date, the expected credit losses (ECLs) are €10.7 million (2023: €9.7 million). As at 31 December 2024, two customers had combined loans and receivables outstanding of €113.3 million (2023: €139.7 million).

Cash and cash equivalents

The Group held cash and cash equivalents (before ECL) of €454.4 million as at 31 December 2024 including amounts shown in held for sale (2023: €516.6 million). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated from Caa- to AA+, based on Moody's ratings.

Impairment on cash and cash equivalents has been measured on a 12-month expected credit loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for trade receivables. The ECL on cash balances as at 31 December 2024 is €0.4 million (2023: €0.4 million).

A reasonable movement in the inputs of the ECL calculation of cash and cash equivalents does not materially change the ECL to be recognised.

	Total €'m	Financial institutions with A- and above rating €'m	Financial institutions with below A- rating and no rating €'m
Continuing operations			
At 31 December 2024	268.5	254.9	13.6
At 31 December 2023	516.6	337.0	179.6
Treated as held for sale			
At 31 December 2024	185.9	61.0	124.9
At 31 December 2023	—	—	—

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The trade balances from related parties have also been included in the ECL assessment. The expected loss rates are calculated based on past default experience and an assessment of the future economic environment. The ECL is calculated with reference to the ageing and risk profile of the balances.

As at 31 December 2024, the Group has trade receivables (including amounts disclosed as held for sale) of €223.2 million (2023: €209.0 million) which is net of an allowance for ECL of €5.1 million (2023: €6.8 million).

The carrying amounts of financial assets represent the maximum credit exposure.

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	Total €'m	Not past due €'m	1–2 months overdue €'m	More than 2 months past due €'m
31 December 2024				
Expected credit loss rate	2.2%	2.2%	3.4%	2.1%
Trade receivables after specific provision	228.3	193.4	11.6	23.3
Expected credit loss	(5.1)	(4.2)	(0.4)	(0.5)
Trade receivables – net	223.2	189.2	11.2	22.8
31 December 2023				
Expected credit loss rate	3.2%	4.8%	1.0%	2.1%
Trade receivables after specific provision	215.8	109.3	62.9	43.6
Expected credit loss	(6.8)	(5.3)	(0.6)	(0.9)
Trade receivables – net	209.0	104.0	62.3	42.7

A reasonable movement in the inputs of the ECL calculation of trade receivables does not materially change the ECL to be recognised.

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

The movement in the ECL in respect of trade receivables during the year was as follows:

	2024	2023
--	------	------

	€'m	€'m
Balance at 1 January	6.8	4.5
(Reversed) / Charged to profit or loss	(1.7)	2.3
Balance at 31 December	5.1	6.8

As at 31 December 2024, the Group has a significant concentration of trade receivables from a related party, representing 16% of the net trade receivable balance (2023: 41%). This concentration of receivables from a related party exposes the Group to concentration risk, as any adverse financial performance or inability of the related party to fulfil its obligations could have a material adverse impact on the Group's financial position, results of operations and cash flows. The Group believes that this amount is recoverable and expects timely payment (refer to Note 6 for significant judgement made).

Loans receivable

The Group recognised an allowance for expected credit losses for all debt instruments given to third parties based on past default experience and assessment of the future economic environment. For the year ended 31 December 2024, the Group recognised provision for expected credit losses of €5.2 million in profit or loss relating to loans receivable (2023: €2.5 million).

	2024 €'m	2023 €'m
Balance at 1 January 2024/2023	2.5	1.6
Charged to profit or loss	2.7	0.9
Balance at 31 December 2024/2023	5.2	2.5

B. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments. Balances due within one year equal their carrying balances as the impact of discounting is not significant.

	Contractual cash flows				
	Carrying amount €'m	Total €'m	Within 1 year €'m	1–5 years €'m	More than 5 years €'m
2024					
Bonds	447.7	519.7	24.0	495.7	—
Lease liability	46.3	54.7	20.8	23.7	10.2
Deferred and contingent consideration	17.9	19.7	8.1	11.6	—
Trade payables	61.6	61.6	61.6	—	—
Progressive operators' jackpots and security deposits	99.8	99.8	99.8	—	—
Client funds	2.5	2.5	2.5	—	—
Interest payable	2.6	2.6	2.6	—	—
	678.4	760.6	219.4	531.0	10.2

	Contractual cash flows				
	Carrying amount €'m	Total €'m	Within 1 year €'m	1–5 years €'m	More than 5 years €'m
2023					
Bonds	646.1	762.8	32.5	730.3	—
Lease liability	86.8	96.8	26.7	53.5	16.6
Deferred and contingent consideration	6.2	7.8	0.4	7.4	—
Trade payables	66.9	66.9	66.9	—	—
Progressive operators' jackpots and security deposits	111.0	111.0	111.0	—	—
Client funds	41.9	41.9	41.9	—	—
Interest payable	5.9	5.9	5.9	—	—
Provisions for risks and charges	9.5	9.5	0.6	8.9	—
	974.3	1,102.6	285.9	800.1	16.6

C. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holding of financial instruments.

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

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

Foreign exchange risk arises because the Group has operations located in various parts of the world. However, the functional currency of those operations is the same as the Group's primary currency (Euro) and the Group is not substantially exposed to fluctuations in exchange rates in respect of assets held overseas.

Foreign exchange risk also arises when the Group operations enter into foreign transactions, and when the Group holds cash balances, in currencies denominated in a currency other than the functional currency.

31 December 2024	In EUR €'m	In USD €'m	In GBP €'m	In other currencies €'m	Total €'m
Continuing operations					
Cash and cash equivalents	180.9	11.7	61.8	14.1	268.5
Progressive operators' jackpots and security deposits	(87.8)	(1.0)	(13.5)	—	(102.3)
Cash and cash equivalents less client funds	93.1	10.7	48.3	14.1	166.2

31 December 2024	In EUR €'m	In USD €'m	In GBP €'m	In other currencies €'m	Total €'m
Treated as held for sale					
Cash and cash equivalents	185.9	—	—	—	185.9
Progressive operators' jackpots and security deposits	(46.8)	—	—	—	(46.8)
Cash and cash equivalents less client funds	5	—	—	—	139.1

31 December 2023	In EUR €'m	In USD €'m	In GBP €'m	In other currencies €'m	Total €'m
Cash and cash equivalents	418.7	11.2	69.7	17.0	516.6
Progressive operators' jackpots and security deposits	(140.3)	(0.4)	(12.2)	—	(152.9)
Cash and cash equivalents less client funds	278.4	10.8	57.5	17.0	363.7

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate bonds and loans and borrowings. At 31 December 2024, none of the Group's borrowings are at a variable rate of interest (2023: Nil%).

Any reasonably possible change to the interest rate would have an immaterial effect on the interest payable.

Equity price risk

The Group is exposed to market risk by way of holding some investments in other companies on a short-term basis. Variations in market value over the life of these investments will have an immaterial impact on the balance sheet and the statement of comprehensive income.

Note 36 – Reconciliation of movement of liabilities to cash flows arising from financing activities

	Liabilities					Total €'m
	Loans and borrowings €'m	Bonds €'m	Interest on loans and borrowings and bonds €'m	Deferred and contingent consideration €'m	Lease liabilities €'m	
Balance at 1 January 2024	—	646.1	5.9	6.2	86.8	745.0
Changes from financing cash flows						
Interest paid on bonds	—	—	(35.0)	—	—	(35.0)
Repayment of bonds	—	(200.0)	—	—	—	(200.0)
Payment of contingent consideration	—	—	—	(0.5)	—	(0.5)
Principal paid on lease liability	—	—	—	—	(25.8)	(25.8)
Interest paid on lease liability	—	—	—	—	(4.7)	(4.7)
Total changes from financing cash flows	—	(200.0)	(35.0)	(0.5)	(30.5)	(266.0)
Other changes						
Liability related						
New leases	—	—	—	—	16.7	16.7
On business combinations	—	—	—	1.6	2.0	3.6
Contingent consideration on acquisition of investments	—	—	—	8.1	—	8.1
Interest on bonds and loans and borrowings	—	1.6	32.4	—	—	34.0
Interest on lease liability	—	—	—	—	4.7	4.7
Movement in contingent consideration	—	—	—	3.8	—	3.8
Foreign exchange difference	—	—	—	0.7	1.5	2.2
Total liability-related other changes	—	1.6	32.4	14.2	24.9	73.1
Balance at 31 December 2024	—	447.7	3.3	19.9	81.2	552.1

	Liabilities					Total €'m
	Loans and borrowings €'m	Bonds €'m	Interest on loans and borrowings and bonds €'m	Deferred and contingent consideration €'m	Lease liabilities €'m	
Balance at 1 January 2023	—	547.6	7.3	2.9	85.8	643.6
Changes from financing cash flows						
Interest paid on bonds	—	—	(31.3)	—	—	(31.3)
Repayment of loans and borrowings	(77.4)	—	—	—	—	(77.4)
Proceeds from loans and borrowings	79.9	—	—	—	—	79.9
Proceeds from the issuance of bonds	—	297.2	—	—	—	297.2
Repayment of bonds	—	(200.0)	—	—	—	(200.0)
Payment of contingent consideration	—	—	—	(0.2)	—	(0.2)
Principal paid on lease liability	—	—	—	—	(23.1)	(23.1)
Interest paid on lease liability	—	—	—	—	(5.2)	(5.2)
Total changes from financing cash flows	2.5	97.2	(31.3)	(0.2)	(28.3)	39.9
Other changes						
Liability related						
New leases	—	—	—	—	22.0	22.0
On business combinations	—	—	—	0.4	1.9	2.3
Interest on bonds and loans and borrowings	—	1.3	29.6	—	—	30.9
Interest on lease liability	—	—	—	—	5.2	5.2
Movement in contingent consideration	—	—	—	3.3	—	3.3
Foreign exchange difference	(2.5)	—	0.3	(0.2)	0.2	(2.2)
Total liability-related other changes	(2.5)	1.3	29.9	3.5	29.3	61.5
Balance at 31 December 2023	—	646.1	5.9	6.2	86.8	745.0

Note 37 – Correction of error

The 2022 and 2023 financial statements have been restated due to an accounting error principally arising on consolidation. The error was principally due to a deferred tax liability arising at subsidiary level only which should have been eliminated at the consolidation but was incorrectly offset against a deferred tax asset in the Group balance sheet.

A third balance sheet has been represented for the 2022 year-end to increase the deferred tax asset by €15.3 million with corresponding adjustment to 2023 balance sheet and retained earnings. The adjustment to the 2022 balance sheet includes the impact in profit or loss for the year ended 31 December 2023 which is not material and therefore has been included as part of the opening reserves adjustment. The adjustment increases net assets by €15.3 million in each of the years.

The following tables summarise the impact on the Group's consolidated financial statements:

	Impact of correction of error		
	As previously reported €'m	Adjustments €'m	As restated €'m
31 December 2022			
Deferred tax assets	114.0	15.3	129.3
Other assets	2,909.9	—	2,909.9
Total assets	3,023.9	15.3	3,039.2
Total liabilities	1,321.4	—	1,321.4
Retained earnings	1,113.0	15.3	1,128.3
Others	589.5	—	589.5
Total equity	1,702.5	15.3	1,717.8
31 December 2023			
Deferred tax assets	62.5	15.3	77.8
Other assets	3,263.3	—	3,263.3
Total assets	3,325.8	15.3	3,341.1
Total liabilities	1,519.6	—	1,519.6
Retained earnings	1,219.2	15.3	1,234.5
Others	587.0	—	587.0
Total equity	1,806.2	15.3	1,821.5

There is no impact on the Group's basic or diluted earnings per share, or on the total operating investing or financing cash flows for the year ended 31 December 2023.

Note 38 – Events after the reporting date

In January 2025, NorthStar secured a credit arrangement of up to CAD 43.4 million from Beach Point Capital Management LP, with the Playtech Group agreeing to provide credit support for certain obligations under the credit facility. The purpose of this credit arrangement is to support NorthStar's continued growth by strengthening its balance sheet. One of the uses of the proceeds was the repayment of CAD 9.5 million promissory notes owed by NorthStar to Playtech at 31 December 2024, which was received in January 2025. NorthStar also issued to Playtech 32,735,295 common share purchase warrants, exercisable at a price of CAD 0.055 per share, expiring in 5 years, in exchange for Playtech being the loan guarantor.

In March 2025, the Group paid LSports the additional consideration of €6.9 million which was recorded as deferred consideration as at 31 December 2024.

Also in March 2025, the Group confirmed that the Mexican antitrust approval has now been received for the revised arrangements related to its strategic agreement with Caliplay, and as such completion is scheduled to take place on 31 March 2025.

On 26 March 2025, the Group signed an agreement for a new amended €225.0 million 5-year RCF facility, which, subject to completion of the sale of Snaitech, expected to occur in Q2 2025, will amend and restate the existing €277.0 million RCF facility and become effective on completion of the sale.