

FOURTH QUARTER 2022 RESULTS

February 22, 2023

- For 4Q-2022, we report EBITDA of €154.6 million.
- For FY 2022, we report EBITDA of €552.5 million.

Ebitda Mix by Country	FY 2021	FY 2022
Spain	62.0%	50.8%
Italy	0.8%	4.5%
Panama	13.4%	14.4%
Colombia	12.4%	12.0%
Mexico	5.2%	7.3%
Peru	0.8%	1.9%
Other	5.4%	9.1%
Total	100%	100%

As of December 31, 2022, our financial position is:

- Total net debt of €2,271.0 million. -3.8% or -€90.9 million vs December 31, 2021.
- Cash of €213.4 million. Total Cash availability of €435.8 million.
- Net debt to LTM EBITDA ratio stands at 4.1x.

Highlights

Operational

FY-2022 EBITDA of €552.5 million is 66.7% higher than FY-2021 EBITDA and €4 million above the upper end of the revised guidance range of €538 to €548 million.

The main reason for exceeding a guidance already improved during the year is the fast recovery of revenues that the high resilience of our proximity gaming strategy provides for, supported by our industry leading commercial processes.

FY-2022 EBITDA is also 6.3% over pre-pandemic EBITDA (2019 PF EBITDA), despite the still significant impact of restrictions during 1Q and the fact that it was only from mid-May when 100% of operations were re-opened. 2H-2022 EBITDA is 12% above 2H-2019 PF EBITDA.

FY-2022 EBITDA margin on revenues stood at 31.7%, well above the pre-pandemic margin of 29.3%.

The full consolidation of cost efficiencies through productivity plans implementation of over €50 million savings achieved during the pandemic, together with our long-proven know-how in managing margins in inflationary scenarios, have allowed us to, once more, keep costs variation below inflation rates and increase revenues over the increase in costs.

All our BU's have experienced significant growth vs same period last year and it is worth highlighting the increase in contribution to revenues and EBITDA of our profitable On-line Gaming & Betting BU which in 4Q-2022 already represents 18.9% of total net revenues of the Group and 9.2% of its EBITDA.

Our recent acquisitions in the On-line space have been very successfully integrated in the Group operations.

Financial

Leverage ratio as of 31st Dec 2022 stands at 4.1x, down from 7.1x as of end of 2021.

This reduction goes beyond the guidance ratio for year-end of 4.2x (already improved from 4.4x)

Main reasons for the improved leverage ratio are a higher EBITDA generation and a reduction of NFD during 2022 of €90.9 million.

FOCF generation for FY-2022 of €231 million is already above 10% of NFD.

ESG

The 'Green Halls' project that aims to even further reduce the already low environmental impact of our casinos has been launched and is including, among other initiatives, solar energy systems deployment and several IoT projects.

Also to highlight the achievement last October'22 of G4 Responsible Gaming certification, in line with other European gaming companies.

A new state-of-the-art ESG reporting system is being implemented across the Group.

We will be issuing the 2022 ESG report together with our 1Q-2023 results presentation.

Business Overview

In 4Q-2022 all our operations have run without significant restrictions. Operations progressively recovered pre-pandemic levels of activity during 1H-2022 and from 5th May 2022, after the re-opening of the Moroccan market, all our premises have been operative.

4Q-2022 Revenues, with no operational restrictions, have been 31.1% over 4Q-2021 and 7.8% above 4Q-2019. The increase in revenues for FY-2022 vs FY-2021 has been of 55.8%.

EBITDA for FY-2022 of €552.5 million is 66.7% higher than that of FY-2021. In 4Q-2022, EBITDA reached €154.6 million, which is 27% over 4Q-2021 EBITDA and 11.0% over 4Q-2019 EBITDA.

All BU's had a very positive evolution in terms of recovery of pre-pandemic EBITDA and are already exceeding 2019 EBITDA generation in 4Q-2022. The traditional bingo card sales activity which represents a minor portion of the Bingos BU is the only business that has not yet reached pre-pandemic EBITDA levels but continues to evolve positively quarter on quarter.

The growth in our On-line Gaming & Betting BU is especially remarkable. EBITDA of the BU for FY-2022 is 82.5% higher than FY-2021 and in 4Q-2022 it is 2.8 times higher than the EBITDA of 4Q-2019.

The On-line Gaming & Betting BU continues to deploy the successful omnichannel strategy that is resulting in both growing EBITDA and growing market shares. In 4Q-2022 revenues of the BU already accounted for 18.9% of total Group revenues, coming from 6.8% in 4Q-2019.

Not only Revenues and EBITDA had a very fast recovery from pre-pandemic levels but are also above 2019 despite the adverse geopolitical situation and inflationary pressures especially in Europe. This fact once more proves the resilience of our proximity gaming strategy and the relentless execution of our CRM and cost efficiency strategies.

EBITDA margin on revenues for FY-2022 has been of 31.7% vs 29.6% for FY-2021 and 29.2% for FY-2019 PF. The increase in margin has more than offset the adverse mix effect of the much higher participation of the On-line business in the overall revenues of the Group.

Our long-standing know-how in managing inflationary scenarios that has been acquired after years of management of businesses in Latam, has been a key element in increasing EBITDA margins under the current inflationary scenario.

Financial Overview

Total Free Operating Cash Flow generation for FY-2022 has been €231 million, 26% over FY-2021.

4Q-2022 Free Operating cashflow generation of €40 million is below 3Q-2022 due to seasonal reasons affecting working capital (extra payroll and gaming taxes) and CAPEX. 2H-2022 FOCF generation of €127 million is 21% above 1H-2022 FOCF generation.

Net Financial Debt has been reduced by €18 million in the quarter and by €90.9 million since 31st December 2021.

NFD to LTM EBITDA leverage ratio stands at 4.1x, below the revised guidance rate of 4.2x.

Total Cash availability as of 31st December 2022 was €435.8 million, including unused RCF availability of €207 million. Unused RCF availability is of €250 million as of current week.

Cash generation

Free Operating Cash Flow (after lease payments) has the following composition:

€ millions	FY-2021	FY-2022
EBITDA	331.4	552.4
Working capital & other	46.3	-3.3
Income Taxes paid *	-10.2	-35.3
CAPEX	-110.3	-144.5
Other investing activities	-24.1	-74.8
Lease payments	-50.3	-63.4
FOCF	182.8	231.1

*Income Taxes paid correspond to Corporate Income Tax. Gaming taxes are included under EBITDA.

Other investing activities includes, amongst others, the acquisition of a 60% stake in E-Play24. We continue to deploy our successful and disciplined approach to M&A whereby acquisitions are made for reasonable multiples and acquired companies are integrated in a fast and efficient manner and contribute to a reduction in the leverage ratio and to a positive cash generation shortly after the acquisition date.

Deleveraging

Leverage ratio is down to 4.1x, improving the guidance provided in October of 4.2x and compares to 4.4x in 3Q-2022 and 7.1x in 4Q-2021.

In 4Q-2022 we have achieved a leverage ratio below the pre-pandemic ratio of 4.7x in 4Q-2019 (4.3x 4Q-2019 PF). The main reasons for the improvement have been:

- Full recovery (and improvement) of pre-pandemic EBITDA,
- implementation of efficiency and productivity plans and
- cash preservation actions during the pandemic.

Deleveraging continues to be achieved both through increases in LTM EBITDA and a reduction of NFD:

	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022
NFD (€ millions)	2,424	2,397	2,386	2,362	2,355	2,328	2,289	2,271
Leverage ratio	36.8x	12.1x	9.1x	7.1x	5.6x	4.9x	4.4x	4.1x

NFD has been reduced by €90.9 million during 2022. For the next quarters we expect to continue reducing our leverage ratio.

Cirsa's M&A acquisition strategy and know-how for generation of synergies has historically resulted in a reduction of the leverage ratio. M&A targets at reasonable multiples will be a key element not only to increase enterprise value in the short term but also to continue to reduce the leverage ratio.

Segment reporting

Reporting of Business Units will be changed from 1Q-2023 in order for it to be fully aligned with the current management organization, reducing the number of BU's from 5 to 4 and consolidating common markets and customer bases inside each Business Unit.

The BU's for 2023 reporting and onwards will be the following:

- Casinos
- Slots Spain
- Slots Italy
- On-line Gaming & Betting

In the coming weeks, we will be publishing on our website a file containing information on reconciliation of old to new BU's and our Investor Relations team will be available for any queries investors and analysts may have regarding this matter.

Consolidated P&L - Cirsa Enterprises, S.L.U.

Consolidated P&L Thousands of Euros	Fourth Quarter			YTD December 31		
	2021	2022	Dif.	2021	2022	Dif.
Operating Revenues	449,213	575,022	125,809	1,337,319	2,038,908	701,589
Variable rent	-70,842	-79,004	-8,162	-220,016	-297,681	-77,665
Net Operating Revenues	378,371	496,018	117,647	1,117,303	1,741,227	623,924
Consumptions	-13,823	-18,770	-4,947	-45,629	-64,325	-18,696
Personnel	-62,001	-73,729	-11,728	-208,832	-278,796	-69,964
Gaming taxes	-120,544	-134,934	-14,390	-319,214	-504,578	-185,364
External supplies & services	-60,842	-113,976	-53,134	-212,192	-341,051	-128,859
Depreciation, amort. & impairment	-82,401	-76,888	5,513	-306,190	-302,614	3,576
EBIT	38,760	77,721	38,961	25,246	249,863	224,617
Financial results	-33,287	-40,588	-7,301	-163,159	-137,872	25,287
Foreign exchange results	950	2,439	1,489	-18,156	2,241	20,397
Results on sale of non-current assets	-1,317	-4,230	-2,913	-2,258	-5,023	-2,765
Profit before Income Tax	5,106	35,342	30,236	-158,327	109,209	267,536
Income Tax	-11,880	-10,875	1,005	12,250	-29,613	-41,863
Minority interest	-4,117	-5,727	-1,610	-4,798	-23,026	-18,228
Net Profit	-10,891	18,740	29,631	-150,875	56,570	207,445
EBITDA	121,161	154,607	33,446	331,436	552,473	221,037

Quarterly YoY evolution

Net operating revenues reached €496.0 million, recording an increase of €117.6 million or 31.1 % from 4Q-2021, mainly due to the strict execution of our commercial plans to recover our customer base, resulting in a good performance across all geographies. Especially notable is the increase of our casino and on-line gaming business units, the latter driven by organic growth and the contribution of the recent acquisition of E-Play 24 (27/07/22).

EBITDA reached €154.6 million, €33.4 million (+ 27.6 %) more than in 4Q-2021 and EBITDA Margin stands at 31.1 % in 4Q-2022, above the 30.3 % of 4Q-2019. The increase in EBITDA was mainly due to the good performance of all our business units across our different markets and the sustainable productivity measures implemented during and after the pandemic.

Financial expenses increased by €7.3 million, mainly impacted by €2.7 million of write-off corresponding to capitalized issuance costs from the partial redemption of 2023 Senior Notes.

As a result of the foregoing, Net Profit in 4Q-2022 was €18.7 million compared to a Net Loss of €10.9 million in 4Q-2021.

Average Exchange Rates	YTD	YTD	
<i>One Euro equals:</i>	<i>Dec. 31, 2021</i>	<i>Dec. 31, 2022</i>	<i>Variation</i>
Colombia Peso	4,466.33	4,478.72	0.3%
Costa Rica Colon	739.03	682.88	-7.6%
Dominican Republic Peso	67.58	57.86	-14.4%
Mexico Peso	24.08	21.04	-12.6%
Morocco Dirham	10.64	10.71	0.7%
Panama US Dollar	1.18	1.05	-11.1%
Peru Nuevo Sol	4.61	4.03	-12.6%



Slot Route Operation Business Unit

Consolidated P&L <i>Thousands of Euros</i>	Fourth Quarter			YTD December 31		
	2021	2022	Dif.	2021	2022	Dif.
Operating Revenues	259,343	272,882	13,539	744,795	1,033,208	288,413
Variable rent	-69,279	-76,438	-7,159	-214,476	-287,789	-73,313
Net Operating Revenues	190,064	196,444	6,380	530,319	745,419	215,100
Consumptions	-8,913	-8,877	36	-27,777	-33,101	-5,324
Personnel	-19,250	-21,114	-1,864	-64,734	-83,083	-18,349
Gaming taxes	-91,529	-89,083	2,446	-226,241	-350,881	-124,640
External supplies & services	-18,461	-19,089	-628	-58,684	-75,169	-16,485
Depreciation, amort. & impairment	-28,008	-27,820	188	-110,618	-108,326	2,292
EBIT	23,903	30,461	6,558	42,265	94,858	52,593
EBITDA	51,911	58,281	6,370	152,883	203,183	50,300

Quarterly YoY evolution

Net operating revenues reached €196.4 million, an increase of €6.4 million compared to 4Q-2021, and EBITDA increased to €58.3 million (+12.3%).

EBTDA margin grew from 27.3 % in 4Q-2021 to 29.7 % in 4Q-2022 due to improvements in logistic costs productivity and gaming taxes cost driven by slots portfolio optimization.

Distribution of 4Q-2022 EBITDA by country is as follows:

- EBITDA of Spanish operations was €51.7 million vs €46.8 million in 4Q-2021. The increase is mainly due to net revenue per slot machines growth and the implementation of productivity measures.
- EBITDA of Italian operations was €6.6 million vs €5.1 million in 4Q-2021, showing the recovery of the Italian market.

Slot Machines <i>As of December 31</i>	2021	2022	Var. units	Var. %
Slot machines, Spain	34,272	33,094	-1,178	-3.4
Slot machines, Italy	7,060	7,269	209	3.0
VLTs, Italy	2,425	2,372	-53	-2.2
Total	43,757	42,735	-1,022	-2.3

Casinos Business Unit

Consolidated P&L <i>Thousands of Euros</i>	Fourth Quarter			YTD December 31		
	2021	2022	Dif.	2021	2022	Dif.
Operating Revenues	104,843	144,030	39,187	325,669	538,349	212,680
Variable rent	-365	-600	-235	-1,440	-2,128	-688
Net Operating Revenues	104,478	143,430	38,952	324,229	536,221	211,992
Consumptions	-1,360	-2,478	-1,118	-3,592	-8,057	-4,465
Personnel	-18,861	-23,875	-5,014	-59,625	-90,135	-30,510
Gaming taxes	-16,269	-20,280	-4,011	-52,193	-80,228	-28,035
External supplies & services	-21,577	-31,690	-10,113	-73,464	-111,892	-38,428
Depreciation, amort. & impairment	-39,260	-33,960	5,300	-130,598	-127,541	3,057
EBIT	7,151	31,146	23,995	4,757	118,368	113,611
EBITDA	46,411	65,106	18,695	135,355	245,909	110,554

Quarterly YoY evolution

Net operating revenues increased by €39.0 million (+ 37.3 %) compared to 4Q-2021, reaching €143.4 million and reflecting the good performance across all geographies, the strength of the recovery and the re-opening of the Moroccan market since May'22.

EBITDA margin has also recovered pre-pandemic levels and has increased to 45.4% of Net operating revenues compared to 43.0% in 4Q-2019, a comparable quarter before the pandemic started. Margin recovery is based on recovery of customer base and visit frequency combined with maintaining and improving productivity through cost reduction plans.

As of December 31	Casinos	2021		Casinos	2022		Variation		
		Slots	Tables		Slots	Tables	Casinos	Slots	Tables
Panama	33	7,884	20	32	8,005	14	-1	121	-6
Colombia	72	7,204	261	71	7,193	246	-1	-11	-15
Peru	22	3,365	38	21	2,963	35	-1	-402	-3
Costa Rica	8	861	22	7	836	17	-1	-25	-5
Dominican Republic	6	841	75	6	797	74	0	-44	-1
Spain	6	525	57	6	552	50	0	27	-7
Morocco	2	281	29	3	404	49	1	123	20
Total	149	20,961	502	146	20,750	485	-3	-211	-17

Bingos Business Unit

Consolidated P&L <i>Thousands of Euros</i>	Fourth Quarter			YTD December 31		
	2021	2022	Dif.	2021	2022	Dif.
Operating Revenues	47,475	62,565	15,090	140,384	227,816	87,432
Variable rent	-1,285	-2,100	-815	-4,266	-8,223	-3,957
Net Operating Revenues	46,190	60,465	14,275	136,118	219,593	83,475
Consumptions	-2,029	-2,906	-877	-5,937	-10,272	-4,335
Personnel	-10,288	-13,253	-2,965	-33,871	-48,501	-14,630
Gaming taxes	-7,739	-8,229	-490	-23,602	-32,840	-9,238
External supplies & services	-11,919	-15,296	-3,377	-39,327	-57,936	-18,609
Depreciation, amort. & impairment	-11,988	-12,565	-577	-48,456	-50,322	-1,866
EBIT	2,227	8,214	5,987	-15,075	19,722	34,797
EBITDA	14,215	20,780	6,565	33,381	70,043	36,662

Quarterly YoY evolution

Net operating revenues and EBITDA grew by €14.3 million and €6.6 million respectively, compared to 4Q-2021. Growth is due to the removal of most of the sizeable restrictions in hours and capacity of our casinos in Mexico and the recovery of traditional bingo customers in Spain.

EBITDA margin in 4Q-2022 of 34.4% is well above 4Q-2019 EBITDA pre-pandemic margin of 31.6% especially driven by labour cost productivity.

The distribution of 4Q-2022 EBITDA by country is as follows:

- EBITDA of Spanish operations was €7.5 million vs €5.7 million in 4Q-2021.
- EBITDA of Mexican operations was €13.3 million vs €8.5 million in 4Q-2021.

Halls <i>As of December 31</i>	2021	2022	Var.
Spain	40	40	0
Mexico	28	28	0
Italy	12	10	-2
Total	80	78	-2

On-line Gaming & Betting Business Unit

Consolidated P&L <i>Thousands of Euros</i>	Fourth Quarter			YTD December 31		
	2021	2022	Dif.	2021	2022	Dif.
Operating Revenues	37,513	93,648	56,135	129,988	233,616	103,628
Variable rent	-34	-34	0	-104	-139	-35
Net Operating Revenues	37,479	93,614	56,135	129,884	233,477	103,593
Consumptions	-142	-371	-229	-553	-1,246	-693
Personnel	-5,847	-5,757	90	-20,245	-20,021	224
Gaming taxes	-4,936	-17,316	-12,380	-17,072	-40,394	-23,322
External supplies & services	-16,470	-55,936	-39,466	-69,006	-129,828	-60,822
Depreciation, amort. & impairment	-4,990	-8,617	-3,627	-19,072	-24,565	-5,493
EBIT	5,094	5,618	524	3,936	17,422	13,486
EBITDA	10,084	14,235	4,151	23,008	41,987	18,979

Quarterly YoY evolution

Net operating revenues increased by €56.1 million (+ 149.8 %) compared to 4Q-2021, reaching €93.6 million, mainly impacted by the overall good performance of our On-line gaming business in Spain (+34.5 %) and the contribution of our last acquisition, made on July 27, of the Italian online gaming operator E-Play 24.

EBITDA reached €14.2 million (+41.2% vs 4Q-2021), an increase of €4.2 million, due to the good performance of our Spanish On-line gaming & betting business and the contribution of E-Play24.

The expansion strategy into our geographies in Latin America where online gaming is regulated, is based on an omni-channel model implemented through a wide retail payments network and strong local casino brands. During 4Q-2022 we operated in Colombia, Panama, and Peru.

<i>As of December 31</i>	Betting Points			Terminals		
	2021	2022	Var.	2021	2022	Var.
Spain	2,384	2,255	-129	8,609	8,273	-336
Colombia	209	248	39	65	170	105
Panama	35	39	4	259	281	22
Peru		85	85		468	468
Italy		2,618	2,618			0
Total	2,628	5,245	2,617	8,933	9,192	259

B2B Business Unit

Consolidated P&L <i>Thousands of Euros</i>	Fourth Quarter			YTD December 31		
	2021	2022	Dif.	2021	2022	Dif.
Operating Revenues	17,954	19,681	1,727	51,167	79,217	28,050
Variable rent	0	0	0	0	0	0
Net Operating Revenues	17,954	19,681	1,727	51,167	79,217	28,050
Consumptions	-8,851	-9,971	-1,120	-26,614	-41,167	-14,553
Personnel	-5,397	-4,792	605	-17,791	-20,060	-2,269
Gaming taxes	-34	-26	8	-156	-158	-2
External supplies & services	-1,877	-1,871	6	-6,155	-7,429	-1,274
Depreciation, amort. & impairment	-1,837	-1,120	717	-6,537	-4,262	2,275
EBIT	-42	1,901	1,943	-6,086	6,140	12,226
EBITDA	1,795	3,021	1,226	451	10,402	9,951

Quarterly YoY evolution

Net operating revenues increased by €1.7 million (+9.6 %) to €19.7 million compared to 4Q- 2021, showing the continued recovery of the Spanish market.

EBITDA increased from 1.8 € million in 4Q-2021 to €3.0 million in 4Q-2022 and EBITDA margin reached 15.4% vs 10.0% in 4Q-2021.

We keep a consolidated market leadership position in the Spanish market, reinforced by a new recently launched range of top performing slot machines models, and our priority is to maintain and improve productivity through slot design improvement and cost reductions.

Other information

Structure & adjustments

Consolidated P&L <i>Thousands of Euros</i>	Fourth Quarter			YTD December 31		
	2021	2022	Dif.	2021	2022	Dif.
Operating Revenues	-17,915	-17,784	131	-54,684	-73,298	-18,614
Variable rent	121	168	47	270	598	328
Net Operating Revenues	-17,794	-17,616	178	-54,414	-72,700	-18,286
Consumptions	7,472	5,833	-1,639	18,844	29,518	10,674
Personnel	-2,358	-4,938	-2,580	-12,566	-16,996	-4,430
Gaming taxes	-37	0	37	50	-77	-127
External supplies & services	9,462	9,906	444	34,444	41,203	6,759
Depreciation, amort. & impairment	3,682	7,194	3,512	9,091	12,402	3,311
EBIT	427	379	-48	-4,551	-6,649	-2,098
EBITDA	-3,255	-6,816	-3,561	-13,642	-19,051	-5,409

CAPEX

<i>Millions of Euros</i>			
CAPEX			
<i>YTD December 31</i>	2021	2022	Var.
Slot Route Operation	60.4	74.4	14.0
Casinos	32.3	39.8	7.5
Bingos	8.0	13.5	5.5
On-line Gaming & Betting	6.8	12.9	6.1
B2B	2.6	3.7	1.1
Structure	0.2	0.2	0.0
Total	110.3	144.5	34.2

Other financial information

<i>Millions of Euros</i>					
Leverage	2021	2022			
	Dec-31	Mar-31	Jun-30	Sep-30	Dec-31
LTM Ebitda	331.4	420.9	472.1	519.0	552.5
Net Interest Expense	153.3	147.7	143.5	130.6	137.9
Cash & Cash Equivalents	280.2	297.1	196.9	239.1	213.4
Total Debt	2,642.1	2,652.5	2,525.5	2,528.0	2,484.4
Total Net Debt	2,361.9	2,355.4	2,328.5	2,288.9	2,271.0
Total Net Debt to EBITDA	7.1x	5.6x	4.9x	4.4x	4.1x
Ebitda to Net Interest Expense	2.2x	2.8x	3.3x	4.0x	4.0x

<i>Millions of Euros</i>					
Financial Debt <i>As of</i>	2021	2022			
	Dec-31	Mar-31	Jun-30	Sep-30	Dec-31
Bank Loans	289.8	288.2	166.3	145.5	123.6
Capital Lease Agreements	1.1	1.0	1.0	1.3	1.0
Senior Notes	2,042.7	2,052.7	2,048.0	2,056.5	2,066.4
Tax Deferrals	7.1	4.3	4.2	4.2	2.1
Capitalization of Operating Leases	274.3	278.9	283.2	288.0	268.1
Other Loans	27.0	27.4	22.8	32.4	23.1
Total Financial Debt	2,642.1	2,652.5	2,525.5	2,528.0	2,484.4
Cash & Cash Equivalents	280.2	297.1	196.9	239.1	213.4
Total Net Financial Debt	2,361.9	2,355.4	2,328.6	2,288.9	2,271.0

Cirsa and any of its subsidiaries, as well as its direct and indirect equity holders, and their respective affiliates (or funds managed or advised by such persons), and members of Cirsa's management may continue to trade in the notes of any series issued by Cirsa or any of its subsidiaries or affiliates at any time and from time to time in the open market or otherwise.

Cash-flow Statement

<i>Millions of Euros</i>	YTD December 31		
	2021	2022	Dif.
<i>Cash-flows from operation activities</i>			
Profit before tax, as per the consolidated P&L accounts	-158.3	109.2	267.5
Adjustments for non-cash revenues and expenses:			
Depreciation, amortization and impairment	305.7	297.8	-7.9
Allowances for doubtful accounts & inventories	0.5	4.8	4.3
Other	7.6	-1.2	-8.8
Financial items included in profit before tax:			
Financial results	163.2	137.9	-25.3
Foreign exchange results	18.2	-2.2	-20.4
Results on sale of non-current assets	2.3	5.0	2.7
Adjusted profit from operations before tax and changes in net operating assets	339.2	551.3	212.1
Variations in:			
Receivables	-9.7	-9.6	0.1
Inventories	-0.5	-1.4	-0.9
Suppliers, gaming taxes and other payables	42.9	7.8	-35.1
Accruals, net	5.8	0.9	-4.9
Cash generated from operations	377.7	549.0	171.3
Income tax paid	-10.2	-35.3	-25.1
Net cash-flows from operating activities	367.5	513.7	146.2
<i>Cash-flows used in / from investing activities</i>			
Purchase and development of property, plant and equipment	-59.8	-73.0	-13.2
Purchase and development of intangibles	-50.5	-71.5	-21.0
Acquisition of participating companies, net of cash acquired	-21.2	-65.7	-44.5
Proceeds from other financial assets	5.0	0.0	-5.0
Purchase of other financial assets	-9.0	-10.7	-1.7
Interest received on loans granted & cash revenues from other financial assets	1.1	1.6	0.5
Net cash-flows used in investing activities	-134.4	-219.3	-84.9
<i>Cash-flows from / used in financing activities</i>			
Cash inflows in bank accounts	1,759.1	1,371.1	-388.0
Cash outflows in bank accounts	-1,823.3	-1,531.6	291.7
Issuance of bonds	615.0	416.9	-198.1
Repayment of bonds	-530.3	-403.0	127.3
Deferred gaming taxes, payable	-73.1	-5.0	68.1
Capital lease payments	-0.7	-0.4	0.3
Lease principal payments	-50.3	-63.4	-13.1
Interest paid on financial debt	-125.8	-122.5	3.3
Dividends and other	-6.0	-23.8	-17.8
Net cash-flows from / used in financing activities	-235.4	-361.7	-126.3
Net variation in cash & cash equivalents	-2.3	-67.3	-65.0
Net foreign exchange difference	-0.9	0.4	1.3
Cash & cash equivalents at January 1	283.3	280.2	-3.1
Cash & cash equivalents at December 31	280.2	213.3	-66.9

Consolidated Balance Sheet

<i>Thousands of Euros</i>	31-Dec-21	31-Dec-22
Assets		
Intangibles	944,573	955,227
Goodwill	1,228,475	1,273,457
Property, plant & equipment	266,809	261,320
Right of use assets	236,774	231,489
Financial assets	71,482	81,139
Deferred income tax	98,595	89,638
Total non-current assets	2,846,708	2,892,270
Inventories	19,357	21,608
Accounts receivable	86,463	107,243
Financial assets	14,616	23,497
Cash & cash equivalents	280,201	213,379
Other	14,685	12,370
Total current assets	415,322	378,097
Total Assets	3,262,030	3,270,367
Liabilities		
Share capital	70,663	70,663
Share premium	626,583	626,583
Reserves	-458,589	-613,694
Cumulative translation reserve	-62,432	-31,748
Consolidated result for the period	-150,876	56,569
Minority interest	97,399	115,809
Total net equity	122,748	224,182
Provisions	16,068	23,628
Credit institutions	64,050	28,213
Bonds	2,033,563	1,891,418
Lease liabilities	228,759	216,211
Tax authorities	0	0
Other creditors	32,153	40,288
Deferred income tax	230,432	222,843
Total non-current liabilities	2,605,025	2,422,601
Credit institutions	226,897	96,393
Bonds	9,184	175,018
Lease liabilities	45,522	51,852
Accounts payable	34,906	49,614
Other creditors	208,046	221,427
Current income tax payable	9,702	29,279
Total current liabilities	534,257	623,584
Total equity & liabilities	3,262,030	3,270,367

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This interim report of our results includes forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this interim report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this interim report. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this interim report, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause those differences include, but are not limited to:

- *Public health outbreaks, epidemics or pandemics, such as the Covid-19, could have a material adverse effect on our business, financial position, results of operations and cash flows.*
- *Our business may be negatively impacted by the economic volatility and political conditions in Spain and other markets in which we operate.*
- *There are risks associated with our operations outside of Spain.*
- *We do not control certain of our joint venture businesses.*
- *We may experience significant losses with respect to individual events or betting outcomes and the failure to determine accurately the odds at which we will accept bets in relation to any particular event or any failure of our risk management processes may adversely affect our results.*
- *The technological solutions we have in place to block access to our online services by players in certain jurisdictions may prove inadequate, which may harm our business and expose us to liability.*
- *The gaming industry is subject to extensive regulation (including applicable anti-corruption and economic sanctions laws) and licensing requirements and our business may be adversely affected by our inability to comply with these extensive regulation and licensing requirements, regulatory changes and increases in the taxation of gaming, which could result in litigation.*
- *Failure to maintain our online gaming licenses or comply with online gaming rules and regulations could adversely affect our business.*
- *Our failure to keep up with technological developments in the online gaming market could negatively impact our business, results of operations and financial condition.*
- *We may not be able to manage growth in our business.*
- *We are dependent upon our ability to provide secure gaming products and maintain the integrity of our employees in order to attract customers, and any event damaging our reputation could adversely affect our business.*
- *We are in a competitive business environment and, as a result, our market share and business position may be adversely affected by factors beyond our control.*
- *Changes in consumer preferences could also harm our business.*
- *Our success is dependent on maintaining and enhancing our brand.*
- *We may fail to detect money laundering or fraudulent activities of our customers or third parties.*
- *Our results of operations could be adversely affected by a disruption of operations at our manufacturing facilities.*
- *Certain countries in which we operate have been subject to significant security issues in the past several years, and if such issues continue or worsen, our operations could be materially adversely affected.*
- *The Group's significant leverage and debt service obligations could materially adversely affect its business.*
- *We are subject to restrictive covenants under our Revolving Credit Facility Agreement and Indentures, which may limit our ability to operate our business, finance our future operations and capital needs and to pursue business opportunities and activities.*
- *Our failure to comply with regulations regarding the use of personal customer data could subject us to lawsuits, administrative fines or result in the loss of goodwill of our customers.*
- *Our systems may be vulnerable to hacker intrusion, distributed denial of service attack, malicious viruses and other cybercrime attacks.*
- *We are subject to taxation which is complex and often requires us to make subjective determinations.*
- *Our results of operations are impacted by fluctuations in foreign currency exchange rates.*
- *Terrorist attacks and other acts of violence or war may affect our business and results of operations.*
- *Negative perceptions and negative publicity surrounding the gaming industry could damage our reputation or lead to increased regulation or taxation, which could adversely affect our business.*

We urge you to read the sections of our **2021 Annual Report** entitled "Risk Factors," "Operating and Financial Review and Prospects" and "Business" for a more complete discussion of the factors that could affect our future performance and the industry in which we operate. In light of these risks, uncertainties and assumptions, the forward-looking events described in this interim report may not occur.

We undertake no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this interim report and the Annual Report.