

OPAP

Bringing the team together

Proposed business combination

Retail

16 October 2025

The proposed business combination of OPAP with its majority (51.8%) shareholder, Allwyn, via an all-share transaction provides OPAP with significantly greater scale and enhances its growth outlook as it gains exposure to a number of other higher-growth geographic markets and gaming verticals. Management believes the combination will strengthen every commercial lever necessary to compete in the gaming industry: scale, digital leadership, proprietary technology and content. These have driven the long-term consolidation of the sector. As a result, management believes the investment case is enhanced by the greater growth prospects, while retaining the existing attractive dividend policy.

Year end	GGR (€m)	EBITDA (€m)	EPS (€)	DPS (€)	P/E (x)	Yield (%)
12/23	2,087.7	745.3	1.17	1.85	15.9	9.9
12/24	2,296.2	827.9	1.36	1.40	13.7	7.5
12/25e	2,336.4	832.0	1.41	1.41	13.2	7.6
12/26e	2,399.4	849.9	1.47	1.46	12.6	7.9

Note: GGR is gross gaming revenue. EPS is normalised excluding exceptional items and share-based payments. Estimates and prospective valuation measures are for OPAP before the proposed combination.

The proposed business combination, expected to complete in Q226, brings together OPAP's Greek and Cypriot exposure with Allwyn's leading lottery positions in seven geographic markets and multiple iGaming and sports betting markets, thus providing diversification and enhanced growth prospects to OPAP.

From a financial perspective, management estimates the combination of the existing business and known M&A alone enhance OPAP's adjusted EBITDA growth in FY24–26 to mid-teens from low-single-digit. This excludes any potential synergies. This may prove conservative given the strategy to reduce the group's dependence on third-party technology and content in favour of in-house capabilities and the ability to leverage the group's greater scale with suppliers.

The transaction brings Allwyn to the public markets as the combined group will retain OPAP's listing in Athens as its primary listing. It will then seek a secondary listing on another leading exchange, likely London or New York, post-completion, which will help to raise interest from new investors. A prime consideration in the choice of exchange will be liquidity, which is key given management's ambition to enhance its geographic and business exposure and, therefore, growth prospects.

OPAP's shareholders will have an economic interest of 21.5% of the enlarged group, which has an estimated current equity value of €16bn. The implied valuation and resulting shareholding of Allwyn in the new group has received a fairness opinion from Morgan Stanley and Grant Thornton. The valuation was determined by applying OPAP's prospective FY26e EBITDA multiple (excluding the GGR prepayment benefit, which ends with the expiration of the licence in FY30) to Allwyn's estimates for FY26. OPAP's management believes the new exposure to enhanced growth opportunities compensates for the elimination of the short-term GGR benefit. Allwyn's share of voting rights will be 85% of the combined group, on the expected issue of new preferred voting shares that maintain control in the event of potential future equity issuance that may be required to fund M&A.

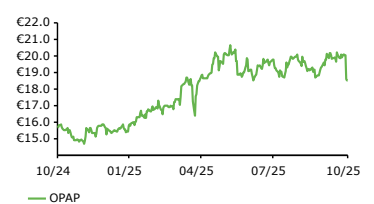
Management's proposal is to maintain OPAP's dividend policy, an annual minimum dividend of €1/share from FY26, with a scrip option. Special dividends and buybacks will be considered, depending on organic and potential inorganic investment.

Price €18.60
Market cap €6,670m

Net cash/(debt) as at 30 June 2025 €(147.6)m
(excludes IFRS 16 liabilities of €27.8m)

Shares in issue 358.6m
Free float 48.2%
Code OPAP
Primary exchange ATHENS
Secondary exchange N/A

Share price performance



Business description

OPAP was founded in 1958 as the Greek national lottery and is the exclusive licensed operator of all numerical lotteries, sports betting, instant and passives, video lottery terminals and horse racing. OPAP listed in 2001 and was fully privatised in 2013. Allwyn has a 51.8% stake and significant board representation.

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