



**Novamedia Holding B.V.**  
**Amsterdam**

**2024**

**Annual Report**

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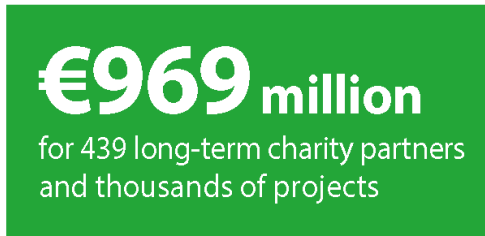
# Postcode Lottery Group

The Netherlands | Sweden | Great Britain | Germany | Norway

# 2024



**14.8 million**  
subscriptions



## **About Postcode Lottery Group/Novamedia**

Novamedia, also trading as Postcode Lottery Group, is an international private company with a social purpose. Combining business with ideals, we set up and operate charity lotteries worldwide to raise as much funding as possible for organisations working to build a better society, ranging from smaller local charities to large international NGOs. Novamedia owns, develops and invests in lottery brands and formats, including the Postcode Lottery format. We are on a mission – to change lives and strengthen communities by providing entertainment and prizes for players and by generating vital funds for good causes and increasing awareness of charities' work.

Postcode Lottery Group is a frontrunner in responsible play and carries out its mission by establishing and financing Postcode Lotteries in various countries. Our successful Postcode Lottery format currently operates in the Netherlands, Sweden, Great Britain, Germany, and Norway. The lotteries are collectively known as the Postcode Lottery Group. With over 14.8 million subscriptions across five countries, our unique lotteries function as a fun, safe and impactful form of community fundraising. Neighbours win together, and communities locally and around the globe benefit from charity funding. This is what we call The Power of Postcodes: bringing people together to spread joy, brighten days, and change lives near and far.

The Postcode Lottery Group has the primary goal of raising long-term funding and increase awareness for our local and international charity partners. These organisations tackle some of the most pressing global challenges, working in areas including climate, nature, health, human rights, poverty alleviation, and community projects.

Our vision is for strong communities and charities to contribute to creating a healthier, fairer, greener world. Our fun lotteries are a unique way of community fundraising. Neighbours win together, and communities locally and globally benefit from charity donations.

Since the first Postcode Lottery was launched in 1989, our format has raised €14.5 billion for thousands of charities and social initiatives worldwide.

### **Our charity lotteries**

Postcode Lottery Group operates six charity lotteries in five countries: the Nationale Postcode Loterij and VriendenLoterij in the Netherlands, the Svenska Postkodlotteriet in Sweden, People's Postcode Lottery in Great Britain, the Deutsche Postcode Lotterie in Germany, and the Norsk Postkodelotteri in Norway.

Charity lottery fundraising is complementary to that of state lotteries, allowing countries to raise even more money for civil society organisations. As the Postcode Lottery Group strives to be a leading and trusted funding partner within civil society, our goal is to generate more income year after year to support even more social initiatives. Achieving this requires continuous innovation and investment in our brand and format and further growth in all lottery operations. As our format is in demand, we are exploring opportunities to obtain lottery licences to establish Postcode Lotteries in other countries to raise more funds for charitable causes.

### **Long-term, unrestricted funding**

Our funding philosophy is based on the idea that we are the fundraisers and our charity partners know best how to spend the money. We therefore provide flexible, unrestricted long-term funding, within relationships built on trust, to our hundreds of local and international charity partners. Our partners have the freedom to use funds where they are most needed and will be most effective. This approach creates space for innovation, infrastructure investment and strategic planning and, importantly, allows charities to respond and adapt to changing situations quickly. Our trust-based philanthropic approach enables our charity partners to maximise their positive impact.

**Core values**

We are united and inspired by our core values: Courageous, Sharing, Sustainable, and Fun.

*Courageous*

With a pioneering mindset, we aim to operate beyond established frameworks. With unrestricted funding, we empower NGOs for entrepreneurship.

*Sharing*

Players win prizes alongside their neighbours, and charities also benefit by receiving vital funding. As a team, we share our knowledge and skills.

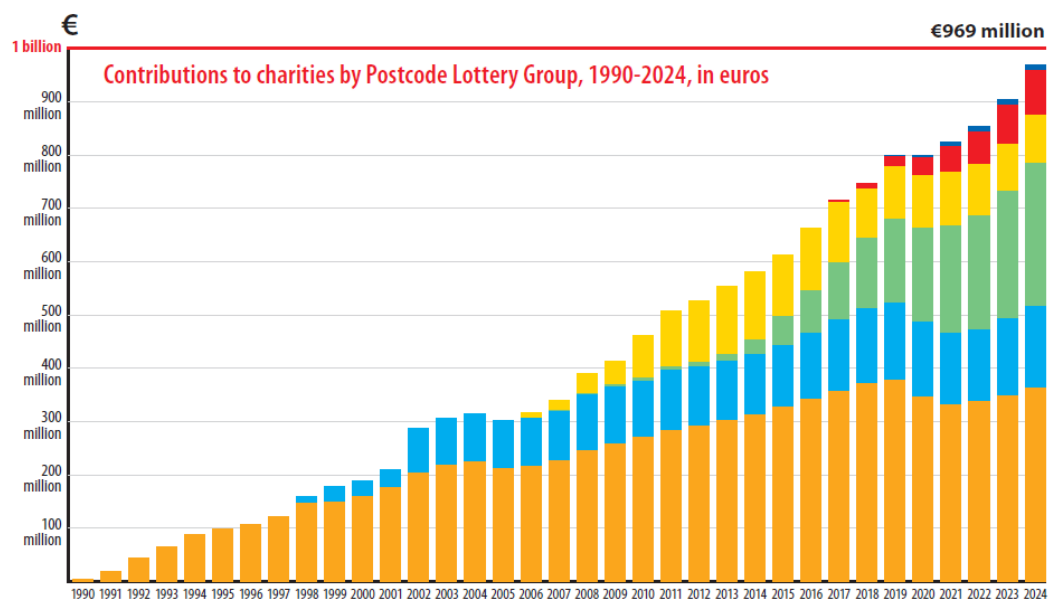
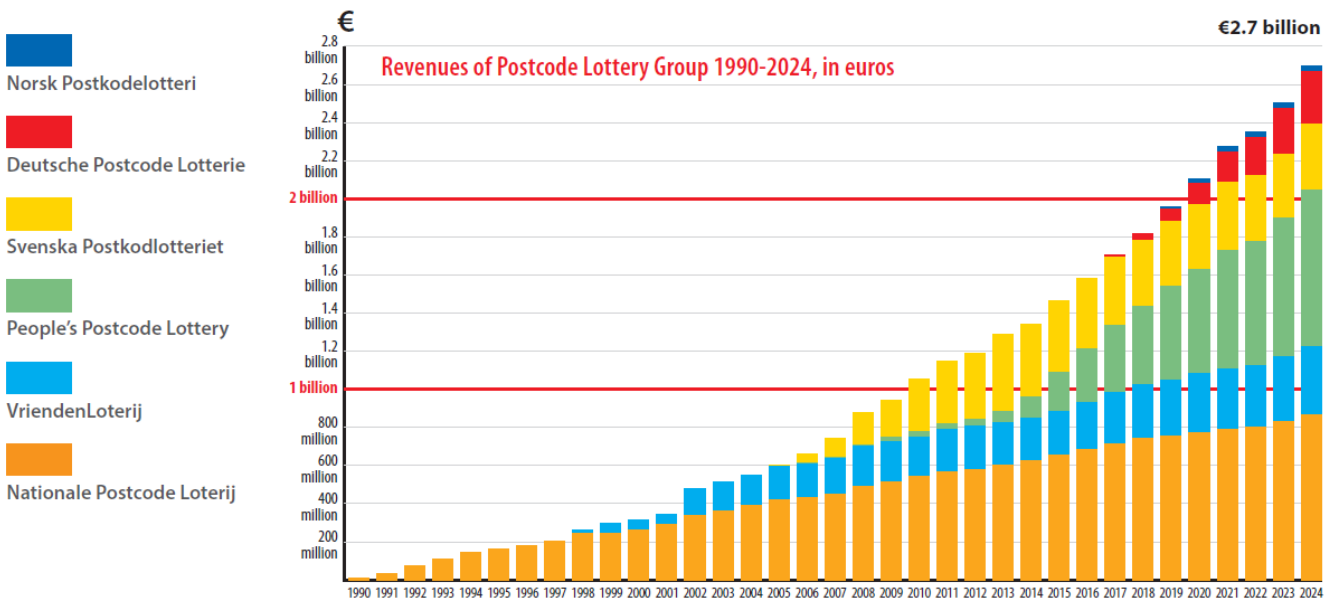
*Sustainable*

We support global sustainability. We strive to make sustainable long-term decisions and choices wherever we can, through our actions and lottery operations.

*Fun*

Our players enjoy our games and win great prizes. We also take pleasure in our work and ensure our offices are enjoyable places to be.

# Growth of Postcode Lottery Group 1990-2024



By December 2024, a total of 10.7 million unique players (2023: 10.1 million) were playing the Postcode Lottery Group's lotteries with a total of 14.8 million tickets (2023: 14.3 million). Together, the lotteries achieved a record EUR 2.7 billion in revenue and raised a record EUR 969 million for charities in 2024. In local currencies, the Nationale Postcode Loterij grew by 4.2%, the VriendenLoterij by 6.0%, the German lottery by 13.9%, the British lottery by 9.2%, the Swedish lottery by 3.5% and the Norwegian lottery by 8.5%. For information on the individual lotteries' charity donations, stories, and positive impact on millions of people worldwide, please refer to the local annual reports.

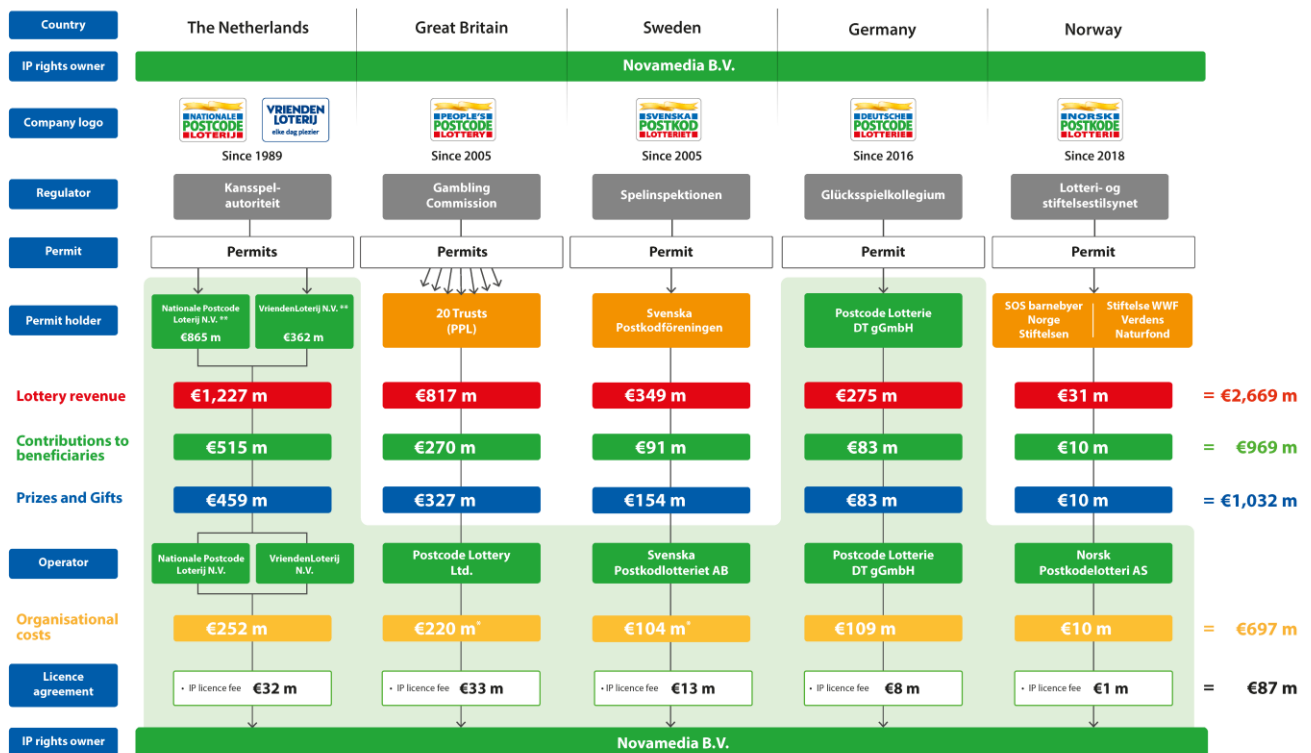
## Organisational structure by country

The Postcode Lottery Group owns, creates, and invests in lottery brands and formats which have led to successful lotteries in various countries that raise funds for charitable organisations.

To operate a lottery, the Postcode Lottery Group must obtain a licence from the government in the relevant country. Once the licence is obtained, the Postcode Lottery Group grants the local lottery the right to use its intellectual property, including trademarks and formats, in exchange for a licence fee, calculated as a percentage of the lottery's proceeds. The Postcode Lottery Group uses income from these licence fees to fund the ongoing development, protection, and innovation of the Postcode Lottery Group's formats, and to finance and market Postcode Lotteries in new and existing countries. Setting up a new Postcode Lottery requires significant financial investment and carries substantial risk. The Postcode Lottery Group provides the resources necessary for establishing a lottery, offering an attractive prize plan while ensuring donations to charities from the very start. Charities receive annual funding from the local Postcode Lottery in the country where the money is raised by the players.

The structure of the lotteries varies by country, to meet local regulatory requirements. The chart below illustrates the structure of the Postcode Lotteries in the individual countries and identifies the entities included in Novamedia's financial statements (indicated in green). An enlarged version of this chart is available on page 54.

### Consolidation Novamedia Holding B.V. (in green)



\* People's Postcode Lottery's organisational costs include VAT on the operator fee expenses / Svenska Postkodlotteriet's organisational costs are managed by Svenska Postkodlotteriet AB and recharged to Svenska Postkodföreningen

\*\* From 15 April 2024 the Dutch Charity Lotteries, Nationale Postcode Loterij and VriendenLoterij, are part of the consolidation.

Consolidation  
Novamedia Holding B.V.

## Report of the Executive Board

The Postcode Lottery Group continued to flourish in 2024. Thanks to successful campaigns and branding, attractive prize schemes and quality entertainment, subscription growth continued across the group, resulting in revenue growth of 7.7%. We ended 2024 with a record combined revenue of EUR 2.7 billion (2023: EUR 2.5 billion), thanks to increased sales figures at all six lotteries in their own currencies.

As of December, 10.7 million unique households/players were taking part in our lotteries with 14.8 million subscriptions (2023: 10.1 million households/players, 14.3 million subscriptions). This figure represents a growth of 517,000 monthly subscriptions. Thanks to these successes, charitable donations hit an all-time high. In 2024 our six lotteries generated more than EUR 969 million for good causes (2023: EUR 904 million). Meanwhile, winners benefitted from a total prize pot of a record EUR 1.03 billion over the year (2023: EUR 961 million). A combined prize pot surpassing EUR 1 billion for our players was a significant milestone.

With all the lotteries performing well, the Postcode Lottery Group forged ahead with its international growth acceleration strategy, future-proofing our operations to ensure we can continue to raise even more funds for charities in the years to come.

### Postcode Lottery Group as an international lottery operator

In the European industry landscape, which has been rapidly transformed by the rise of online gambling and betting and increasing competition from state lotteries and large international companies, the Postcode Lottery Group continues to strive to strengthen its position as an international operator.

Our Postcode Lotteries are a unique and impactful tool for community fundraising. Neighbours win together, and communities locally and globally benefit from charity funding. Our success and growth are based on entrepreneurship, strong partnerships, internationally proven formats and a value-based culture. International collaboration sits at the heart of what we do. Our teams continue to explore ways of working together to create new value for our players and charity partners. We aim to strengthen our business position in challenging times and to give every one of our employees the tools and support they need to maximise their positive impact on tomorrow's world.

Our office in London's Bedford Square opened its doors in 2023, and in December 2023 the office was registered at Companies House as a permanent establishment. We opened it to enhance our business network and strengthen our access to the world-class marketing and business expertise available in London. With workspaces and a full-time office manager, it assists the Dutch-based international headquarters by providing support in executing the group's marketing strategy and also supports its expansion plans. Its services are of a supportive nature only, as all significant board decisions are taken in the Netherlands.

Following the transition to our new cloud-based Oracle Finance and HR system in 2023, we advanced our international growth acceleration strategy in 2024 with several major projects. In Germany, Great Britain and the Netherlands we introduced the My Account online self-service portal, where players can manage their lottery accounts. For the VriendenLoterij we launched our first mobile app, which lets players digitalise their VIP Cards for free museum entry and offers many other benefits, including access to the self-service portal.

We also worked on a new groupwide cloud-based software solution. Set to go live at all the lotteries over the next few years, it comprises one ecosystem that encompasses all our operations, from subscriptions and interacting with our players to campaigns, draws, prizes and much more. It is designed to allow us to easily share successful innovations like the app and My Account and adapt them in different countries.

Also in 2024, the International Analytics Hub team unveiled AI models that will enable us to deploy our funds with maximum impact, facilitating sustainable growth across our lotteries.



As part of our ongoing effort to strengthen our employer branding and attract the best employees, we launched an international promotional video in 2024. It met with a positive response and received high engagement on our social media channels.

### **Dutch Charity Lotteries**

Historically, due to legislation in force at the time, the two Dutch lotteries had to exist within a separate organisation; they were owned by a foundation (Stichting Aandelen Nationale Goede Doelen Loterijen) and operated by Novamedia under a management agreement. This structure changed recently. All our lotteries inside and outside the Netherlands now exist within the same international company, owned by a non-profit foundation. This became possible following the amendment of Article 3 of the Wet op de Kansspelen (Dutch Betting and Gaming Act) in 2016.

On 15 April 2024 the Dutch Charity Lotteries became part of Postcode Lottery Group/Novamedia's legal structure after Novamedia acquired all shares in Holding Nationale Goede Doelen Loterijen N.V., the parent company of Nationale Postcode Loterij N.V. and VriendenLoterij N.V. The price paid was EUR 1, as the shares are without a profit entitlement or dividend rights (the companies operate in a closed-loop financial structure). As of the acquisition date the shares are owned by a new subsidiary, Aandelenbeheer Nationale Goede Doelen Loterijen B.V., established in 2024.

A new grants council (Toekenningenraad) has been set up to assess and approve charitable donations proposed by the Dutch Charity Lotteries, similarly to the British Trusts, the German Beirat, and the Board of the Swedish Postkodföreningen. Each of these local councils has representatives from various backgrounds with diverse areas of expertise relevant to the allocation process. This approach strengthens local ties and ensures decisions are tailored to each country's context. As of the acquisition date, all six lotteries now share one Supervisory Board. Both bodies include former members of the Dutch Charity Lotteries' previous Supervisory Board.

### **Canadian Postcode Lottery**

On 6 November 2020 Novamedia B.V. established Novamedia Lotteries Canada Inc. to act as a Canadian lottery operator (also called a game supplier) in the future. This entity has supported the Canadian Postcode Lottery Foundation in its efforts to obtain a lottery licence in Canada.

The Canadian Postcode Lottery Foundation was established on 29 September 2023. Its goal is to obtain a permit to establish a Postcode Lottery in the province of Ontario, along the same lines as our operations in Europe, with the purpose of raising as many funds as possible for Ontario-based charities. Conversations with the Registrar of the Alcohol and Gaming Commission in Ontario took place throughout 2024, and in early 2025 the foundation became eligible for a lottery permit. The Canadian Postcode Lottery Foundation is committed to strengthening the charitable sector in Ontario. We look forward to continuing to work to support the foundation and its impact in the coming years.

### **Termination of usufruct**

Novamedia Holding B.V., Stichting de Novamedia Fundatie (the Novamedia Foundation) and Cella Media B.V. have agreed to terminate the lifelong usufruct, which included voting and dividend rights, on 18.97% of the shares in Novamedia Holding B.V. The Novamedia Foundation has paid Cella Media a one-time amount of EUR 66 million for this termination. Cella Media will make further impact investments from this amount.

On the same date, Novamedia B.V. sold its 16.67% equity share in the impact investment fund Phase2.earth B.V. to Cella Media for the sum of EUR 16 million.

### **Sale of Scheltema bookstore**

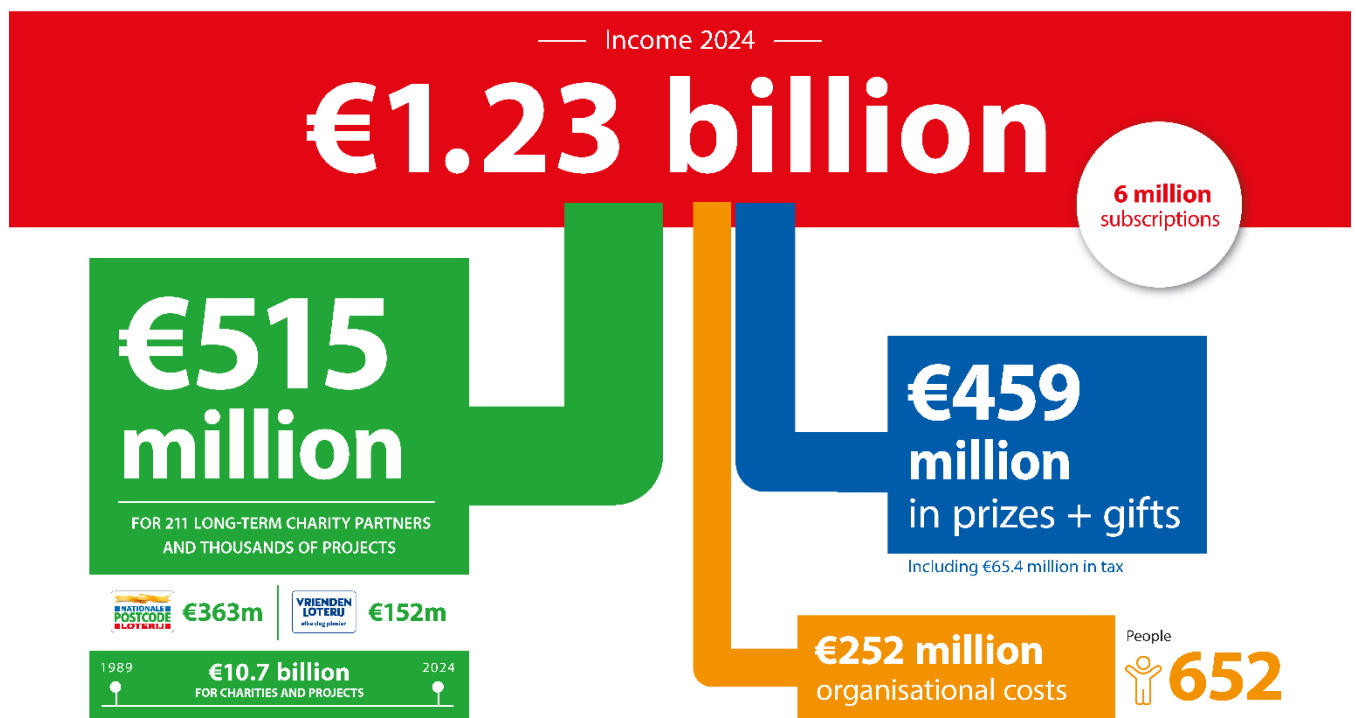
With retroactive effect from 1 January 2024, Athenaeum Boekhandel B.V. acquired Novamedia's shares in Scheltema B.V. in the first quarter of 2024. The merger safeguards the future of two beloved Amsterdam institutions. The Postcode Lottery Group continues to focus on empowering its lotteries to raise as much money as possible for the greater good. Scheltema is in good hands with Athenaeum, and we wish the two bookstores every success.

The following paragraphs describe the developments in each lottery country in 2024.

**Nationale Postcode Loterij and VriendenLoterij (Dutch Charity Lotteries, the Netherlands)**

The Nationale Postcode Loterij saw substantial uptake of its Plus and Premium product additions, which let players play for extra prizes such as a EUR 100,000 home makeover, a holiday home of the winner’s choice, and 10 years of EUR 25,000 annual income. Other highlights included the debut of the lottery’s new TV show, *Schat je rijk*, in November 2024 and the highest ever PostcodeKanjers prize pot, totalling EUR 59.7 million, being won on 1 January 2025.

To support the Postcode Lottery Group’s products and branding, the VriendenLoterij was the first of the lotteries to launch a mobile app in 2024 – the fruit of a committed cooperative effort by the Group Product, Tech, Marketing and Design teams. Increasing numbers of VriendenLoterij players used their VIP Cards, which are linkable to the app, to enjoy free museum visits and discounted cultural experiences. In 2024, both lotteries also introduced the My Account self-service portal, which lets players view their subscriptions and manage their personal data.



The Dutch Charity Lotteries managed to grow in 2024 for the 34<sup>th</sup> consecutive year, and as a result of steady efforts their consolidated revenue increased by EUR 55.4 million to EUR 1.23 billion (2023: EUR 1.17 billion). The aggregated number of tickets in the December draws for the Nationale Postcode Loterij and VriendenLoterij was 5,989,587 (2023: 5,862,667).

The Dutch Charity Lotteries’ permits require that at least 40% of their gross proceeds go directly to charity, and their total charitable contributions for 2024 amounted to EUR 515.4 million (2023: EUR 492.1 million, 42% of proceeds). In 2024 the Nationale Postcode Loterij supported a total of 166 charity partners, 147 of them with annual, long-term, unearmarked grants. In 2024, 100 partners received increased contributions to reinforce our commitment to trust-based financing. Two Dream Fund projects received grants to work to improve the health of vulnerable groups in Dutch society. The Nierstichting (Dutch Kidney Foundation) received EUR 10 million to develop cures for children with rare kidney diseases. The Longfonds (Lung Foundation Netherlands) and MIND received EUR 13 million to integrate preventative health care into city improvement plans, working with municipalities, neighbourhood organisations, and residents to prevent health problems and ensure a healthy future for

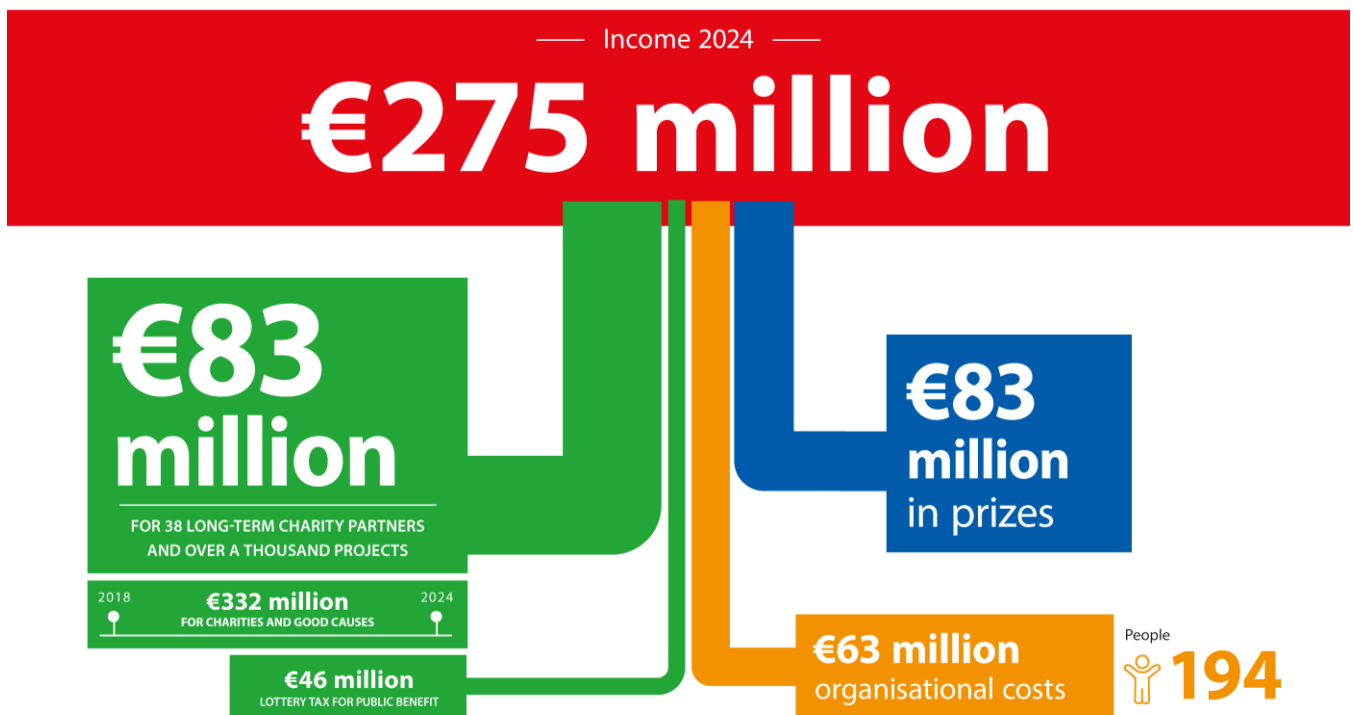
children in disadvantaged neighbourhoods. The VriendenLoterij supports 77 charities, 64 of which are long-term cultural partners that can count on an annual contributions throughout their long multiyear agreements. In 2024 the lottery also provided 13 additional organisations with one-time funding for special projects, such as a special meetings project by the Dutch association of health organisations.

Of the Nationale Postcode Loterij's and VriendenLoterij's 2024 proceeds, EUR 459.3 million was allocated to prizes and gifts (net) and EUR 252.2 million was used to cover organisational costs.

**Deutsche Postcode Lotterie (Germany)**

In 2024 the Deutsche Postcode Lotterie expanded by 13.9%. Along the way, it celebrated two milestones: surpassing the EUR 1 billion sales mark, less than a decade after its start in October 2016, and conducting its 100th draw in December. In September the lottery welcomed new Managing Director Dominik Krzysztofek, who makes up the German managing directors' team with Friederike Behrends and Alex Tielbeke.

In July the Deutsche Postcode Lotterie introduced prizes in kind. In a stellar cooperative effort, the lottery staff created the prizes-in-kind platform and set up the logistical operation, resulting in a smooth launch. In 2024 the lottery introduced the My Account self-service portal, where players can view their tickets and manage their personal details.



The German lottery distributed its proceeds, totalling EUR 275.5 million for 2024, as follows: a record EUR 82.7 million (30%) to beneficiaries (2023: EUR 72.5 million), EUR 45.9 million (16.7%) to lottery tax for public benefit (2023: EUR 40.3 million), EUR 82.7 million (30%) to prizes (2023: EUR 72.5 million), and the remainder to cover organisational costs.

The permit requires that at least 30% of the lottery's gross proceeds go directly to charity. Therefore the Deutsche Postcode Lotterie donates 30% of the price of all tickets sold to a wide range of social initiatives and community organisations working to improve social cohesion, human rights and nature protection across all the German federal states. The grants council (Beirat) gives final approval on which beneficiaries will receive donations. In 2024, the Deutsche Postcode Lotterie continued its strong commitment to long-term partnerships and impactful projects. To date, of 989 beneficiary charities, 27 long-term

partners have received EUR 25.5 million in funding. As part of our 2024 funding decisions, EUR 2.6 million was granted to five new partners. An additional EUR 3.5 million was allocated to increase funding for seven existing partners in recognition of their long-term dedication and outstanding work. A key highlight during the year was the announcement of the 2024 Traumtaler (Dream Fund) project, TeachDemocracy. For this collaborative project, TeachFirst Deutschland gGmbH and Aula gGmbH received EUR 1.8 million in funding. The initiative empowers students at schools where circumstances are challenging by providing the students with hands-on experience in democratic participation.

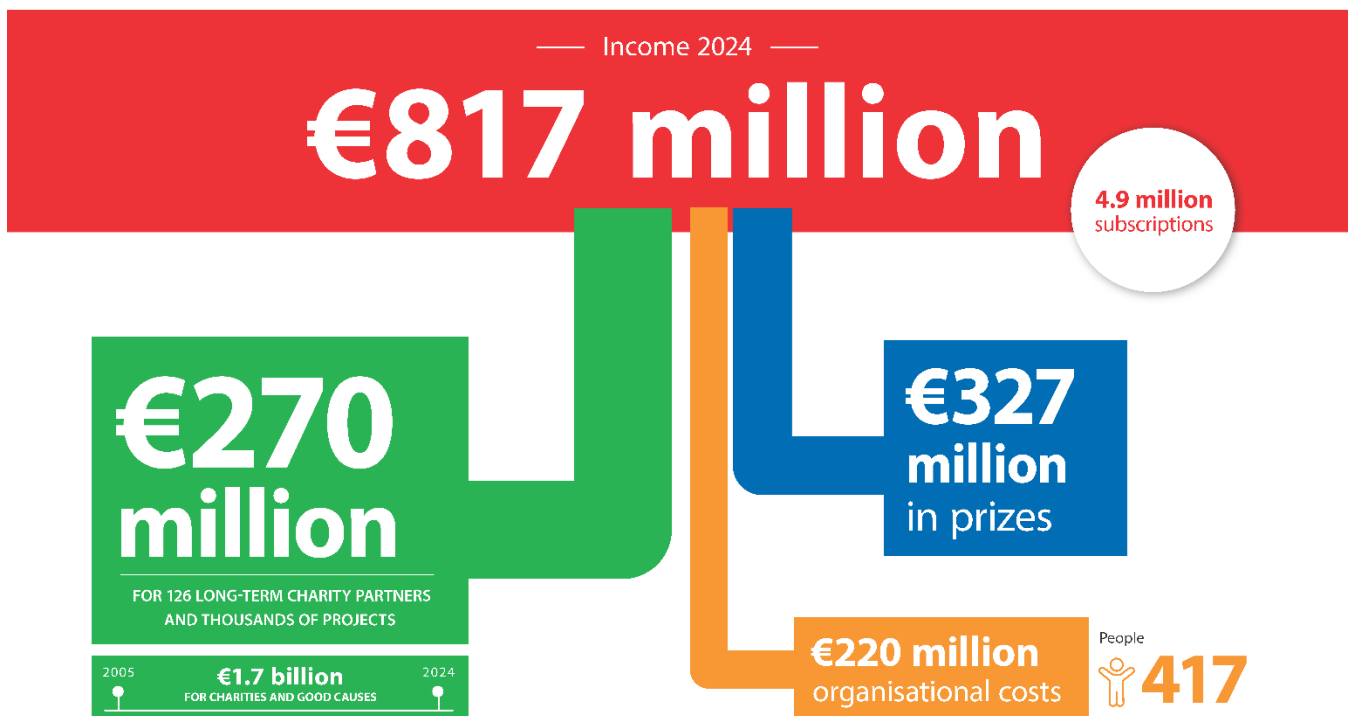
The Deutsche Postcode Lotterie’s legal structure is designed to meet national licensing requirements. The lottery is operated by a non-profit organisation that is 100% owned by Novamedia Deutschland GmbH, a 100% subsidiary of Novamedia B.V., which is itself ultimately owned by a foundation (not for profit and with the sole purpose of safeguarding the company’s long-term mission to raise funds for charities through its lotteries).

**People’s Postcode Lottery (Great Britain)**

The British lottery celebrated a robust 9.2% growth in 2024. Sales were particularly strong in December draws, with a record 228,000 new subscriptions, supported through a series of exciting media moments lined up in the run-up to Christmas. In 2024 the lottery introduced the My Account self-service portal, which lets players view their tickets and manage their personal details online for the first time.

People’s Postcode Lottery encountered a growing market challenge in 2024, with unregulated prize draws increasing their presence in the British market. By exploiting a legal loophole and presenting a similar product to a lottery, they face none of the mandatory requirements, including prize and revenue limits, player safeguards, and minimum returns to good causes, that charity lotteries face. This has created an unequal playing field, and the lottery warmly welcomed the UK Government’s intention, in their 2023 White Paper, to tighten rules around those that circumvent gambling regulation, protecting charity fundraising mechanisms like People’s Postcode Lottery.

People’s Postcode Lottery ended 2024 with 4,918,322 tickets in the draw (2023: 4,758,946), with total revenues over the year of GBP 691.1 million (EUR 816.9 million) (2023: GBP 632.8 million, EUR 726.7 million).



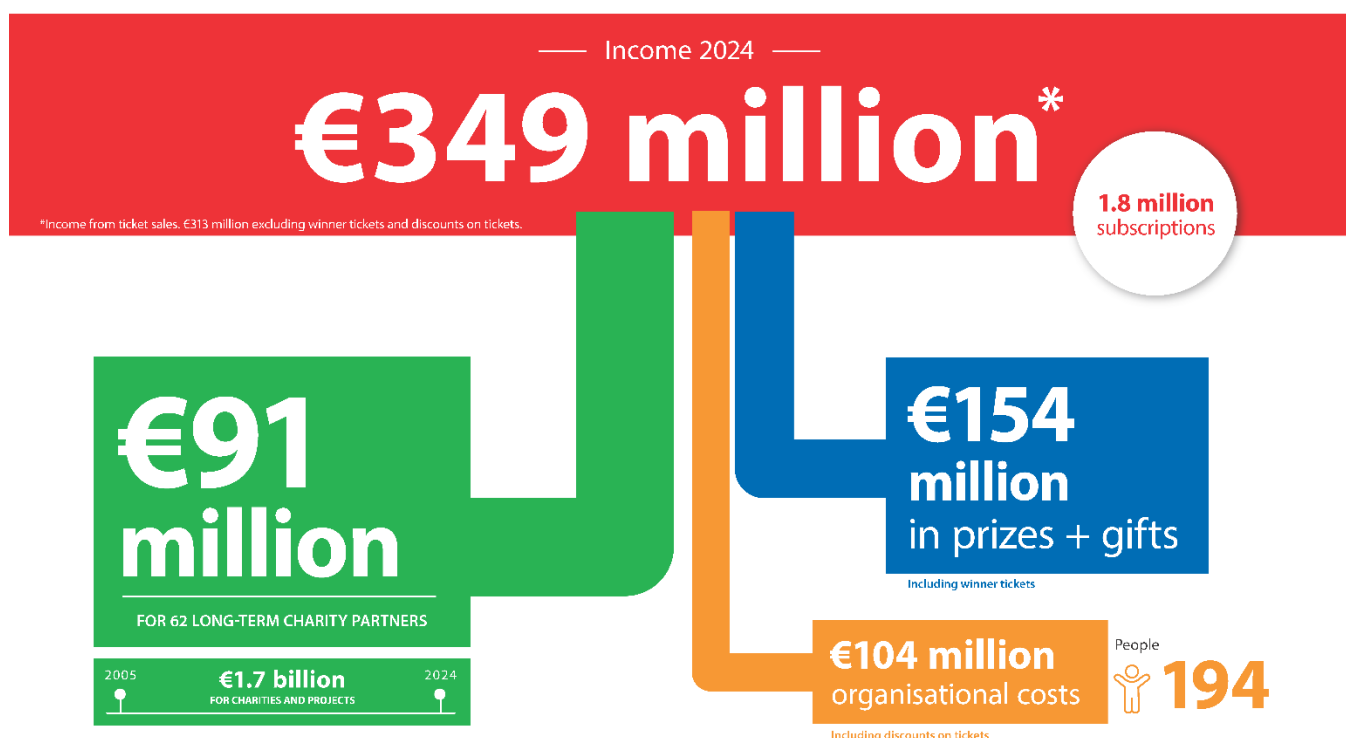
The revenue increase means the lottery raised an additional GBP 19.3 million in vital extra funds for charities compared to the previous year. The People’s Postcode Lottery permits require that at least 20% of its gross proceeds go directly to charity. Overall, in 2024 the lottery raised GBP 228.1 million (EUR 269.6 million) (33% of gross proceeds) for good causes (2023: GBP 208.8 million, EUR 239.8 million). Due to a boost in sales, we started 2024 with 28 new long-term partnerships, bringing our total number of charity partners to 126. This was mainly due to the 2023 increase in the ticket price from GBP 10 to GBP 12. Among our new partners are the Scout Association and the Scottish Society for the Prevention of Cruelty to Animals. Another new partner is Practical Action, which aims to develop innovative real-world solutions to build sustainable lives and livelihoods for people on the front lines of poverty and climate change.

Besides the amount allocated to beneficiaries, 40% of the lottery proceeds has been allocated to prizes, and the remainder has covered organisational costs. Postcode Lottery Ltd. is the operator and is licensed to run lotteries on behalf of charitable trusts known as promoting societies.

Postcode Lottery Ltd., a 100% subsidiary of Postcode Lottery Group/Novamedia B.V., receives an operator fee to cover marketing and organisational costs. The 20 promoting societies, known as Postcode Trusts, distribute funds to a range of charities. From the date of incorporation until 2012, the start-up losses of Postcode Lottery Ltd. were included in the Dutch tax base of Novamedia B.V., and these totalled EUR 61.0 million. This amount needs to be fully recovered by Novamedia B.V. from profits earned by Postcode Lottery Ltd. To date, Novamedia B.V. has recaptured EUR 31.8 million, and it records a deferred tax liability in its books for the remaining EUR 29.2 million.

### Svenska Postkodlotteriet (Sweden)

The Swedish lottery passed a milestone in 2024, ending the year with more than 1 million players with tickets in the draw. The lottery reaped the benefits of the previous year’s introduction of the Plus and Premium product additions, achieving growth of 3.5% in 2024. In October the Svenska Postkodlotteriet successfully renewed its permit for 2025–2029. And in December the lottery awarded its biggest Grannyra ever, with a SEK 268 million prize pot. The Managing Directors Anders Årbrandt and Ebba Kilman had a successful 2024. The team was off to a great start after Ebba Kilman took up her post the previous autumn.



The Svenska Postkodlotteriet's total revenue in 2024 increased to SEK 4.0 billion (EUR 348.9 million) (2023: SEK 3.8 billion, EUR 336.1 million) including winners' tickets and discounted tickets, which the Spelinspektionen (Swedish Gambling Authority) considers to be revenue. Thanks to marketing activities and player engagement, total proceeds for 2024 excluding winner tickets and discounts amounted to SEK 3.6 billion (EUR 312.9 million) (2023: SEK 3.4 billion, EUR 301.5 million). The number of tickets in the December draw was 1,816,220 (2023: 1,813,044), including 160,000 winner tickets.

The Swedish lottery's permit requires that the result of the lottery after deduction of prizes, gifts and organisational costs goes to charity. All 61 long-term beneficiaries received unchanged funding compared to the previous year, except for the Svenska Postkodlotteriet Stiftelse (Swedish Postcode Lottery Foundation), which received SEK 200.0 million (2023: SEK 190.0 million), and the World's Children's Prize Foundation, which received SEK 2.5 million (2023: SEK 5.0 million). The lottery welcomed its 62nd long-term beneficiary, Sportfiskarna (the Swedish Anglers Association), with a grant of SEK 5.0 million. Additionally, eight charities received funding for their Dream Fund projects, amounting to a total of SEK 106.4 million.

The 2024 proceeds of the Swedish lottery have been allocated as follows: EUR 91.0 million to beneficiaries, EUR 153.5 million to prizes and gifts, and EUR 104.4 million to cover organisational costs.

Novamedia B.V. has invested EUR 28.0 million in the Swedish lottery since it started in 2005. This money has been fully repaid over the years and is being used again by Postcode Lottery Group/Novamedia B.V. for new charity lottery investments.

### Norsk Postkodelotteri (Norway)

The Norwegian lottery recorded 8.5% growth in 2024 and offered its biggest ever prize pot this year. In December we received good news: the Norwegian authorities had raised the sales limit for the type of permit we hold to NOK 405 million (EUR 41 million), allowing us to sell up to 168,000 tickets per draw over the year. The Norsk Postkodelotteri continues to campaign with its charity partners to get the cap removed or raised further to allow it to raise even more funds for good causes in Norway.



The Norsk Postkodelotteri generated proceeds in 2024 of NOK 358.0 million (EUR 30.8 million) (2023: NOK 330.0 million, EUR 29.0 million). By the end of December 2024 the number of tickets in the draw was 154,179 (2023: 153,053). The Norwegian lottery's permits require that 50% of its gross proceeds minus prizes goes to charity. The proceeds have therefore been allocated as follows: NOK 120.8 million (EUR 10.4 million) to the charity partners WWF Verdens naturfond (the World Wildlife Fund Norway) and SOS-barnebyer Norge (SOS Children's Villages Norway) (2023: NOK 116.2 million, EUR 10.2 million), NOK 116.5 million (EUR 10.0 million) to prizes (2023: NOK 97.6 million, EUR 8.6 million), and NOK 116.7 million (EUR 10.0 million) to organisational costs (2023: NOK 166.4 million, EUR 14.6 million).

Since the start of the lottery, as of the end of 2024, Novamedia B.V. had supplied EUR 36.3 million in financing to further establish the Norwegian community lottery and increase future charity funding for initiatives in Norway. WWF Verdens naturfond and SOS-barnebyer Norge obtained a Norwegian lottery licence in 2017, and it will remain valid until 2026. Norsk Postkodelotteri AS is a 100% subsidiary of Novamedia B.V. and is the operator of the lottery. The lottery has raised EUR 46.0 million for charities in Norway so far.

Our goal is to fund more organisations, and we plan to include additional charities in our next licence application. The Norsk Postkodelotteri is working closely with several beneficiaries and looks forward with confidence to obtaining the new licence.

### **Phase2.earth**

At the end of 2024 the investment in Phase2.earth B.V. was sold for EUR 16.0 million.

### **Novamedia Holding B.V.**

The consolidated revenue of Novamedia Holding B.V. has increased by EUR 966.4 million to EUR 1.4 billion (2023: EUR 466.0 million), due to the growth of each lottery and as a result of the acquisition of the Dutch Charity Lotteries in April 2024.

Novamedia Holding B.V.'s net result for 2024 amounts to EUR 25.0 million (2023: EUR 9.3 million). Overall operating costs (see notes 20 to 24) increased by EUR 964.4 million to EUR 1.4 billion (2023: EUR 450.4 million), mainly as a result of the incorporation of the Dutch Charity Lotteries.

In 2024 the average total number of employees (FTE) groupwide was 1,336 (2023: 781). The increase is a result of the acquisition of the Dutch Charity Lotteries in 2024. We further refer to note 30.

### **Cash flows, liquidity and solvency**

Postcode Lottery Group/Novamedia has EUR 788.1 million cash at bank (2023: 293.6 million) and has sufficient positive cash flows from operating activities. Positive cash flows from operations in 2024 were generated as a result of increasing lottery revenues. Investments in lotteries which do not break even are financed from these cash flows. Novamedia has no external debt or loans. Its liquidity ratio (current ratio) is 1.07 (2023: 1.61) and its solvency ratio (equity ratio) is 0.10 (2023: 0.39) as at 31 December 2024.

The acquisition of the Dutch Charity Lotteries in April 2024 substantially increased the Postcode Lottery Group's bank balances, and we have updated our internal treasury management processes accordingly. We are carefully reevaluating how we can best spread our funds across banks with a minimum A rating.

### **Interest rate effects**

The acquisition of the Dutch Charity Lotteries, the rise in the average interest rate and the increased bank balances had a positive effect in 2024 on the income of the Postcode Lottery Group and its lotteries, which hold significant liquid assets.

### **Good Operations: How we live our mission**

Our mission is to raise funds by organising lotteries to benefit charitable organisations worldwide and community projects near where our players live. We also strive to increase public awareness by promoting the work of these charities and social initiatives. As an international company ourselves, we have a long-term strategy and want to run our own operations as sustainably and inclusively as possible. The Good Operations (GO) agenda directs our efforts towards achieving this goal.

Based on our vision, mission and core values and formulated in dialogue with our stakeholders, the GO agenda focuses on five areas:

- Being a great place for people to work and meet
- Maximising the positive impact of our funds
- Engaging in customer-focused campaigning
- Achieving leadership in responsible value chains
- Operating with integrity.

We have an international GO team made up of representatives from each country. The GO agenda is applied within the framework of each lottery's operations and adapted to circumstances in the individual countries.

#### *Key ambitions*

Within the main GO agenda, the GO team has identified three key ambitions around sustainability and inclusion:

- Everyone should feel welcome
- We compensate for our CO<sub>2</sub> emissions and aim to reduce them as much as possible
- We are working to ban single-use plastics.

#### *Everyone should feel welcome*

In 2024, we continued a range of actions to promote an open and welcoming workplace. Below are a few examples from the group and individual countries.

The Dutch Charity Lotteries' training team assessed our building's accessibility for people with disabilities. On the basis of their findings, we have made the necessary adjustments. We're also enhancing the accessibility of our digital services for people with visual impairments.

The Swedish lottery promotes diversity and inclusion to ensure all employees feel safe, respected, and included. To this end, we organised a month of lectures, workshops, and reflective exercises on the subject. This work will continue in 2025. Additionally, we'll focus on health and well-being for four weeks to strengthen wellness and resilience, increasing productivity and engagement.

At People's Postcode Lottery, the new Team Handbook includes an accessibility tool for tailored experiences. We support team members returning from parental leave and those with caring responsibilities.

The Deutsche Postcode Lotterie values diversity, with 27 nationalities among its 200 employees and nearly 45% of management positions held by women (comparable to the other Lottery operations). In 2024, we continued to provide employees with benefits like subsidised sports, language courses, meal discounts, and psychological counselling. Fourteen employees were trained as Mental Health First Aiders.

#### *Compensating and reducing CO<sub>2</sub> emissions*

In the Netherlands, we've made significant strides in reducing emissions related to our prizes in kind, banning single-use plastics and aluminium and using recycled materials and FSC cardboard. Partnering with Acorn, we help small-scale farmers plant trees, which absorb CO<sub>2</sub> and improve climate resilience.



Our Swedish operations' emissions decreased during the pandemic but have since risen again to previous levels. In 2023, we managed to reduce the climate footprint of our printed communications by 64%.

At People's Postcode Lottery, we saved over 47.0 tonnes of CO<sub>2</sub> emissions by switching paper type and supplier for 16 million envelopes.

Like the lotteries in some of the other countries, the Deutsche Postcode Lotterie offers staff free public transport tickets and subsidised business bikes to reduce its carbon footprint. We also use green electricity and encourage paperless operations.

#### *Banning single-use plastics*

Eliminating single-use plastics is crucial for a sustainable future. By switching to alternative materials, we're reducing plastic waste and helping to protect the environment. In the Netherlands we have started combatting harmful microplastics by choosing products without them and working with suppliers to find alternatives.

After eliminating single-use plastics in the office and at events, the Swedish lottery also worked on reducing single-use plastics in prize packaging. In 2024, plastic accounted for 10% of total prize packaging, and 16% of that plastic is recycled.

People's Postcode Lottery aims to eliminate single-use plastics at events and encourages refillable water bottles.

The Deutsche Postcode Lotterie serves drinks in glass bottles and supports cleanup campaigns, with employees volunteering each year to help collect hundreds of tonnes of plastic trash.

#### *Corporate Sustainability Reporting Directive*

In the coming years, large non-listed companies like the Postcode Lottery Group must include sustainability information in their annual reports to comply with the EU's Corporate Sustainability Reporting Directive (CSRD). Companies must conduct a "double materiality assessment" to identify the topics that they have to report on, based on outside-in (financial opportunities and risks) and inside-out (impact) factors. Topics that bear high financial opportunities and risks and/or have a high impact must be reported in accordance with the European Sustainability Reporting Standards (ESRS).

The Postcode Lottery Group has completed this process according to CSRD standards and with reference to various internal and external documents. Information is divided into Environmental, Social, and Governance (ESG) categories and is provided in line with the topics from the EU framework, along with the company-specific topics formulated for the Postcode Lottery Group. We have conducted interviews with relevant internal stakeholders throughout the group, including the managing directors in all countries. Continuous stakeholder engagement is an important part of the CSRD.

Potential material topics for the Postcode Lottery Group are:

- Funding of charities
- Being a good employer
- Responsible gaming
- Prizes in kind
- Carbon emissions reduction.

Three of these topics are covered in the ESRS, while two are company-specific (funding of charities and prizes in kind). We will determine the subtopics and accompanying KPIs and adjust our operations in readiness to meet reporting requirements.

### Legal structure

The consolidated financial statements of Novamedia Holding B.V. (also trading as Postcode Lottery Group) include the following three types of enterprises:

- Charity lottery operators (Sweden, Great Britain and Norway)
- Charity lotteries (the Netherlands and Germany)
- Others (Stichting de Novamedia Fundatie, Novamedia Holding B.V., Novamedia B.V.)

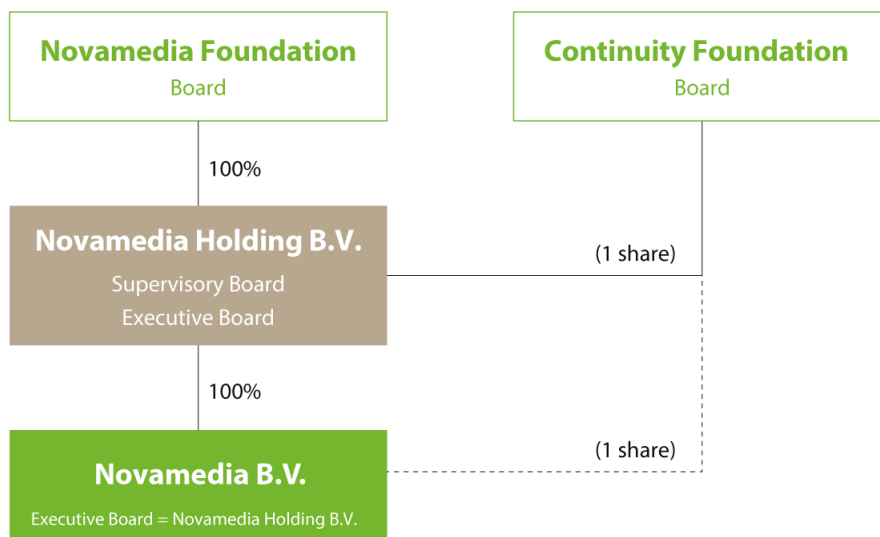
## Postcode Lottery Group



### Postcode Lottery Group/Novamedia’s governance structure

Postcode Lottery Group/Novamedia has a governance structure designed to enable it to realise its mission and, importantly, to guarantee its continuity. The relationship between the different decision-making bodies facilitates the fulfilment of our mission while maintaining our entrepreneurial spirit and further protecting the organisation.

## Postcode Lottery Group Governance



#### *Novamedia Holding Executive Board*

In 2024 Novamedia Holding's Executive Board comprised Sigrid van Aken (CEO since 2020 and Executive Board member since 2013), Imme Rog (CMO since 2018) and Michiel Verboven (CCO since 2020). The Executive Board had two female members and one male member during 2024 and is satisfied with this balanced gender ratio.

#### *Novamedia Holding Supervisory Board*

The Supervisory Board oversees the implementation of policies set by the Executive Board and the daily management of Novamedia Holding B.V. and its affiliated companies. Guided by the interests of Novamedia Holding B.V., the Supervisory Board advises the Executive Board and approves the annual budget and major investments. At the close of 2024, the board comprised Gert-Jan van der Vossen (chair), Kick van der Pol, Engbert Verkoren (appointed 1 May 2024) and Petra Zinkweg (appointed 1 May 2024). Gerdi Verbeet stepped down as a member and the chair of the Supervisory Board on 3 December 2024, at the end of her third term. The Executive Board is grateful for her long and dedicated service, her focus on Novamedia's mission, and her substantial contribution to Novamedia's future governance as a member of the Governance Committee. Also Derk Sauer is thanked for his contribution to the Supervisory Board, from which he resigned as a member on 13 December 2024. The Supervisory Board is currently working to fill one vacancy and will consider gender balance.

#### *Novamedia Foundation (Stichting de Novamedia Fundatie)*

Since 2016, Novamedia Holding B.V. has been 100% owned by the not-for-profit Novamedia Foundation, whose main objective is to safeguard the continuity of the company's mission. The foundation was incorporated with the core function of perpetually holding all shares in Novamedia Holding B.V., to ensure that it will never sell any of those shares to another party.

Since 2017, the Postcode Lottery Group and its lotteries have therefore been a steward-owned company. Steward ownership is a proven model that ensures a business prioritises its long-term purpose over short-term profits. In this type of organisation, power over the company cannot be speculated with and profit is a means to fulfilling a purpose, not a goal in itself. Value created in the company cannot be extracted by the shareholder; profits are reinvested, used to cover capital costs or donated.

At the close of 2024 the Novamedia Foundation's Board members were Pieter van Geel (chair) and Peter Prein. Dennis de Breij stepped down from the Board on 13 December 2024. The Board members are currently working to fill this vacancy and will consider gender balance.

After donating its previously owned shares to the Novamedia Foundation in 2017, Cella Media B.V. maintained lifelong usufruct rights on 18.97% of the shares in Novamedia Holding B.V., which allowed it to exercise voting rights and receive dividends. With respect to dividends paid in April 2024 in relation to fiscal year 2023, Cella Media B.V. agreed to donate the full amount to a charitable organisation (categorised as an ANBI in the Netherlands).

In December 2024, Novamedia Holding B.V., Stichting de Novamedia Fundatie (the Novamedia Foundation) and Cella Media B.V., have agreed to terminate the lifelong usufruct, which included voting and dividend rights, on 18.97% of the shares in Novamedia Holding B.V.

#### *Novamedia Continuity Foundation*

The Novamedia Continuity Foundation's purpose is to safeguard the Postcode Lottery Group's objectives and continuity. If a request for a change to the Articles of Association is brought before the Novamedia Supervisory Board or the Novamedia Foundation Board, the Novamedia Continuity Foundation will obtain a *deciding* share in Novamedia Holding B.V. and/or Novamedia B.V. Other than in such exceptional cases, the Novamedia Continuity Foundation will not have a share in or any control over Novamedia.

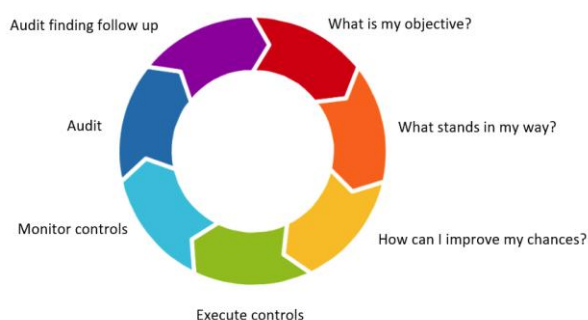
At the end of 2024 the Novamedia Continuity Foundation Board consisted of members Ben Knapen (chair), Jan Piet van Harseler and Simone van Bijsterveldt.

## Risk management and control

The Postcode Lottery Group recognises that proactive management of risk creates and protects value by enabling better-informed decision-making throughout the organisation. Postcode Lottery Group's risk management approach, based on the ISO 31000 standard, is designed to identify risks, as well as opportunities, as soon as possible and to enable us to respond with appropriate measures when and where necessary. A summary of our framework and risk-related developments during the past year is given below.

### *Risk management framework*

Our entrepreneurial culture is supported by a risk management and internal control framework designed to help us to achieve our objectives across all the lotteries.



Roles and responsibilities with regard to risk management are defined along the "three lines of defence", whereby:

1. The first line of defence is formed by functions that own and manage risks and their accompanying controls (business operations).
2. The second line is formed by those who specialise in risk management and compliance (oversight functions).
3. The third line of defence consists of functions that provide assurance on the performance of the first and second lines of defence (assurance providers are internal/external independent auditors).

### *Risk appetite*

Postcode Lottery Group's risk appetite is divided into three types:

#### 1. Strategic risk appetite

Postcode Lottery Group allows strategic risks to be taken in pursuit of its mission. Any major risks within this area are taken on only after careful consideration by Postcode Lottery Group's Executive Board and Supervisory Board.

#### 2. Operational and compliance risk appetite

Postcode Lottery Group aims to make informed decisions and only take on risks which are justified by the potential rewards. Observance of laws and regulations is fundamental to the continued operations of Postcode Lottery Group and its related entities. Therefore, Postcode Lottery Group takes a strict approach to compliance. On the operational side, we strive for organisational excellence. This translates into being able to detect and correct errors as soon as possible when things go wrong, and to share lessons learned across our organisations.

#### 3. Financial risk appetite

Acceptable financial risk levels are minimised. Risk appetite is equally low with respect to both the finances and financial reporting of the lotteries.

### *Overview of top risks*

Below we summarise the risks as well as opportunities that we believe are the most relevant to the fulfilment of our mission. These risks and opportunities have been identified by the Executive Board and analysed by the Supervisory Board. The order in which they are listed does not imply an order of significance.

#### *(Dis)continuation of lottery licences*

Going-concern risks may arise in, but are not limited to, situations that would cause the licences of the lotteries in the Netherlands, Sweden, Great Britain, Germany and/or Norway to be discontinued. There are currently no indications that this is likely to occur in the short term. Moreover, we are furthering our mission by pursuing an opportunity to grow the number of lotteries by seeking a charity lottery licence in the Canadian market.

#### *Pressure on sales*

Each market that has opened to remote gambling products has faced an enormous increase in gaming advertising. Regulators have consistently responded by implementing restrictions on such advertising. While these are understandable from a responsible gaming perspective, they can unintentionally cause harm to the safe, non-addictive charity lotteries we operate. With other lotteries and our charity partners, we continue to highlight the differences between our lotteries and the wider gambling sector, such as our the mission to raise funds for good causes, the fact that our lottery offerings are widely considered as low-risk from a problem-gambling perspective, and our lotteries' not-for-profit status.

#### *IT operations and development*

The availability, integrity and confidentiality of data are crucial for the continuity of the lotteries' business processes. In order to remain independent and in control across the group, our strategy has always been to develop our core lottery products in-house. With an eye towards the future, we are harmonising our processes and data model across the group, supported by the development of shared technology, locally implemented and configured.

#### *Information security*

Ransomware attacks happen frequently and form a threat to our operations, as they do for any company. Human and technical errors can also endanger the availability, integrity and confidentiality of our data. In order to keep information security top of mind, in light of factors including the increased use of artificial intelligence, we run continuous education programmes and train staff to handle cybercrises effectively. We also monitor our intrusion defences 24/7 and test them regularly and work to harmonise our IT platform and use of security and other tools. We use a layered defence strategy made up of different measures.

To leverage economies of scale, we are striving to improve the international alignment of systems, software and security measures across the lotteries. Vulnerability scanning, international collaboration (internally as well as externally), and external audits and certifications help us to identify areas where improvements can be made.

#### *Intellectual property infringements*

One of Postcode Lottery Group's primary assets is its intellectual property rights to the lottery formats and related trademarks. Therefore, Postcode Lottery Group monitors the market and trademark registers and takes immediate action against infringers. Proper use of Postcode Lottery Group's IP is supported by its Creative Library and Brand Book.

#### *Risk of an inability to attract, develop and retain talent*

Maintaining an adequate number of well-trained staff members is crucial to the operation of Postcode Lottery Group and its related entities. In order to attract and maintain well-qualified personnel, we offer a competitive package of employment terms and training. In addition, international collaboration and job mobility make for an exciting work environment, with traineeships and exchanges available across the group; these also aid in optimal resource planning. In 2024 a single HR system was implemented across the group to support the digital employee journey for starters, movers, and leavers at each of our lotteries.

#### *Reputational risks*

Reputational risks can arise from a multitude of sources. An organisation's reaction to an incident or crisis can have a critical impact on its reputation, over and above the incident itself. Therefore, in addition to striving for effective and compliant execution of operational processes, the lottery organisations have communication departments that work to maintain a good reputation in traditional and social media and among players and the general public. They monitor various outlets, observe

media statements about the organisations, devise strategies to address misinformation, and prepare for crisis situations through simulations.

#### *Governance*

Due to historical legal and regulatory factors, the Nationale Postcode Loterij and VriendenLoterij were established as a separate entity in the Netherlands. However, following a 2016 amendment to the Wet op de Kansspelen (Dutch Betting and Gaming Act), in 2024, the two Dutch Charity Lotteries were able to become part of Novamedia's legal structure, alongside the four other European Postcode Lotteries.

#### *Fraud*

Even though typical fraud schemes related to cash are minimised due to our subscription-based model and the absence of cash in players' transactions, we spend considerable time and effort on fraud prevention and detection across our lotteries. Fraud risks are present across a wide variety of areas and are considered in the context of individual processes and projects. In addition, an annual local risk assessment is performed at each of our lotteries, to evaluate our most significant fraud risks in light of the control measures in place, represented in our shared fraud risk framework (based on that of the Association of Certified Fraud Examiners). During the annual strategic risk assessment, the most prominent local risks, such as procurement fraud and possibilities of fraud within the payment cycle to suppliers, winners and beneficiaries are discussed with the Supervisory Board.

#### *Liquidity risk*

Endangerment of Postcode Lottery Group's continuity, for instance due to a new financial crisis, is captured under liquidity risk. Control measures such as the use of only highly rated banks, the spreading of funds across those banks, and strong controls within the payment process are employed to reduce the level of liquidity risk. Based on the outcome of KPMG's review of the existing treasury policy and counterparty risk, an updated policy has been adopted. Other financial risks assessed by the Executive Board are listed in the financial statements.

#### *Artificial intelligence*

From a downside risk perspective, artificial intelligence (AI) is considered as part of our information security efforts (see above). However, AI also presents opportunities to tailor our approach to existing and potential customers and to provide instant 24/7 support to players. Therefore, besides training employees in AI-related information security, we have begun exploring how AI tools can support us in our day-to-day work.

## **Expected developments in 2025 by country**

### **Dutch Charity Lotteries**

The Nationale Postcode Loterij and VriendenLoterij will work to maintain at least the current level of donations and will continue to pursue growth in 2025. We will strive to increase the amount we raise for charities, focusing on sustainable player acquisition as well as retention. The Nationale Postcode Loterij also aims to further expand uptake of its Plus and Premium product additions.

### **Svenska Postkodlotteriet**

The Svenska Postkodlotteriet's primary goals for 2025 will be to continue to raise public awareness of the lottery and its purpose, to increase the player base, and to strengthen player retention. The lottery will also focus on increasing player adoption of its Plus and Premium product additions.

### **People's Postcode Lottery**

People's Postcode Lottery aims to expand in 2025 by recruiting new players via multiple channels. Its loyalty programme, new communication strategies and additional coordination with charities will encourage retention. The lottery will also work on its first TV show in 2025.

### **Deutsche Postcode Lotterie**

The Deutsche Postcode Lotterie will keep working to expand the amount of funding it raises for charities, with the goal of increasing its grants to local and regional projects and community initiatives.

### **Norsk Postkodelotteri**

The Norwegian lottery will keep working to expand its player base in 2025, as its revenue cap was raised in December 2024 and therefore its average monthly subscription limit has increased to 168,000. Norwegian law caps charity lotteries' turnover and hence the number of tickets they can sell, negatively impacting the amount the lottery is able to raise for good causes. Our charity partners are urging the government to further raise or remove the cap to enable charity lotteries and their players to raise more vital funding in Norway. We continue to campaign with them in pursuit of this goal.

### **Canadian Postcode Lottery**

In 2025 we aim to be able to announce plans to begin operating our seventh lottery, through which the Canadian Postcode Lottery Foundation will raise needed funds for civil society organisations and communities in the province of Ontario.

### **Financing and staffing**

The Postcode Lottery generates sufficient positive cash flows to meet the funding needs of the group. We expect the number of FTE employees to stay at its current level. We are carefully looking into how best to obtain new expertise to support the international development and growth of the lotteries.

## **Management expectations for 2025**

### **Accelerating growth**

We will continue to pursue our international growth acceleration strategy, which is designed to enable us to meet future challenges with confidence, strength and flexibility so we can keep providing charities with vital support. Besides the creative marketing activities, the Group Tech department plays an important role in this. In 2025, Group Tech will continue to promote collaboration in IT development and operations and to build software for use across the lotteries. The International Analytics Hub's generation of data insights will also comprise an important part of the strategy. We look forward to exciting new products and insights making our lotteries even more successful in 2025 and beyond.

#### *Lottery as a service*

The Group Tech and Group Product departments are set to deliver a new groupwide cloud-based software solution in 2025. It will enable us to quickly share successful software innovations and tailor them to each lottery, replacing siloed local processes and boosting our effectiveness in every area, from subscriptions to interacting with our players, as well as campaigns, draws and prizes. This will allow us to strengthen our operations so we can support more good causes at home and around the world.

#### *The power of data analytics*

The International Analytics Hub will continue to develop models and dashboards to help us bundle our knowledge so we can learn faster and improve our impact in a range of areas. The Hub's work enables us to leverage economies of scale and frees up time and resources for creativity and innovation in other departments.

### **Enhancing the player experience**

Following the successful launch of the VriendenLoterij mobile app, we plan to introduce apps for other lotteries over the next few years, starting with the Nationale Postcode Loterij in 2025. With the launch of the app we aim to improve players' lottery experience. Our lotteries are some of the safest products of their kind worldwide, and we place a strong emphasis on responsible play.

### **Sustainability reporting**

In the coming years, the Postcode Lottery Group will include sustainability information in its annual reports to comply with the EU's Corporate Sustainability Reporting Directive (CSRD). The CSRD's purpose is to realise the Paris Agreement goals and make Europe a climate-neutral continent. For further information please see page 16.

### **International partnerships**

The Postcode Lottery Group is always looking for new opportunities to expand its lottery operations and fundraising efforts. We are working with local organisations in several countries with the ambition of setting up new lotteries to raise funds for charities and increase awareness of their work. Across Europe there is huge potential for the charity lottery sector to grow and therefore raise more funds for good causes, as research shows that our lotteries are complementary to the work of state lotteries.

### **Limitless potential**

We have made it our mission to raise as many funds as possible for initiatives that make for a better society. From small and local charities to large international charity organisations, our players support them all. Our goal is to turn every home's postcode into a ticket for good, so everyone has the chance to win prizes each and every day of the year, and in monthly draws with their neighbours. With each draw, players contribute to a healthier, fairer, and greener world in which human rights are respected.

We look forward to working with the international teams and all our employees to further pursue our mission in the year ahead through our lotteries in the Netherlands, Sweden, Great Britain, Germany, and Norway. We will all stay focused on what



we do best at the Postcode Lotteries, so we can continue to empower communities, drive progress, and create hope for the future.

Finally, a special thanks goes to all the lotteries' players across Europe, to our local and international ambassadors, and to the members of the Supervisory Board, the lotteries' grants councils, the boards of the lottery foundations, the Board of the Novamedia Continuity Foundation, and the Board of the Novamedia Foundation for their expertise, experience and great commitment to the company. We also extend our special thanks to Gerdi Verbeet for her contribution to the success of the company and her personal involvement in our teams during all her years as chair of the Supervisory Board. And last but not least, to all the managing directors in the lottery countries, the group directors and the international and local teams with whom we have achieved these wonderful results: thank you for your passion, dedication, and unwavering belief in our shared mission. It is because of you that we can continue to inspire change and create hope – one postcode at a time!

Amsterdam, 4 April 2025

The Executive Board:

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S.J. van Aken (CEO)

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I. Rog (CMO)

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M. Verboven (CCO)

## Report of the Supervisory Board

### Annual Report

The Supervisory Board is pleased to present the 2024 Annual Report of the Postcode Lottery Group/Novamedia Holding B.V., including financial statements. This Annual Report has been prepared by the Postcode Lottery Group's Executive Board. PricewaterhouseCoopers Accountants N.V. audited the financial statements and issued an unqualified opinion. The Supervisory Board's Audit Committee has discussed the financial statements with the CEO, the CCO, the Finance Director, the finance team, and the external independent auditor. The Supervisory Board has subsequently discussed the Annual Report with the Executive Board and has concluded that it meets all relevant requirements and provides a fair and comprehensive view of the company's results, financial position and risks.

The financial statements will be submitted to the general meeting of shareholders for adoption on 6 May 2025. The Supervisory Board proposes that the Postcode Lottery Group's Executive Board is granted discharge in respect of the management carried out, that the Supervisory Board is granted discharge for the supervision executed, and that the financial statements are adopted.

### Supervision

The Supervisory Board monitors and advises the Executive Board in setting and achieving the strategic objectives of Novamedia. In this report, the Supervisory Board explains how it has fulfilled its role during the past year.

### Outstanding performance

The Supervisory Board looks back on 2024 as a very successful year for the Postcode Lottery Group, with a 7.7% increase in lottery revenues. We continued to successfully practise our acceleration strategy throughout the Postcode Lottery Group, leading to yet another year of outstanding achievements by the lotteries in the Netherlands, Sweden, Great Britain, Germany and Norway. Thanks to the excellent performance of the lottery teams and the commitment of our loyal players, the lotteries' combined revenue increased to EUR 2.7 billion in 2024, and we were able to donate an impressive record EUR 969 million to charities.

### International growth acceleration strategy

With our international acceleration strategy, we aim to unlock growth opportunities for all our lotteries. For instance, the Postcode Lottery Group is focusing on setting a new standard for the use of data, artificial intelligence, and the insights they bring. The international teams will pursue their marketing ambitions, product and tech development, and creative concepts on the basis of international collaboration and an exchange of best practices. In 2025 the company will further increase collaboration, knowledge exchange and alignment across the lotteries and their departments.

### A top global donor

The Postcode Lottery Group is among the world's largest private charitable donors. Research ranked the Postcode Lottery Group at number three in 2021, after the Bill & Melinda Gates Foundation and The Wellcome Trust. We are grateful to our local and international ambassadors, the Dutch Charity Lotteries' Toekenningenraad, the Deutsche Postcode Lotterie's Beirat, the Svenska Postkodföreningen's Board, the Trustees in Great Britain, the boards of our lottery foundations in the Netherlands, Sweden and Canada, and all our other partners. They help us to maintain the vital financial support our lotteries and players provide for good causes – and to keep growing the number of subscriptions we sell so we can keep increasing that support. We will continue to stride forward, full of ambition.

### Financial reporting and risks

In 2024 the Executive Board provided periodic reports to the Audit Committee and quarterly reports to the Supervisory Board comparing the Postcode Lottery Group's actual financial results to the 2024 budget, the latest estimates for 2024, and the results for 2023.

At each of the local lotteries and at the Postcode Lottery Group an annual fraud risk assessment was held in the second half of 2024. The highest-scoring risks were reviewed during the annual strategic risk assessment with the Supervisory Board.

### **Supervisory Board composition and meetings**

The Supervisory Board had two female and four male members during 2024. Engbert Verkoren (m) and Petra Zinkweg (f) were appointed in May. In December, Gerdi Verbeet (f) handed over the chair's role to Gert-Jan van der Vossen (m) and stepped down from her membership. Derk Sauer (m) resigned in the same month, leaving the Supervisory Board with one female and three male members. At the close of 2024, the board comprised Gert-Jan van der Vossen (chair, m), Kick van der Pol (m), Petra Zinkweg (f) and Engbert Verkoren (m). In filling current and future vacancies, the Supervisory Board will consider gender balance.

The Postcode Lottery Group Supervisory Board had five meetings in 2024 and attended three general meetings of shareholders. The Supervisory Board was organised in three separate committees: the Audit Committee, the Business Committee, and the Nomination & Remuneration Committee.

### **Audit Committee composition and meetings**

The Audit Committee held five meetings in 2024. Gert-Jan van der Vossen acted as chair, and Gerdi Verbeet served as a member until she passed the role to Engbert Verkoren upon his appointment in May 2024. The chair of the Audit Committee, the CEO and the Finance Director monitored developments within the Postcode Lottery Group and informed each other about these on a monthly basis.

### **Business Committee and Nomination & Remuneration Committee composition and meetings**

For the first half of the year, the Business Committee consisted of Gert-Jan van der Vossen (chair), Petra Zinkweg, Engbert Verkoren and Derk Sauer. In the second half of the year, Engbert Verkoren took over the chair's role and Gert-Jan van der Vossen stepped down as a member of the Business Committee. The Remuneration and Nomination Committee consisted of Kick van der Pol (chair), Gerdi Verbeet and Petra Zinkweg. They held two meetings in 2024 and had separate meetings with the Executive Board members.

### **A word of thanks**

The Supervisory Board wishes to express its gratitude to Gerdi Verbeet and Derk Sauer for their commitment and dedication during the period in which they served as members.

As ever, our heartfelt thanks go out to the Executive Board and all the employees of the Postcode Lottery Group for their ongoing commitment and general excellence. Thanks to stellar collaborative efforts across the group, a record turnover was achieved in 2024, raising a gratifying EUR 969 million for the numerous good causes our charity lotteries support around the world. Charities need long-term, unrestricted funding to build a better world. And that's where we come in. We are pleased that the Postcode Lottery Group is able to contribute to a better world and reach out to those in need, especially in these times.

Amsterdam, 4 April 2025

The Supervisory Board:

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G.J.A.M. van der Vossen (*chair*)

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C. van der Pol

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E.H. Verkoren

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P.A. Zinkweg

**Financial statements**

## Consolidated balance sheet as at 31 December 2024

EUR * 1,000		31 December 2024	31 December 2023
<i>(before appropriation of result)</i>	<i>Notes</i>		
<i>Assets</i>			
<i>Fixed assets</i>			
<b>Intangible fixed assets</b>	1		
Goodwill		0	0
Software		0	0
		0	0
<b>Tangible fixed assets</b>	2		
Land and buildings		79,582	2,795
Fixtures, furniture and hardware		4,405	4,226
		83,987	7,021
<b>Financial fixed assets</b>	3		
Subsidiaries		0	0
Deferred tax assets		6,152	2,341
Other participating interests		0	12,110
		6,152	14,451
<i>Current assets</i>			
<b>Inventories</b>	4	20,897	4,674
<b>Receivables</b>			
Accounts receivable	5	3,558	304
Receivable, Svenska Postkodföreningen	6	23,122	19,242
Tax receivable	7	16,086	2,450
Other receivables	8	25,948	19,806
		68,714	41,802
<b>Cash and cash equivalents</b>	9	788,121	293,553
		<b>967,871</b>	<b>361,501</b>

<b>EUR * 1,000</b>		<b>31 December 2024</b>	<b>31 December 2023</b>
	<i>Notes</i>		
<i>Group equity and liabilities</i>			
<b>Group equity</b>	10/37	95,819	139,753
<b>Provisions</b>			
Deferred tax liabilities	11	12,089	7,536
<b>Non-current liabilities</b>			
Negative goodwill	12	41,146	0
<b>Current liabilities</b>			
Accounts payable		62,197	20,574
Taxes and social security premiums	13	43,253	8,507
Deferred income	14	184,738	87,088
Prizes payable	15	163,375	47,366
Payables to charities	16	315,852	24,111
Other liabilities and accruals	17	49,402	26,566
		<u>818,817</u>	<u>214,212</u>
		<b><u>967,871</u></b>	<b><u>361,501</u></b>

## Consolidated profit and loss account for the year ended 31 December 2024

EUR * 1,000		2024	2023
	<i>Notes</i>		
<b>Revenue</b>			
Lottery-related revenue	19	1,432,352	458,755
Book-related revenue		0	7,201
<b>Total revenue</b>		<b>1,432,352</b>	<b>465,956</b>
<b>Expenses</b>			
Lottery-related operating expenses	20	1,289,585	376,877
Cost of sales (books)		0	3,962
Book-related operating expenses		0	5,500
Personnel expenses	21	106,136	55,434
General and administrative expenses	22	14,434	7,511
Depreciation, amortisation and impairment of fixed assets	23/24	4,681	1,133
<b>Total expenses</b>		<b>1,414,836</b>	<b>450,417</b>
<b>Operating income</b>		<b>17,516</b>	<b>15,539</b>
Changes in value of fixed assets	26	(753)	(1,959)
Result from divestment of group companies	27	1,675	807
Realisation of negative goodwill	12	862	0
Financial expenses (-) and income (+)	28	22,712	9,912
<b>Result on ordinary activities before taxation</b>		<b>42,012</b>	<b>24,299</b>
Current taxation on result on ordinary activities	29	(17,184)	(16,180)
Changes in deferred taxes	29	125	1,180
<b>Net result</b>		<b>24,953</b>	<b>9,299</b>



## Consolidated cash flow statement for the year ended 31 December 2024

EUR * 1,000		2024	2023
	<i>Notes</i>		
<b>Cash flow from operating activities</b>			
Operating income		<b>17,516</b>	<b>15,539</b>
<i>Adjustments for non-cash items:</i>			
Depreciation, amortisation and impairment	23/24	4,681	1,133
		4,681	1,133
<i>Changes in working capital:</i>			
Receivables		(24,211)	(7,268)
Inventories		54	(2,854)
Current liabilities		277,834	36,122
		253,677	26,000
Cash generated from operations		275,874	42,672
Financial income		24,317	9,040
Financial expenses		(717)	(460)
Corporate income tax		(19,909)	(15,251)
		3,691	(6,671)
Net cash from operating activities		279,565	36,001
<b>Cash flow from investment activities</b>			
Investment in (in)tangible fixed assets	2	(1,238)	(988)
Investment in financial fixed assets	3	(2,599)	(4,422)
Effect of acquisition of Dutch Charity Lotteries		269,486	0
Acquisition of usufruct on 18.97% of the shares	37	(66,000)	0
Divestment of group companies	27	13,397	1,712
Proceeds from shareholder loans	37	0	2,901
Net cash from investment activities		213,046	(797)
<b>Cash flow from financing activities</b>			
Dividends paid to the company's shareholder	37	(2,000)	(20,474)
Capital increase	37	0	12,706
		(2,000)	(7,768)
<b>Net cash flows</b>		<b>490,611</b>	<b>27,436</b>
Exchange gains/losses on cash and cash equivalents		3,957	1,401
<b>Net increase in cash and cash equivalents</b>		<b>494,568</b>	<b>28,837</b>
Movements in cash and cash equivalents can be broken down as follows:			
<b>As at 1 January</b>		<b>293,553</b>	<b>264,716</b>
Movements during the year		494,568	28,837
As at 31 December		788,121	293,553
Restricted for charities and prizewinners		(652,441)	(115,209)
<b>Cash and cash equivalents available</b>		<b>135,680</b>	<b>178,344</b>

## General notes to the financial statements

### Entity information

The registered and trading address of Novamedia Holding B.V. (hereafter Postcode Lottery Group/Novamedia) is Beethovenstraat 200, 1077 JZ Amsterdam, the Netherlands. The company is registered with the Netherlands Chamber of Commerce under number 33209523.

### General

Novamedia, also trading as Postcode Lottery Group, is an international private company, and its shares are fully owned (100%) by a non-profit foundation, Stichting de Novamedia Fundatie (the Novamedia Foundation). Novamedia firmly believes that the world benefits from strong communities and charities, which play an important role in creating a healthier, fairer, greener world. Through setting up and running charity lotteries, it seeks to contribute to a better world, to raise long-term funding for its local and international charity partners, and to increase awareness of their work.

Novamedia is the creator and owner of various brands and lottery formats, including the Postcode Lottery brand and format. The unique Postcode Lottery format uses postcodes as ticket numbers. Neighbours play together, win together and help good causes together. It's a fun and safe way for communities to fundraise. Postcode Lotteries have been set up in Sweden, Great Britain, Germany and Norway as well as in the founding country of the Netherlands. By the end of 2024, Novamedia's lottery formats had raised a total of EUR 14.5 billion for donation to thousands of charities and social initiatives around the world.

The Postcode Lottery Group currently operates six charity lotteries: the Nationale Postcode Loterij and the VriendenLoterij in the Netherlands, the Svenska Postkodlotteriet in Sweden, People's Postcode Lottery in Great Britain, the Deutsche Postcode Lotterie in Germany, and the Norsk Postkodelotteri in Norway.

All shares of Nationale Postcode Loterij N.V. and VriendenLoterij N.V. are owned by Holding Nationale Goede Doelen Loterijen N.V., whose parent company, Aandelenbeheer Nationale Goede Doelen Loterijen B.V., is a 100% subsidiary of Novamedia B.V.; in line with the Articles of Association, no dividends can be paid to Novamedia. All income, contributions to beneficiaries and prizes relating to the Dutch Charity Lotteries are therefore included in the consolidated financial statements of Novamedia Holding B.V. from April 2024 onwards. Holding Nationale Goede Doelen Loterijen N.V. also prepares and files its own statutory annual accounts.

The Deutsche Postcode Lotterie is owned by Novamedia Deutschland GmbH, a 100% subsidiary of Novamedia B.V. All income, contributions to beneficiaries and prizes relating to the German lottery are therefore included in the consolidated financial statements of Novamedia Holding B.V. Postcode Lotterie DT gGmbH also prepares and files its own statutory annual accounts. The legal structure of the German lottery is specifically designed to meet local licensing requirements for non-profit organisations. As a result, no dividends can be paid to Novamedia. By the end of 2024, Novamedia B.V. had provided EUR 96.1 million in loan financing to the German lottery to enable its growth. The Beirat (charities board) approves decisions regarding which beneficiaries will receive donations of lottery income.

The entities in Sweden (Svenska Postkodlotteriet AB), Great Britain (Postcode Lottery Ltd.) and Norway (Norsk Postkodelotteri AS) qualify as lottery operators and are included in Novamedia Holding B.V.'s consolidated financial statements. Please refer to the legal structure paragraph in the Report of the Executive Board and note 19 of the financial statements. All three entities prepare and file their own statutory annual accounts.

### Accounting principles

In general, assets and liabilities are valued at historical cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. The balance sheet and profit and loss account include references to the notes. The accounting principles as stated below are applicable to both the consolidated and company financial statements of Novamedia Holding B.V.

The financial statements are prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. The financial statements are denominated in EUR 1,000.

The annual report deviates from the standard models in the Besluit Modellen Jaarrekening (Decree on Models of Annual Accounts) for some of the financial statement line items. The names and classifications used are more in line with the activities of the Postcode Lottery Group entities with the goal of improving its insights.

### Comparison to prior year's principles

The principles of valuation and determination of the result have remained unchanged compared to the previous year.

#### *Changes in accounting estimates*

There were no changes in accounting policies during 2024.

### Foreign currencies

#### *Functional currency*

Items included in the financial statements of group companies are measured using the currency of the primary economic environment in which the respective group company operates (the functional currency). The consolidated financial statements are presented in euros, the functional and presentation currency of Novamedia Holding B.V.

#### *Transactions, receivables and debts*

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the profit and loss account, except when deferred in equity as qualifying hedges.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions (or the approximated rates). The following exchange rates are used:

	<b>Final as at 31 Dec</b>			<b>Average rate</b>	
	2024	2023		2024	2023
EUR 1 = SEK	11.475	11.137	EUR 1 = SEK	11.428	11.447
EUR 1 = GBP	0.829	0.867	EUR 1 = GBP	0.846	0.871
EUR 1 = NOK	11.827	11.240	EUR 1 = NOK	11.621	11.377

#### *Group companies*

Assets and liabilities of consolidated subsidiaries with a functional currency different from the presentation currency are translated at the rate of exchange prevailing at the balance sheet date; income and expenses are translated at average exchange rates during the financial year. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of these subsidiaries and translated at the closing rate. Any resulting exchange differences are taken directly to the legal reserve for translation differences within equity.

### Consolidation

The consolidation includes the financial information of Novamedia Holding B.V., its group companies and other entities in which it exercises control. Group companies are entities in which Novamedia Holding B.V. exercises direct or indirect control based on a shareholding of more than one half of the voting rights, or has the power to govern the financial and operating policies. Potential voting rights that can directly be exercised at the balance sheet date are also taken into account.

Participating interests in group equity and group result are disclosed separately. Participating interests over which no control can be exercised (associates) are not included in the consolidation. Intercompany transactions and balances among group companies are eliminated unless these results are realised through transactions with third parties. Unrealised losses on intercompany transactions are eliminated as well, unless such a loss qualifies as an impairment.

#### Article 402, Book 2 of the Dutch Civil Code

Since the profit and loss account of Novamedia Holding B.V. is included in the consolidated financial statements, a condensed profit and loss account has been disclosed in the company financial statements in accordance with Article 2:402 of the Dutch Civil Code.

#### Acquisitions and disposals of group companies

Identifiable assets acquired and liabilities assumed in a business combination are recognised in the consolidated financial statements from the acquisition date, being the moment that control can be exercised in the acquired company. The acquisition price consists of the cash consideration, or equivalent, agreed for acquiring plus any directly attributable expenses. If the acquisition price exceeds the net amount of the fair value of the identifiable assets and liabilities, the excess is capitalised as goodwill under intangible assets (refer to note on amortisation and depreciation). If the acquisition price is lower than the net amount of the fair value of the identifiable assets and liabilities, the difference (i.e., negative goodwill, badwill) is disclosed under non-current liabilities. Entities continue to be consolidated until they are sold or liquidated; they are deconsolidated from the date that control ceases.

Consolidated by Novamedia Holding B.V. using the full consolidation method:

	<b>Registered office</b>	<b>Share in equity:</b>
Novamedia B.V.	Amsterdam	100%
Stichting de Novamedia Fundatie (Novamedia Foundation) <sup>1</sup>	Amsterdam	100%
Aandelenbeheer Nationale Goede Doelen Loterijen B.V.*	Amsterdam	100%
Holding Nationale Goede Doelen Loterijen N.V.*	Amsterdam	100%
Nationale Postcode Loterij N.V.*	Amsterdam	100%
VriendenLoterij N.V.*	Amsterdam	100%
Postcode Lottery Ltd.	Amsterdam	100%
Svenska Postkodlotteriet AB	Amsterdam	100%
Novamedia Deutschland GmbH	Düsseldorf	100%
Postcode Lotterie DT gGmbH	Düsseldorf	100%
Norsk Postkodelotteri AS	Oslo	100%
Novamedia Lotteries Canada Inc. <sup>2</sup>	Amsterdam	100%

\* On 15 April 2024, Novamedia completed the acquisition of 100% of the shares of Nationale Postcode Loterij N.V., VriendenLoterij N.V., and their parent company, Holding Nationale Goede Doelen Loterijen N.V. From this date these entities are part of the consolidation of Novamedia Holding B.V. All shares of Holding Nationale Goede Doelen Loterijen N.V. are held by a 100% subsidiary of Novamedia B.V., Aandelenbeheer Nationale Goede Doelen Loterijen B.V., which was established on 2 April 2024.

The following subsidiaries/participating interests of Novamedia B.V. were sold in 2024:

	<b>Date of sale:</b>	
Scheltema B.V. <sup>3</sup>	22 March 2024	100%
Phase2.earth B.V.	20 December 2024	16.7%

1 With the loan from Novamedia B.V. fully repaid, this entity is consolidated with effect from 9 December 2023, as it meets the technical accounting requirements for a consolidated company.

2 Novamedia Lotteries Canada Inc. was established in 2020 and has no activities yet.

3 The result from the divestment of Scheltema was accounted for in 2023. The figures for Scheltema B.V. up to 22 March 2024 are not material and are therefore not consolidated.

Stichting Continuïteit Novamedia (the Novamedia Continuity Foundation) is not deemed material and therefore not consolidated.

### **Related parties**

Any legal entity that can be controlled, jointly controlled or significantly influenced is considered to be a related party. Also, any entities which can control Novamedia are considered related parties; these include the statutory directors and supervisory board members of Novamedia and the boards of related foundations.

Significant transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, the extent and other information are disclosed if disclosure is required to provide for a true and fair view.

### **Estimates**

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. If necessary for the purposes of providing the view required under Article 2:362, paragraph 1 of the Dutch Civil Code, the nature of these estimates and judgements, including the related assumptions, is disclosed in the notes to the financial statement items in question. The key estimates are:

- The economic lifespan in relation to the various components of the office building at Beethovenstraat 200. These estimates were made on the basis of a report from an external party in combination with the maintenance plans for the various components.
- The residual value of the office building at Beethovenstraat 200. This estimate is based on a report from an external party that determined the residual value on the basis of information about comparable buildings, historical data, and recent developments.
- The redemptions of prizes in kind, which are estimated based on historical data and expectations of how participants use prizes in kind.
- The approximated weighted average of the remaining useful life of the building at Beethovenstraat 200, used to determine the period in which the negative goodwill will be realised.

### **Principles of cash flow statement**

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement are comprised of cash and cash equivalents. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities. Any purchase consideration paid for an acquired group company will be recognised as cash used in investing activities where it was settled in cash. Any cash at banks and in hand in an acquired group company will be deducted from the purchase consideration. Transactions not resulting in inflow or outflow of cash are not recognised in the cash flow statement.

## Principles of valuation of assets and liabilities

An asset is recognised in the balance sheet when it is probable that future economic benefits will flow to the entity and the asset has a cost or value that can be measured reliably.

A liability is recognised in the balance sheet when it is probable that the settlement of an existing obligation will result in an outflow of resources embodying economic benefits and the amount at which settlement will take place can be measured reliably.

### Intangible fixed assets

Intangible fixed assets are stated at historical cost less amortisation. Allowance is made for any impairment losses expected. A loss qualifies as an impairment loss if the carrying amount of the asset (or of the cash-generating unit to which it belongs) exceeds its recoverable amount.

#### *Goodwill*

Goodwill is the excess of the purchase price over the fair value of net assets. Goodwill is capitalised and amortised on a straight-line basis over its estimated useful life. Negative goodwill occurs if the value of the net assets is higher than the purchase price. Negative goodwill is realised in accordance with the weighted average of the remaining useful life of the depreciable or amortisable assets acquired.

#### *Software*

Software licences acquired are capitalised at acquisition cost and amortised on a straight-line basis over their estimated future useful lives. Expenditures that are attributable to the production of identifiable and unique software products controlled by the group are capitalised. It is the Postcode Lottery Group's policy not to capitalise any internal development costs. Costs associated with maintaining computer software, research expenditure and cloud-based platforms are recognised in the profit and loss account.

### Tangible fixed assets

Land and buildings are stated at historical cost-plus expenditure that is directly attributable to the acquisition of the items, less straight-line depreciation over their estimated future useful lives, up to a predefined residual value. Land is not depreciated. Allowance is made for any impairment losses expected on the balance sheet date.

No provision for future large maintenance costs is accounted for. Future large maintenance costs will be capitalised when they occur and depreciated. The component approach from the initial recognition will be applied.

Other tangible fixed assets, being furniture and fixtures, are valued at historical cost less straight-line depreciation over the estimated useful economic life and expected impairments.

### Financial fixed assets

#### *Subsidiaries and other investments*

Majority subsidiaries and other investments over which significant influence can be exercised are valued according to the net asset value method. The Postcode Lottery Group is considered to exercise significant influence if it holds at least 20% of the voting rights.

Net asset value is calculated using the accounting policies applied in these financial statements. Subsidiaries and other investments whose financial information cannot be aligned to these policies are valued based on their own accounting policies.

In cases where the valuation of a subsidiary according to the net asset value is negative, the subsidiary is valued at nil. If in this situation the investing company is fully or partially liable for the debts of the subsidiary, a provision is recorded.

Subsidiaries and other investments acquired are initially measured at the fair value of the identifiable assets and liabilities upon acquisition. Any subsequent valuation is based on the accounting policies that apply to these financial statements, taking into account the initial valuation. From the acquisition date, the acquiring entity includes the results of the acquired party in its income statement, and includes in its balance sheet the identifiable assets and liabilities of the acquired party and any goodwill or negative goodwill arising on the acquisition.

Subsidiaries where no significant influence can be exercised are valued at cost. If an asset qualifies as impaired, it is measured at its impaired value; any write-offs are disclosed in the profit and loss account.

#### *Loans*

Receivables disclosed under financial fixed assets are stated at the fair value of the amount owed, which normally consists of its face value, net of any provisions considered necessary. Receivables recognised under financial fixed assets are initially valued at fair value less transaction cost (if material). These receivables are subsequently valued at amortised cost. In determining the value, any impairments are taken into account.

#### *Other participating interests*

Participating interests in entities over which no control can be exercised (associates) are not included in the consolidation and are carried at cost or lower market value.

#### *Other long-term receivables*

Other long-term receivables disclosed under financial assets include issued loans and other receivables as well as purchased loans and debentures that will be held to their maturity date. These receivables are initially measured at fair value, and subsequently carried at amortised cost. If debentures are acquired or loans are issued at a discount or premium, the discount or premium is recognised through profit or loss over the maturities of the debentures or loans using the effective interest method. Transaction costs are also included in the initial valuation and recognised in profit or loss as part of the effective interest method. Impairment losses are deducted from amortised cost and expensed in the profit and loss account.

#### *Impairment of fixed assets*

On each balance sheet date, the company assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the realisable value of the asset is determined.

An impairment occurs when the carrying amount of an asset is higher than the realisable value; the realisable value is the higher of the fair value less cost to sell and the value in use. An impairment loss is directly recognised in the income statement while the carrying amount of the asset concerned is concurrently reduced.

If it is established that an impairment recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill cannot be reversed.

#### *Impairment of non-current assets*

At each balance sheet date, Novamedia assesses whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If this proves impossible, the recoverable amount of the cash-generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Fair value less costs to sell is determined based on the active market. For the purposes of determining value in use, cash flows are discounted. An impairment loss is directly recognised in the profit and loss account.

The amount of an impairment incurred on financial assets of Phase2.earth stated at amortised cost is measured as the difference between the asset's carrying amount and the estimated value based on the audited annual report and information received from the fund manager about the participation's investments.

If it is established that a previously recognised impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined if no asset impairment had been recognised.

Novamedia assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognised in the profit and loss account.

### **Inventories**

Inventories consist of not-yet-awarded prizes in kind (lottery inventories). These inventories are stated at the lower of purchase price at the balance sheet date or net realisable value. Cost of lottery inventories is determined using the fixed stock price, which is the last available price.

### **Receivables**

Receivables are initially recognised at fair value and subsequently measured at amortised cost less a provision for doubtful debt.

### **Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand, bank balances and deposits with maturities of less than 12 months. Bank overdrafts are recognised under credit institutions as part of the current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

### **Pension benefits**

Novamedia and its lotteries participates in a number of pension plans. We see pension as an important benefit offered by our strong international employer brand.

#### *The Netherlands*

The Dutch entities (Novamedia B.V. and Nationale Postcode Loterij N.V.) have a gross pension plan and a net pension plan to which the conditions of the Dutch Pensions Act are applicable. The gross pension plan is based on an average pay system, while the net pension plan is based on a defined contribution system. The main characteristics of these plans are:

- The gross pension scheme, based on average earnings, applies to salaries up to EUR 137,800 per annum (2024).
- Indexation depends on availability of means and the employer's annual decision.
- The net pension scheme is a voluntary plan and is based on a defined contribution system. The level of contribution depends on the employee's age. This pension plan only applies to salaries above EUR 137,800 (2024) per annum.

The Dutch entities pay premiums based on legal requirements, on a contractual or voluntary basis, to insurance companies. Premiums are recognised as personnel costs when they are due. Prepaid contributions are recognised as deferred assets if these lead to a refund or reduction of future payments. Contributions that are due but have not yet been paid are presented as liabilities.

Besides the payment of contributions on a contractual basis, the Dutch entities have no other obligations under the terms of these pensions. They have no obligations to make supplementary payments for accrued benefits if there is a deficit on the insurance company, other than paying higher future contributions for new accruals.



### *Sweden*

In Sweden, a pension plan known as the ITP plan is in place, as agreed between various labour market parties. It came into force on 1 July 2007. The new ITP plan has two divisions, ITP 1 and ITP 2.

ITP 1 is a defined contribution retirement pension and applies to salaried employees born in or after 1979. As it is a defined contribution pension, the premium is decided in advance, but the size of the pension is not.

For employees over 25, Svenska Postkodlotteriet AB pays a premium that is calculated as follows:

- 4.5% of salary components up to SEK 47,625\* per month.
- 30% of salary components between SEK 47,625 per month and SEK 190,500 per month.

\* Corresponding to an annual salary of 7.5 income base amounts.

The employee invests his or her entire retirement pension in the chosen ITP. The amount of the final pension depends on factors including the salary amount, the term of the ITP plan and the performance of the ITP pension fund.

ITP 2 is a defined benefit retirement pension and applies to salaried employees born in or before 1978. The size of the pension is decided in advance, but the premium is not. The ITP 2 retirement pension is managed by the insurance company Alecta. Alecta calculates a monthly premium on the basis of the employee's age, salary, estimated period of service and prior period of service. Hence, Novamedia cannot specify an exact percentage per employee. The defined contribution for ITP2 (ITPK) is 2% of the monthly salary.

### *Great Britain*

The company has a pension plan in Great Britain to which the conditions of the UK Pensions Act 2011 are applicable. The company pays premiums based on legal and other requirements to a pension company on a contractual basis. Premiums are recognised as personnel costs when they are incurred. Prepaid contributions are recognised as deferred assets if these lead to a refund or reduction of future payments. Contributions that are due but have not yet been paid are presented as liabilities.

The pension plan in Great Britain is based on a defined contribution system, whereby the contribution is based on a percentage of the employee's annual salary. Of this pension contribution a minimum of 4% is contributed by the employee and the remaining percentage is paid by the employer.

### *Germany*

The pension plan for employees in Germany is based on the Public Retirement Insurance System, which also includes survivor and disability benefits. Participation is mandatory for all employees. Premiums are deducted by the employer, with the employee paying 50% and the employer 50%. For 2024 the total premium was fixed at 18.6% of the gross monthly salary and maximised for yearly salaries up to EUR 90,600. Pension costs are recorded in the profit and loss account and paid monthly.

The Deutsche Postcode Lotterie also contributes funds for employees who sign up for a post-employment benefit plan with a partner bank. If an employee pays a premium of at least EUR 35 from their monthly gross salary, the lottery will also pay in EUR 35 per month. Once an employee has been with the lottery for five years, it will increase this funding to EUR 40; after ten years of service, the amount will increase to EUR 50. The date from which benefits are claimed (at or after the age of 63), the amount invested per month (a maximum total of EUR 302), and the funds into which monthly premiums are invested are individually determined by the employee.

### **Deferred income tax assets and liabilities**

Deferred income tax assets and liabilities are recognised to provide for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are deductible temporary differences and available fiscal losses and are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences and fiscal losses can be utilised. Deferred income taxes are recognised at nominal value.

### **Leases**

#### *Operating leases*

Leases in which a significant portion of the risks and rewards incidental to the ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit and loss account on a straight-line basis over the period of the lease.

### **Current liabilities**

On initial recognition, current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the face value.

## Principles of determination of result

### General

The result includes the difference between the value of the services rendered and the costs and other charges for the year. The results on transactions are recognised in the year they are realised.

### Revenue recognition

For financial reporting purposes, the revenue categories of the Postcode Lottery Group can be identified as follows:

#### **Lottery-related revenue**

Lottery-related revenue includes licence fees, operator fees, lottery revenue and other income.

##### *Licence fees*

Licence fees are calculated as a percentage of ticket sales and recognised on an accrual basis, in the period to which ticket sales are allocated, in accordance with the substance of the relevant agreements.

##### *Operator fees*

Operator-related revenue includes income Postcode Lottery Ltd. receives from the British lottery licence holders (Trusts) to reimburse the costs of organising the lottery on their behalf. The operating fee of Norsk Postkodelotteri A.S. is also included in operator-related revenue; this consists of lottery revenue excluding prizes and amounts for beneficiaries. Revenue is recognised in the period to which ticket sales are allocated.

##### *Lottery revenue*

Lottery revenue includes ticket sales from the Nationale Postcode Loterij, the VriendenLoterij and the Deutsche Postcode Lotterie and is recognised in the month that it relates to, based on the sale of lottery tickets for the draws in the reporting period. The ticket sales process starts with upfront collection and ends with the draw for that month.

##### *Other income*

Other lottery-related income includes management fees, sponsor income and other income. Management fees are recognised in the period to which related salary costs are allocated. Sponsor income is allocated to the period in which the related draw occurred.

#### **Lottery-related operating expenses**

Expenses are recognised based on the historical cost convention and are allocated to the reporting year to which they relate on an accrual basis.

##### *Contributions to beneficiaries in the Netherlands and Germany*

Contributions to beneficiaries in the Netherlands and Germany are determined at face value and attributed to the reporting year to which they relate. Charity prizes and gifts in kind awarded to players of the Dutch Charity Lotteries are presented as contributions to beneficiaries.

##### *Lottery tax for public benefit in Germany*

The Deutsche Postcode Lotterie contributes 16.67% of its total net revenues to the Finanzamt Köln-Altstadt as lottery tax (Lotteriesteuer). Following the matching principle, the tax is accounted for in the period in which the related revenue is recognised. The payments are based on a 1922 law, the Rennwett- und Lotteriegesezt (Race Betting and Lottery Act). By law, lottery tax inflows have to be used for the benefit of the public welfare. Therefore, the Lotteriesteuer is categorised as a lottery tax for public benefit.

#### *Prizes and gifts to players*

Prizes in the Dutch Charity Lotteries and the Deutsche Postcode Lotterie are awarded to players and are distributions from lottery draws authorised by and executed under the supervision of a civil law notary. The prizes are attributed to the reporting year to which they relate. The prize plan of each of these lotteries contains prizes awarded in cash and prizes in kind.

Gifts are other benefits with an economic value which have been provided to players of the Dutch Charity Lotteries and People's Postcode Lottery. Gifts are attributed to the reporting year in which they were given to players by the lottery.

The Dutch Charity Lotteries record prizes and gifts that are purchased from charities as contributions to beneficiaries; they are therefore deducted from the net amount for prizes and gifts.

In the Netherlands, lottery tax is included in the total expenses for prizes and gifts. This tax is accounted for in the period that the prize or gift it relates to is reported. For prizes in kind and gifts in kind, whether provided by charities or not, the Dutch Charity Lotteries pay lottery tax if the economic value exceeds the gambling tax exemption threshold.

#### **Personnel expenses**

Salaries, wages and social security expenses are charged to the profit and loss account when due and in accordance with employment contracts and obligations.

#### *Pensions*

The Postcode Lottery Group has applied the liability method for pension plans. The premiums payable for the financial year are charged to the result. Foreign pension plans comparable to the Dutch pension system are also accounted for using the liability method.

#### **Amortisation and depreciation**

##### *Amortisation*

Intangible assets, including goodwill, are amortised over their estimated useful lives from the inception of their use, taking into account a residual value when applicable.

Negative goodwill (badwill) is released to the profit and loss account where charges and losses occur, provided that this has been recognised in accounting for the acquisition and these charges and losses can be reliably measured. If no expected charges or losses have been taken into account, any negative goodwill is released in accordance with the weighted average of the remaining useful life of the depreciable or amortisable assets acquired. Where negative goodwill exceeds the fair value of the identified non-monetary assets, the excess is recognised directly through profit or loss.

##### *Depreciation*

Property, plant and equipment are depreciated over their estimated useful lives as from the inception of their use, taking into account a residual value when applicable.

#### **Financial income and expenses**

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. Financial income and expenses include interest income and expenses as well as exchange rate differences except for exchange differences on intragroup loans.

#### *Exchange differences*

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the profit and loss account in the period that they arise, unless they are hedged.

## **Result from subsidiaries**

Results from subsidiaries consist of Novamedia's share of the result from subsidiaries not consolidated, write-downs and/or revaluations from subsidiaries, and the result from disposals.

## **Taxation**

Tax on result is calculated by applying the current tax rate to the result before tax for the financial year in the profit and loss account, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax-exempt items, and plus non-deductible costs. Changes in deferred income tax assets and liabilities relating to changes in the applicable tax rates are taken into account.

The Postcode Lottery Group is subject to new legislation mandating a minimum 15% tax rate for multinationals with turnover above EUR 750 million, driven by Pillar Two of the cross-border tax reform deals overseen by the OECD (Organisation for Economic Cooperation and Development). For the year 2024, The Postcode Lottery Group meets Pillar Two safe harbour criteria.

## **Risk management**

### *Exchange rate volatility*

The impact of exchange rate volatility is minimised by invoicing licence and management fees in GBP, NOK and SEK on a monthly basis and converting those currencies to EUR. No derivatives are used; therefore, exchange rate risk is minimised.

### *Liquidity risk*

Endangerment of the Postcode Lottery Group's continuity through, e.g., fraud or a new financial crisis is captured under liquidity risk. Control measures such as the use of only highly rated banks, the spreading of funds across those banks and strong controls within the payment process are employed to reduce the level of liquidity risk.

### *Market risk*

The Postcode Lottery Group does not incur risk regarding the valuation of securities as there are none disclosed under financial assets and securities within current assets.

### *Interest rate and cash flow risk*

The Postcode Lottery Group incurs interest rate risk on interest-bearing receivables (in particular those included in financial assets, securities and cash). Interest rates are forecast in the budgeting process per annum. Fluctuations in interest rates are accounted for as they are realised. No financial derivatives for interest rate risk are contracted with regard to the receivables.

### *Credit risk*

The Postcode Lottery Group does not have any concentrations of credit risk, as the licence income and (where applicable) management fees are received from the group companies in the Netherlands, Germany, Great Britain, Norway and Sweden. Fees are billed on a monthly basis and received in a timely manner, eliminating the need for external financing. In Sweden, The Postcode Lottery Group faces a credit risk (and associated legal risk) of up to a month's operating expenses. This credit risk is a result of Svenska Postkodlotteriet AB pre-financing all costs for Svenska Postkodföreningen (the licence holder of Svenska Postkodlotteriet). The maximum credit risk exposure in 2024 amounted to EUR 23.1 million (2023: EUR 19.2 million).

### *Transfer pricing*

Transfer prices on cross-border transactions within multinational entities are an important topic for tax authorities. The Postcode Lottery Group works with an external tax advisor to ensure its master and local tax files are kept up to date. To support the arm's length pricing of our intellectual property, we use DEMPE (Development, Enhancement, Maintenance, Protection and Exploitation) analysis and CUP (Comparable Uncontrolled Price) analysis, as per OECD guidelines. We also make use of benchmark studies for comparably sized organisations with licensing structures.

## Notes to the consolidated balance sheet

### 1. Intangible fixed assets

Movements in intangible fixed assets were as follows:

EUR * 1,000	Goodwill	Software	Total
<b>1 January 2024</b>			
At cost	232	4,884	5,116
Accumulated amortisation	(232)	(4,884)	(5,116)
<b>Book value</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movements in 2024</b>			
Additions from acquisition of subsidiaries	0	21,328	21,328
Disposals at cost	(172)	0	(172)
Divestment from selling Scheltema B.V. at cost	(60)	0	(60)
Accumulated amortisation from acquisition	0	(19,925)	(19,925)
Disposals (accumulated amortisation)	172	0	172
Amortisation	0	(346)	(346)
Impairments	0	(1,057)	(1,057)
Divestment from sale of Scheltema B.V. at accum. depreciation	60	0	60
Foreign exchange effects on costs	0	(69)	(69)
Foreign exchange effects on amortisation	0	69	69
	0	0	0
<b>31 December 2024</b>			
At cost	0	26,143	26,143
Accumulated impairments and amortisation	0	(26,143)	(26,143)
<b>Book value</b>	<b>0</b>	<b>0</b>	<b>0</b>
Amortisation rates	20%	20%-33.3%	

Due to the acquisition of the Dutch Charity Lotteries, the 15 April 2024 opening balances for intangible fixed assets are reflected in the line items "Additions from acquisition of subsidiaries" and "Accumulated amortisation from acquisition".

Goodwill on the balance sheet is fully disposed as Scheltema B.V. bookstore was sold on 1 January 2024.

## 2. Tangible fixed assets

Movements in tangible fixed assets were as follows:

EUR * 1,000	Land	Buildings	Fixtures, furniture and hardware	Total
<b>1 January 2024</b>				
At cost	940	3,353	10,804	15,097
Accumulated depreciation	0	(1,498)	(6,578)	(8,076)
<b>Book value</b>	<b>940</b>	<b>1,855</b>	<b>4,226</b>	<b>7,021</b>
<b>Movements in 2024</b>				
Additions from acquisition	0	88,577	2,698	91,275
Additions	0	0	1,238	1,238
Disposals at cost	0	0	(308)	(308)
Divestment from selling Scheltema B.V. at cost	0	0	(1,643)	(1,643)
Accumulated depreciation from acquisition	0	(10,177)	(2,067)	(12,244)
Depreciation for the year	0	(1,613)	(1,623)	(3,236)
Disposals at accum. depreciation	0	0	266	266
Divestment from selling Scheltema B.V. at accum. depreciation	0	0	1,556	1,556
Foreign exchange effects on investments	0	0	249	249
Foreign exchange effects on depreciation	0	0	(187)	(187)
	0	76,787	179	76,966
<b>31 December 2024</b>				
At cost	940	91,930	13,038	105,908
Accumulated depreciation	0	(13,288)	(8,633)	(21,921)
<b>Book value</b>	<b>940</b>	<b>78,642</b>	<b>4,405</b>	<b>83,987</b>
Depreciation rates	0%	0-10%	3.5%-33.3%	

Due to the acquisition of the Dutch Charity Lotteries, the 15 April 2024 opening balances for tangible fixed assets are reflected in the line items "Additions from acquisition" and "Accumulated depreciation from acquisition".

Holding Nationale Goede Doelen Loterijen N.V. owns the office building at Beethovenstraat 200, Amsterdam. The entity had accounted for the building at cost and depreciated it over 40 years. In relation to the purchase price acquisition of Holding Nationale Goede Doelen Loterijen N.V. and its subsidiaries, the building's valuation was adjusted to market price (fair value), and the surplus of EUR 18.0 million was accounted for as a step-up as part of Aandelenbeheer Nationale Goede Doelen Loterijen B.V. The amount is reflected in the reporting line "Additions from acquisition".

Novamedia B.V. owns the land and buildings at Van Eeghenstraat 93 and 95 in Amsterdam, which are in use by the Postcode Lottery Group. Since 2022, the residual value has been estimated as higher than the book value and these assets have therefore not been depreciated.

Tangible fixed assets further mainly consist of IT hardware, fixtures and furniture at the office premises. Investments in 2024 mainly relate to hardware costs for Postcode Lottery Ltd's and the Deutsche Postcode Lotterie's offices. Disposals are mainly related to hardware not in use at Postcode Lottery Ltd. No income has been realised for these disposals.

### 3. Financial fixed assets

#### Subsidiaries

On 15 April 2024, Novamedia B.V. completed its acquisition of 100% of the shares in Nationale Postcode Loterij N.V., VriendenLoterij N.V. and their parent company, Holding Nationale Goede Doelen Loterijen N.V. From this date the entities are part of the consolidation of Postcode Lottery Group/Novamedia Holding B.V. The shares of Holding Nationale Goede Doelen Loterijen N.V. are held by a 100% subsidiary of Novamedia B.V., Aandelenbeheer Nationale Goede Doelen Loterijen B.V., established on 2 April 2024. As the shares are without a profit entitlement or dividend rights (the companies operate in a closed-loop financial structure), the acquisition took place for the sum of EUR 1,-. Novamedia applied the purchase price accounting method. This resulted in a total net asset value of EUR 42.0 million, including a step-up on the building at Beethovenstraat 200 accounted for at fair value as described in note 2.

#### Deferred tax assets

EUR \* 1,000

	<u>2024</u>	<u>2023</u>
<b>At 1 January</b>	<b>2,341</b>	<b>1,062</b>
Additions from acquisition	2,241	0
Additions	1,607	1,205
Adjustments due to change in tax rate	0	76
Utilisation	(37)	(2)
<b>At 31 December</b>	<b><u>6,152</u></b>	<b><u>2,341</u></b>

Deferred tax assets relate to Holding Nationale Goede Doelen Loterijen N.V. and Postcode Lottery Ltd. and consist of fiscal loss carry-forwards over the years 2020–2023 that will be recovered in the coming years, and temporary differences in fiscal and commercial book values of fixed assets. None of the tax assets is current.

#### Other participating interests

EUR \* 1,000

##### 1 January 2024

Capital contribution	250
Share premium	16,159
Accumulated changes in value of the asset	(4,299)
<b>Book value</b>	<b><u>12,110</u></b>

##### Movements in 2024

Addition to share premium	2,599
Changes in value of the asset	(753)
Disposals	(13,956)
	<b><u>(12,110)</u></b>

##### At 31 December 2024

Book value	<b><u>0</u></b>
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In 2021 Novamedia acquired a minority share of EUR 250,000 (16.67%) in the impact investment fund Phase2.earth. In 2024 Novamedia B.V. contributed EUR 2.6 million in share premium. At the end of 2024 the investment in Phase2.earth was sold for EUR 16.0 million (book value EUR 14.0 million), with a EUR 2 million positive result.



#### 4. Inventories

EUR * 1,000	31 December 2024	31 December 2023
Inventories	20,897	4,674
<b>Total inventories</b>	<b>20,897</b>	<b>4,674</b>

Inventory positions increased in 2024, mainly due to the acquisition of Nationale Postcode Loterij N.V. and VriendenLoterij N.V. By the end of 2024, the inventory book value amounted to EUR 20.9 million (2023: EUR 4.7 million) and consisted of not-yet-awarded prizes in kind, mainly for the acquired entities, Deutsche Postcode Lotterie, and People's Postcode Lottery. No write-down was deemed necessary at year end.

#### 5. Accounts receivable

EUR * 1,000	31 December 2024	31 December 2023
Accounts receivable	3,558	318
Provision for bad debt	0	(14)
<b>Total accounts receivable</b>	<b>3,558</b>	<b>304</b>

The increase in accounts receivable mainly relates to the acquisition of Nationale Postcode Loterij N.V. and VriendenLoterij N.V. All receivables have a remaining maturity of less than one year.

#### 6. Receivable, Svenska Postkodföreningen

The receivable due from Svenska Postkodföreningen for the pre-financing of Swedish lottery activities is recorded under this item. The amount outstanding on 31 December 2024 consists of invoices pertaining to 2024. In respect of repayment and securities, no agreements have been made. The receivable is due in less than one year.

#### 7. Tax receivable

EUR * 1,000	31 December 2024	31 December 2023
Corporate income tax (CIT)	1,567	485
Value added tax (VAT)	242	248
Withholding tax	2,630	1,717
Dividend tax	11,647	0
<b>Total tax receivable</b>	<b>16,086</b>	<b>2,450</b>

Corporate income tax relates to prepayments for Novamedia Holding B.V., Holding Nationale Goede Doelen Loterijen N.V. and Svenska Postkodlotteriet AB. Withholding tax relates to Postcode Lotterie DT gGmbH and pertains to paid withholding tax to be recovered from the Dutch Tax and Customs Administration by Novamedia B.V. Stichting de Novamedia Fundatie has a dividend tax receivable related to the interim dividend paid by Novamedia Holding B.V. in December 2024, due to the foundation's dividend tax exemption.

## 8. Other receivables

EUR * 1,000	31 December 2024	31 December 2023
Prepayments	15,835	10,373
Accrued income	1,638	914
Receivables from related parties	0	4,682
Other	8,475	3,837
<b>Total other receivables</b>	<b>25,948</b>	<b>19,806</b>

All receivables are due in less than one year, except for an amount of EUR 103,000 (2023: EUR 154,000) that relates to prepaid Group Tech and Group Product services. The fair value of the receivables approximates the book value due to their short-term character and the fact that provisions for bad debt are recorded when necessary.

Prepayments are mainly for next year's marketing campaign costs, prizes in kind, rental costs, IT software costs and media costs.

Accrued income relates to the Dutch Charity Lotteries' and Deutsche Postcode Lotterie's ticket sales for the December 2024 draw, and is to be received in 2025.

## 9. Cash and cash equivalents

The balance of total cash and cash equivalents at year end amounted to EUR 788.1 million (2023: EUR 293.6 million). The increase in cash balance is mainly related to the acquisition of the Dutch Charity Lotteries.

Restricted amounts for charities and players (2024: EUR 652.4 million; 2023: EUR 115.2 million) are deposited in a separate account and are only available for charity donations and player payouts. The total cash balance of Holding Nationale Goede Doelen Loterijen N.V. and its subsidiaries (2024: EUR 540.7 million; 2023: EUR 0) is considered restricted cash, because the Articles of Association do not allow any profit entitlements or dividend payments to Novamedia. Other restricted funds are secured funds for charities and prizewinners related to the British lottery (2024: EUR 107.7 million; 2023: EUR 112.4 million) and secured funds for prizewinners of the Norwegian lottery (2024: EUR 4.0 million; 2023: EUR 2.8 million). The cash and cash equivalents directly available amount to EUR 135.7 million (2023: EUR 178.3 million).

Total cash and cash equivalents and restricted cash are as follows:

EUR * 1,000	31 December 2024	31 December 2023
<b>Total cash and cash equivalents</b>	<b>788,121</b>	<b>293,553</b>
Restricted cash	(652,441)	(115,209)
<b>Cash and cash equivalents available</b>	<b>135,680</b>	<b>178,344</b>

## 10. Group equity

Group equity is disclosed in note 37 to the company balance sheet.

## 11. Deferred tax liabilities

Movements in the deferred tax liabilities were as follows:

EUR * 1,000	2024	2023
<b>At 1 January</b>	<b>7,536</b>	<b>7,539</b>
Addition	4,648	0
Utilisation	(95)	(3)
<b>At 31 December</b>	<b>12,089</b>	<b>7,536</b>

The deferred tax liabilities are mainly attributable to the positions of Postcode Lottery Ltd. and Aandelenbeheer Nationale Goede Doelen Loterijen B.V.

Postcode Lottery Ltd's position relates to deducted fiscal losses on investments made in Great Britain via Postcode Lottery Ltd. from prior years that will be settled with the tax authorities in future years. In the lottery's early years, fiscal losses were deducted in the Netherlands, and these need to be recovered through future positive results of the British lottery. In 2023 the position was not utilised due to the lottery's planned fiscal loss. At the end of 2024 the amount still to be recaptured was EUR 29.2 million (2023: EUR 29.2 million). The tax obligation resulting from the recovered amount is EUR 7.5 million (25.8%) (2023: EUR 7.5 million, 25.8%) and concerns a long-term liability.

Aandelenbeheer Nationale Goede Doelen Loterijen B.V. recorded a deferred tax liability in relation to the fair value adjustment of the Dutch office, located at Beethovenstraat 200, Amsterdam, and owned by Nationale Postcode Loterij N.V., after Holding Nationale Goede Doelen Loterijen N.V. and its subsidiaries were acquired. The tax obligation resulting from the fair value step-up on the office building is EUR 4.6 million (25.8%) and concerns a long-term liability. The obligation will be recaptured over the estimated economic lifespan of the negative goodwill, disclosed in note 12.

## 12. Negative goodwill

Movements in negative goodwill were as follows:

EUR * 1,000	2024	2023
<b>At 1 January</b>	<b>0</b>	<b>0</b>
Addition	42,008	0
Realisation	(862)	0
<b>At 31 December</b>	<b>41,146</b>	<b>0</b>

In relation to the acquisition of Holding Nationale Goede Doelen Loterijen N.V. and its subsidiaries, Aandelenbeheer Nationale Goede Doelen Loterijen B.V. has recorded negative goodwill of EUR 42.0 million. The position will be realised in the profit and loss accounts over a period of 34.5 years, considered as the approximated weighted average of the remaining useful life of the building at Beethovenstraat 200 in Amsterdam. The profit and loss impact is classified as "Realisation of negative goodwill", being a non-operating result.

### *Current liabilities*

All current liabilities are due in less than one year. The fair value of the current liabilities approximates the book value due to their short-term character. The increase in the current liabilities is largely caused by the acquisition of the Dutch Charity Lotteries.

#### **13. Taxes and social security premiums**

<b>EUR * 1,000</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Corporate income tax	248	798
VAT payable	6,349	2,342
Payroll tax payable	9,519	4,061
Lottery tax payable, Netherlands	27,133	0
Lottery tax for public benefit, Germany	4	1,306
<b>Total taxes and social security premiums</b>	<b>43,253</b>	<b>8,507</b>

#### **14. Deferred income**

<b>EUR * 1,000</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Deferred income, Netherlands	89,446	0
Deferred income, Great Britain	71,142	65,886
Deferred income, Germany	24,150	21,202
<b>Total deferred income</b>	<b>184,738</b>	<b>87,088</b>

Deferred income relates to amounts received from lottery players. Deferred income increased in 2024 due to the acquisition of the Dutch Charity Lotteries and the growth of the German and British lotteries.

#### **15. Prizes payable**

<b>EUR * 1,000</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Prizes payable, Netherlands	120,950	0
Prizes payable, Great Britain	35,484	44,901
Prizes payable, Germany	4,185	200
Prizes payable, Norway	2,756	2,265
<b>Total prizes payable</b>	<b>163,375</b>	<b>47,366</b>

Prizes payable to players at the end of the year increased mainly due to the acquisition of the Dutch Charity Lotteries. In Germany the prizes-payable position increased because the lottery had more prizes in kind on draw compared to last year. For some of these, players were given the opportunity to choose their prizes by early 2025. In Great Britain, the timing of the payouts has decreased the prizes-payable position.

## 16. Payables to charities

EUR * 1,000	31 December 2024	31 December 2023
Payables to charities, Netherlands	287,442	0
Payables to charities, Germany	23,496	18,607
Payables to charities, Norway	4,914	5,504
<b>Total payables to charities</b>	<b>315,852</b>	<b>24,111</b>

Contributions payable to charities concern 2024 contributions which will be paid out in early 2025. The increase in 2024 mainly relates to the acquisition of the Dutch Charity Lotteries. The growth of the German lottery also caused an increase in payables to charities. The Norwegian lottery's payables to charities decreased due to the timing of payments.

## 17. Other liabilities and accruals

EUR * 1,000	31 December 2024	31 December 2023
Invoices to be received for marketing and operating expenses	34,194	20,012
Holiday allowance	6,068	2,334
Other personnel liabilities	5,689	2,810
Pensions payable	3,451	566
Other	0	844
<b>Total other liabilities and accruals</b>	<b>49,402</b>	<b>26,566</b>

The increase in current liabilities is primarily caused by the acquisition of the Dutch Charity Lotteries. Payables related to operating expenses have also increased due to higher group-related IT costs.

## Contingencies and commitments

### Rental obligations

The rental obligations at the end of the reporting period can be specified as follows:

EUR * 1,000	
No later than 1 year	6,016
Later than 1 year and no later than 5 years	12,853
Later than 5 years	0

The rental obligations concern the rental of the lotteries' and Novamedia's offices. In 2024 Svenska Postkodlotteriet AB recharged a EUR 2.3 million lease cost for renting out office space to Svenska Postkodlotteriet.

### Operational lease

The obligations towards operational activities at the end of the reporting period can be specified as follows:

EUR * 1,000	
No later than 1 year	492
Later than 1 year and no later than 5 years	781
Later than 5 years	0

**Other obligations**

The other obligations at the end of the reporting period can be specified as follows:

**EUR \* 1,000**

No later than 1 year	34,638
Later than 1 year and no later than 5 years	58,006
Later than 5 years	0

**18. Related parties**

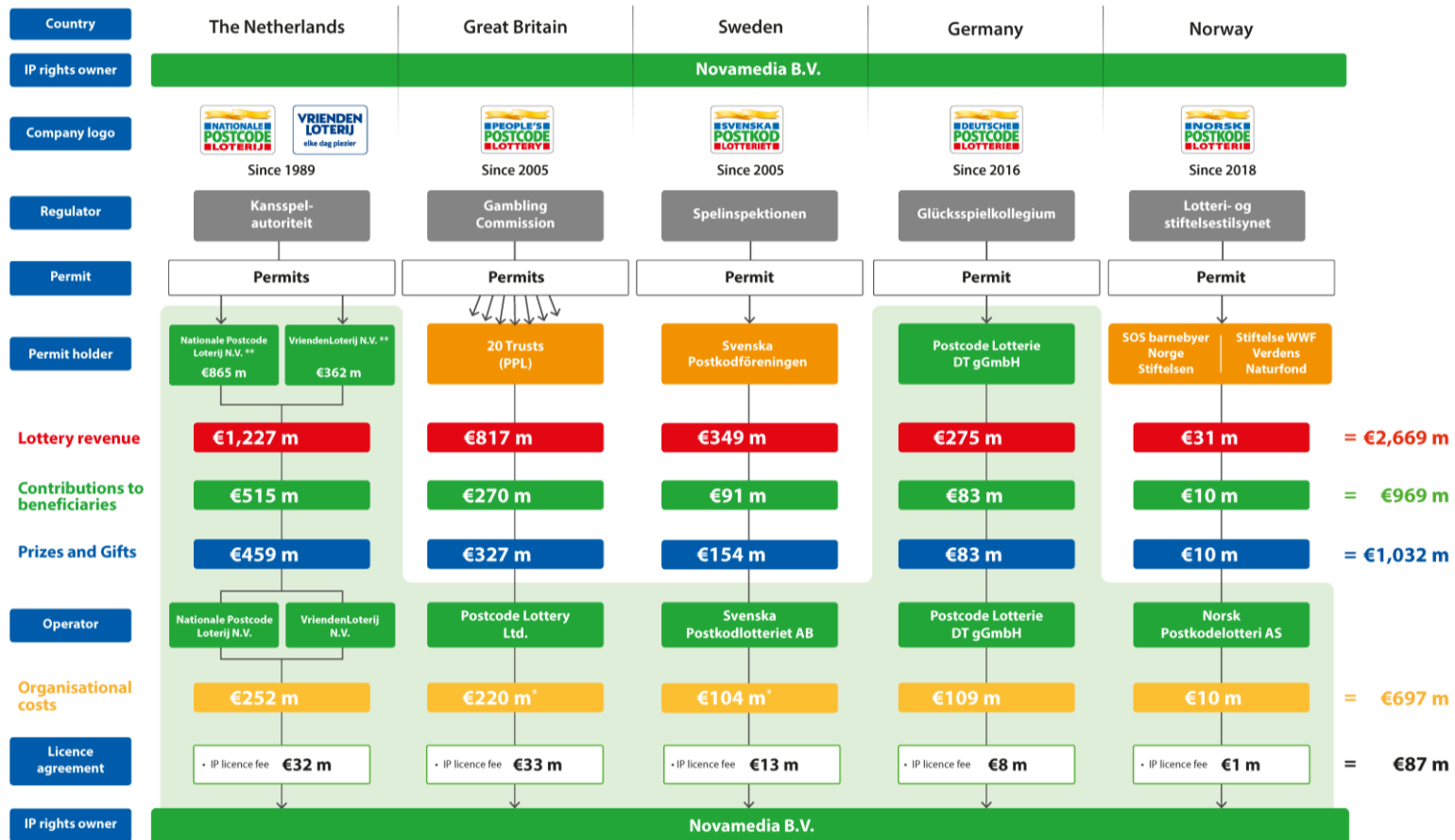
All related party transactions took place under normal market conditions.

## Notes to the consolidated profit and loss account

### 19. Lottery-related revenue

The sources of revenue are various due to the different legal structures within the group, owing to local lottery permit requirements. The below chart shows the revenues and expenditures included in the consolidation (light green).

### Consolidation Novamedia Holding B.V. (in green)



\* People's Postcode Lottery's organisational costs include VAT on the operator fee expenses / Svenska Postkodlotteriet's organisational costs are managed by Svenska Postkodlotteriet AB and recharged to Svenska Postkodföreningen

\*\* From 15 April 2024 the Dutch Charity Lotteries, Nationale Postcode Loterij and VriendenLoterij, are part of the consolidation.

Consolidation  
Novamedia Holding B.V.

The EUR 1.4 billion in lottery-related revenue (2023: EUR 466.0 million) is specified as follows:

**EUR \* 1,000**

	Dutch Charity Lotteries	Postcode Lotterie DT gGmbH	Postcode Lottery Ltd.	Svenska Postkod lotteriet AB	Norsk Postkode Lotteri AS	Total	Group eliminations	Total 2024	Total 2023
Licence fee	31,656	8,264	32,674	12,766	1,257	86,617	-34,872	51,745	67,028
Operator fee	0	0	151,118	0	10,394	161,512	0	161,512	144,698
Ticket sales	938,922	275,476	0	0	0	1,214,398	0	1,214,398	241,804
Other lottery-related incom	363	0	1,478	2,856	0	4,697	0	4,697	5,225
Book-related revenue	0	0	0	0	0	0	0	0	7,201
<b>Total revenue</b>	<b>970,941</b>	<b>283,740</b>	<b>185,270</b>	<b>15,622</b>	<b>11,651</b>	<b>1,467,224</b>	<b>-34,872</b>	<b>1,432,352</b>	<b>465,956</b>

The revenue from each stream is explained in the following paragraphs. No agreements involving multiple performance obligations were effective in 2024. The method of allocating each performance obligation to the applicable reporting period and the determination of the degree of completion of each performance obligation are explained in the accounting principles for revenue recognition.

*Licence fee*

The Postcode Lottery Group owns, develops and invests in lottery brands and formats, including those of the Postcode Lottery, with which it sets up and operates Postcode Lotteries in different countries. The Postcode Lottery Group receives a licence fee from each Postcode Lottery for the use of its intellectual property rights, including brands and formats. Each lottery's licence fee is calculated as a percentage of its proceeds. The fee is used to cover the headquarter costs, which mainly relate to the continued development and protection of the Postcode Lottery Group's formats and to finance, set up and market Postcode Lotteries in new and existing countries.

The Postcode Lottery Group bears high financial risks in setting up each new Postcode Lottery, and substantial investment is required to bring a local lottery to market and to enable it to offer an attractive prize plan and distribute donations to charities from the start. Charities receive their yearly donations from the local Postcode Lotteries in the countries where the money is raised by the players.

Because the Dutch Charity Lotteries (from April 2024), the Deutsche Postcode Lotterie and the Norsk Postkodelotteri are subsidiaries of Novamedia B.V., the revenues from their licence fees are eliminated against the licence fee costs reported by the subsidiaries, under group eliminations.

*Operator fee*

In the UK, Postcode Lottery Ltd. receives a contractual fee from the Trusts that hold the lottery licence for acting as the operator of People's Postcode Lottery. The amount is determined by the balance of the income from ticket sales minus the contributions paid to charities and minus prizes paid out to players. The running of People's Postcode Lottery is fully paid for by the operator fee. The same principles apply to Norsk Postkodelotteri AS's operator fee, which amounts to the proceeds from ticket sales minus contributions to charities and prizes.

*Ticket sales*

As the Dutch Charity Lotteries (from April 2024) and the Deutsche Postcode Lotterie are 100% owned by Novamedia B.V., their ticket sales revenue is accounted for in the revenue of the group.

*Other lottery-related income*

Other income comprises various kinds of revenue. This includes a management fee paid by the Dutch Charity Lotteries for the Postcode Lottery Group's management services up to the acquisition date of 15 April 2024. The Swedish lottery accounts for discounts received on prizes in kind. A part of other income concerns reimbursement of costs.



## Book-related revenue

The 2023 book-related revenue of EUR 7.2 million comprised the revenue from the Scheltema B.V. bookstore. The entity was sold on 1 January 2024.

### 20. Lottery-related operating expenses

EUR * 1,000	2024	2023
Marketing, sales, insights	262,111	160,532
IT, finance, legal, HR, office costs	73,389	35,888
Contributions to beneficiaries in the Netherlands and Germany	476,984	72,542
Lottery tax for public benefit in Germany	45,913	40,301
Prizes and gifts in the Netherlands, Germany and UK	426,337	63,042
Accommodation expenses	4,851	4,572
<b>Total lottery-related operating expenses</b>	<b>1,289,585</b>	<b>376,877</b>

Lottery operating expenses relate to marketing, sales, IT, finance and accommodation for the entities within the consolidation of the Postcode Lottery Group.

Prizes relate to awarded prize money and prizes in kind (including handling costs) in draws of the Dutch and German lotteries.

The increase in lottery-related operating expenses was mainly caused by the acquisition of the Dutch Charity Lotteries in April 2024. In Germany the contributions to charities and lottery tax for public benefit increased due to the growth of the lottery.

### 21. Personnel expenses

EUR * 1,000	2024	2023
Wages and salaries	74,633	41,054
Social security premiums	10,012	4,195
Pension expenses	12,758	4,965
Other personnel expenses	8,733	5,220
<b>Total personnel expenses</b>	<b>106,136</b>	<b>55,434</b>

Personnel expenses increased due to the acquisition of the Dutch Charity Lotteries in April 2024 and an increase in FTE at People's Postcode Lottery and the Deutsche Postcode Lotterie.

## 22. General and administrative expenses

These expenses comprise general and administrative expenses for the Postcode Lottery Group's headquarters.

EUR * 1,000	2024	2023
Accommodation expenses	1,797	1,250
Other general and administrative expenses	12,637	6,261
<b>Total general and administrative expenses</b>	<b>14,434</b>	<b>7,511</b>

## 23. Amortisation and impairment of intangible fixed assets

EUR * 1,000	2024	2023
Amortisation of intangible fixed assets	1,403	6
<b>Total amortisation of intangible fixed assets</b>	<b>1,403</b>	<b>6</b>

## 24. Depreciation of tangible fixed assets

EUR * 1,000	2024	2023
Depreciation of tangible fixed assets	3,278	1,127
<b>Total depreciation of tangible fixed assets</b>	<b>3,278</b>	<b>1,127</b>

## 25. Audit and professional services fees

The following audit fees were expensed in the profit and loss account in the reporting period:

2024 EUR * 1,000	PwC auditor	PwC other services	PwC network	Other auditor	Total
Audit of the financial statements	659	0	287	0	946
Other audit procedures	0	368	100	0	468
Tax services	0	823	93	0	916
Other non-audit services	0	108	16	0	124
<b>Total fees</b>	<b>659</b>	<b>1,299</b>	<b>496</b>	<b>0</b>	<b>2,454</b>

<b>2023</b> <b>EUR * 1,000</b>	<b>PwC auditor</b>	<b>PwC other services</b>	<b>PwC network</b>	<b>Other auditor</b>	<b>Total</b>
Audit of the financial statements	227	0	301	0	528
Other audit procedures	0	0	66	0	66
Tax services	0	464	87	0	551
Other non-audit services	0	228	17	0	245
<b>Total fees</b>	<b>227</b>	<b>692</b>	<b>471</b>	<b>0</b>	<b>1,390</b>

"PwC auditor" refers to PricewaterhouseCoopers Accountants N.V. in the Netherlands. "PwC network" refers to PricewaterhouseCoopers network-related accountants in Sweden, Great Britain, Germany and Norway. The fees listed above relate to the procedures applied to the company and its consolidated group entities by PricewaterhouseCoopers Accountants N.V., the external auditor as referred to in Section 1(1) of the Dutch Accounting Audit Firms Supervision Act (Dutch acronym: WTA), as well as by other PricewaterhouseCoopers individual partnerships and legal entities based in and outside the Netherlands, including their tax services and advisory groups ("Other non-audit services").

Information with respect to the audit fees incurred during the financial year is included in the financial reporting using the enclosed fee reporting schedule.

The increase in 2024 was mainly caused by the acquisition of the Dutch Charity Lotteries.

## **26. Changes in value of fixed assets**

A EUR 0.8 million provision was incurred in 2024 (2023: EUR 2.0 million) regarding the investment in Phase2.earth. At the end of 2024, the investment was sold. The result from this divestment is presented in note 27.

## **27. Result from divestment of group companies**

At the end of 2024, the investment in Phase2.earth was sold for EUR 16 million (book value EUR 14.0 million), with a positive result of EUR 2.0 million.

## **28. Financial expenses (-) and income (+)**

<b>EUR * 1,000</b>	<b>2024</b>	<b>2023</b>
Interest income	22,678	9,724
Interest expenses	(10)	0
Exchange rate differences	44	188
<b>Total financial expenses and income</b>	<b>22,712</b>	<b>9,912</b>

Interest income increased in 2024, mainly due to the acquisition of the Dutch Charity Lotteries, an increase in the average interest rate percentage and generally higher bank balance positions. The exchange rate development of SEK and NOK in relation to EUR had a positive effect on exchange rate differences in 2024.

## 29. Current taxation on result on ordinary activities

The breakdown of the taxation on the result on ordinary activities in the reporting period is as follows:

<b>2024</b> <b>EUR * 1,000</b>	<b>Total</b> <b>2024</b>	<b>Netherlands</b>	<b>Sweden</b>	<b>Great Britain</b>	<b>Germany</b>	<b>Norway</b>	<b>Total</b> <b>2023</b>
Result on ordinary activities before taxation	<b>42,012</b>	39,459	7,368	(5,946)	(23)	1,154	<b>24,299</b>
Tax on result for current financial year	<b>17,627</b>	17,232	1,553	(1,412)	0	254	<b>16,178</b>
Prior year current tax adjustments	<b>(443)</b>	(443)	0	0	0	0	<b>2</b>
Changes in deferred tax assets	<b>(30)</b>	(67)	0	37	0	0	<b>(1,182)</b>
Changes in deferred tax liabilities	<b>(95)</b>	(95)	0	0	0	0	<b>2</b>
<b>Taxation on result on ordinary activities</b>	<b>17,059</b>	<b>16,627</b>	<b>1,553</b>	<b>(1,375)</b>	<b>0</b>	<b>254</b>	<b>15,000</b>
Standard tax rate	20.6%/25.8%	25.8%	20.6%	23.5%	-	22.0%	20.6%/25.8%
Effective tax rate	40.6%	42.1%	21.1%	23.1%	-	22.0%	61.7%

The EUR 17.1 million tax on result (2023: EUR 15.0 million) for the current financial year is 40.6% (2023: 61.7%) of the result on ordinary activities before taxation. This is relatively high, mainly due to the non-deductible investments made in the Netherlands.

The Postcode Lottery Group is subject to new legislation mandating a minimum 15% tax rate for multinationals with turnover above EUR 750 million, driven by Pillar Two of the cross-border tax reform deals overseen by the OECD (Organisation for Economic Cooperation and Development). For the year 2024, the Postcode Lottery Group meets the Pillar Two safe harbour criteria.

## 30. Employees

At the end of 2024, 1,497 people (2023: 878) were employed by the Postcode Lottery Group, 805 of them working outside the Netherlands. The increase is a result of the acquisition of the Dutch Charity Lotteries in 2024. Based on full-time equivalency, the average number of employees by country was as follows:

	<b>2024</b>	<b>2023</b>
Netherlands*	528	0
Great Britain	406	385
Sweden	188	181
Germany	175	161
Netherlands – Novamedia	39	41
Netherlands – books	0	27
<b>Total employees (FTE)</b>	<b>1,336</b>	<b>795</b>

\* The Dutch Charity Lotteries were not included in Novamedia's legal structure in 2023. The average FTE of the Dutch Charity Lotteries for 2023 was 506.

In 2024, 176 FTE were charged to Svenska Postkodföreningen (2023: 170 FTE) and 5 FTE to the Norsk Postkodelotteri (2023: 5 FTE).

### **31. Remuneration of the Executive Board and Supervisory Board (EUR \* 1,000)**

Remuneration of the Executive Board, including pensions and short-term incentives, amounted to EUR 2,854 (2023: EUR 2,396). The Executive Board consisted of 3 FTE in 2024, with each member receiving the same remuneration package (2023: 3 FTE).

The remuneration excludes expat costs (e.g. housing, insurances) paid by the company as part of a foreign assignment of EUR 886 of which EUR 288 related to taxes.

Remuneration of the Supervisory Board amounted to EUR 245 (2023: EUR 161). During 2024 the Supervisory Board increased from four members to six, and it ended the year with four members.

**Company financial statements**

## Company balance sheet as at 31 December 2024

EUR * 1,000		31 December 2024	31 December 2023
<i>(before appropriation of result)</i>	<i>Notes</i>		
<i>Assets</i>			
<i>Fixed assets</i>			
<b>Financial fixed assets</b>			
Subsidiaries	32	272,618	231,661
Deferred tax assets	33	199	189
		272,817	231,850
 <i>Current assets</i>			
<b>Receivables</b>			
Tax receivable	34	668	0
Other receivables	35	4	4
		672	4
 <b>Cash and cash equivalents</b>	 36	 452	 435
		<b>273,941</b>	<b>232,289</b>

EUR * 1,000		<u>31 December 2024</u>	<u>31 December 2023</u>
	<i>Notes</i>		
<i>Equity and liabilities</i>			
<b>Equity</b>	37		
Share capital		0	0
Share premium		25,286	16,743
Legal reserves		30	37
Other reserves		35,182	114,515
Reserve for translation differences		(2,176)	(1,770)
Result for the year		<u>24,975</u>	<u>9,330</u>
		83,297	138,855
<b>Provisions</b>			
Deferred tax liabilities	38	7,536	7,536
<b>Current liabilities</b>			
Corporate income tax		0	528
Group companies	39	<u>183,108</u>	<u>85,370</u>
		183,108	85,898
		<u><b>273,941</b></u>	<u><b>232,289</b></u>



## Company profit and loss account for the year ended 31 December 2024

EUR * 1,000	2024	2023
<b>Result from subsidiaries after taxation</b>	<b>41,844</b>	<b>23,675</b>
Other income and expenses after taxation	(16,869)	(14,345)
<b>Result after taxation</b>	<b>24,975</b>	<b>9,330</b>

## Notes to the company balance sheet and profit and loss account

### General information

The company financial statements have been prepared in accordance with the statutory provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

The accounting policies for the company financial statements and the consolidated financial statements are the same. Group companies are stated at net asset value in accordance with the note to the consolidated financial statements on financial fixed assets.

For the accounting policies for the company balance sheet and profit and loss account, reference is made to the notes to the consolidated balance sheet and profit and loss account.

### 32. Subsidiaries

Financial fixed assets include the following subsidiaries:

		share in equity
Novamedia B.V.	Amsterdam	100%

These subsidiaries are valued at net asset value. Movements in subsidiaries can be presented as follows:

EUR * 1,000	2024	2023
<b>At 1 January</b>	<b>231,661</b>	<b>208,103</b>
<b>Movements</b>		
Result for the year	41,844	23,675
Exchange rate results on subsidiaries	(887)	(117)
<b>At 31 December</b>	<b>272,618</b>	<b>231,661</b>

### 33. Deferred tax assets

The movements in 2024 were as follows:

EUR * 1,000	2024	2023
<b>At 1 January</b>	<b>189</b>	<b>172</b>
Addition	10	17
Utilisation	0	0
<b>At 31 December</b>	<b>199</b>	<b>189</b>

The deferred tax assets relate to the difference between commercial and fiscal depreciation.

### 34. Tax receivable

EUR * 1,000	31 December 2024	31 December 2023
Corporate income tax	668	0
<b>Total tax receivable</b>	<b>668</b>	<b>0</b>

Corporate income tax relates to prepayments for Novamedia Holding B.V.

### 35. Other receivables

EUR * 1,000	31 December 2024	31 December 2023
Other	4	4
<b>Total other receivables</b>	<b>4</b>	<b>4</b>

All receivables are due in less than one year. The fair value of the receivables approximates the book value due to their short-term character.

### 36. Cash and cash equivalents

Cash and cash equivalents are freely available.

### 37. Equity

#### Share capital

Statutory share capital is EUR 200 in total and consists of 20,000 ordinary type A shares (2023: 20,000) with a nominal value of EUR 0.01 per share (2023: EUR 0.01 per share). One ordinary type B share (voting share) has been issued to the Novamedia Continuity Foundation since 2022, in light of the process of proposed changes to the Articles of Association.

#### Share premium

Movements in share premium were as follows:

EUR * 1,000	2024	2023
<b>At 1 January</b>	<b>16,743</b>	<b>4,037</b>
Additions	8,543	12,706
<b>At 31 December</b>	<b>25,286</b>	<b>16,743</b>

Stichting de Novamedia Fundatie made a share premium contribution of EUR 8.543 million in 2024.

### Legal reserves

Movements in legal reserves were as follows:

<b>EUR * 1,000</b>	<b>Germany</b>	<b>Sweden</b>	<b>2024</b>	<b>2023</b>
<b>At 1 January</b>	<b>25</b>	<b>12</b>	<b>37</b>	<b>37</b>
Reclassification to other reserves	0	-7	-7	0
<b>At 31 December</b>	<b>25</b>	<b>5</b>	<b>30</b>	<b>37</b>

The legal reserves in Germany and Sweden are maintained in accordance with local regulations.

The acquired shares of Holding Nationale Goede Doelen Loterijen N.V. and its subsidiaries are without a profit entitlement or dividend rights. Because of the so-called closed-loop structure, Novamedia is required to create a legal reserve for profits made by the subsidiary Aandelenbeheer Nationale Goede Doelen Loterijen B.V. In 2024, a loss was recorded and therefore no legal reserve has been accounted for.

### Other reserves

Movements of other reserves were as follows:

<b>EUR * 1,000</b>	<b>2024</b>	<b>2023</b>
<b>At 1 January</b>	<b>114,515</b>	<b>112,785</b>
Movement from legal reserves	7	0
Release of translation differences	(480)	(1,083)
Dividend paid to Stichting de Novamedia Fundatie	(88,190)	(20,474)
Loan repayment by Stichting de Novamedia Fundatie	0	2,813
Previous year result	9,330	20,474
<b>At 31 December</b>	<b>35,182</b>	<b>114,515</b>

The release of translation differences relates to dividends paid by the Swedish subsidiary.

In April 2024 Novamedia Holding paid a dividend of EUR 10,542,963 to Stichting de Novamedia Fundatie in relation to the 2023 result. Stichting de Novamedia Fundatie paid a share premium contribution (agiostorting) of EUR 8,542,963 to Novamedia Holding B.V.

In December 2024, Novamedia Holding B.V, Stichting de Novamedia Fundatie (the Novamedia Foundation) and Cella Media B.V. have agreed to terminate the lifelong usufruct, which included voting and dividend rights, on 18.97% of the shares in Novamedia Holding B.V. The Novamedia Foundation has paid Cella Media a one-time amount of EUR 66 million for this termination. Cella Media will make further impact investments from this amount.

On the same date, Novamedia B.V. sold its 16.67% equity share in the impact investment fund Phase2.earth B.V. to Cella Media for the sum of EUR 16 million.

Novamedia Holding B.V. has paid a dividend of EUR 77,647,059 (including dividend tax) to Stichting de Novamedia Fundatie to fulfil the payment of this obligation. If the dividend tax of EUR 11,647,059 paid by Novamedia Holding is received by Stichting de Novamedia Fundatie in 2025, given the Foundation's dividend tax exemption (see note 7), Stichting de Novamedia Fundatie will pay a share premium contribution (agiostorting) for this amount to Novamedia Holding B.V.

*Reserve for translation differences*

Movements in the reserve for translation differences were as follows:

<b>EUR * 1,000</b>	<b>2024</b>	<b>2023</b>
<b>At 1 January</b>	<b>(1,770)</b>	<b>(2,735)</b>
Release of translation differences on current year dividends from subsidiaries	480	1,083
Movement in translation differences on subsidiaries' equity at year-end rate	(696)	(164)
Movement in translation differences on subsidiaries' results at year-end rate	(190)	46
<b>At 31 December</b>	<b>(2,176)</b>	<b>(1,770)</b>

*Equity movements*

<b>EUR * 1,000</b>	<b>2024</b>	<b>2023</b>
<b>Group equity at 1 January</b>	<b>139,753</b>	<b>134,598</b>
Net group result	24,953	9,299
Capital increase	0	12,706
Consolidation, Stichting de Novamedia Fundatie	0	928
Exchange rate results from subsidiaries	(887)	(117)
Dividend paid	(2,000)	(20,474)
Acquired usufruct on 18.97% of the shares	(66,000)	0
Loan repayment by Stichting de Novamedia Fundatie	0	2,813
<b>Group equity at 31 December</b>	<b>95,819</b>	<b>139,753</b>

***Differences in equity and result between the company and consolidated financial statements***

The difference between equity according to the company balance sheet and equity according to the consolidated balance sheet is due to the consolidation of Stichting de Novamedia Fundatie as of 9 December 2023 in the consolidated annual report of Novamedia Holding B.V. Stichting de Novamedia Fundatie is the shareholder of Novamedia Holding B.V., and therefore no asset or liability is recognised in Novamedia Holding B.V.'s company financial statements.

Novamedia Holding B.V. is a subsidiary of Stichting de Novamedia Fundatie, which accounts for its subsidiary at cost. However, as Stichting de Novamedia Fundatie meets the technical accounting requirements for a consolidated company, it is included in the consolidation of Novamedia Holding B.V.

Movements in the difference between the company and consolidated equity and profit/(loss) in the financial year were as follows.

*Difference in equity*

<b>EUR * 1,000</b>	<b>2024</b>
Equity according to consolidated financial statements	<b>95,819</b>
Difference in equity at year end due to the consolidation of Stichting de Novamedia Fundatie	(12,522)
Equity according to company financial statements	<b>83,297</b>

*Difference in result*

<b>EUR * 1,000</b>	<b>2024</b>
Result according to consolidated financial statements	<b>24,953</b>
Difference in result due to the consolidation of Stichting de Novamedia Fundatie	22
Result according to company financial statements	<b>24,975</b>

**Appropriation of result**

The Executive Board proposes that the net result for the year be added to the other reserves.

**38. Deferred tax liabilities**

The movements during 2024 were as follows:

<b>EUR * 1,000</b>	<b>2024</b>	<b>2023</b>
<b>At 1 January</b>	<b>7,536</b>	<b>7,536</b>
Addition	0	0
Utilisation	0	0
<b>At 31 December</b>	<b>7,536</b>	<b>7,536</b>

The deferred tax liabilities relate to deducted fiscal losses on investments made in Great Britain via Postcode Lottery Ltd. from prior years that will be settled with the tax authorities in future years. The calculation is based on estimated results of Postcode Lottery Ltd.

**Current liabilities**

All current liabilities are due in less than one year. The fair value of the current liabilities approximates the book value due to their short-term character.

### **39. Group companies**

Group companies' liabilities relate to the intercompany balances of Novamedia Holding B.V. and its subsidiaries. No interest is charged, as the intercompany positions are part of the fiscal unity in the Netherlands. In respect of repayment and securities, no agreements have been made.

### **40. Contingencies and commitments**

Novamedia Holding B.V. issued a liability statement pursuant to Article 2:403 of the Dutch Civil Code in respect of Novamedia B.V.

Novamedia B.V. issued a financial support letter to Postcode Lotterie DT gGmbH that enables Postcode Lotterie DT gGmbH to pay any creditors due for a period of at least 24 months after the date of approval of the financial statements of Postcode Lotterie DT gGmbH.

Novamedia B.V. issued a financial support letter to Novamedia Deutschland GmbH that enables Novamedia Deutschland GmbH to pay any creditors due for a period of at least 24 months after the date of approval of the financial statements of Novamedia Deutschland GmbH.

As of 31 December 2024 the following entities are part of the fiscal unity of Novamedia Holding B.V. for corporate income tax purposes: Novamedia B.V., Postcode Lottery Ltd., Svenska Postkodlotteriet AB, Norsk Postkodelotteri AS and Novamedia Lotteries Canada Inc.

In accordance with the standard conditions, Novamedia and the subsidiaries that are part of the fiscal unity are severally liable for taxation payable by the entity. Novamedia Holding B.V. is the head of the fiscal unity. The foreign entities independently pay their income tax due.

### **41. Employees**

Novamedia Holding B.V. has nil employees (2023: nil).

### **42. Other**

Refer to note 25 for disclosures relating to audit and professional services fees, which are included in the profit and loss account, and to note 31 with regard to the remuneration of the Executive Board and Supervisory Board.

#### *Subsequent events*

There have been no subsequent events.

Amsterdam, 4 April 2025

Supervisory Board:

\_\_\_\_\_  
G.J.A.M. van der Vossen (*chair*)

\_\_\_\_\_  
C. van der Pol

\_\_\_\_\_  
E.H. Verkoren

\_\_\_\_\_  
P.A. Zinkweg

Executive Board:

\_\_\_\_\_  
S.J. van Aken (*chair*)

\_\_\_\_\_  
I. Rog

\_\_\_\_\_  
M. Verboven



Novamedia Holding B.V.  
Beethovenstraat 200  
1077 JZ Amsterdam  
The Netherlands  
Netherlands Chamber of Commerce Business Register number: 33209523

## Other information

**Profit appropriation according to the Articles of Association**

According to Article 21 of the Articles of Association, the profit for the year can only be distributed for the amount exceeding the issued share capital and other reserves required under Dutch law. Distribution of profit occurs after adoption of the financial statements. For the 2024 profit appropriation please refer to page 69.

**Independent auditor's report**

The independent auditor's report is included on the following pages.



# Independent auditor's report

To: the general meeting and the supervisory board of Novamedia Holding B.V.

## Report on the audit of the financial statements 2024

### Our opinion

In our opinion, the financial statements of Novamedia Holding B.V. ('the Company') give a true and fair view of the financial position of the Company and the Group (the Company together with its subsidiaries) as at 31 December 2024, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

### What we have audited

We have audited the accompanying financial statements 2024 of Novamedia Holding B.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The financial statements comprise:

- the consolidated and company balance sheet as at 31 December 2024;
- the consolidated and company profit and loss account for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is Part 9 of Book 2 of the Dutch Civil Code.

### The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Independence

We are independent of Novamedia Holding B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

## Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

## Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Novamedia Holding B.V. and its environment and the components of the internal control system. This included the executive board's risk assessment process, the executive board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We refer to section 'Fraud' of the executive board report for the executive board's fraud risk assessment and section 'financial reporting and risks' of the supervisory board report in which the supervisory board reflects on this fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, whistleblower procedures, among other things. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the executive board as well as risk department, human resources, managing directors and the supervisory board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
<p><b>The risk of management override of controls</b></p> <p>Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>That is why, we pay attention to the risk of management override of controls in:</p> <ul style="list-style-type: none"> <li>• the appropriateness of journal entries and other adjustments made in the preparation of the financial statements;</li> <li>• estimates;</li> <li>• significant transactions, if any, outside the normal course of business for the entity.</li> </ul> <p>We pay particular attention to tendencies due to possible interests of management.</p>	<p>We evaluated, where relevant, the design and implementation of the internal control system in the processes of generating and processing journal entries and making estimates.</p> <p>We performed primarily substantive-based audit procedures.</p> <p>We selected journal entries based on our risk criteria and conducted specific audit activities for entries meeting our risk criteria. These procedures include, among others, inspection of the entries to source documentation. We also paid particular attention to consolidation and elimination entries.</p> <p>We paid additional attention to any significant transactions outside the normal course of business.</p> <p>We also performed specific audit procedures related to important estimates of management. We specifically paid attention to the inherent risk of bias of management in estimates.</p> <p>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of the internal controls.</p>
<p><b>The risk of financial fraudulent reporting due to overstated revenue recognition</b></p> <p>As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue transactions give rise to the risk of fraud in revenue recognition.</p> <p>Management may try to overstate revenue by recognising revenue that actually did not occur or recognising revenue which should be recognised in the next period.</p>	<p>We evaluated, where relevant, the design and implementation of the internal control system and assessed the effectiveness of the relevant controls in the processes related to revenue reporting.</p> <p>Our audit approach is based on a combination of reliance on the relevant internal controls and substantive testing.</p> <p>We performed a combination of data analyses to identify potential notable revenue entries in the fiscal year and performed specific substantive audit procedures on these entries as well as substantive analytics.</p> <p>Finally, we performed audit procedures at the end of the year related to cut-off procedures to identify potential shifts in revenue from draws taking place in the next financial year to the revenue reported in the current financial year.</p> <p>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the existence and occurrence and cut-off of the revenue reporting.</p>

We incorporated an element of unpredictability in our audit. We reviewed lawyer's letters. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

## Audit approach going concern

The executive board prepared the financial statements on the assumption that the entity is a going concern and that it will continue all its operations for at least 12 months from the date of preparation of the financial statements.

Our procedures to evaluate the executive board's going-concern assessment included, amongst others:



- considering whether the executive board identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going-concern risks);
- evaluating the executive board's current budget and actual results for the next financial year taken into account current developments in the industry and all relevant information of which we are aware as a result of our audit;
- performing inquiries of the executive board as to its knowledge of going-concern risks beyond the period of the executive board's assessment.

Based on our procedures performed, we concluded that the executive board's use of the going-concern basis of accounting is appropriate, and based on the audit evidence obtained, that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

## Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the report of the Executive Board and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The executive board is responsible for the preparation of the other information, including the report of the Executive Board and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

## Responsibilities for the financial statements and the audit

### Responsibilities of the executive board and the supervisory board for the financial statements

The executive board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the executive board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the executive board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the executive board should prepare the financial statements using the going-concern basis of accounting unless the executive board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The executive board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

### Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.





Amsterdam, 4 April 2025

PricewaterhouseCoopers Accountants N.V.

Original signed by A.G.J. Gerritsen RA



## Appendix to our auditor's report on the financial statements 2024 of Novamedia Holding B.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

### The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.
- Concluding on the appropriateness of the executive board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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