



## DECLARATION OF CONFORMITY WITH THE GERMAN CORPORATE GOVERNANCE CODE ("CODE") PURSUANT TO SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

I. The Management Board and Supervisory Board of Lotto24 AG declare that since the last declaration was issued in April 2019 in accordance with Section 161 AktG, and until 20 March 2020 the recommendations of the "Regierungskommission Deutscher Corporate Governance Kodex" in the version dated 7 February 2017 and published in the official section of the Federal Gazette (amtlicher Teil des Bundesanzeigers) on 24 April 2017 have been complied with, with the exceptions set out and justified below:

1. *Number 3.8 (deductible D&O insurance)* The D&O insurance policy taken out for the Supervisory Board of Lotto24 AG does not provide for a deductible. The Management Board and Supervisory Board are of the opinion that the deductible of a D&O insurance policy is not an adequate means of achieving the objectives of the Code. Such deductibles are usually insured by the affected board members themselves, so that the actual function of the deductible is nullified and it is therefore ultimately only a question of the level of compensation paid to the board members.
2. *Number 4.2.2(2) sentence 3 (vertical remuneration comparison)* The Supervisory Board duly deals with the appropriateness of the remuneration of the Management Board. In doing so, it also takes into account the Company's internal remuneration structure. However, the Supervisory Board is convinced that the determination of comparison groups and the consideration of the development over time will not lead to an improvement in the quality of decision-making, so that the Supervisory Board refrains from implementing these formal recommendations.
3. *Number 4.2.3(2) sentence 3 (essentially forward-looking multiple-year assessment basis for variable components of the Managing Board remuneration)* In the case of Mr. Carsten Muth, who was appointed as a further member of the Managing Board as of 1 December 2019, no multiple-year variable remuneration component was agreed in view of the fact that his appointment only runs until 31 May 2021.
4. *Numbers 5.3.1, 5.3.2, 5.3.3 (formation of a plurality of committees, establishment of an audit committee and a nomination committee and their composition)* In view of the fact that, in accordance with the Articles of Association, the Supervisory Board of Lotto24 AG consisted of only three persons until the registration of the resolutions amending the Articles of Association at the General Meeting on 27 September 2019, the Supervisory Board had not formed any committees, in particular no audit committee and nomination committee, until 30 October 2019. Since until 30 October 2019, there has been only one committee, which is responsible for reviewing and approving transactions with related parties and, in particular, for granting approval in accordance with Section 111a et seq. of the AktG. The Supervisory Board is convinced that it can perform the tasks incumbent on an audit or nomination committee just as efficiently as a complete body, given its number of only six members.
5. *Number 5.4.1(2) sentence 2 (determination, consideration and publication of concrete objectives for the composition of the Supervisory Board)* With regard to its own composition as well as the composition of the Management Board, the Supervisory Board supports, among other things, the aspects of internationality, participation of women and independence. However, in view of the special requirements that apply to the Supervisory Board of Lotto24 AG as a de facto controlled company, the Supervisory Board will refrain for the time being from formally defining objectives for its composition that go beyond the requirements of stock corporation law in order not to restrict its selection criteria by setting concrete objectives and quotas.



II. The Management Board and Supervisory Board of Lotto24 AG declare that since 20 March 2020 the recommendations of the "Regierungskommission Deutscher Corporate Governance Kodex" in the version dated 16 December 2019 and published in the official section of the Federal Gazette (amtlicher Teil des Bundesanzeigers) on 20 March 2020 have been complied with, with the exceptions set out and justified below:

1. *C.1 (determination and publication of the status of the implementation of concrete objectives for the composition of the Supervisory Board)* With regard to its own composition as well as the composition of the Management Board, the Supervisory Board supports, among other things, the aspects of internationality, participation of women and independence. However, the Supervisory Board will refrain for the time being from formally defining objectives for its composition that go beyond the requirements of stock corporation law in order not to restrict its selection criteria by setting concrete objectives and quotas.
2. *D.2, D.3, D.4, D.5 (formation of a plurality of committees, establishment of an audit committee and a nomination committee and their composition)* In view of the fact that, in accordance with the Articles of Association, the Supervisory Board of Lotto24 AG consisted of only three persons until the registration of the resolutions amending the Articles of Association at the General Meeting on 27 September 2019, the Supervisory Board had not formed any committees, in particular no audit committee and nomination committee, until 30 October 2019. Since until 30 October 2019, there has been only one committee, which is responsible for reviewing and approving transactions with related parties and, in particular, for granting approval in accordance with Section 111a et seq. of the AktG. The Supervisory Board is convinced that it can perform the tasks incumbent on an audit or nomination committee just as efficiently as a complete body, given its number of only six members.
3. *G.4 (vertical remuneration comparison)* The Supervisory Board duly deals with the appropriateness of the remuneration of the Management Board. In doing so, it also takes into account the Company's internal remuneration structure. However, the Supervisory Board is convinced that the determination of comparison groups and the consideration of the development over time will not lead to an improvement in the quality of decision-making, so that the Supervisory Board refrains from implementing these formal recommendations.
4. *G.6, G.10 (predominance of long-term oriented variable remuneration components, investment of granted variable remuneration amounts in shares or share-based grant)* In the case of Mr. Carsten Muth, who was appointed as a further member of the Managing Board as of 1 December 2019, no long-term oriented variable remuneration component was agreed in view of the fact that his appointment only runs until 31 May 2021. Also in view of the limited term of appointment and thus the low relevance of long-term incentives, the variable remuneration components are neither invested in shares nor granted on a share basis.

III. The Management Board and Supervisory Board of Lotto24 AG further declare that the recommendations of the "Regierungskommission Deutscher Corporate Governance Kodex" in the version dated 16 December 2019 and published in the official section of the Federal Gazette (amtlicher Teil des Bundesanzeigers) on 20 March 2020 will be complied with in future with the exceptions set out and justified in section II.

Hamburg, March 2020

For the Supervisory Board  
of Lotto24 AG

Handwritten signature of Peter Steiner in black ink.

Peter Steiner

The Management Board  
of Lotto24 AG

Handwritten signature of Jonas Mattsson in black ink.

Jonas Mattsson

Handwritten signature of Carsten Muth in black ink.

Carsten Muth