



CORPORATE GOVERNANCE DECLARATION IN ACCORDANCE WITH § 289A HGB

Declaration of Conformity

In accordance with § 161 AktG, the Supervisory Board and Executive Board have issued a Declaration of Conformity with the German Corporate Governance Code and made it permanently available to shareholders, both on the preceding pages of this Annual Report and on the Company's website (www.lotto24-ag.de).

Information on corporate governance practices

As a German stock corporation, Lotto24 AG is subject to German corporate law and has a two-tier management and monitoring structure, consisting of an Executive Board with two members and a Supervisory Board with three members. The Supervisory Board advises and monitors the Executive Board in its management of business. The Executive Board and Supervisory Board of Lotto24 AG work closely together: the Executive Board informs the Supervisory Board regularly, comprehensively and in due time about all issues relevant to strategy, planning, business development, risk position, risk management and compliance. The Supervisory Board is immediately informed about Lotto24's strategic alignment and ongoing development, as well as any deviations in the course of business from the defined plans and targets. The Annual General Meeting acts as the third executive body, in which the Company's shareholders are involved in fundamental decisions concerning Lotto24 AG. These three bodies – Executive Board, Supervisory Board and Annual General Meeting – are jointly committed to acting in the best interests of shareholders and to the benefit of the Company.

Petra von Strombeck (CEO) and Magnus von Zitzewitz lead the Company in accordance with the provisions of German Stock Corporation Law, the Company's Articles of Association, the Executive Board's Rules of Procedure and the stipulations of the respective service agreements with the aim of achieving a sustainable added value for shareholders. Ms von Strombeck is responsible for Corporate Strategy and Development, Marketing, Sales, the B2C (Business-to-Customer) and ASP (Application Service Provider) business fields, Investor Relations, Human Resources and Organisation as well as IT Strategy, Systems, Processes and IT Operation. Mr von Zitzewitz is responsible for the divisions Legal Affairs and Regulation, Finance, Accounts, Taxes, Controlling, Compliance, Risk Management and Communication.

The Supervisory Board of Lotto24 AG consists of three members who are all elected by the Annual General Meeting. The Chairman and Deputy Chairman are elected from among the members of the Supervisory Board. The Supervisory Board was appointed in the course of the Company's change in legal form to that of a public limited company in 2012 for the period ending on the expiry of the Annual General Meeting that resolves on the discharge of responsibility for the fourth fiscal year from the beginning of the period of office. In case of a tie in voting, the Chairman of the Supervisory Board has the casting vote in the case of renewed voting on the same matter. The Supervisory Board appoints the members of the Executive Board. The Supervisory Board advises and monitors the Executive Board in its management of business in accordance with the provisions of German Stock Corporation Law, the Company's Articles of Association and its own Rules of Procedure. It appoints the members of the Executive Board and the Rules of Procedure of the Executive Board include provisions regarding the necessary approval of the Supervisory Board for significant business transactions. Since the Company's change in legal form to that of a public limited company (»Aktiengesellschaft« – AG), the Supervisory Board has consisted of the members Prof. Willi Berchtold (Chairman), Jens Schumann (Deputy Chairman) and Thorsten Hehl. The Supervisory Board meets at least twice in each calendar half-year. The Supervisory Board approves the annual financial statements.

Our shareholders exercise their rights at the Annual General Meeting. Lotto24 AG's Annual General Meeting is held within the first eight months of the fiscal year. In accordance with the Articles, the Annual General Meeting is presided over by the Chairman of the Supervisory Board. The Annual General Meeting resolves on all matters that are reserved for it by law (including the election of Supervisory Board members, amendments to the Articles, the appropriation of net profit and capital measures). Our aim is to make it as easy as possible for our shareholders to participate in the Annual General Meeting: for example, the necessary attendance documents are made available to shareholders on the Internet in advance. Shareholders may elect to have their voting rights exercised by a proxy, who is bound to follow their instructions.

Lotto24 AG attaches great importance to providing information uniformly, comprehensively and promptly. The business situation and results of Lotto24 AG are disclosed via regular reporting in the form of our Annual Report, half-yearly financial report and quarterly financial reports. We also provide full and swift information by means of press releases and ad-hoc announcements on specific events in accordance with statutory regulations. All publications, press releases and announcements are available on our website (www.lotto24-ag.de) in the Investor Relations section. Moreover, we are also available for personal discussions at analyst, investor and telephone conferences as well as international roadshows. Lotto24 AG has drawn up the mandatory list of insiders and informed the persons concerned about the statutory duties and penalties.

Accounting and auditing

The separate financial statements of Lotto24 AG are prepared in accordance with the International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee statements (IFRIC) of the International Accounting Standards Board (IASB), as applied in the EU and as valid on the balance sheet date. After preparation by the Executive Board, the financial statements are audited by the external auditor and adopted by the Supervisory Board. The financial statements are published within 90 days after the end of the fiscal year. It has been agreed with the external auditor that the Chairman of the Supervisory Board will be informed without delay about any grounds for exclusion or exemption or any inaccuracies in the Declaration of Conformity arising in the course of the audit. The external auditor reports to the Chairman of the Supervisory Board without delay about all issues and events arising in the course of the audit relevant for the Supervisory Board's duties.