



PRESS RELEASE

KKCG AND EMMA CAPITAL MERGE THEIR LOTTERY ASSETS

Prague, 17 August 2016 – Today's signature of agreements establishing the SAZKA Group joint-venture marks the conclusion of negotiations between the KKCG and EMMA Capital financial groups. The establishment of the joint venture will merge all lottery and gaming assets of the two financial groups, including shares in the largest Greek lottery company OPAP, the Italian company LOTTOITALIA, the Austria-based Casinos Austria and Österreichische Lotterien, as well as a 100% ownership interest in the Czech-based SAZKA a.s. Owned by Karel Komárek and Jiří Šmejč, KKCG and EMMA Capital will hold a 75% and 25% share in the SAZKA Group, respectively. The two groups have also agreed that each of them will be equally responsible for the management and oversight of the SAZKA Group.

The transaction marks the end of negotiations between the two corporations, which have resulted in the establishment of the largest group specializing in numerical lotteries in Europe. The aggregate annual amount of bets placed with companies in which the SAZKA Group owns an ownership interest are in excess of 15 billion euros and the aggregate EBITDA amounts to over 850 million euros.

"Together with our partner, we are committed to building the largest lottery and gaming operator in Europe. Moreover, our joint strategy is to promote the growth of companies currently owned by the SAZKA Group and to continue expanding into other parts of the world, both in Europe and beyond. We are on the lookout for opportunities for further acquisitions," said Karel Komárek.

"For the EMMA Group, the transaction is a logical continuation of the path on which we embarked in 2013, when we took part in the establishment of the consortium that won the competition for the privatization of a 33% share in OPAP. Our involvement in the SAZKA Group is consistent with EMMA's focus on the retail sector, and it builds on the highly prosperous partnership we have had with KKCG," added Jiří Šmejč.

All shares in the concerned companies will be automatically transferred to the SAZKA Group as of 17 August 2016. The only exception is the management of EMMA Delta, the fund that oversees shares in OPAP, which will only pass on to the SAZKA Group after the transaction is approved by regulatory authorities in Greece and Cyprus.

SAZKA Group a.s. is a joint venture of KKCG and EMMA Capital intended to aggregate the two groups' lottery and gaming investments. KKCG and EMMA Capital are the largest investors in EMMA Delta, a fund holding a 33% stake in the Greek lottery OPAP. The SAZKA Group owns an 11.4% share in Casinos Austria, where a transaction is under way that will increase the group's stake in this Austria-based corporation to 51% in a consortium with the NOVOMATIC corporation. In addition, the SAZKA Group owns a 100% share in the Czech lottery company SAZKA a.s. and holds, through the Italian

Gaming Holding, a 32.5% stake in LOTTOITALIA, a company that has been awarded a license to operate the Italian lottery Lotto.

EMMA CAPITAL is an investment group established in 2012 at the initiative of its majority shareholder Jiří Šmejč. EMMA CAPITAL specializes in strategic investments, where it mainly focuses on the retail business. The usual strategy followed by companies associated under EMMA CAPITAL is becoming actively involved in the management of companies in which the group invests. EMMA CAPITAL currently operates in the Czech Republic, Greece, Romania, Russia, Austria, Italy and Slovakia. In addition, EMMA CAPITAL owns an 11.37% stake in the Home Credit Group, one of the largest providers of consumer crediting in the world.

KKCG Investment Group

KKCG is an international investment group that manages assets worth over EUR 2.0 billion and employs over 2,500 people. KKCG's long-term strategy targets oil and gas production, lotteries and entertainment, tourism, and new technologies via the Springtide Ventures fund. KKCG holds shares in more than 25 companies, including the MND Group, SAZKA Group, VÍTKOVICE, the FISCHER Travel Group, and others. KKCG operates in 10 countries worldwide.

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