



# 1H23 Financial Results

August 31<sup>st</sup>, 2023

***intralot***

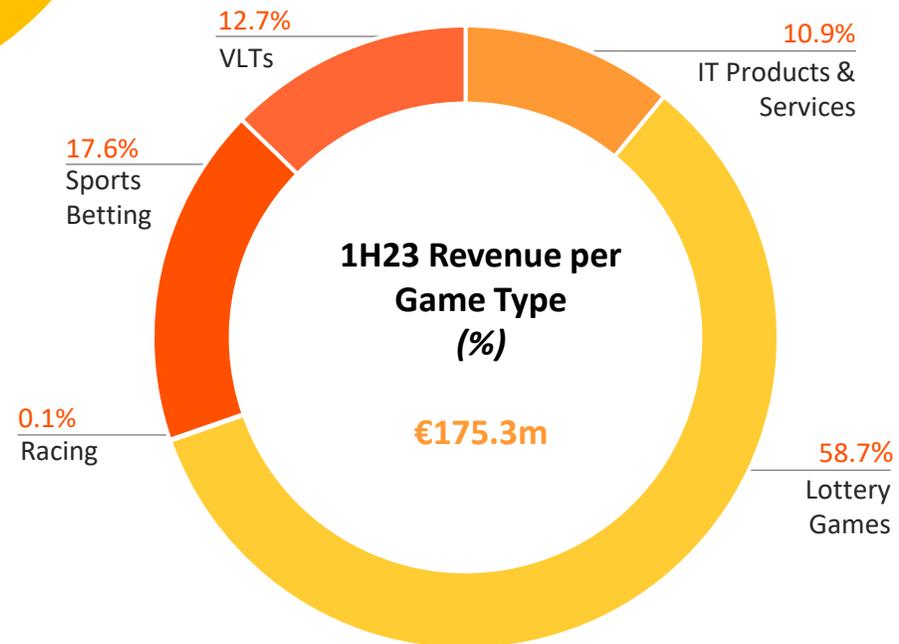
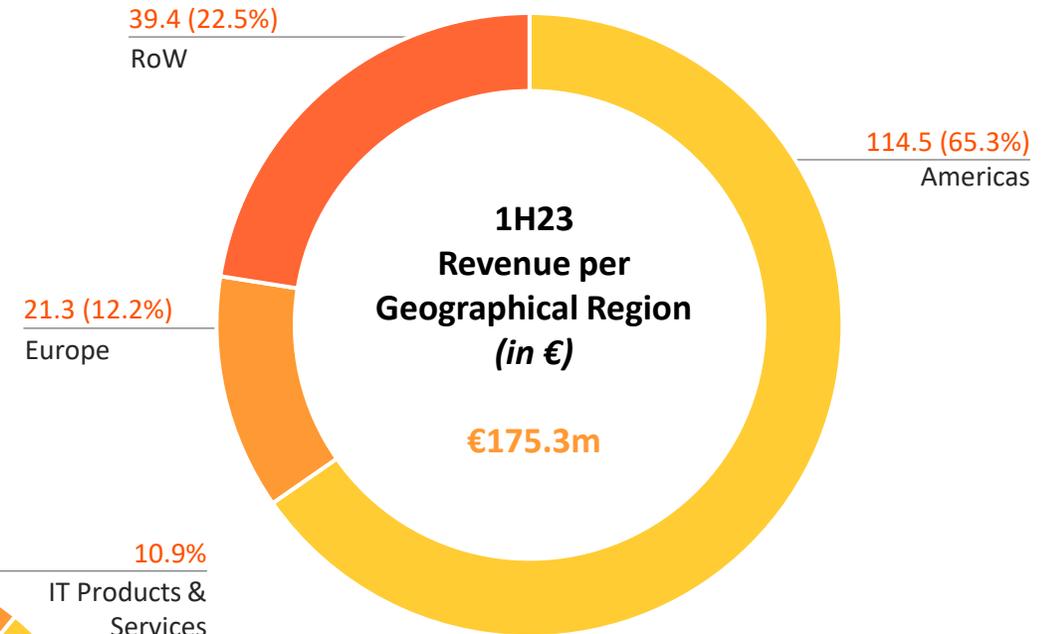
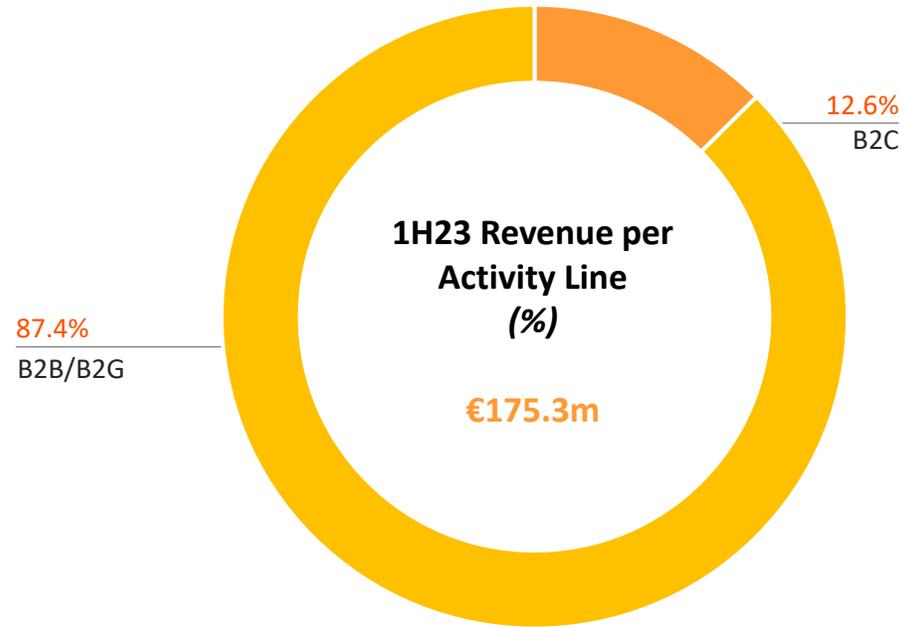
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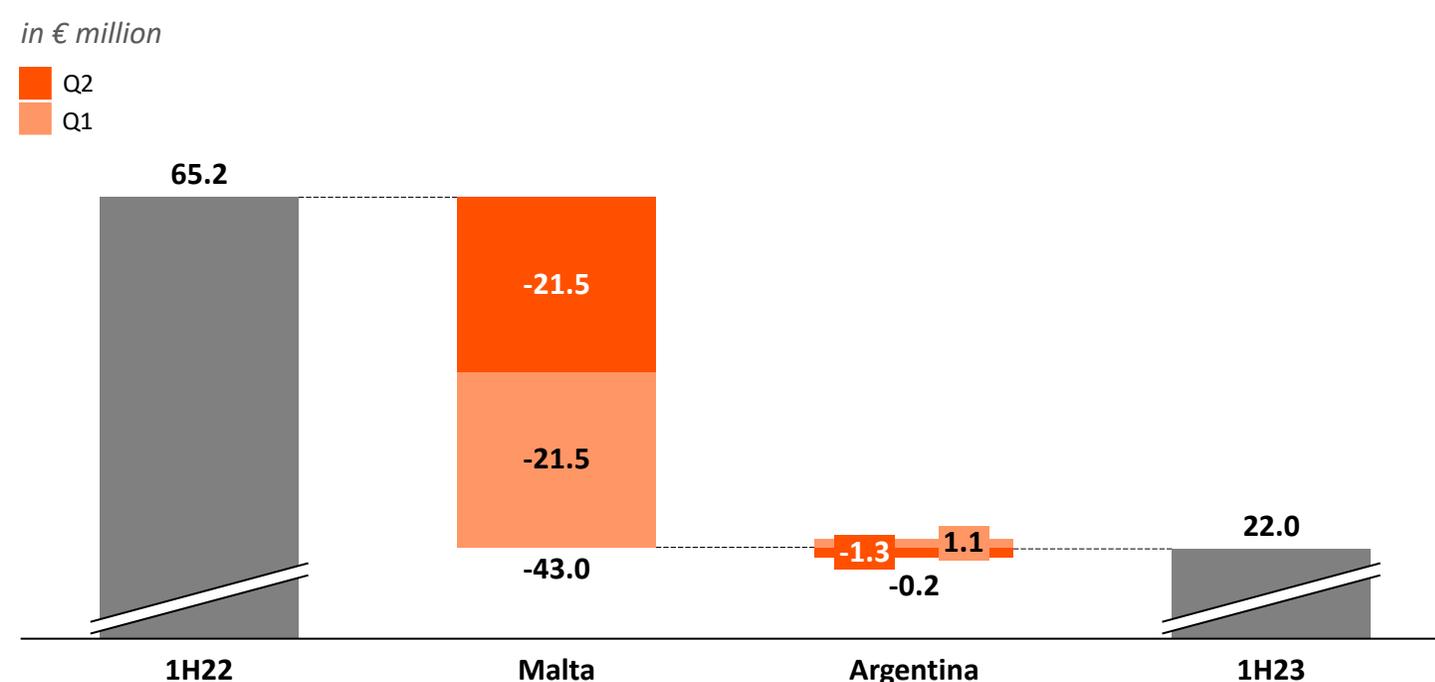
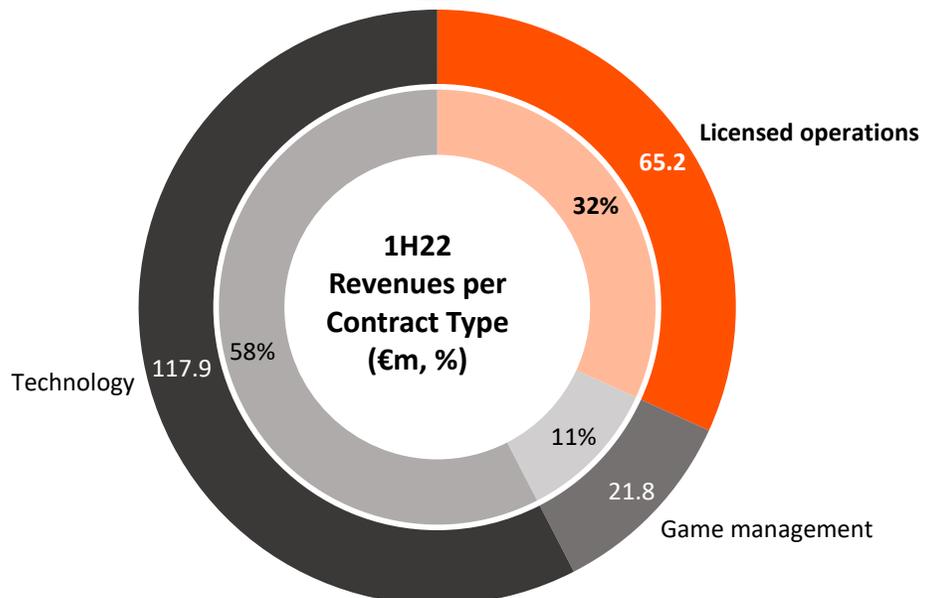
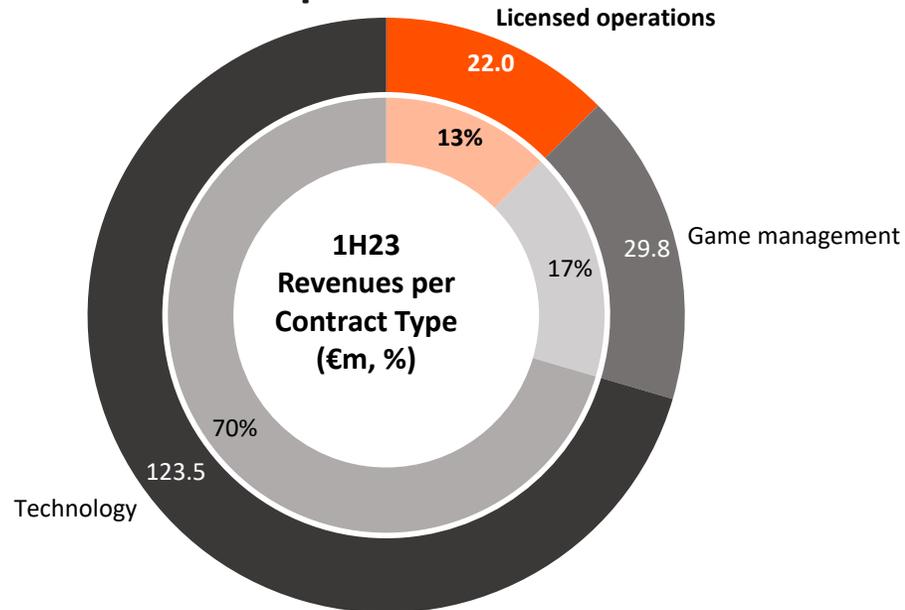
*Note: Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals.*

“INTRALOT’s results for the first half of 2023 show continuing EBITDA growth of 14.0% and healthy cash flows as the company consistently focuses on higher profit margin activities and lower leverage ratios. These developments allow us greater confidence in refinancing our upcoming maturities with an improved credit profile and address significant opportunities in the US and around the globe.”

# Revenue Overview



# Licensed Operations - Revenue Evolution<sup>1</sup>

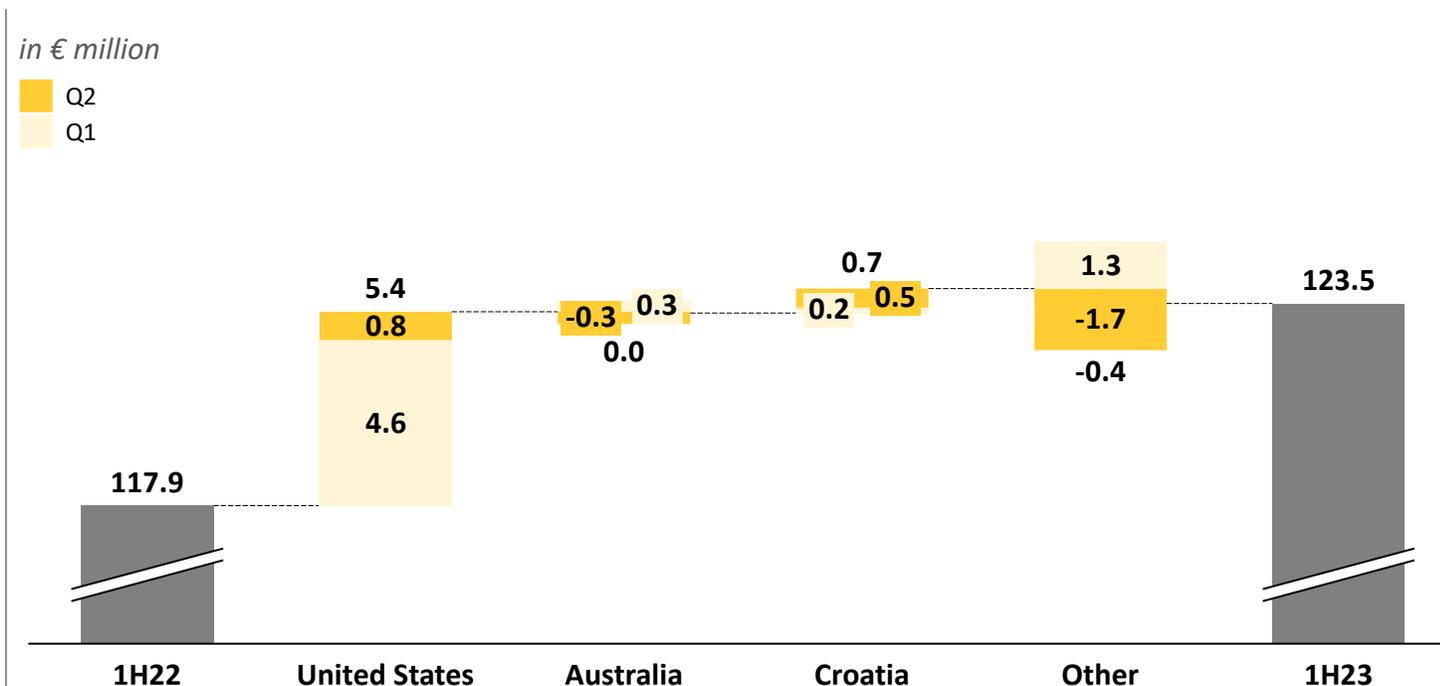
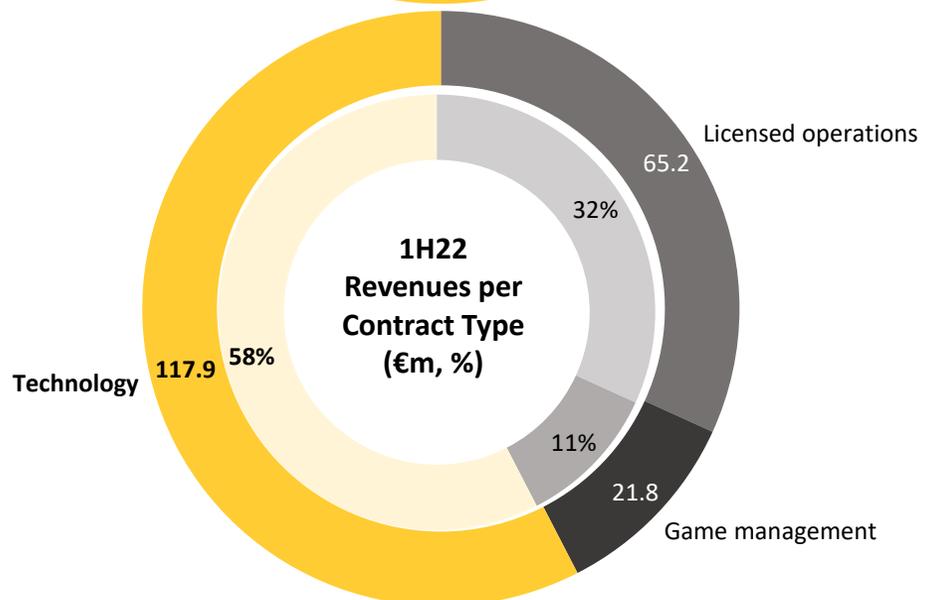
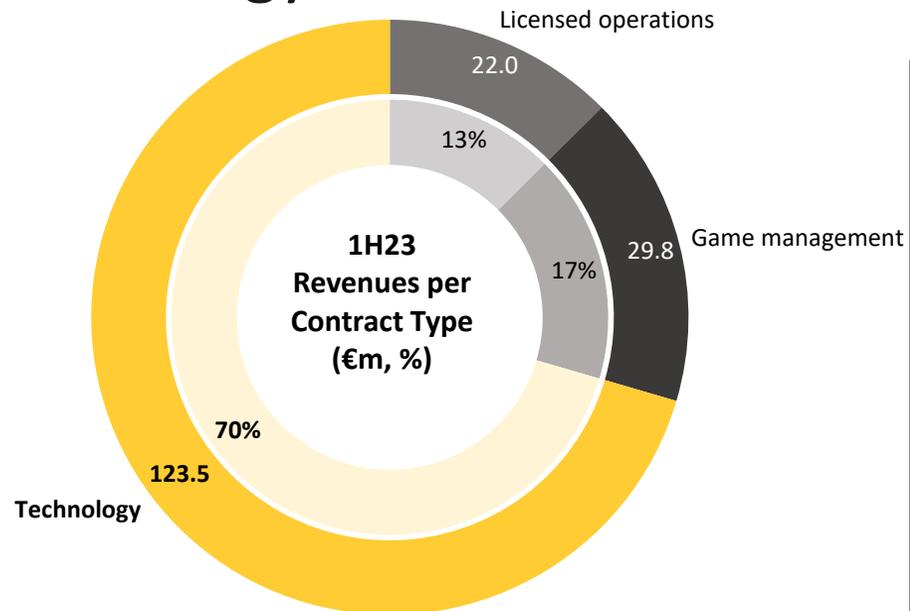


### Revenue Evolution Drivers:

- Revenue absence in **Malta** (€-43.0m) due to license expiration early July 2022.
- Slightly lower revenue in **Argentina** (€-0.2m). In local currency, current year results posted a +111.8% y-o-y increase.

1. Part of the US revenue that concerns SB management, has been included under the category "Game Management". The rest of the US revenue is included under the "Technology" business segment.

# Technology Contracts - Revenue Evolution<sup>1</sup>

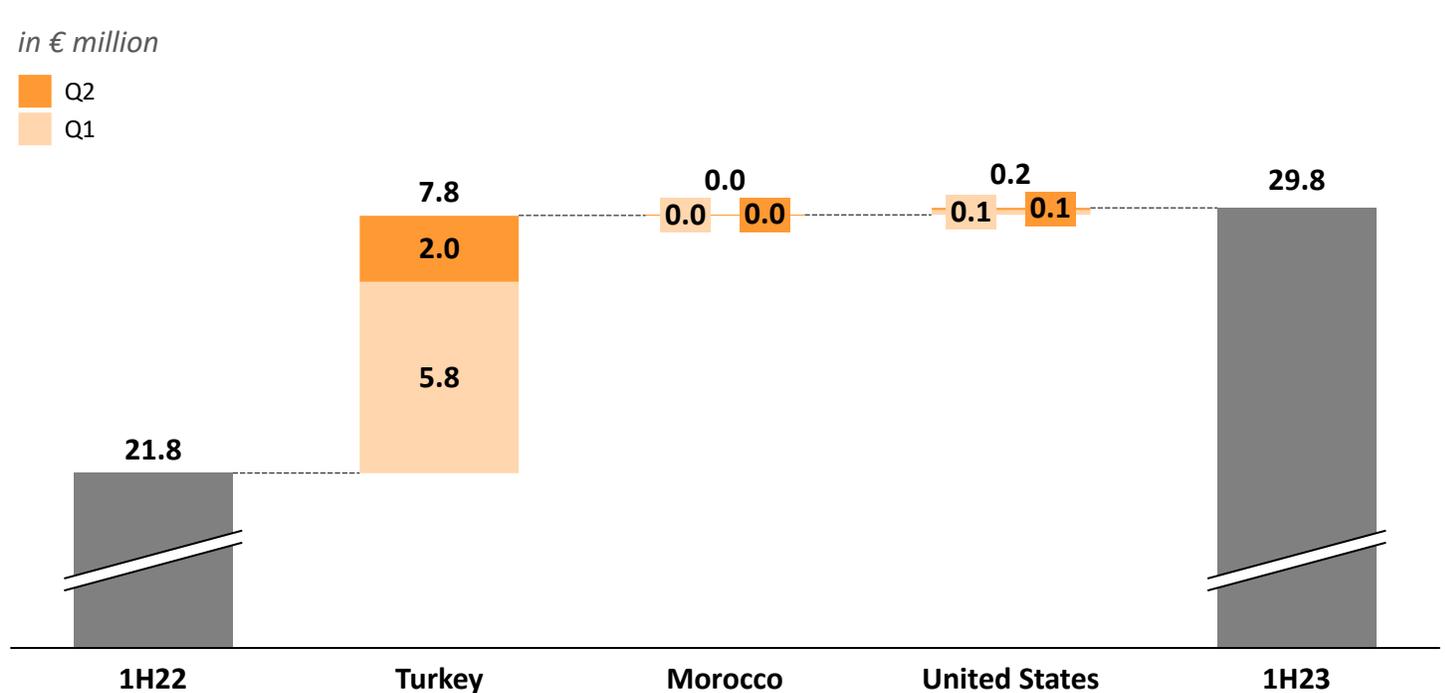
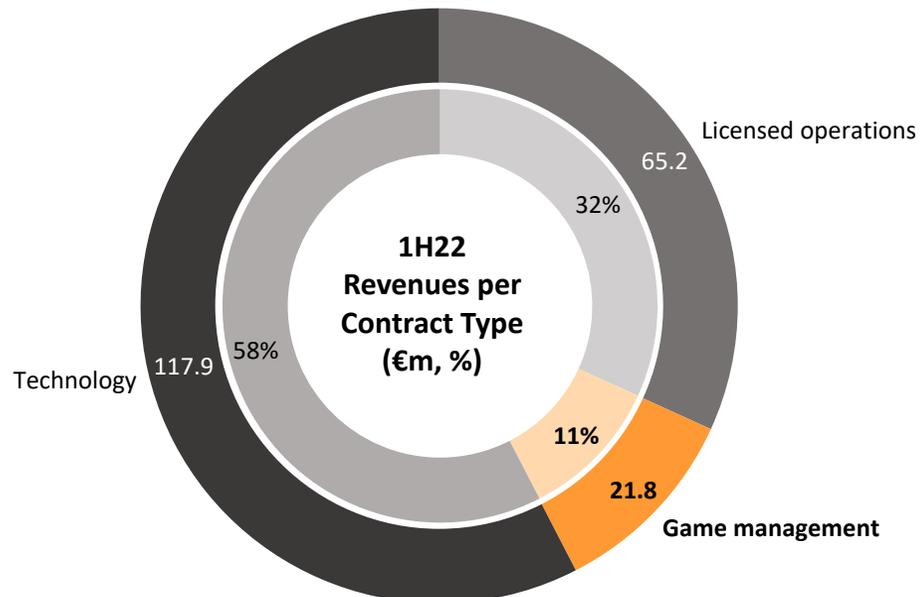
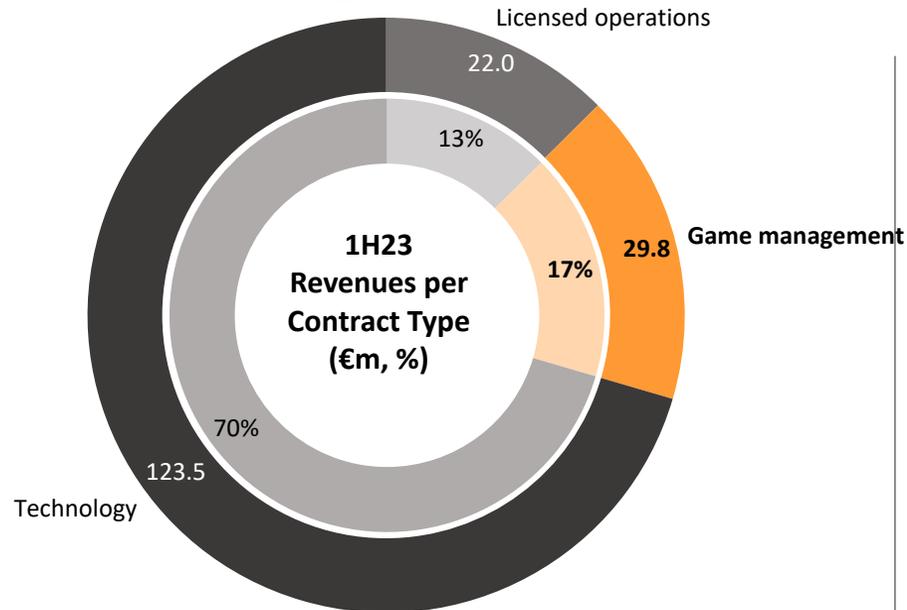


**Revenue Evolution Drivers:**

- **US operations'** increased revenue (€+5.4m or +7.4% y-o-y), mostly driven by the growth in the categories of Numerical and Instant games.
- Higher revenue in **Croatia** (€+0.7m or +18.9%) as a result of the local market growth.
- Lower revenue from **other jurisdictions** (€-0.4m or -1.3%).

1. Part of the US revenue that concerns SB management, has been included under the category "Game Management". The rest of the US revenue is included under the "Technology" business segment.

# Game Management Contracts - Revenue Evolution<sup>1</sup>



### Revenue Evolution Drivers:

- Strong momentum of our **Turkish** operations (€+7.8m or +64.6%), driven by Bilyoner’s improved performance, favored by the growth of the online market. In 1H23, the local Sports Betting market expanded close to 2.1 times y-o-y. Performance in Euro terms was partially mitigated by the headwinds in Turkish lira (+63.5% Euro appreciation versus a year ago).
- Higher revenue from our **US** Sports Betting contracts in Montana and Washington, D.C. (€+0.2m or +8.6%).

1. Part of the US revenue that concerns SB management, has been included under the category “Game Management”. The rest of the US revenue is included under the “Technology” business segment.

# Consolidated Financial Statements for 1H23



<i>(in € million)</i>	1H23	1H22	% Change	2Q23	2Q22	% Change	LTM
<b>Revenue (Turnover)</b>	<b>175.3</b>	<b>204.8</b>	<b>-14.4%</b>	<b>85.8</b>	<b>107.2</b>	<b>-20.0%</b>	<b>363.2</b>
Technology, Management & Rest Contracts	156.2	142.7	9.5%	76.5	75.3	1.5%	323.1
Licensed Operations (Payout related)	19.1	62.2	-69.3%	9.3	31.9	-70.8%	40.1
<i>Payout (%)<sup>1</sup></i>	61.2%	58.4%	+ 2.7pps	59.9%	58.0%	+ 1.9pps	60.4%
<b>GGR</b>	<b>163.6</b>	<b>168.5</b>	<b>-2.9%</b>	<b>80.2</b>	<b>88.7</b>	<b>-9.6%</b>	<b>339.0</b>
Gross Profit	63.0	56.3	12.0%	30.5	31.1	-2.1%	134.5
<i>Gross Profit Margin (%)</i>	36.0%	27.5%	+ 8.5pps	35.5%	29.0%	+ 6.5pps	37.0%
OPEX <sup>2</sup>	(46.8)	(49.4)	-5.2%	(24.1)	(27.6)	-12.5%	(97.2)
<b>EBITDA<sup>3</sup></b>	<b>62.8</b>	<b>55.1</b>	<b>14.0%</b>	<b>29.1</b>	<b>29.0</b>	<b>0.4%</b>	<b>130.6</b>
<i>EBITDA Margin (% Sales)</i>	35.8%	26.9%	+ 8.9pps	33.9%	27.0%	+ 6.9pps	36.0%
<i>EBITDA Margin (% GGR)</i>	38.4%	32.7%	+ 5.7pps	36.3%	32.7%	+ 3.6pps	38.5%
Capital Structure Optimization expenses	-	(0.3)	-100.0%	-	(0.0)	-100.0%	(0.9)
D&A	(31.9)	(36.5)	-12.7%	(15.8)	(19.4)	-18.8%	(65.4)
<b>EBT</b>	<b>16.3</b>	<b>8.0</b>	<b>103.3%</b>	<b>5.4</b>	<b>10.3</b>	<b>-48.0%</b>	<b>38.0</b>
<i>EBT Margin (% Sales)</i>	9.3%	3.9%	+ 5.4pps	6.3%	9.6%	-3.4pps	10.5%
<b>NIATMI</b>	<b>4.4</b>	<b>(0.5)</b>	<b>-</b>	<b>1.3</b>	<b>5.1</b>	<b>-</b>	<b>16.8</b>

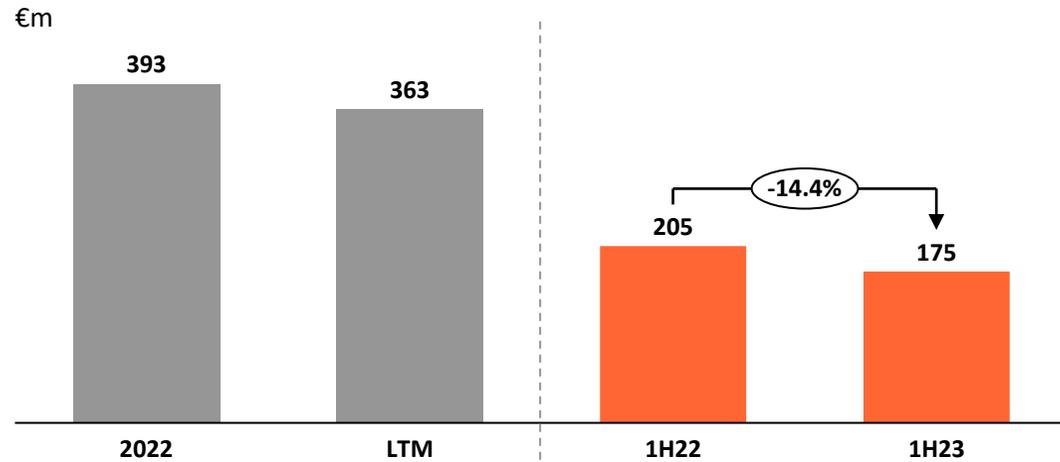
1. Payout ratio calculation excludes the IFRS 15 impact for payments to customers.

2. Operating Expenses analysis excludes expenditures related to capital structure optimization.

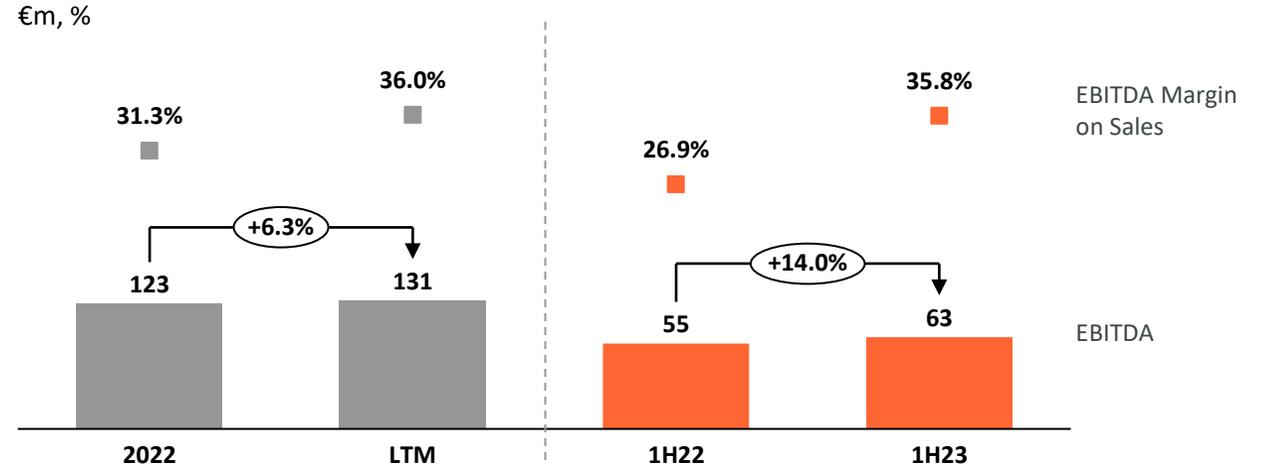
3. The Group defines "EBITDA" as "Operating Profit/(Loss) before tax" adjusted for the figures "Profit/(loss) from equity method consolidations", "Profit / (loss) to net monetary position", "Exchange Differences", "Interest and related income", "Interest and similar expenses", "Income/(expenses) from participations and investments", "Write-off and impairment loss of assets", "Gain/(loss) from assets disposal", "Reorganization costs" and "Assets depreciation and amortization".

# Overview Of Key Financial Metrics

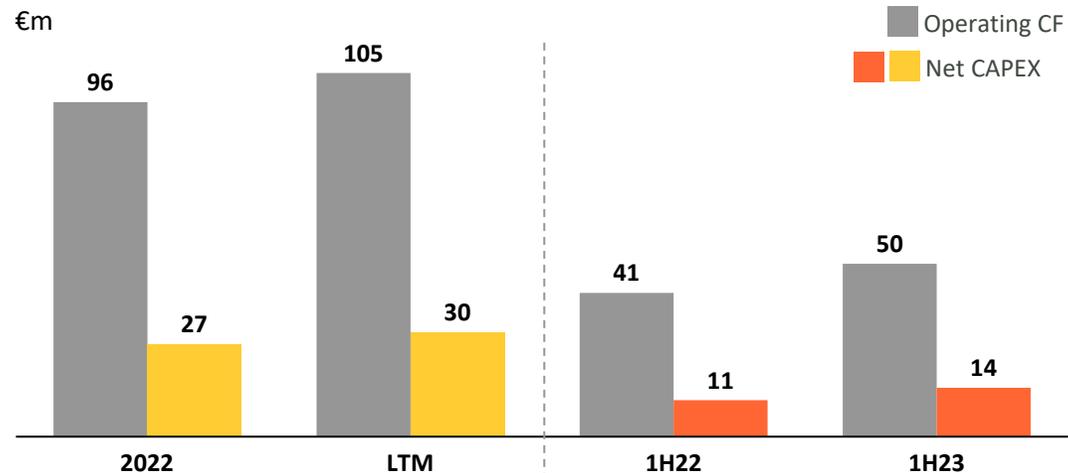
## REVENUES<sup>1</sup>



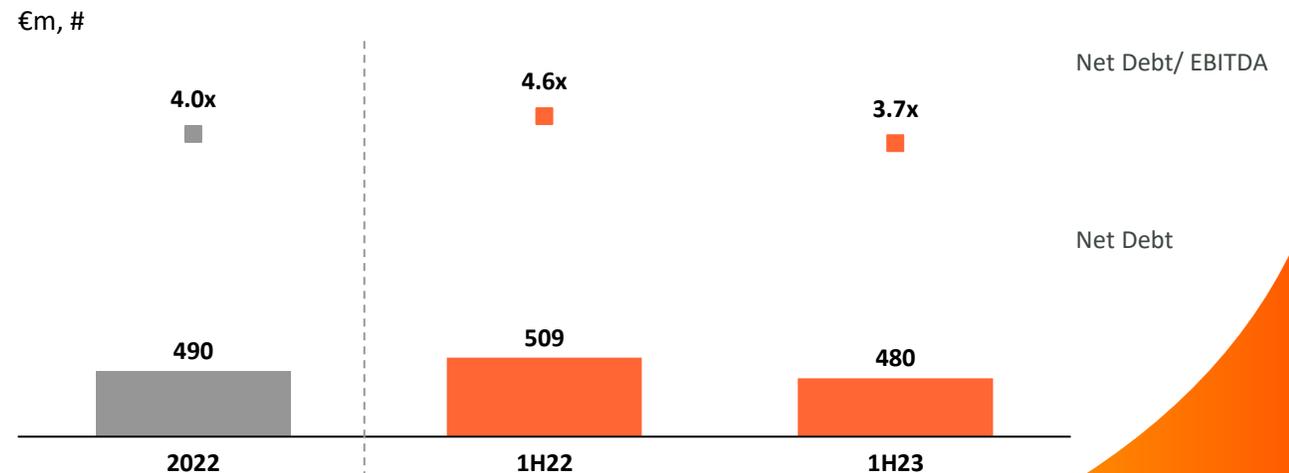
## EBITDA AND EBITDA MARGIN<sup>1</sup>



## OPERATING CASH FLOW<sup>2</sup> AND NET CAPEX



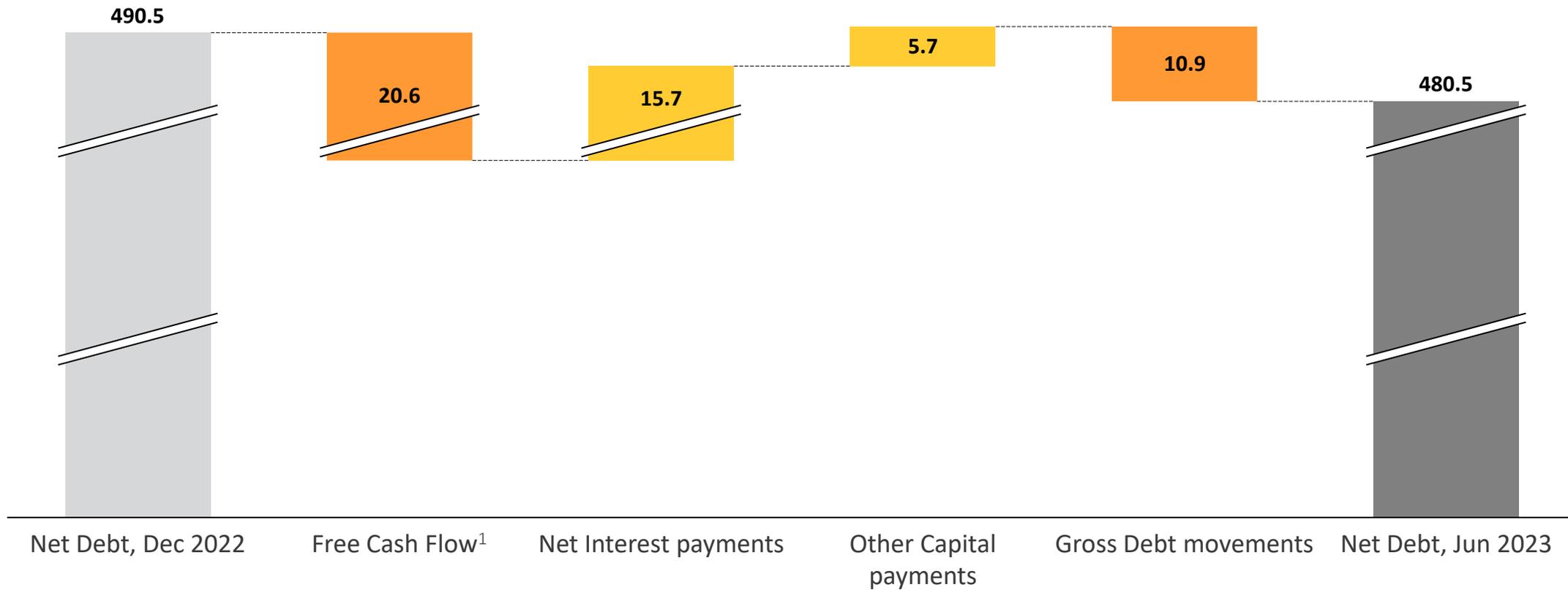
## NET DEBT<sup>3</sup> AND NET DEBT / EBITDA<sup>4</sup>



1. The activities of Group associate in Taiwan is presented as discontinued operations pursuant to IFRS 5.
2. Operating Cash Flows presented exclude the impact of the capital structure optimization costs paid.
3. Net debt calculated as Long-term debt plus Short-term debt and current portion of long-term debt plus Financial Leases less Cash and cash equivalents.
4. Calculated as Net debt divided by LTM EBITDA. Net Debt and EBITDA levels as reported/published in the respective periods.

# Net Debt Movement

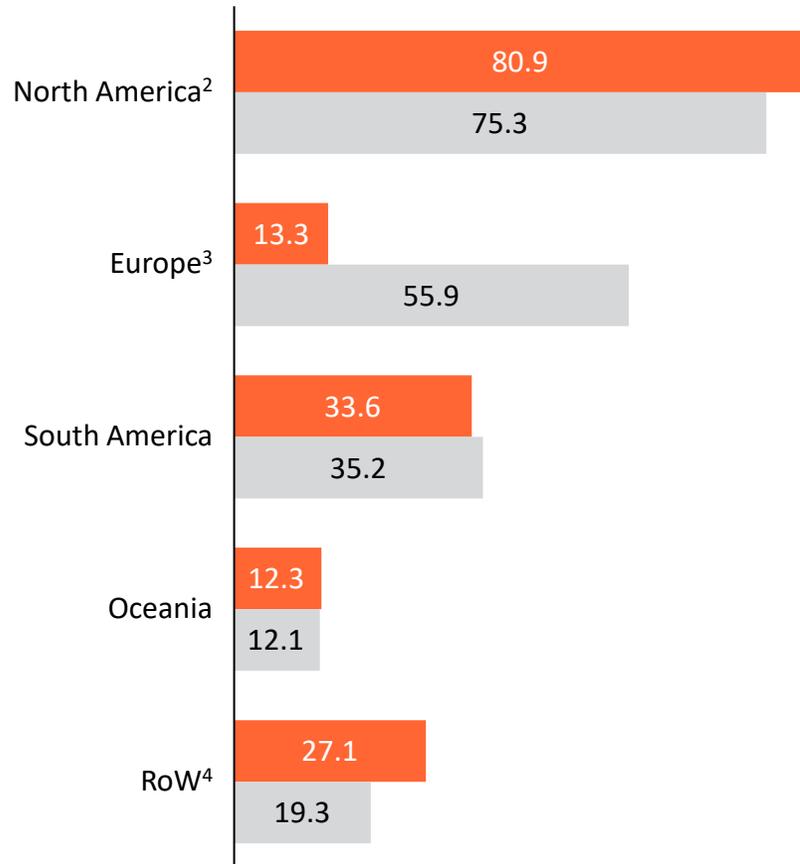
## Net Debt Movement, 1H23 (in €m)



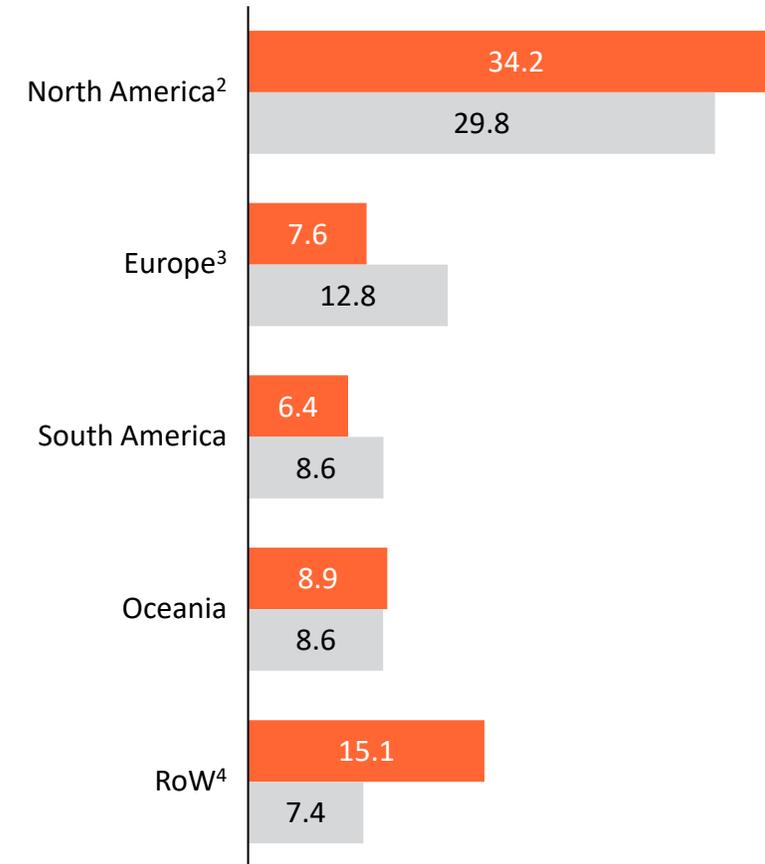
1. Free Cash Flow defined as "Net Cash from Operating activities" adjusted for "Net Dividends", "Net Capex", "Repayment of leasing obligations", "Reorganizations costs paid", "Exchange differences" and "Return of Capital to minority shareholders of subsidiary".

# Key Revenue and EBITDA Contributors<sup>1</sup>

## Key Revenue Contributors (in €m)



## Key EBITDA Contributors (in €m)



1H23  
1H22

1. Segment Revenue and EBITDA figures **exclude non-operating and HQ supporting entities**.  
 2. North America includes our operations in the US and Canada.  
 3. Europe includes our operations in Malta, the Netherlands, Germany, Croatia and Ireland.  
 4. Rest of World includes our operations in Morocco and Turkey.

# APPENDIX

## SUMMARY OF FINANCIAL STATEMENTS

# 1H23 – Group Income Statement

<i>(in € million)</i>	<b>1H23</b>	<b>1H22</b>	<b>% Change</b>	<b>LTM</b>
<b>Revenue</b>	<b>175.3</b>	<b>204.8</b>	<b>-14.4%</b>	<b>363.2</b>
Gross Profit	63.0	56.3	12.0%	134.5
Other Operating Income	14.8	11.7	26.2%	27.9
OPEX	(46.8)	(49.4)	-5.2%	(97.2)
<b>EBITDA</b>	<b>62.8</b>	<b>55.1</b>	<b>14.0%</b>	<b>130.6</b>
<i>Margin</i>	35.8%	26.9%	+ 8.9pps	36.0%
Capital Structure Optimization expenses	-	(0.3)	-100.0%	(0.9)
D&A	(31.9)	(36.5)	-12.7%	(65.4)
<b>EBIT</b>	<b>30.9</b>	<b>18.2</b>	<b>69.6%</b>	<b>64.3</b>
Interest and related expenses (Net)	(19.1)	(19.5)	-1.9%	(36.3)
Exchange Differences	(0.4)	(0.5)	-26.6%	(0.3)
Other	4.9	9.8	-50.1%	10.4
<b>EBT</b>	<b>16.3</b>	<b>8.0</b>	<b>103.3%</b>	<b>38.0</b>
NIATMI	4.4	(0.5)	-	16.8
<b>NIATMI Continuing</b>	<b>4.4</b>	<b>(6.1)</b>	-	<b>16.8</b>
NIATMI Discontinued	-	5.6	-	-

# 1H23 – Group Statement Of Financial Position

<i>(in € million)</i>	1H23	FY22
Tangible Assets (incl. investment properties)	104.2	116.3
Intangible Assets	191.2	208.6
Other Non-current Assets	54.2	56.0
Inventories	24.3	23.9
Trade and Other Short-term Receivables	100.8	109.9
Cash and Cash Equivalents	101.5	102.4
<b>Total Assets</b>	<b>576.3</b>	<b>617.1</b>
Share Capital	111.4	111.4
Share Premium	62.1	62.1
Other Equity Elements	(281.3)	(281.4)
Non-controlling Interests	14.6	20.2
<b>Total Shareholders Equity</b>	<b>(93.3)</b>	<b>(87.7)</b>
Long-term Debt	559.8	570.4
Provisions / Other Long-Term Liabilities	35.3	28.8
Short-term Debt	22.2	22.5
Other Short-term Liabilities	52.3	83.2
<b>Total Liabilities</b>	<b>669.6</b>	<b>704.8</b>
<b>Total Equity and Liabilities</b>	<b>576.3</b>	<b>617.1</b>

# 1H23 – Group Cash Flow

(in € million)

	1H23	1H22
<b>EBT from continuing operations</b>	<b>16.3</b>	<b>8.0</b>
<b>EBT from discontinued operations</b>	<b>-</b>	<b>5.6</b>
Plus/less adjustments	45.6	40.5
Decrease/(increase) of inventories	(0.9)	(6.2)
Decrease/(increase) of receivable accounts	2.7	7.8
(Decrease)/increase of payable accounts	(10.8)	(11.8)
Income tax paid	(3.1)	(2.5)
<b>Net Cash from Operating Activities</b>	<b>49.8</b>	<b>41.4</b>
Net CAPEX	(14.1)	(10.5)
(Purchases) / Sales of subsidiaries & other investments	(0.5)	(0.1)
Interest received	2.6	1.4
Dividends received	1.0	-
<b>Net Cash from Investing Activities</b>	<b>(11.0)</b>	<b>(9.2)</b>
Proceeds from issues of shares and other equity securities	-	-
Return of Capital to minority shareholders of subsidiary	(1.5)	-
Treasury shares purchase	-	-
Cash inflows from loans	-	0.0
Repayment of loans	(5.7)	(0.9)
Repayment of leasing obligations	(2.5)	(1.9)
Interest and similar charges paid	(18.4)	(20.6)
Dividends paid	(4.5)	(2.6)
Reorganization costs paid	-	(0.1)
<b>Net Cash from Financing Activities</b>	<b>(32.7)</b>	<b>(26.0)</b>
<b>Net increase / (decrease) in cash for the period</b>	<b>6.1</b>	<b>6.2</b>
Exchange differences	(7.0)	2.8
Cash at the beginning of the period	102.4	107.3
<b>Cash at the end of the period from total operations</b>	<b>101.5</b>	<b>116.4</b>

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