9M22 Financial Results

November 30th, 2022

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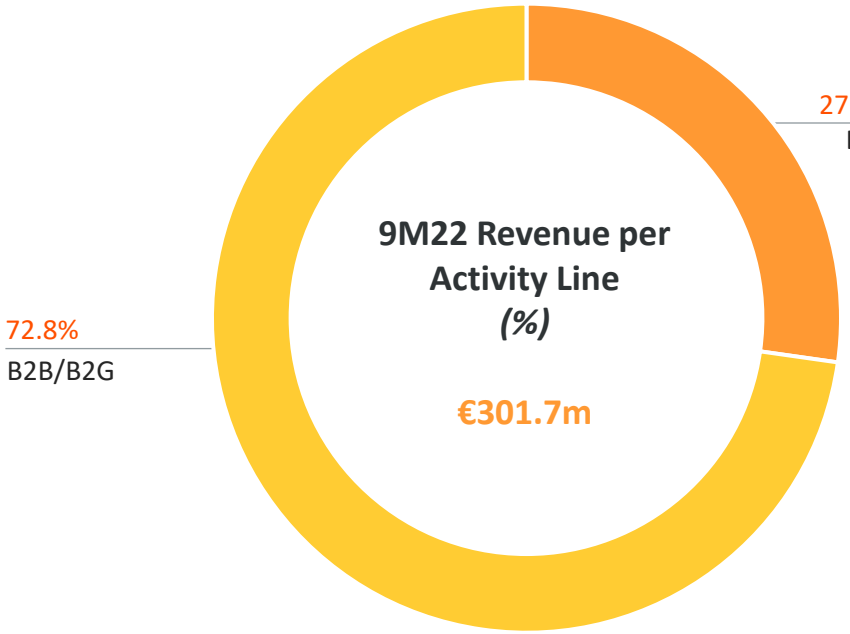
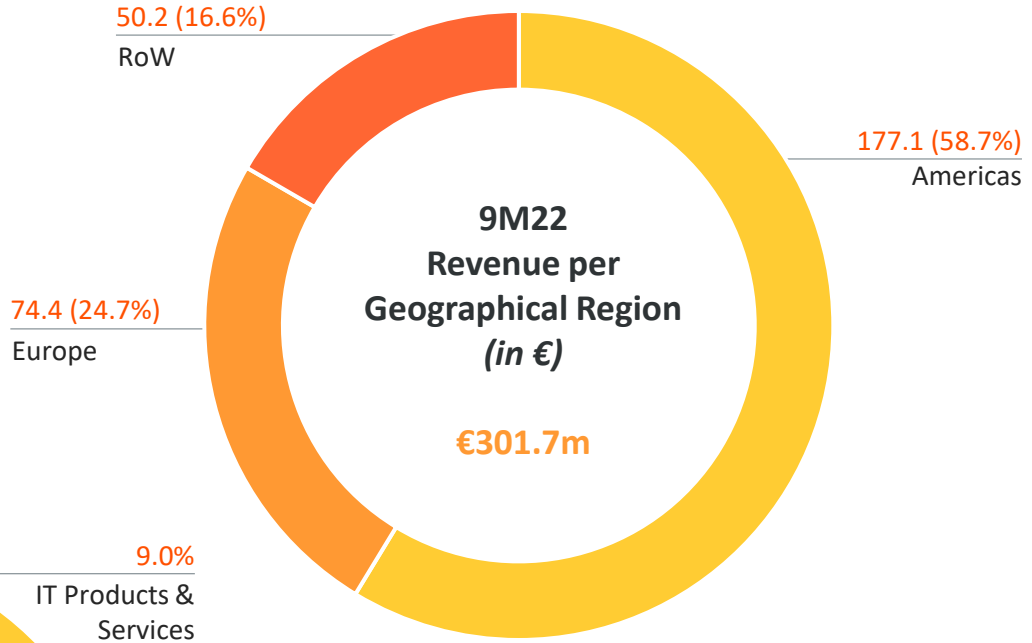
Note: Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals.

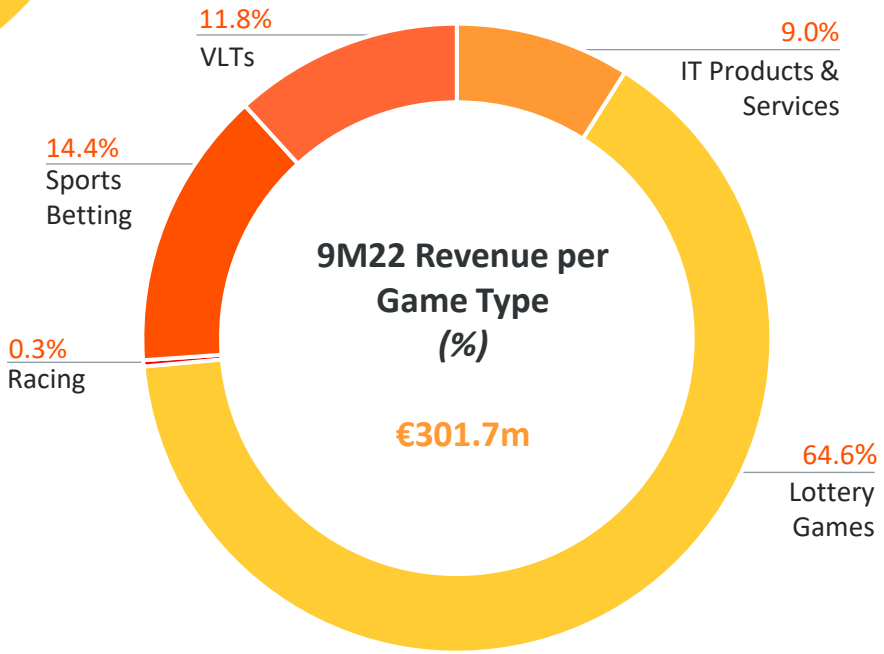
INTRALOT Chairman & CEO Sokratis P. Kokkalis, noted:

"INTRALOT's significantly improved financial results for the 9-month period reflect the benefits from the extensive business and capital structure re-organization efforts during 2021 and 2022 along with healthy cash flow generation and profit margins that create stability and provide us the runway to deploy our plans on opportunities, particularly in the online domain, in the US and around the world."

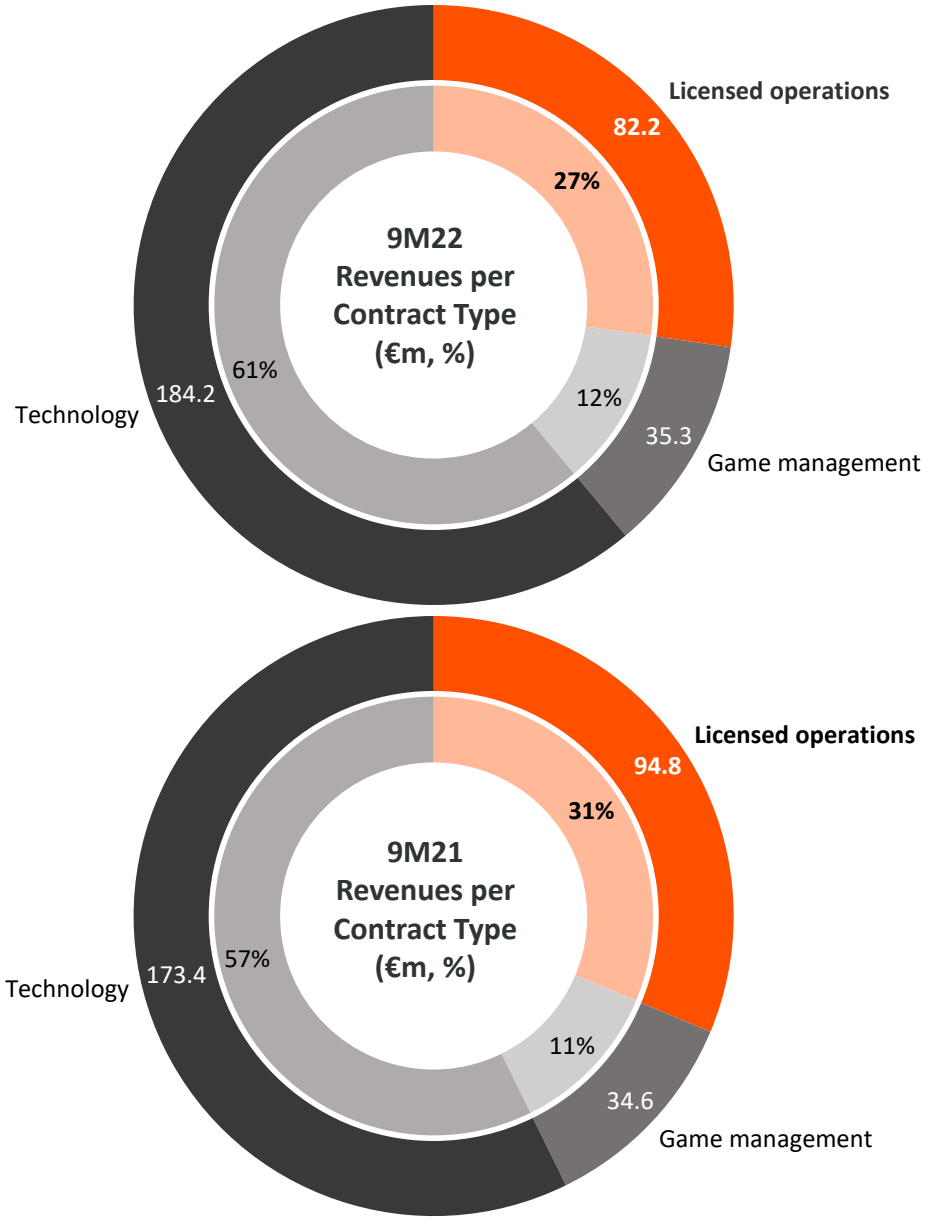
Revenue Overview

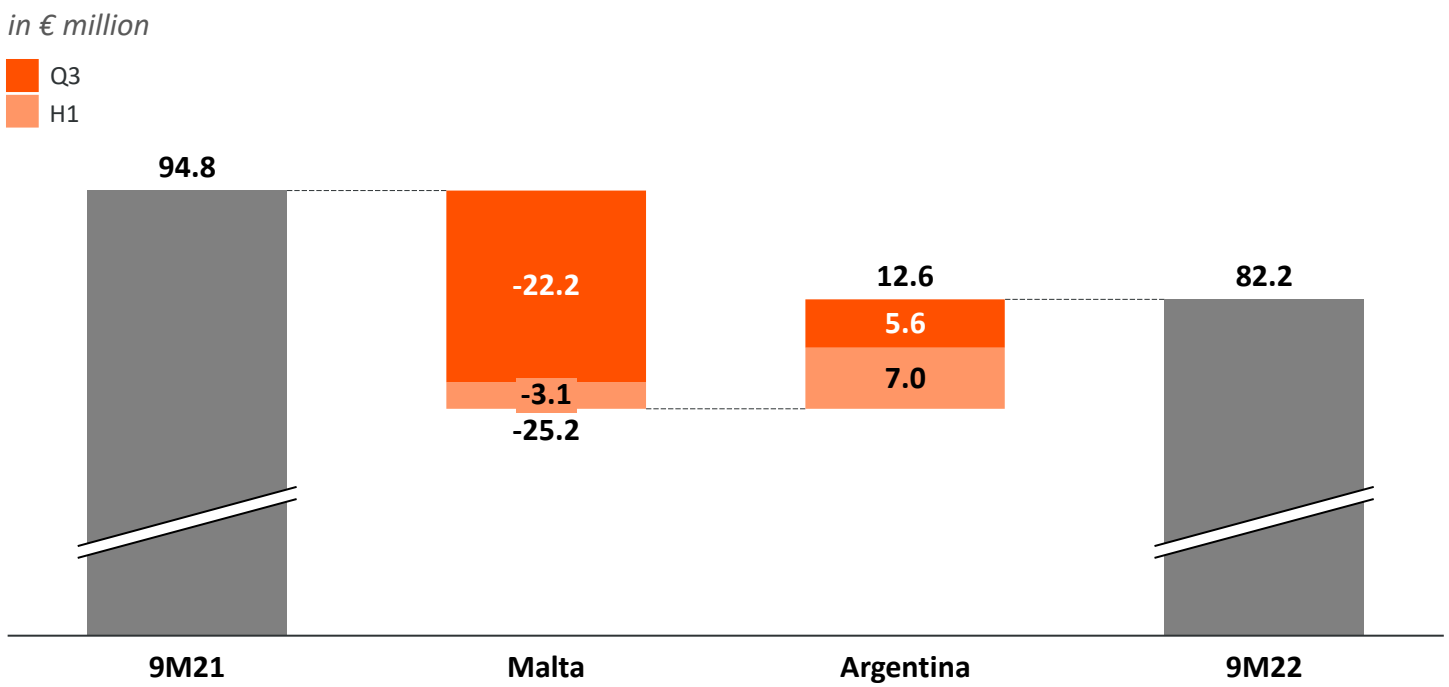






Licensed Operations - Revenue Evolution[1]



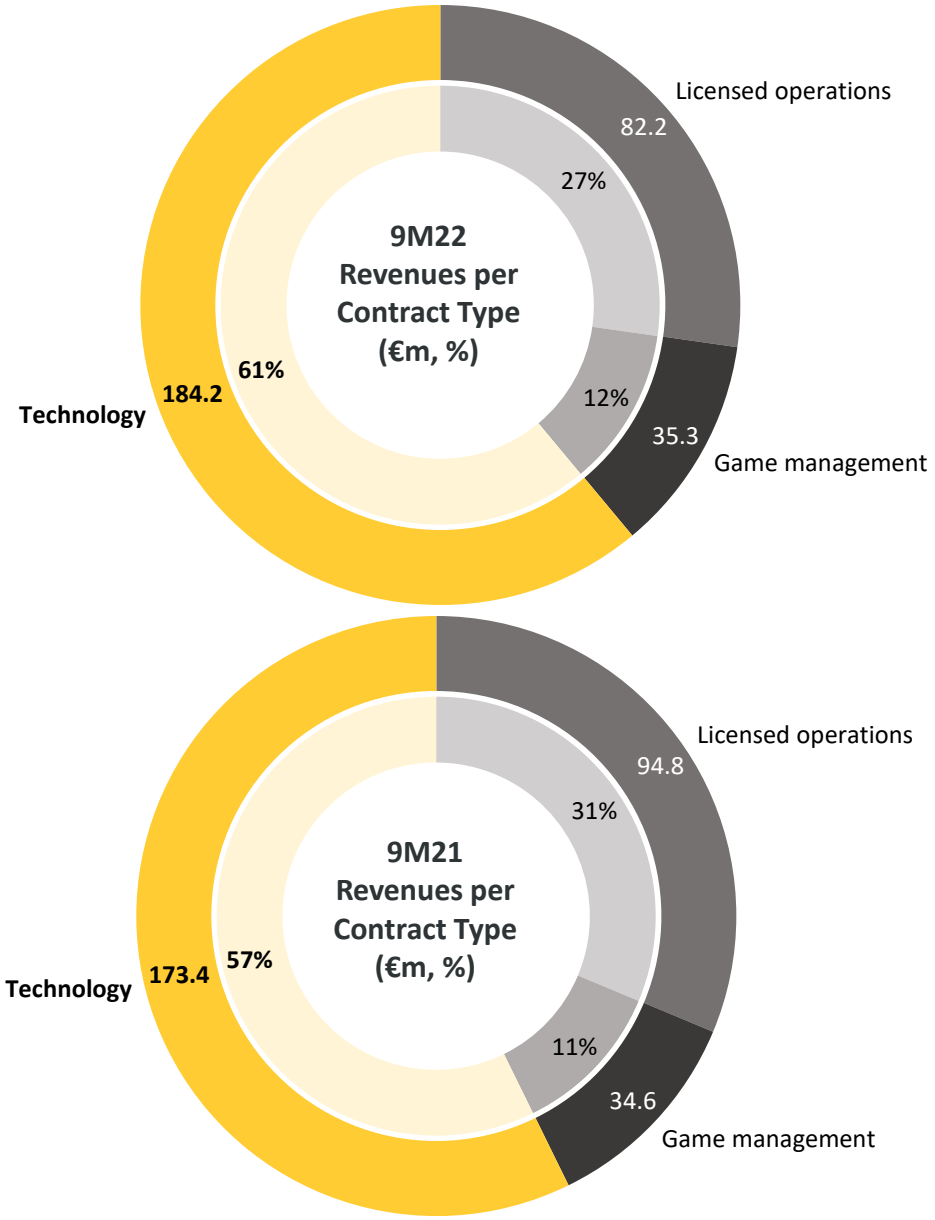


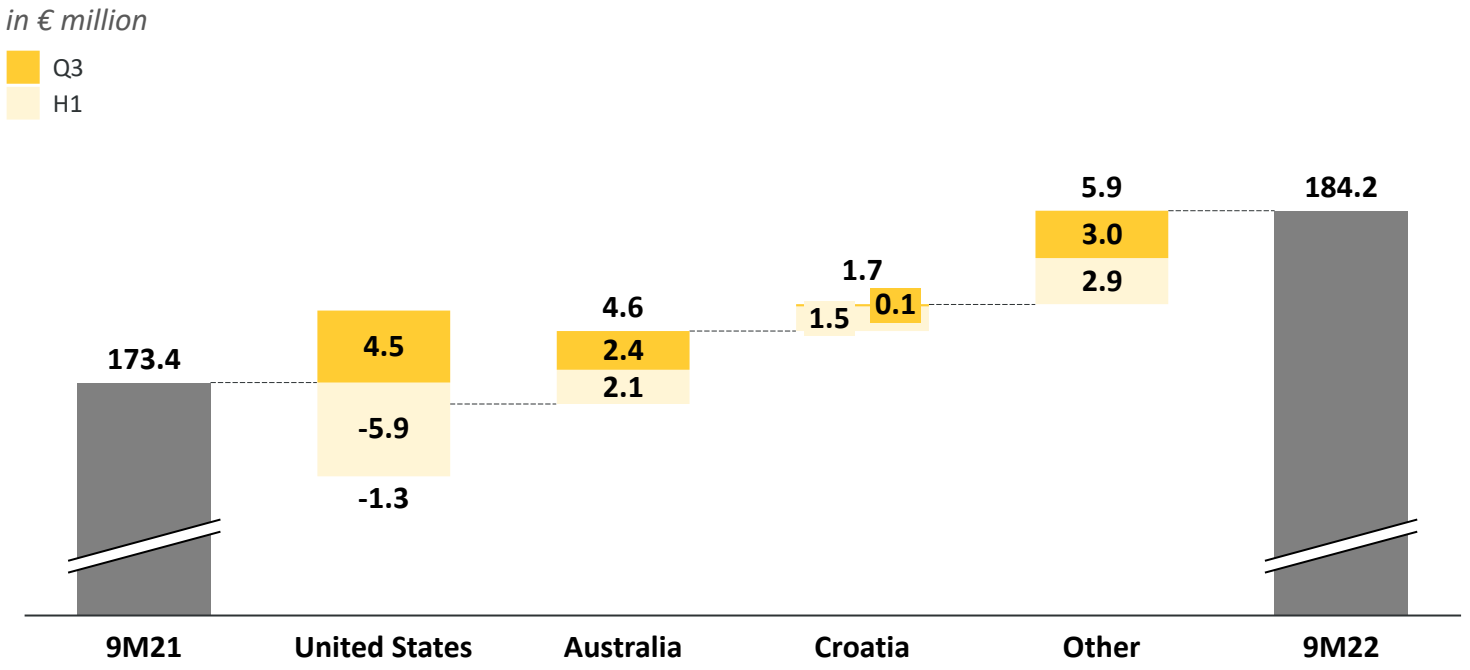
Revenue Evolution Drivers:

- Lower revenue in **Malta** (€-25.2m or -36.5% y-o-y) due to the license expiration early July 2022.
- Higher revenue in **Argentina** (€+12.6m or +49.2% y-o-y), driven by local market growth. In local currency, current year results posted a +88.4% 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[1]



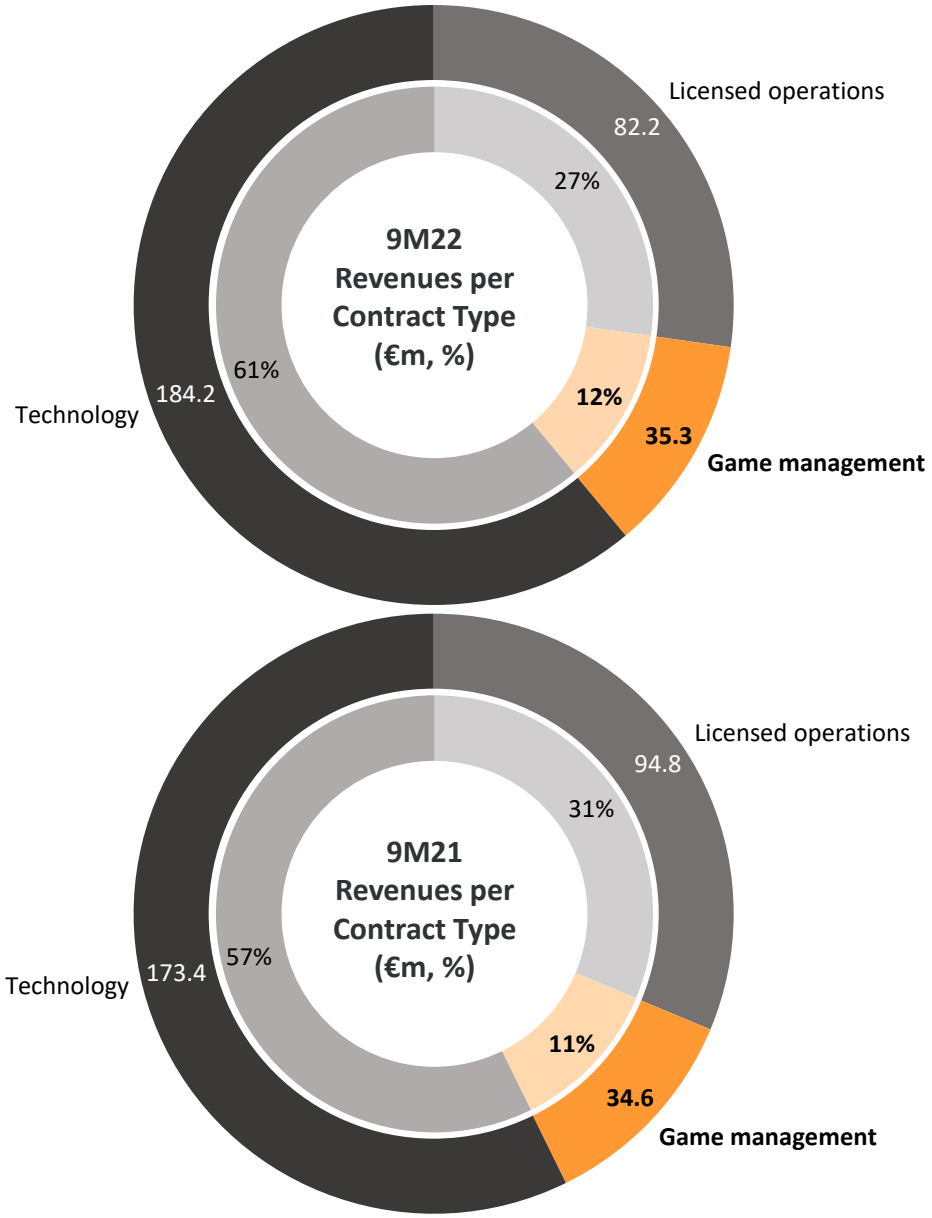


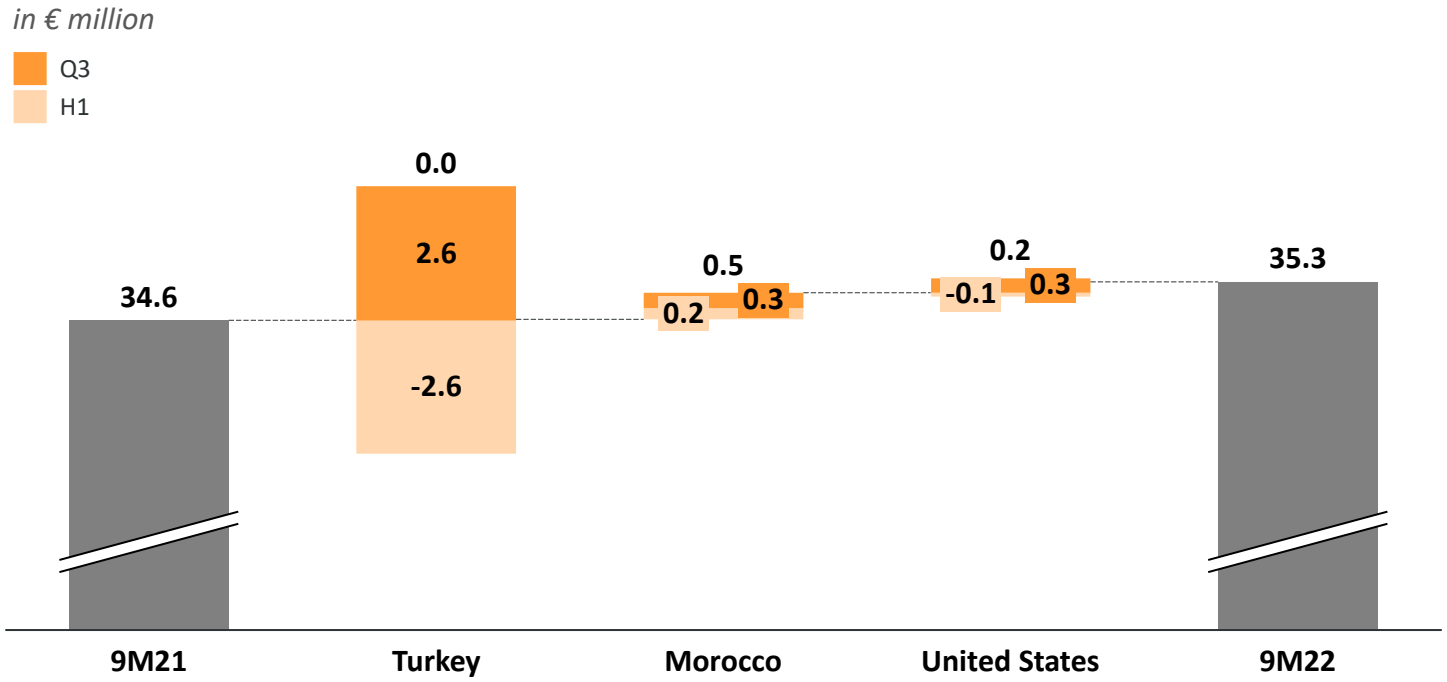
Revenue Evolution Drivers:

- Lower revenue in **US** operations (€-1.3m or -1.2% y-o-y) mainly due to lower merchandise sales, fully offsetting the higher service revenue by 5.9%. From a currency perspective, there was a positive impact of 11.1% (Euro depreciation versus a year ago — in average terms).
- Higher revenue in **Australia** (€+4.6m or +41.2% y-o-y).
- Higher revenue in **Croatia** (€+1.7m or +45.0% y-o-y) due to the full integration of our lottery solution.
- Higher revenue from **other jurisdictions** (€+5.9m) mainly due to services related sales.

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[1]





Revenue Evolution Drivers:

- Higher revenue in **Morocco** (€+0.5m).
- Higher revenue from our **US** Sports Betting contracts in Montana and Washington, D.C. (€+0.2m).
- Steady performance, in EUR terms, from our **Turkish** operations. In local currency, current year results posted a +86.6% y-o-y increase favored by the growth of the online market. In 9M22, the local Sports Betting market expanded close to 1.6 times y-o-y, with the online segment representing close to 86% of the market at the end of 9M22. Nevertheless, the benefit of the Sports Betting market expansion was fully counterbalanced by the appreciation of EUR (+86.2% versus a year ago – in average terms).

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.

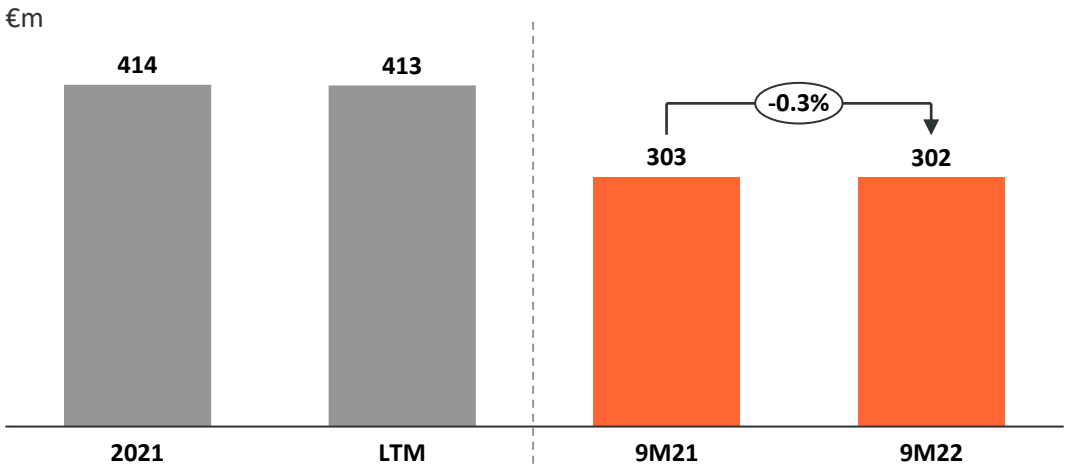
Consolidated Financial Statements for 9M22

(in € million)	9M22	9M21	% Change	3Q22	3Q21	% Change	LTM
Revenue (Turnover)	**301.7**	**302.8**	**-0.3%**	**96.9**	**100.2**	**-3.2%**	**413.0**
Technology, Management & Rest Contracts	224.7	211.1	6.4%	82.0	67.9	20.8%	299.3
Licensed Operations (Payout related)	77.1	91.7	-16.0%	14.9	32.3	-53.8%	113.7
Payout (%)[1]	58.6%	63.6%	- 5.0pps	59.2%	61.0%	- 1.8pps	57.6%
GGR	**256.6**	**244.4**	**5.0%**	**88.1**	**80.5**	**9.4%**	**347.5**
Gross Profit	86.6	86.5	0.1%	30.3	28.8	5.3%	119.5
Gross Profit Margin (%)	28.7%	28.6%	+ 0.1pps	31.2%	28.7%	+ 2.5pps	28.9%
OPEX[2]	(70.2)	(68.0)	3.3%	(20.8)	(22.5)	-7.4%	(103.9)
EBITDA[3]	**88.0**	**82.6**	**6.6%**	**33.0**	**28.3**	**16.6%**	**115.9**
EBITDA Margin (% Sales)	29.2%	27.3%	+ 1.9pps	34.0%	28.2%	+ 5.8pps	28.1%
EBITDA Margin (% GGR)	34.3%	33.8%	+ 0.5pps	37.4%	35.1%	+ 2.3pps	33.4%
Capital Structure Optimization expenses	(1.1)	(16.9)	-93.3%	(0.8)	(5.7)	-85.5%	(1.4)
D&A	(53.8)	(48.3)	11.4%	(17.2)	(16.3)	5.5%	(76.5)
EBT	**19.4**	**56.8**	**-65.9%**	**11.3**	**67.2**	**-83.1%**	**(0.3)**
EBT Margin (% Sales)	6.4%	18.8%	- 12.3pps	11.7%	67.1%	- 55.4pps	-0.1%
NIATMI from Continuing Operations	**(6.0)**	**44.5**	**-**	**0.1**	**62.1**	**-99.9%**	**(24.0)**

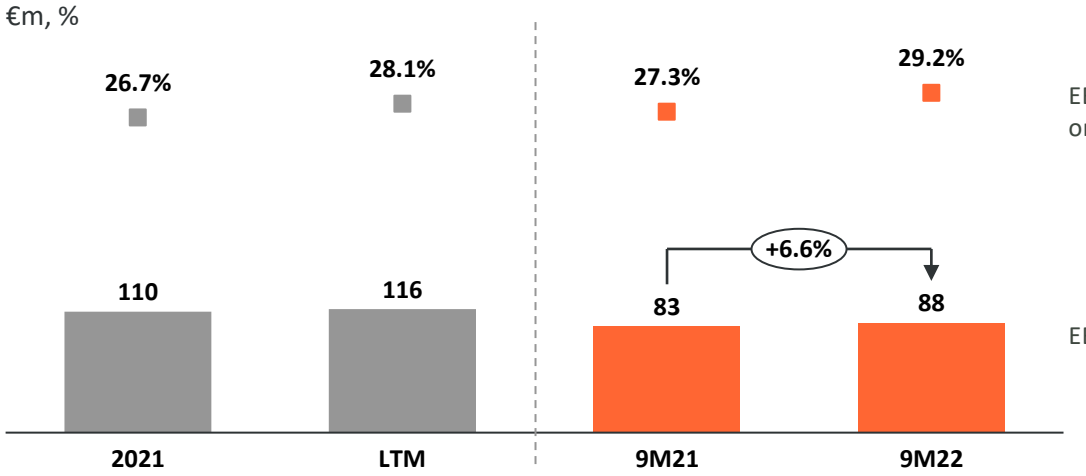
1. Payout ratio calculation excludes the IFRS 15 impact for payments to customers.
2. Operating Expenses analysis excludes expenditures related to capital structure optimization.
3. The Group defines "EBITDA" as "Operating Profit/(Loss) before tax" adjusted for the figures "Profit/(loss) from equity 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

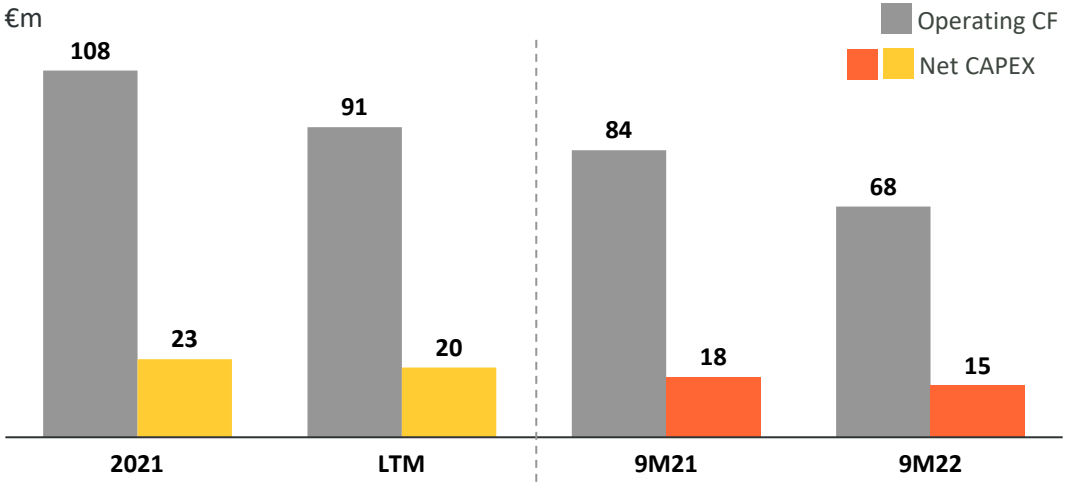
REVENUES[1]



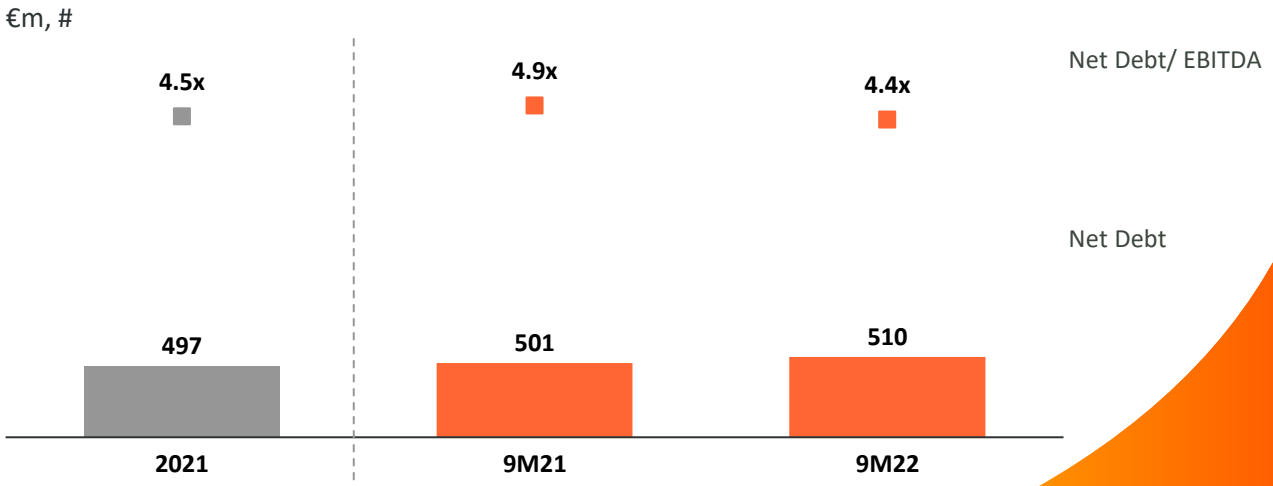
EBITDA AND EBITDA MARGIN[1]



OPERATING CASH FLOW[2] AND NET CAPEX



NET DEBT[3] AND NET DEBT / EBITDA[4]

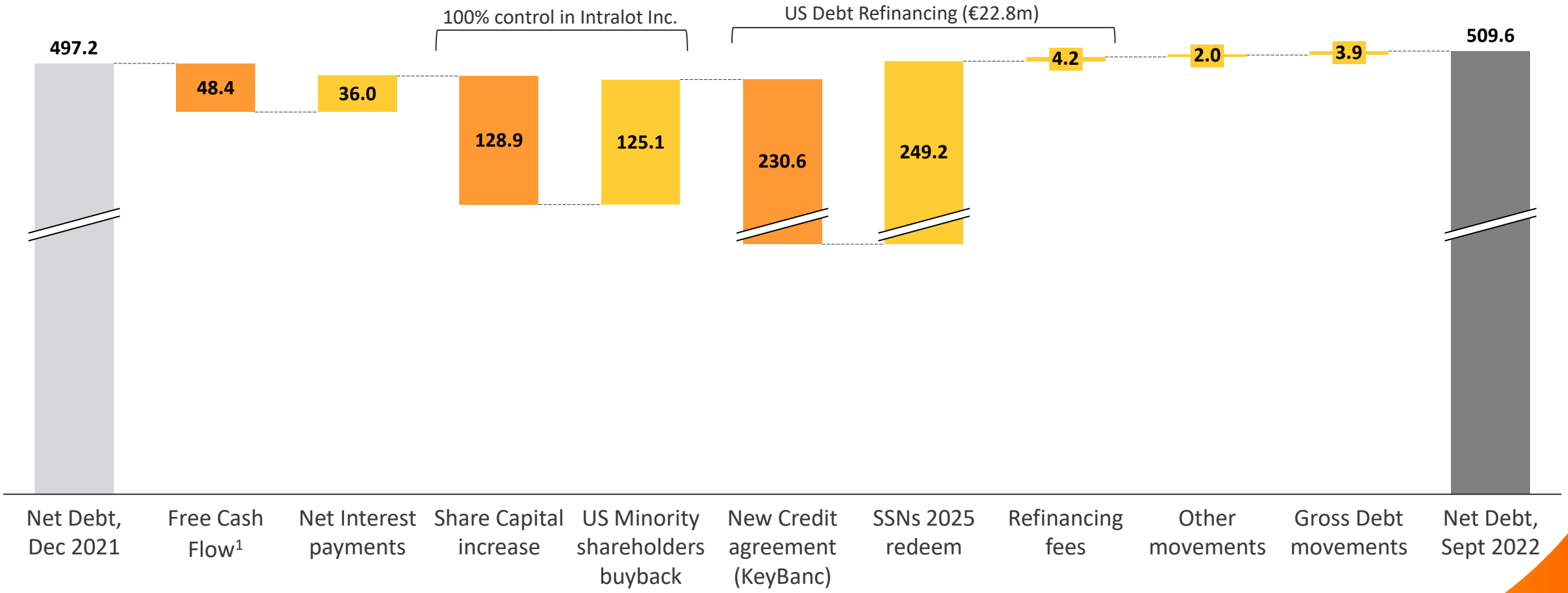


1. The activities of Group subsidiaries and associates in Brazil and Peru are presented as discontinued operations pursuant to IFRS 5.
2. Operating Cash Flows presented exclude the impact of the capital structure optimization costs paid.
3. Net debt calculated as Long-term debt plus Short-term debt and 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, 9M22

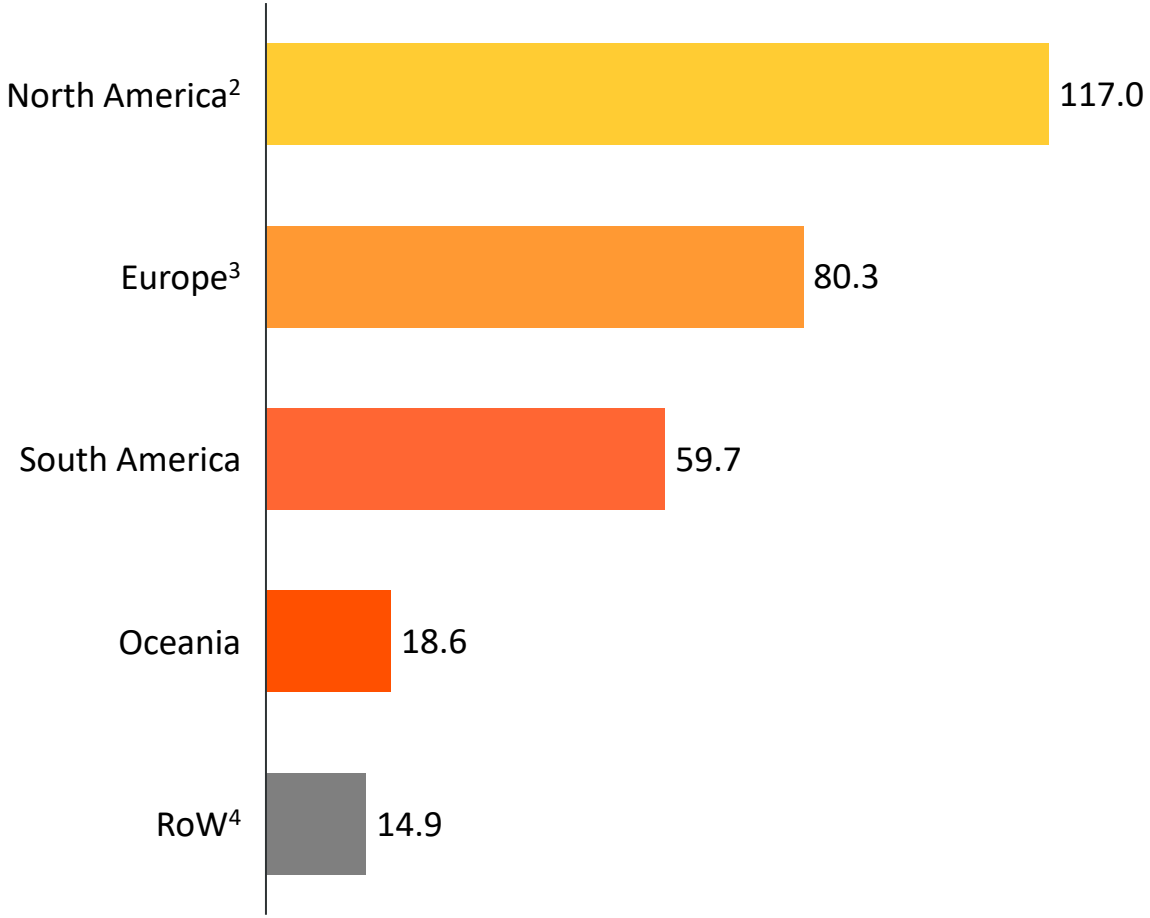
(in €m)



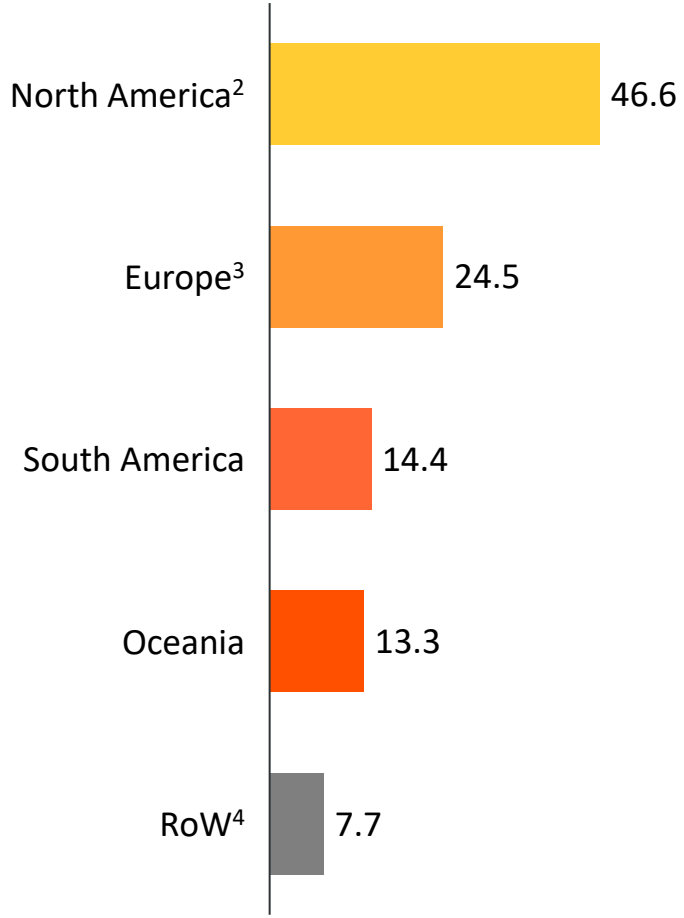
1. Free Cash Flow defined as "Net Cash from Operating activities" adjusted for "Net Dividends", "Net Capex", "Repayment of leasing obligations", "Reorganizations costs paid" and "Exchange differences".

Key Revenue and EBITDA Contributors[1]

9M22 Key Revenue Contributors
(in €m)



9M22 Key EBITDA Contributors
(in €m)



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, Ireland and Turkey.
4. Rest of World includes our operations in Morocco, Taiwan and Philippines.

APPENDIX

SUMMARY OF FINANCIAL STATEMENTS

9M22 – Group Income Statement

(in € million)	9M22	9M21	*% Change*	LTM
Revenue	**301.7**	**302.8**	**-0.3%**	**413.0**
Gross Profit	86.6	86.5	0.1%	119.5
Other Operating Income	17.9	15.9	13.1%	23.7
OPEX	(70.2)	(68.0)	3.3%	(103.9)
EBITDA	**88.0**	**82.6**	**6.6%**	**115.9**
Margin	29.2%	27.3%	+ 1.9pps	28.1%
Capital Structure Optimization expenses	(1.1)	(16.9)	-93.3%	(1.4)
D&A	(53.8)	(48.3)	11.4%	(76.5)
EBIT	**33.1**	**17.5**	**89.8%**	**37.9**
Interest Expense (Net)	(27.4)	(3.7)	640.1%	(37.3)
Exchange Differences	0.3	2.2	-84.7%	(3.1)
Other	13.3	40.8	-67.4%	2.1
EBT	**19.4**	**56.8**	**-65.9%**	**(0.3)**
NIATMI	(0.5)	35.4	-	(18.4)
NIATMI Continuing	**(6.0)**	**44.5**	**-**	**(24.0)**
NIATMI Discontinued	5.6	(9.1)	-	5.6

9M22 – Group Statement Of Financial Position

(in € million)	9M22	FY21
Tangible Assets (incl. investment properties)	122.2	123.2
Intangible Assets	219.2	204.3
Other Non-current Assets	19.8	21.7
Inventories	28.1	18.7
Trade and Other Short-term Receivables	132.8	130.2
Cash and Cash Equivalents	98.8	107.3
Total Assets	**620.9**	**605.5**
Share Capital	111.4	45.7
Share Premium	62.1	-
Other Equity Elements	(293.8)	(169.1)
Reserves from profit / (loss) recognized directly in other comprehensive income and are related to assets held for sale	-	-
Non-controlling Interests	18.5	8.0
Total Shareholders Equity	**(101.8)**	**(115.5)**
Long-term Debt	591.3	588.0
Provisions / Other Long-Term Liabilities	27.9	19.2
Short-term Debt	17.1	16.5
Other Short-term Liabilities	86.4	97.3
Total Liabilities	**722.7**	**720.9**
Total Equity and Liabilities	**620.9**	**605.5**

9M22 – Group Cash Flow

(in € million)	9M22	9M21
EBT from continuing operations	**19.4**	**56.8**
EBT from discontinued operations	**5.6**	**(7.9)**
Plus/less adjustments	62.7	34.8
Decrease/(increase) of inventories	(6.4)	(2.2)
Decrease/(increase) of receivable accounts	7.3	25.2
(Decrease)/increase of payable accounts	(14.2)	(27.4)
Income tax paid	(6.7)	5.0
Net Cash from Operating Activities	**67.7**	**84.2**
Net CAPEX	(15.2)	(17.7)
(Purchases) / Sales of subsidiaries & other investments	(125.7)	9.6
Interest received	2.0	1.5
Dividends received	0.2	-
Net Cash from Investing Activities	**(138.7)**	**(6.5)**
Proceeds from issues of shares and other equity securities	128.9	-
Treasury shares purchase	-	0.1
Cash inflows from loans	226.4	10.4
Repayment of loans	(250.7)	(12.1)
Repayment of leasing obligations	(3.0)	(3.4)
Interest and similar charges paid	(38.0)	(56.5)
Dividends paid	(2.9)	(6.5)
Reorganization costs paid	(1.0)	(17.7)
Net Cash from Financing Activities	**59.8**	**(85.6)**
Net increase / (decrease) in cash for the period	**(11.2)**	**(7.9)**
Exchange differences	2.6	(1.8)
Cash at the beginning of the period	107.3	100.0
Cash at the end of the period from total operations	**98.8**	**90.3**

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