

# 1Q20 Financial Results

June 5<sup>th</sup>, 2020

***intralot***



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# Presentation Participants



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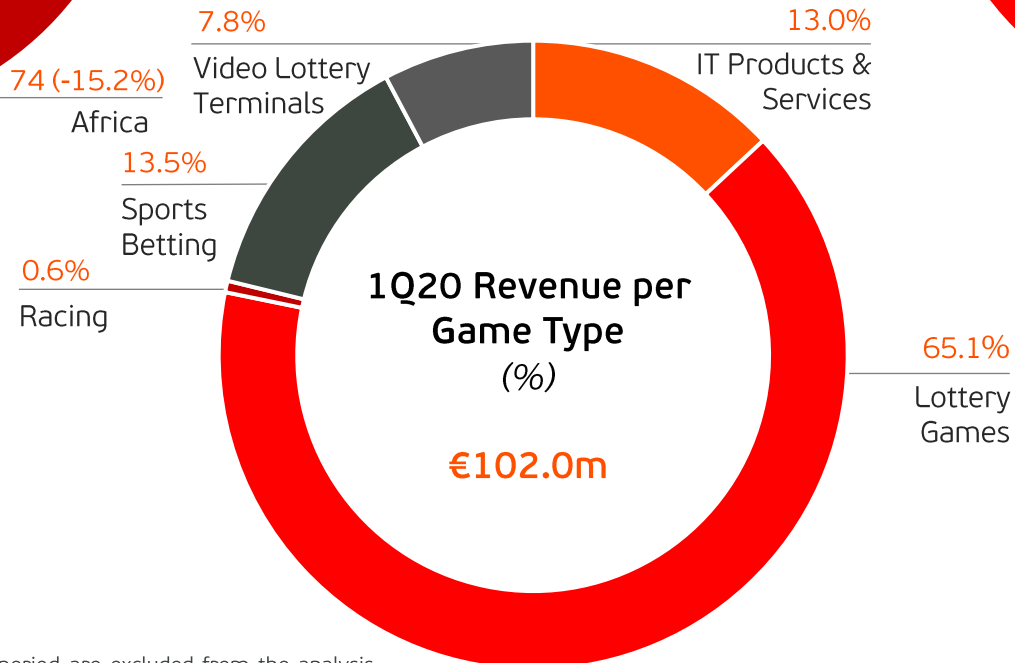
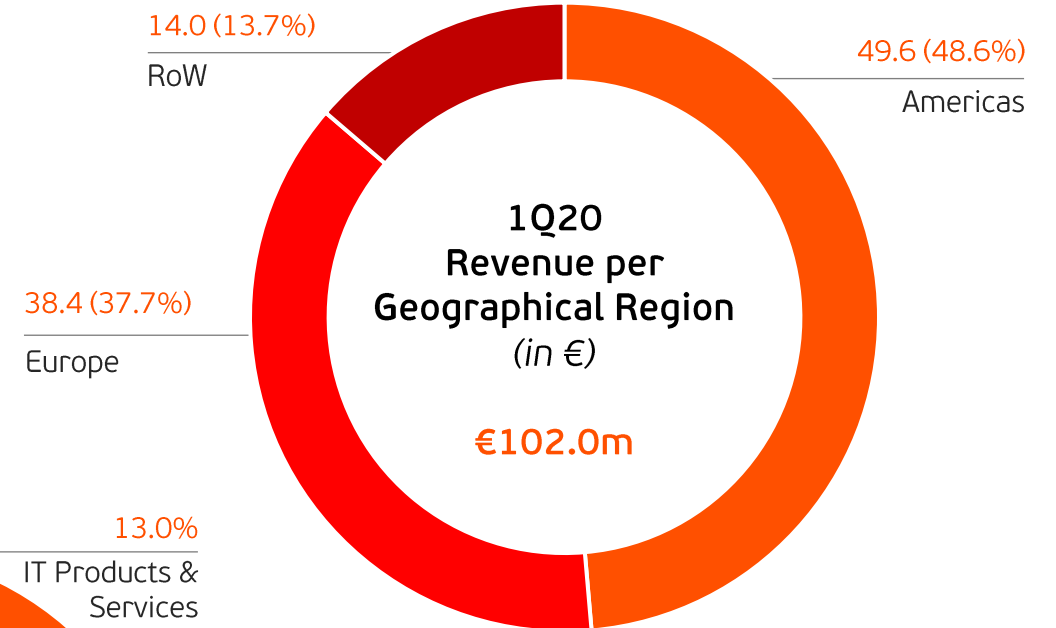
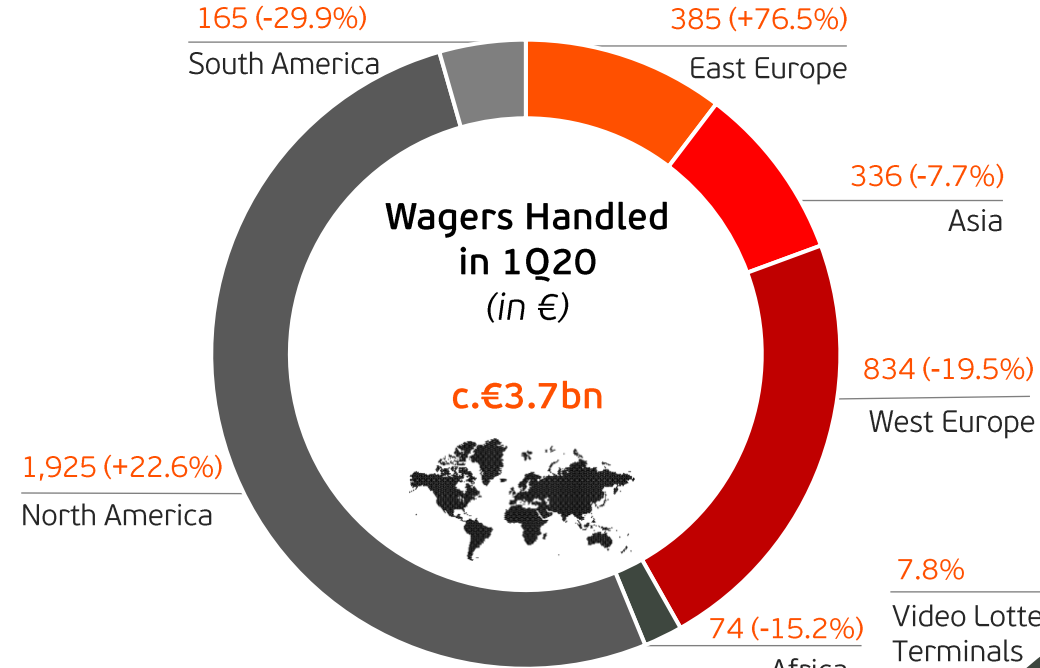
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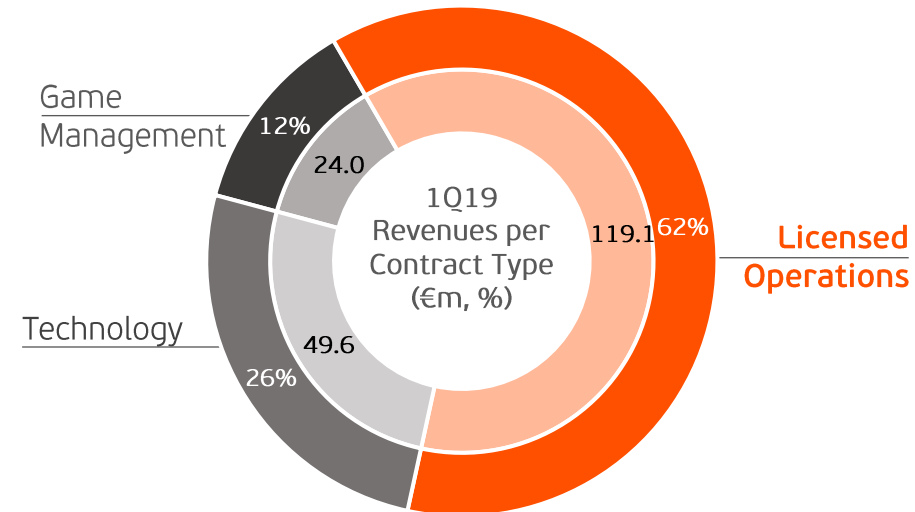
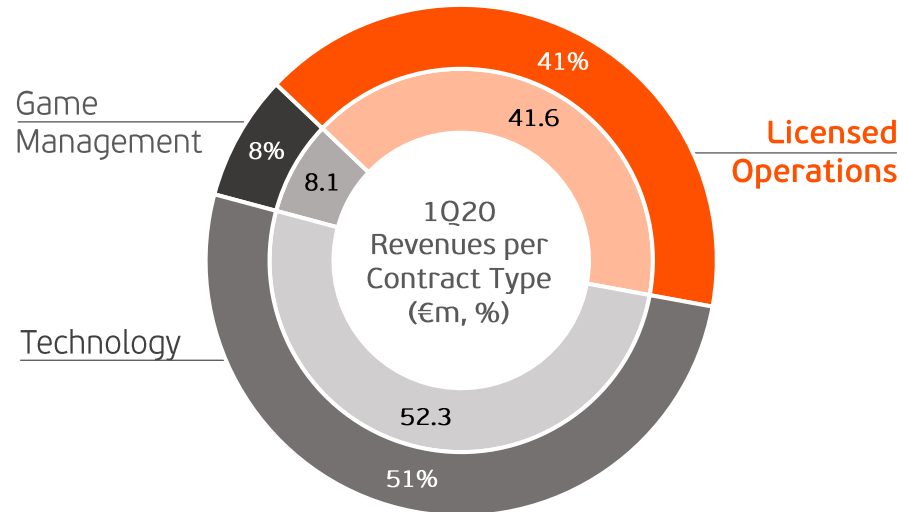
*"During the first quarter of the year, we have kept witnessing an increase in the handled wagers and an improvement of the performance of technology contracts in North America, demonstrating the dynamics of the region. Group revenue and EBITDA were mainly impacted by the regulatory changes in Bulgaria, the developments in Turkey and the impact of the pandemic in non-US jurisdictions. Going forward, we expect that our new strategy, as presented during the AGM and as already being implemented will return the company to growth."*

# Wagers Handled<sup>1</sup> & Revenues



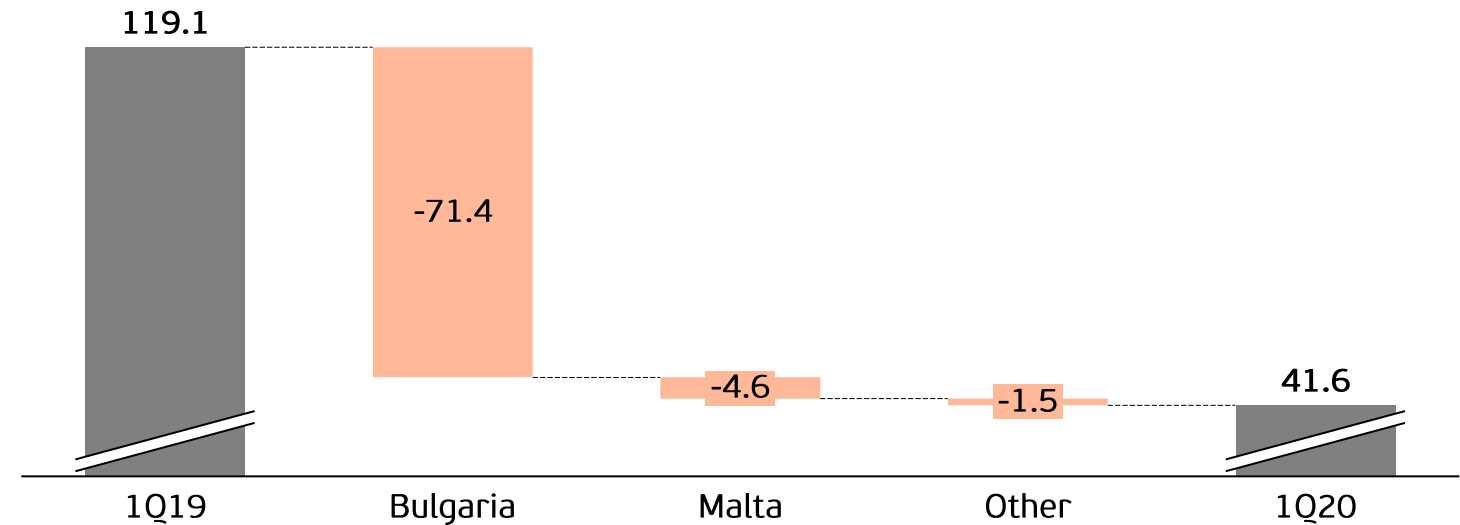
1. Discontinued operations and contracts ended within the current period are excluded from the analysis. Contribution from our Bulgarian operations has been excluded as well, following the recent developments.

# Licensed Operations - Revenue Evolution



in € million

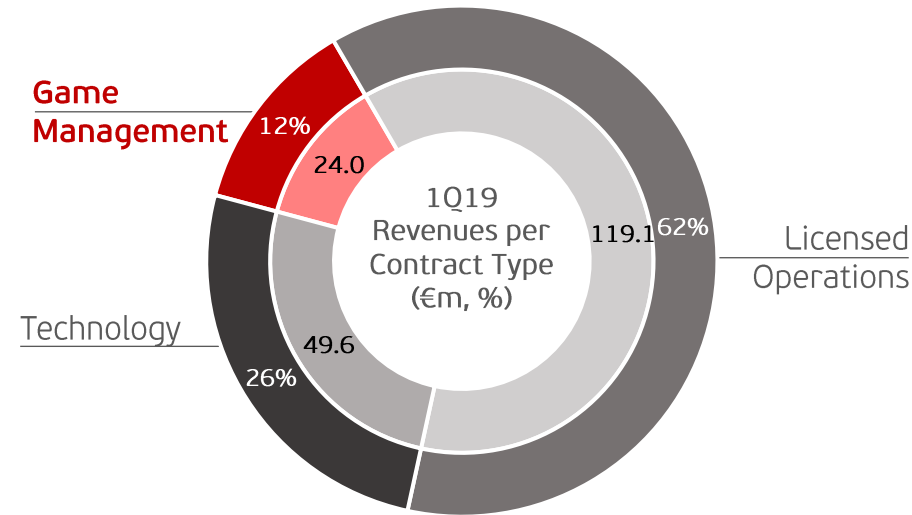
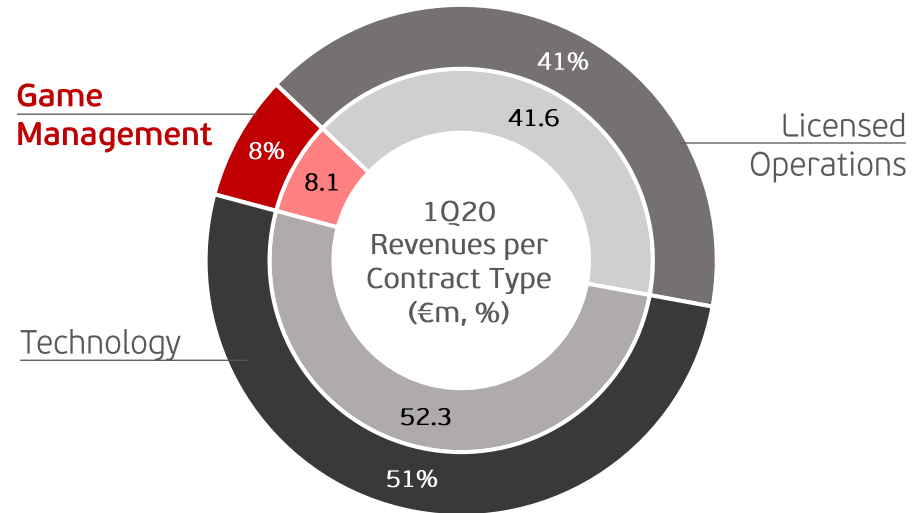
1Q20



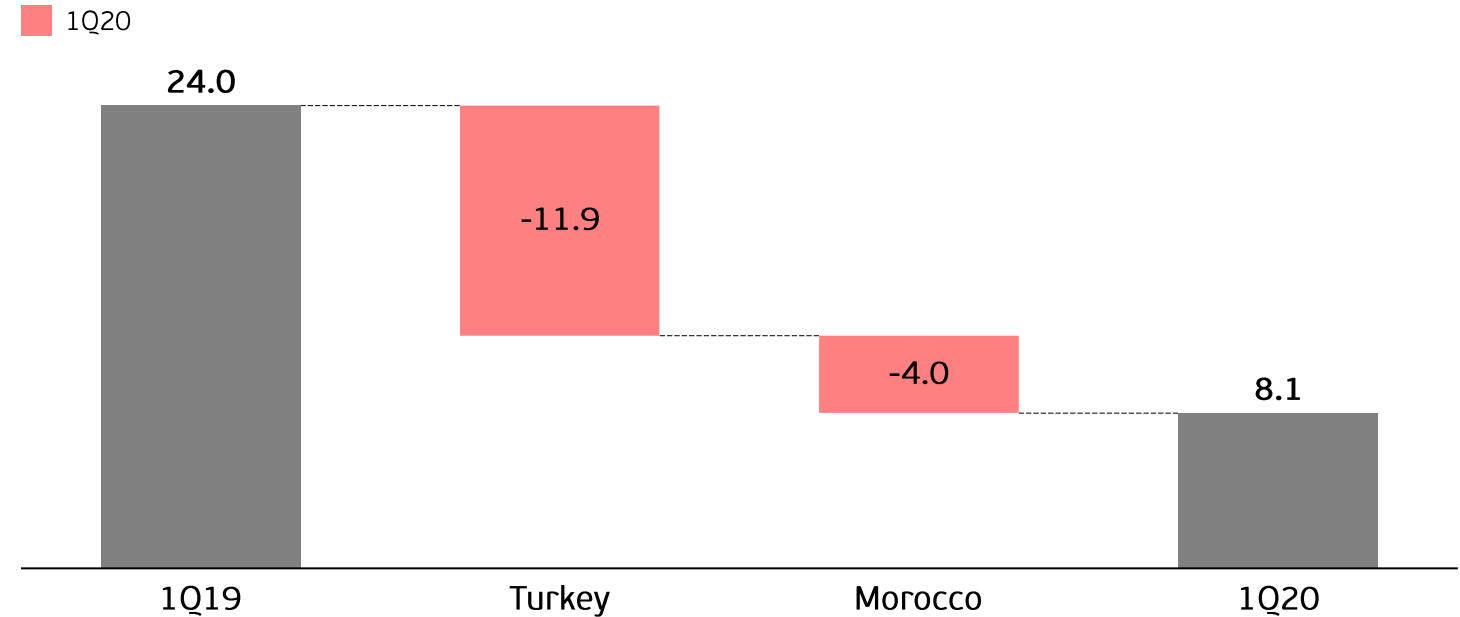
## Revenue Evolution Drivers:

- **Bulgaria** driven by Eurofootball's change in consolidation method (full vs. equity method) and by the impact of the discontinued contracts of Eurobet from mid-February onwards.
- **Malta** with the variance attributable mainly to Covid-19 impact from mid-March 2020.

# Game Management Contracts - Revenue Evolution



in € million

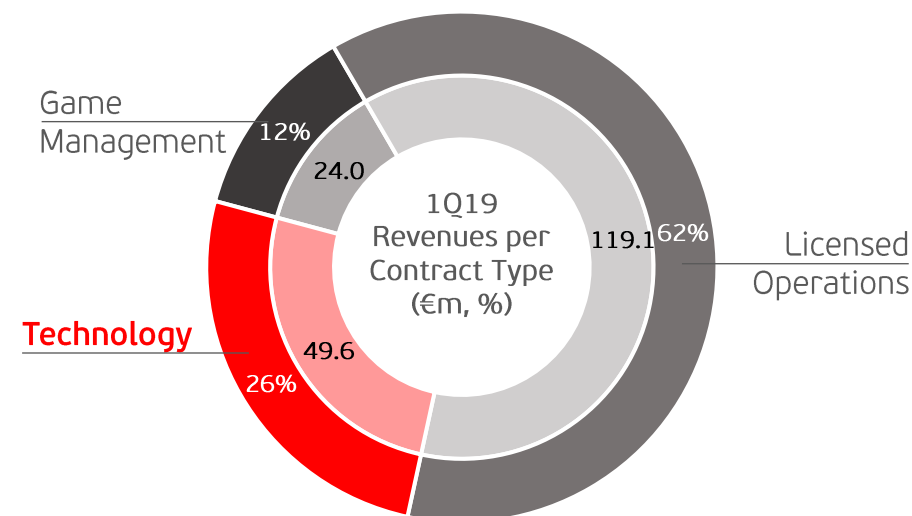
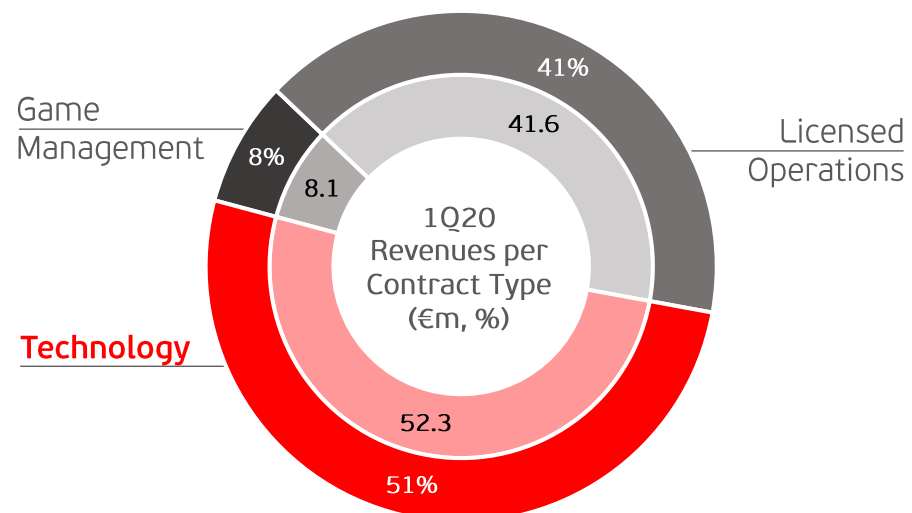


## Revenue Evolution Drivers:

- **Turkey** revenue decrease is driven by Inteltek's contract discontinuation post August 2019, as well as by a decline in Bilyoner's top line performance following the transition to the new Sports Betting era in Turkey (driven by a market share reduction and revised commercial terms), as well as the impact of the Covid-19. Performance in Euro terms was further impacted by the devaluation of the local currency (10.3% Euro appreciation versus a year ago – in YTD average terms).
- **Morocco** mainly impacted by the revised commercial terms following the transition to the new contract, being further deteriorated by the Covid-19 impact in late 1Q20.

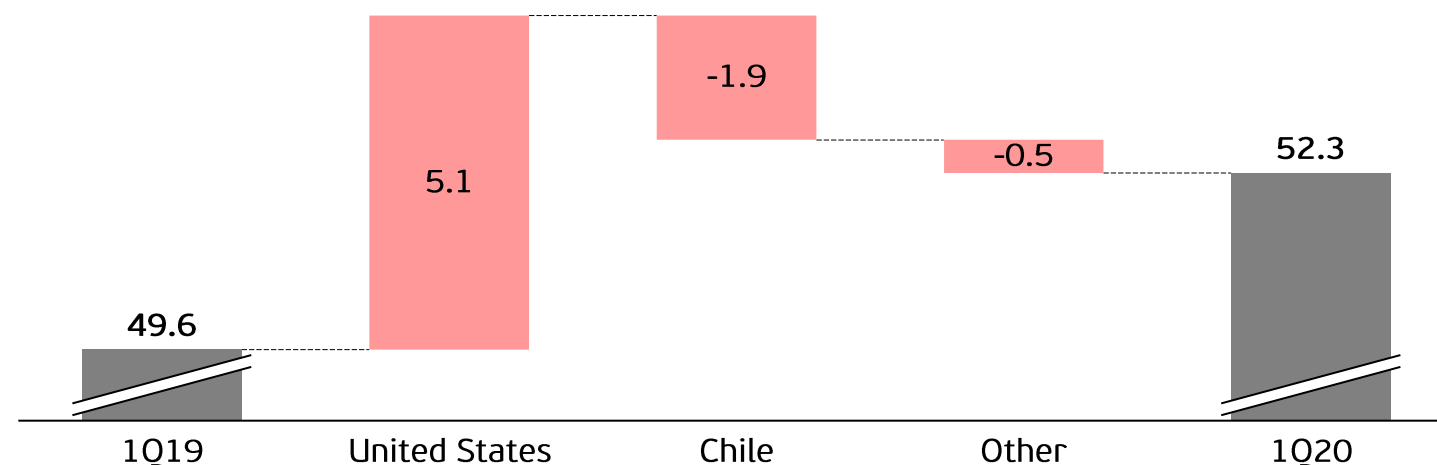


# Technology Contracts - Revenue Evolution



in € million

■ 1Q20



## Revenue Evolution Drivers:

- **US** mainly driven by the full quarter contribution of our new contract in Illinois in current period (project launched in mid-February 2019), and one-off revenue recognition in relation to our new project with BCLC in Canada, fully absorbing the Ohio CSP contract impact which expired in Jun-2019, the late 1Q20 Covid-19 impact, and a Powerball jackpot occurrence in 1Q19. Performance was also in part boosted by a favorable USD movement (3.5% Euro depreciation versus a year ago — in YTD average terms).
- **Chile's** lower performance in 1Q20, largely because of a significant Lotto jackpot in 1Q19, and the recent social unrest in the country.



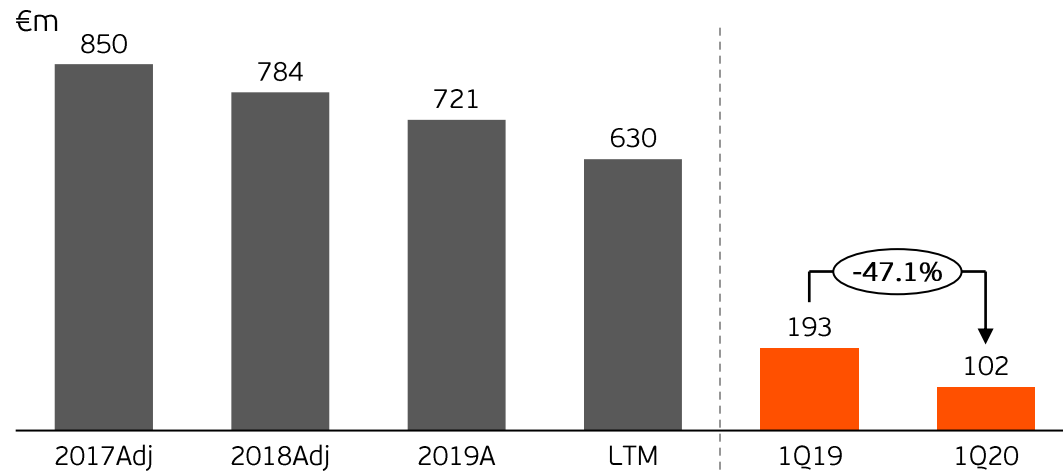
# Consolidated Financial Statements for 1Q20

(in € million)	1Q20	1Q19	% Change	LTM
<b>Revenue (Turnover)</b>	<b>102.0</b>	<b>192.7</b>	<b>-47.1%</b>	<b>629.9</b>
Technology, Management & Rest Contracts	60.9	74.3	-18.0%	267.1
Licensed Operations (Payout related)	41.1	118.4	-65.3%	362.8
Payout (%) <sup>1</sup>	60.7%	70.5%	-9.8pps	69.5%
<b>GGR</b>	<b>76.9</b>	<b>109.1</b>	<b>-29.5%</b>	<b>377.0</b>
nGGR	68.4	89.8	-23.8%	317.1
Gross Profit	20.2	39.8	-49.3%	106.4
Gross Profit Margin (%)	19.8%	20.7%	-0.9pps	16.9%
<b>EBITDA</b>	<b>15.8</b>	<b>31.8</b>	<b>-50.3%</b>	<b>71.8</b>
EBITDA Margin (% Sales)	15.5%	16.5%	-1.0pps	11.4%
EBITDA Margin (% GGR)	20.5%	29.1%	-8.6pps	19.0%
Adjusted EBITDA	13.7	23.8	-42.4%	58.6
D&A	-18.4	-19.5	-5.6%	-81.6
<b>EBT</b>	<b>-14.8</b>	<b>2.0</b>	<b>-</b>	<b>-87.4</b>
EBT Margin (% Sales)	-14.5%	1.0%	-15.5pps	-13.9%
<b>NIATMI from Continuing Operations</b>	<b>-17.6</b>	<b>-13.3</b>	<b>-32.3%</b>	<b>-116.2</b>
NIATMI from Total Operations	-17.6	-12.2	-44.3%	-109.6

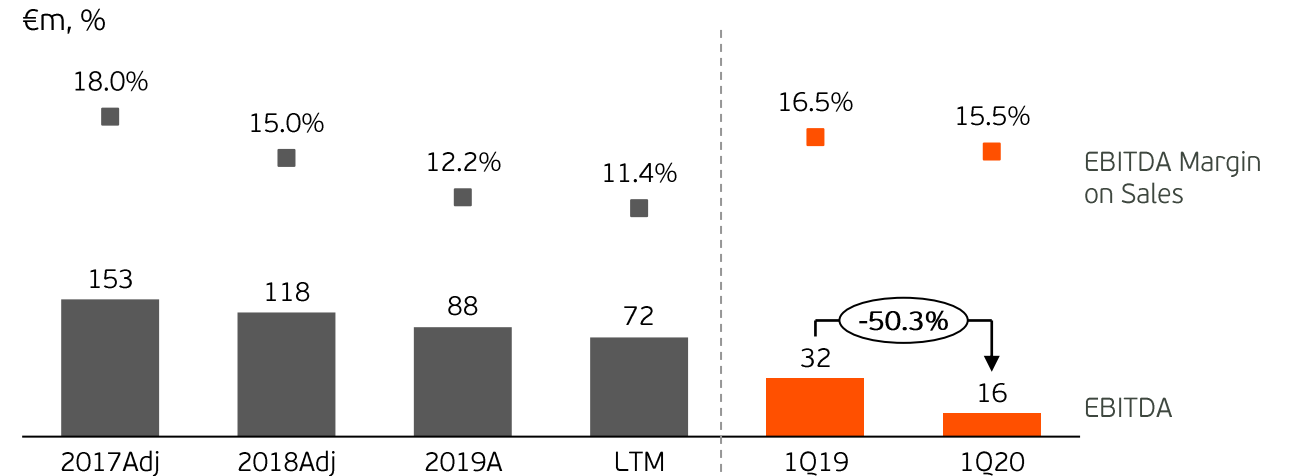
1. Payout ratio calculation excludes the IFRS 15 impact for payments to customers.

# Overview Of Key Financial Metrics

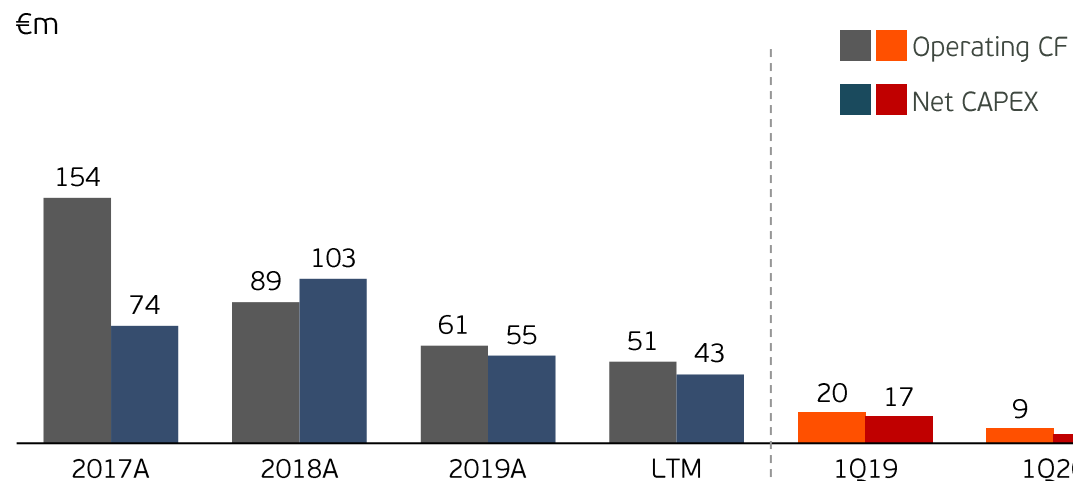
## REVENUES<sup>1</sup>



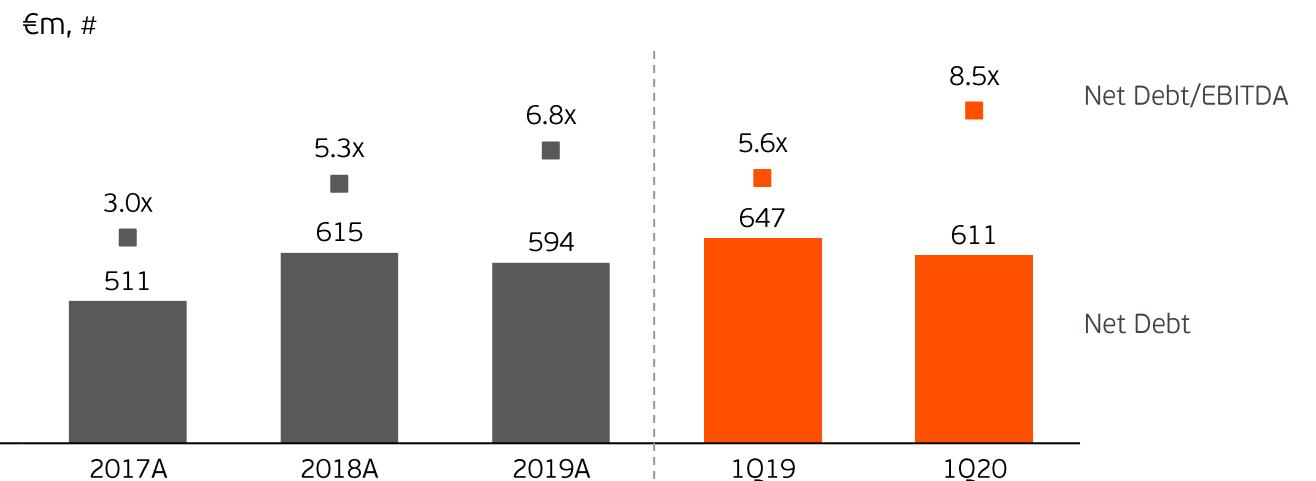
## EBITDA AND EBITDA MARGIN<sup>1</sup>



## OPERATING CASH FLOW AND NET CAPEX



## NET DEBT<sup>2</sup> AND NET DEBT / EBITDA<sup>3</sup>



1. Excluding discontinued operations in Italy, Peru, Russia, Jamaica, Slovakia, Azerbaijan, and Poland.

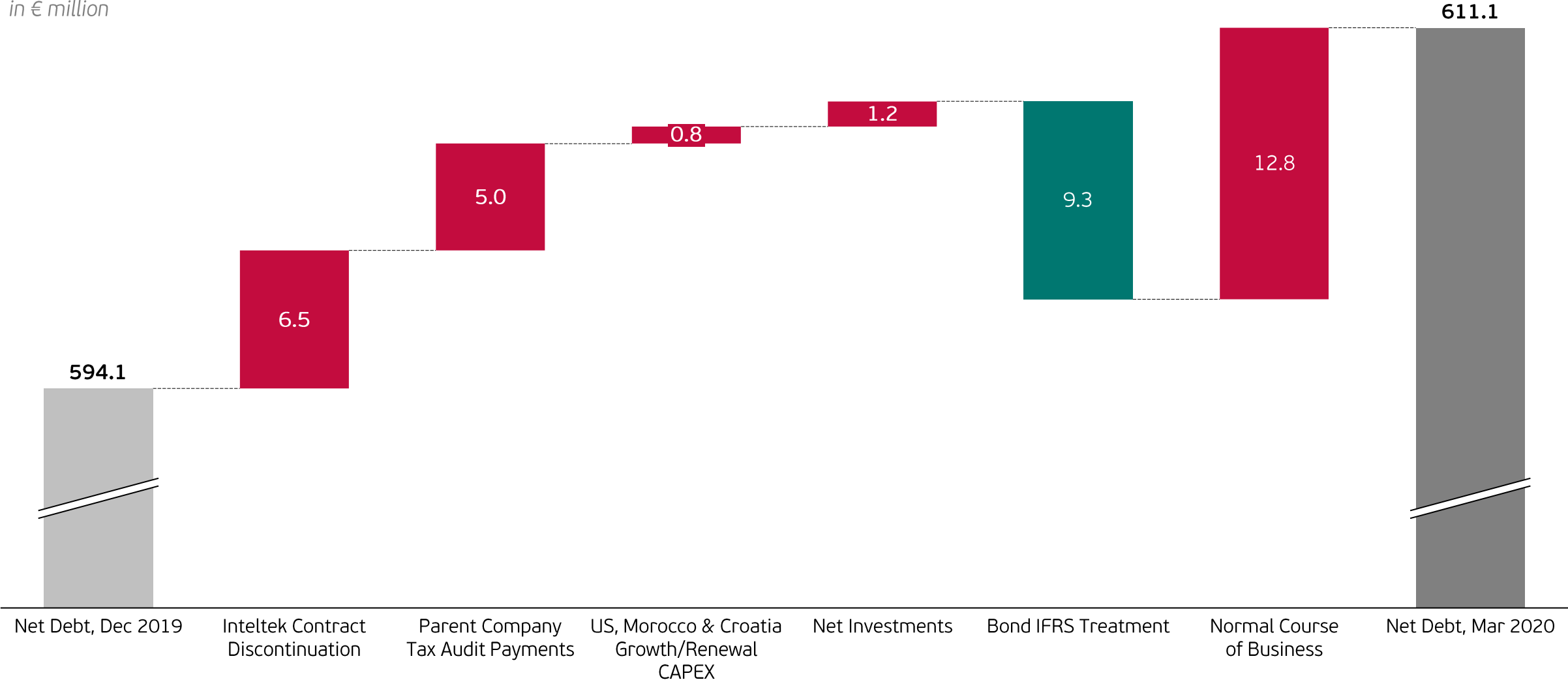
2. Net debt calculated as Long-term debt plus Short-term debt and current portion of long-term debt plus Financial Leases less Cash and cash equivalents

3. Calculated as Net debt divided by LTM EBITDA. Net Debt and EBITDA levels as reported/ published in the respective periods. LTM EBITDA in 1Q19 Leverage ratio calculated on a pro-forma basis to adjust for a full year IFRS 16 adoption impact (estimate).

# Net Debt Movement



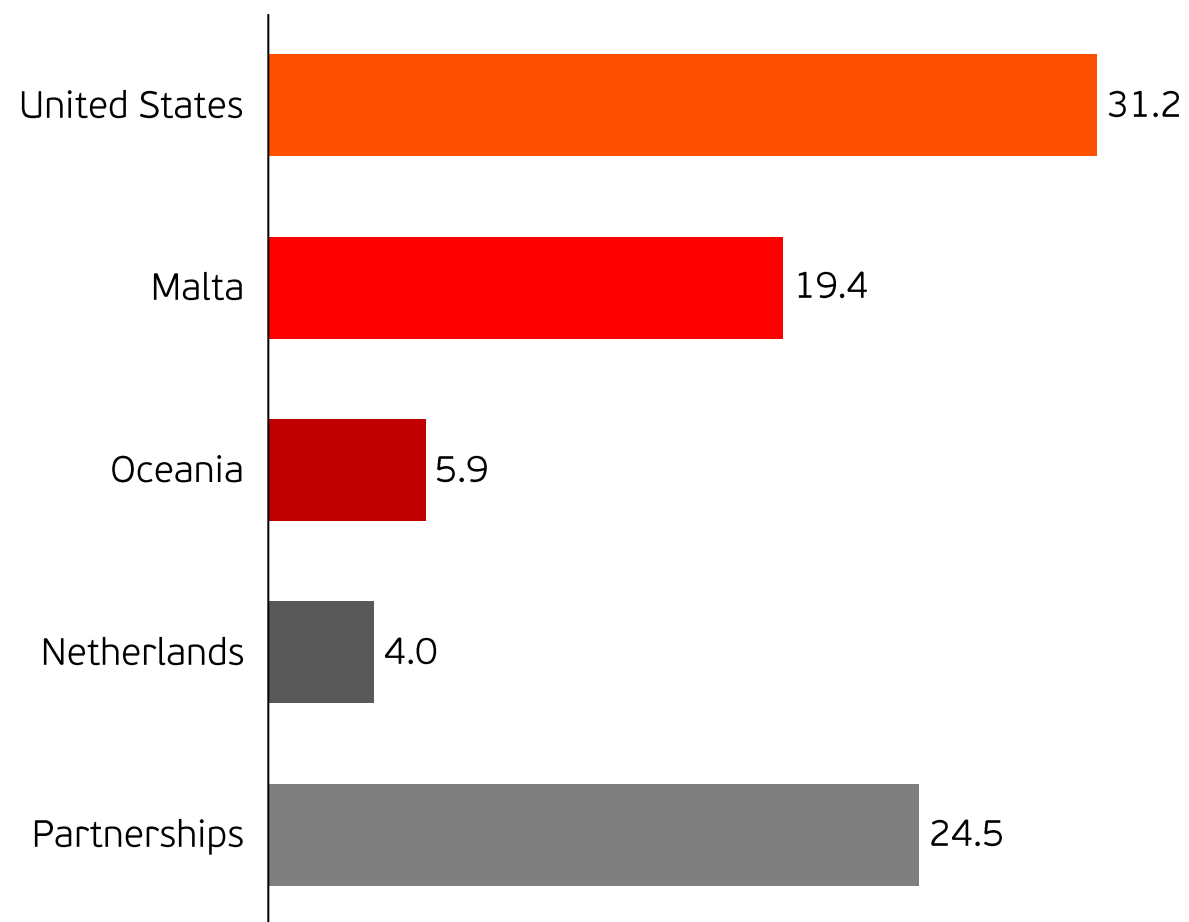
Net Debt Movement, 1Q20  
*in € million*



# Key Revenue and EBITDA Contributors<sup>1,2</sup>

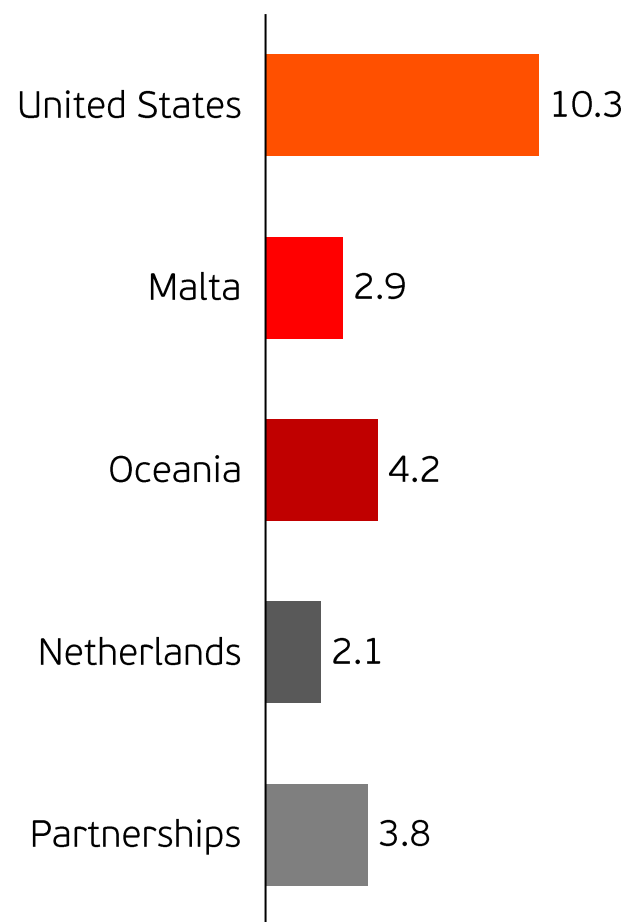
## 1Q20 Key Revenue Contributors

(in €m, %)



## 1Q20 Key EBITDA Contributors






(in €m, %)



1. Country Revenue and EBITDA figures include all operating and non-operating entities

2. USA figures refer to Intralot Inc. Group figures, namely Intralot Inc, DC09 LLC and Intralot Tech; Intralot Inc. figures include the Philippines and BCLC projects' contributions

# Contribution from Partnerships

Country		Stake	1Q20 EBITDA Contribution	1Q19 EBITDA Contribution
	Inteltek <sup>1</sup>	45.00%	0%	18%
	Bilyoner <sup>1</sup>	50.01%	5%	9%
	Eurofootball Group <sup>2, 4</sup>	49.00% + option for additional 2.00%	0%	16%
	Eurobet Group <sup>2, 5</sup>	49.00% + option for additional 2.00%	5%	6%
	Tecno Accion Group <sup>3</sup>	50.01%	14%	8%
<b>Total Partnership Contribution</b>			<b>24%</b>	<b>57%</b>
<b>INTRALOT's Portion of EBITDA</b>			<b>82%</b>	<b>67%</b>

1. Management Contract

2. Licensed Operation

3. 12 Facilities Management (IT) Contracts with State Lotteries and 1 Licensed Operation

4. Eurofootball's method of consolidation changed from Full to Equity in December 2019. In addition, the gaming licenses of Eurofootball have been temporarily suspended. For further details refer to the notes of the Annual Financial Report

5. Eurobet's licenses discontinued within 1Q20. For further details refer to the notes of the Interim Financial Report

APPENDIX

SUMMARY OF  
FINANCIAL STATEMENTS



# 1Q20 – Group Income Statement

<i>(in € million)</i>	1Q20	1Q19	% Change	LTM
<b>Revenue</b>	<b>102.0</b>	<b>192.7</b>	<b>-47.1%</b>	<b>629.9</b>
Gross Profit	20.2	39.8	-49.3%	106.4
Other Operating Income	3.7	4.9	-24.5%	18.3
OPEX	-26.5	-32.4	-18.2%	-134.5
<b>EBITDA</b>	<b>15.8</b>	<b>31.8</b>	<b>-50.3%</b>	<b>71.8</b>
<i>Margin</i>	<i>15.5%</i>	<i>16.5%</i>	<i>-1.0pps</i>	<i>11.4%</i>
D&A	-18.4	-19.5	-5.6%	-81.6
<b>EBIT</b>	<b>-2.6</b>	<b>12.3</b>	<b>-</b>	<b>-9.8</b>
Interest Expense (Net)	-12.0	-11.0	-9.1%	-49.1
Exchange Differences	-0.5	3.7	-	-0.9
Other	0.3	-3.0	-	-27.6
<b>EBT</b>	<b>-14.8</b>	<b>2.0</b>	<b>-</b>	<b>-87.4</b>
<b>NIATMI</b>	<b>-17.6</b>	<b>-12.2</b>	<b>-44.3%</b>	<b>-109.6</b>
NIATMI Continuing	-17.6	-13.3	-32.3%	-116.2
NIATMI Discontinued	0.0	1.1	-	6.6



# 1Q20 – Group Statement Of Financial Position

(in € million)

	1Q20	1Q19
Tangible Assets	159.1	168.7
Intangible Assets	236.5	242.9
Other Non-current Assets	47.5	47.4
Inventories	34.6	35.6
Trade and Other Short-term Receivables	135.6	131.8
Cash and Cash Equivalents	142.0	171.1
<b>Total Assets</b>	<b>755.3</b>	<b>797.5</b>
Share Capital	47.1	47.1
Other Equity Elements	-158.9	-140.5
Non-controlling Interests	-7.8	0.2
<b>Total Shareholders Equity</b>	<b>-119.6</b>	<b>-93.2</b>
Long-term Debt	726.2	727.3
Provisions / Other Long-Term Liabilities	26.5	27.6
Short-term Debt	26.9	37.9
Other Short-term Liabilities	95.3	97.9
<b>Total Liabilities</b>	<b>874.9</b>	<b>890.7</b>
<b>Total Equity And Liabilities</b>	<b>755.3</b>	<b>797.5</b>

# 1Q20 – Group Cash Flow

(in € million)

1Q20

1Q19

<b>EBT from continuing operations</b>	<b>-14.8</b>	<b>2.0</b>
<b>EBT from discontinued operations</b>	<b>0.0</b>	<b>1.1</b>
Plus/less Adjustments	31.0	27.9
Decrease/(increase) of Inventories	1.0	0.8
Decrease/(increase) of Receivable Accounts	-0.2	-9.0
(Decrease)/increase of Payable Accounts	-2.0	-3.2
Income Tax Paid	-5.5	0.0
<b>Net Cash from Operating Activities</b>	<b>9.5</b>	<b>19.6</b>
Net CAPEX	-5.6	-17.4
(Purchases) / Sales of subsidiaries & other investments	-1.2	0.7
Interest received	0.6	1.9
Dividends received	1.0	0.0
<b>Net Cash from Investing Activities</b>	<b>-5.2</b>	<b>-14.8</b>
Cash inflows from loans	27.5	33.1
Repayment of loans	-27.2	-28.4
Repayment of Leasing Obligations	-1.8	-5.6
Interest and similar charges paid	-22.1	-22.8
Dividends paid	-7.9	-9.2
<b>Net Cash from Financing Activities</b>	<b>-31.5</b>	<b>-32.9</b>
<b>Net increase / (decrease) in cash for the period</b>	<b>-27.2</b>	<b>-28.1</b>
Exchange differences	-1.9	0.2
Cash at the beginning of the period	171.1	162.5
<b>Cash at the end of the period from total operations</b>	<b>142.0</b>	<b>134.6</b>
Less: Cash and cash equivalents at the end of the period from discontinued operations	0.0	-0.9
<b>Cash and cash equivalents at the end of the period from continuing operations</b>	<b>142.0</b>	<b>133.7</b>

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The image features the Intralot logo on the left, which consists of the word "intralot" in a bold, italicized, dark grey sans-serif font. Below the text is a thick, orange horizontal line that tapers to the right. On the right side of the image is a large, abstract graphic composed of several overlapping, curved shapes in shades of orange, yellow, and red, creating a dynamic, flame-like or motion-like effect.