



intralot

Sports Betting Developments in the U.S.

Nick Papadoglou, Vice President and Chief Commercial Officer, INTRALOT Inc.

Q. What are some of the latest developments in sports betting?

Nick Papadoglou: Although the industry is still in the infancy stage, we have seen significant changes in the landscape over the last year, primarily from a regulatory aspect. Many of the states have started to understand the benefits that regulating sports betting bring to the state and to their communities such as increased taxes, funds for good causes, jobs and responsible gaming. We have a lot of experience in regulated sports betting markets around the world so we are working closely with our partners and customers to help contribute toward their efforts in realizing these benefits in their states.

Q. How do you see lottery being involved in sports betting?

Papadoglou: There are different models being applied on a state-by-state basis. There are some jurisdictions where the lottery is both the operator and the regulator, such as Delaware, West Virginia, DC and Montana; or is only the regulator, as in Tennessee. In other states lotteries are not involved, such as Nevada and New Jersey. We believe that as time goes by more state lotteries will realize the benefits of being involved with these new opportunities. As a company with extensive experience in regulated markets all over the globe for more than 20 years, we are uniquely qualified to help states achieve their goals. There are many positive impacts that lotteries can bring to sports betting with great examples in

Europe, Africa, Asia, and Latin America. If we take the example of Europe, most lotteries are successful sellers of sports betting games utilizing their traditional retail network, self-service terminals as well as their digital channels. They don't see themselves as competitors to casino operators of sports betting, but on the contrary, as a complementary product and offering.

Q. What is your strategy in the U.S. market?

Papadoglou: We have been successful so far in the market by securing some important deals with our existing lottery partners, and have ambitious plans in the market to continue growing as regulations continue to be passed in more states in the upcoming months and years. Our obligation is to work closely with our customers and regulators to provide our unique insights and lessons learned from other regulated markets. Moreover, our goal is to penetrate the market and utilize our established network of leading partners in the gaming industry who complement our proprietary solutions to create a unique position in the market.

Q. How do your products and services fit the U.S. market?

Papadoglou: We know that U.S. players will be very demanding. The regulatory framework and compliance requirements can also be very challenging and demanding. In this context, we have heavily invested over the last few years to evolve our sports betting solution,

INTRALOT Orion, to be in a position to meet and exceed these demands and requirements. The modular architecture of our products and the way we design them allow us to meet the challenges of a market such as the U.S., and most importantly we are able to customize and localize our products to be compliant with state and federal regulations.

In terms of sports betting product offering, we offer a world-class solution in all of the most popular sports, with both pre-game and in-play bets on all touchpoints, such as over-the-counter terminals and self-service terminals, as well as desktop and mobile native applications.

We have a proven track record of effectively addressing the revenue-boosting needs of operators in regulated environments. Our unparalleled ability to guarantee payouts makes us the best choice for risk management while offering increased margins to lottery operators. Spanning a variety of operating models, our project portfolio includes some of the world's largest sportsbooks in terms of wagers and amount handled. Our experienced team of traders uses advanced algorithmic pricing, based on in-house probabilistic models, to ensure razor-sharp odds, accurate price changes and fast event settlement 24/7. Our trading team tracks betting transactions in real time, identifies potential risks, sets up risk and liability limits, detects possible abnormal player behavior and takes corrective actions by adjusting odds and even blocking bets and events as required. All of these capabilities allow us to offer a world-class competitive product and service unmatched in the industry. ■