

INTRALOT Group

ANNOUNCEMENT OF FINANCIAL RESULTS

**for the nine-month period
ended September 30th, 2024**

intralot



“INTRALOT announces Revenue at €263.5m and EBITDA at €91.5m in 9M24”

November 29th, 2024

INTRALOT SA (RIC: **INLr.AT**, Bloomberg: **INLOT GA**), an international gaming solutions and operations leader, announces its financial results for the nine-month period ended September 30th, 2024, prepared in accordance with IFRS.

OVERVIEW

- > Group Revenue at €263.5m in 9M24 (-5.9% y-o-y, including the impact of €-12.6m due to the exchange rate movement in Argentina within December 2023), additionally affected by seasonality effects and especially the absence of large jackpots in USA compared to the same period last year.
- > EBITDA at €91.5m (-9.4% y-o-y) in 9M24. Nevertheless, operating profitability in 3Q24 (€32.0m) is improved compared to 2Q24 (€29.4m) by 8.84%.
- > EBITDA margin reached at 34.7%.
- > EBT in 9M24 shaped at €10.6m and NIATMI (Net Income After Tax and Minority Interest) at €6.5m.
- > Operating Cash Flow at €81.6m in 9M24.
- > Group CAPEX in 9M24 was €24.7m.
- > Group Cash at the end of 9M24, including restricted cash in accordance with the loan obligations, amounted to €107.4m.
- > Adjusted Net Debt at €326.2m at the end of 9M24, lower by €7.1m and €132.0m vs. Dec-23 and 9M23 respectively.
- > Adjusted Net Leverage ratio at 2.7x in 9M24, down from Net Leverage ratio 3.4x in 9M23.
- > On September 11, 2024, INTRALOT announced that its subsidiary in Australia, INTRALOT Australia, has signed an extension of its contract with Lotterywest, the state lottery in Western Australia, beyond 2026, for an additional two (2) years and with an option to extend for one (1) more year.
- > On November 4, 2024, INTRALOT announced that its US subsidiary, INTRALOT Inc., undertook a new project for the British Columbia Lottery Corporation (BCLC) in Canada, for the provision of an online lottery platform. The project also includes the digitalization of the existing land-based network. The solution will be based on the Player X platform, part of the Lotos X ecosystem, and adds to the company's overall partnership with BCLC, which has been extended until 2028.

Note:

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

Group Headline Figures

(in € million)	9M24	9M23	% Change	3Q24	3Q23	% Change	LTM
Revenue (Turnover)	263.5	280.0	-5.9%	89.9	104.8	-14.2%	347.5
GGR	249.8	262.2	-4.7%	84.5	98.6	-14.3%	336.2
OPEX ¹	(82.7)	(76.5)	8.1%	(27.5)	(29.7)	-7.4%	(120.3)
EBITDA²	91.5	101.0	-9.4%	32.0	38.2	-16.3%	119.9
EBITDA Margin (% on Revenue)	34.7%	36.1%	-1.4pps	35.6%	36.5%	-0.9pps	34.5%
EBITDA Margin (% on GGR)	36.6%	38.5%	-1.9pps	37.8%	38.7%	-0.9pps	35.7%
Capital Structure Optimization expenses	(1.8)	-	-	(0.5)	-	-	(1.8)
D&A	(52.5)	(48.6)	8.2%	(17.3)	(16.7)	3.9%	(71.9)
EBT	10.6	32.1	-67.1%	4.5	15.8	-71.6%	12.0
EBT Margin (%)	4.0%	11.5%	-7.5pps	5.0%	15.1%	-10.1pps	3.5%
NIATMI	6.5	9.0	-28.2%	1.9	4.6	-59.1%	3.3
Total Assets	572.1	603.1	-	-	-	-	-
Gross Debt	433.6	580.2	-	-	-	-	-
Net Debt	350.3	458.2	-	-	-	-	-
Net Debt (Adjusted) ³	326.2	458.2	-	-	-	-	-
Operating Cash Flow from total operations	81.6	97.6	-16.4%	36.6	47.8	-23.4%	96.5
Net CAPEX	(24.7)	(22.2)	11.0%	(13.0)	(8.2)	59.6%	(32.2)

INTRALOT Chairman Sokratis P. Kokkalis noted:

"INTRALOT's performance for the 9-month period in 2024 has been impacted by seasonality effects in the United States and FX movements. The company maintains its key metrics of profitability and leverage ratio within the targeted range, while extending existing contracts and participates through tender process in a large number of projects around the world"

¹ OPEX line presented excludes the capital structure optimization expenses.

² 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".

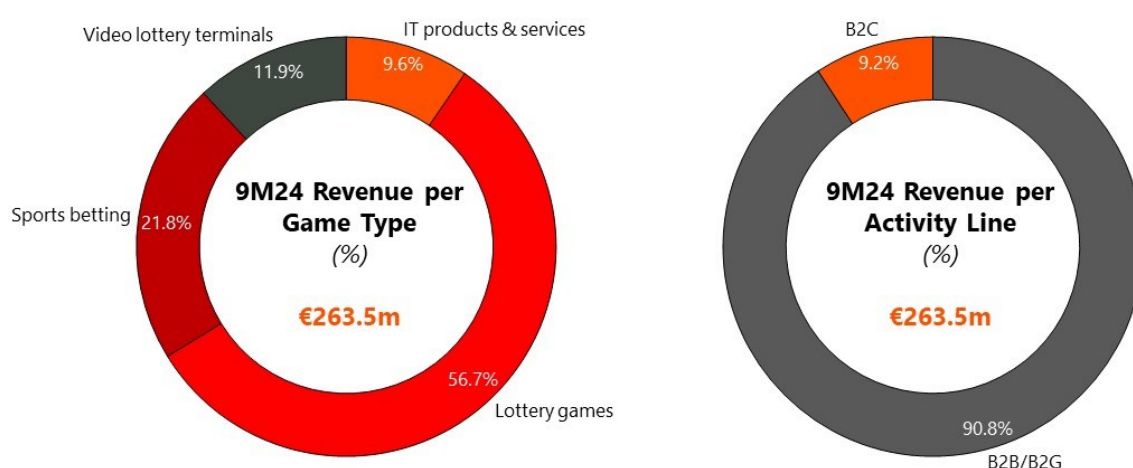
³ Net Debt (Adjusted) is defined as Net Debt excluding the impact from Restricted cash related to financing activities and Debt repayments.

OVERVIEW OF RESULTS

REVENUE

Reported consolidated **revenue** posted a decrease compared to 9M23, leading to a total revenue for the nine-month period ended September 30th, 2024, of €263.5 (-5.9%), including total negative impact of €12.6m in Argentina, due to the exchange rate movement in December 2023. Revenue for the current period was additionally affected by seasonality effects and especially by the absence of large jackpots in USA compared to the same period last year.

- From a contribution perspective, Lottery Games remain our largest contributor to Group turnover with a share of 56.7%, followed by Sports Betting with a share of 21.8%, VLTs monitoring with a share of 11.9% and Technology contracts with a share of 9.6%.



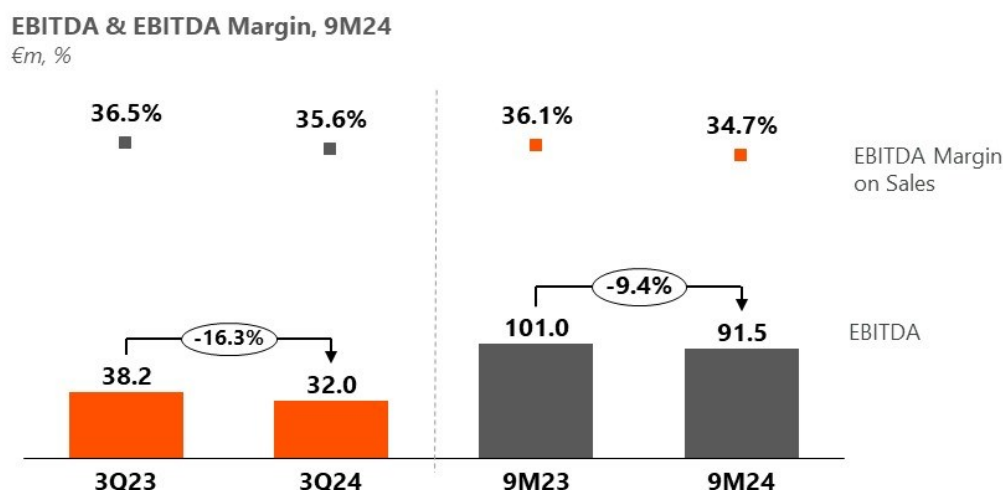
- Reported consolidated revenue for the nine-month period is lower by €16.5m year over year. The main factors that drove top line performance are:
 - Lower revenue by €8.8m (or -26.6%) from our **Licensed Operations (B2C)** in **Argentina** affected by the adverse impact of the FX currency translation following the economic reforms in the country in late 2023. In local currency base, current year results posted a 114.6% y-o-y increase.
 - Increased revenue by €3.4m (or +6.5%) from our **Management (B2B/ B2G) contracts** triggered by local market growth and market share uptake in **Turkey**, despite the devaluation of Turkish lira (-24.1%), in part mitigated by lower recorded revenue in **Morocco** as a result of the contract renewal which has a smaller contract value due to its limited scope.
 - Decreased revenue by €11.1m (or -5.7%) from our **Technology and Support Services (B2B/ B2G) contracts** mainly due to a one-off sale in **Taiwan** that took place during the same period last year, the exchange rate of Peso in **Argentina** (€-3.8m) and the lower sales in **US** (-2.9%) affected by the nonrecurrence of the jackpot that boosted 9M23 sales. The aforementioned drivers were partially offset by the organic growth in **Oceania** by 5.5% compared to the prior year.
- On a quarterly basis, revenue decreased by 14.2% compared to 3Q23, leading to total revenue for the three-month period that started on July 1st, 2024, and ended on September 30th, 2024, of €89.9m. Decreased revenue for the quarter (€-14.8m) is mostly driven by the adverse FX in Argentina, the absence of large jackpots in USA and the lower scope of the contract in Morocco.

GROSS GAMING REVENUE & Payout

- **Gross Gaming Revenue** (GGR) concluded at €249.8m in 9M24, posting a decrease of 4.7% (or €-12.4m) year on year. 9M24 Payout Ratio⁴ was slightly higher by 1.6pps vs. 9M23 (64.2% vs. 62.6% in 9M23)⁵. In 3Q24, GGR decreased by 14.3% (or €-14.1m y-o-y).

OPERATING EXPENSES⁶ & EBITDA⁷

- **Total Operating Expenses** ended higher by €6.2m (or +8.1%) in 9M24 (€82.7m vs. €76.5m in 9M23) mainly driven by Turkey (Bilyoner). On a quarterly basis, **Operating Expenses** posted a decrease of €2.2m (or -7.4%) in 3Q24 (€27.5m vs. €29.7m in 3Q23).
- **Other Operating Income** ended at €22.1m presenting an increase of 1.7% y-o-y (or €+0.4m). On a quarterly basis, **Other Operating Income** increased by 18.1% or €+1.3m.
- **EBITDA** amounted to €91.5m in 9M24, posting a decrease of 9.4% (or €-9.5m) compared to 9M23. Group's operating profitability was primarily affected by the absence of large jackpots in USA, the negative FX movement in Argentina, as well as the lower scope of the contract in Morocco.
- On a yearly basis, **EBITDA margin** on sales posted a marginal decrease by 1.4pps, from 36.1% in 9M23 to 34.7% in the current period.
- On a quarterly basis, **EBITDA** posted a decrease of €6.2m (or -16.3%), while **EBITDA margin** on sales decreased by 0.9pps.
- **LTM EBITDA** stands at €119.9m, lower by 7.4% vs. FY23, coming mainly from the negative FX impact in Argentina.



⁴ Payout ratio calculation excludes the IFRS 15 impact for payments to customers.

⁵ Licensed Operations Revenue also include a small portion of non-Payout related revenue, i.e., value-added services, which totaled €2.8m and €4.5m for 9M24 and 9M23 respectively, and €0.9m and €1.6m for 3Q24 and 3Q23 respectively.

⁶ Operating Expenses analysis excludes expenditures related to capital structure optimization.

⁷ EBITDA analysis excludes Depreciation & Amortization, and expenditures related to capital structure optimization.

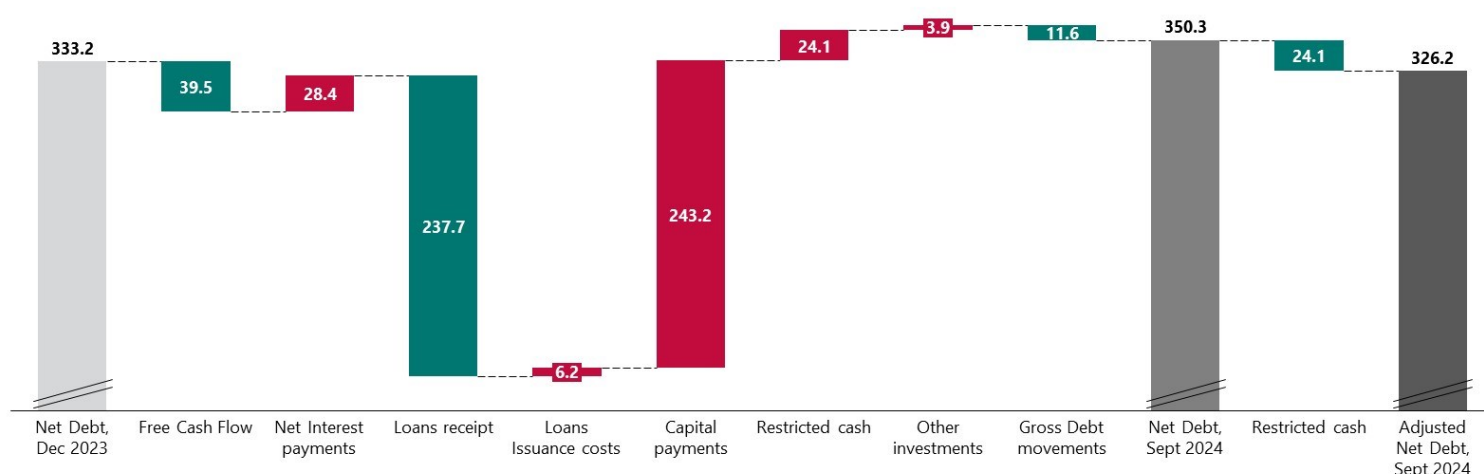
EBT / NIATMI

- **EBT** in 9M24 amounted to €10.6m compared to €32.1m in 9M23, with the negative variance stemming from the lower EBITDA y-o-y, the higher D&A, the loss on net monetary position and the increased interest and related expenses. On a quarterly basis, **EBT** settles at €4.5m, lower by €11.3m vs. 3Q23.
- **NIATMI** in 9M24 concluded at €6.5m vs. €9.0m in 9M23.

CASH FLOW

- **Operating Cash-flow** in 9M24 amounted to €81.6m compared to €97.6m in 9M23, mostly driven by the lower EBITDA contribution and the working capital timing variances.
- **CAPEX** in 9M24 was €24.7m vs. €22.2m in 9M23. Current period balance relates mostly to US projects' outflow and the license renewal payment in Turkey (€8.0m).
- **Net Debt**, as of September 30th, 2024, stood at €350.3m. Adjusting the impact of €24.1m from Restricted cash, Adjusted Net Debt shaped at €326.2m, keeping adjusted net leverage ratio at 2.7x. In the first nine months of 2024, Company generated free cash flow⁸ of €39.5m and paid net interest of €28.4m. After the successful raise of funds amounting to €237.7m, requiring €24.1m guarantee deposit and €6.2m of issuance cost, the Company proceeded with the full redemption of its notes due September 2024 amounting to €229.6m. The company also proceeded with capital payments of €8.6m towards the Term Loan in the US and Capital repayment of €5.0m towards Syndicated Bond Loan. The decrease of €11.6m in Gross Debt has been adversely impacted by the negative FX effect movement on our US denominated debt.

Net Debt Movement, 9M24

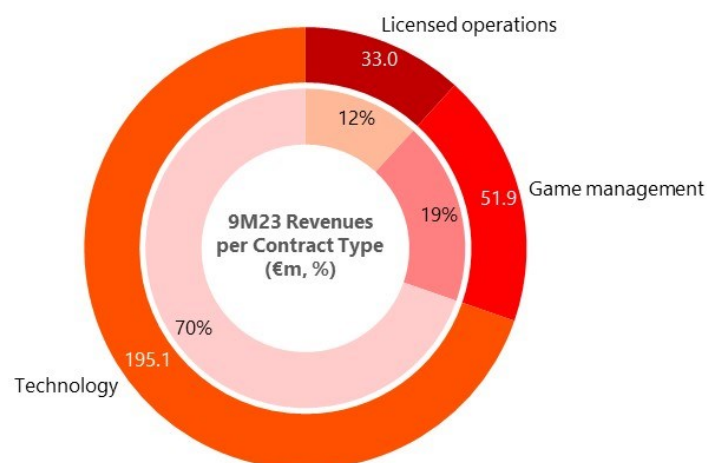
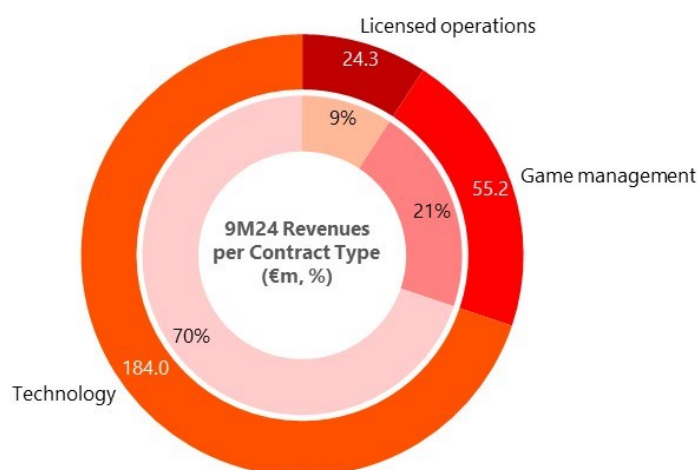


⁸ Free Cash Flow defined as "Net Cash from Operating activities" adjusted for "Net Dividends", "Capex", "Repayment of leasing obligations", "Reorganizations costs paid", "Exchange differences" and "Return of Capital to minority shareholders of subsidiary".

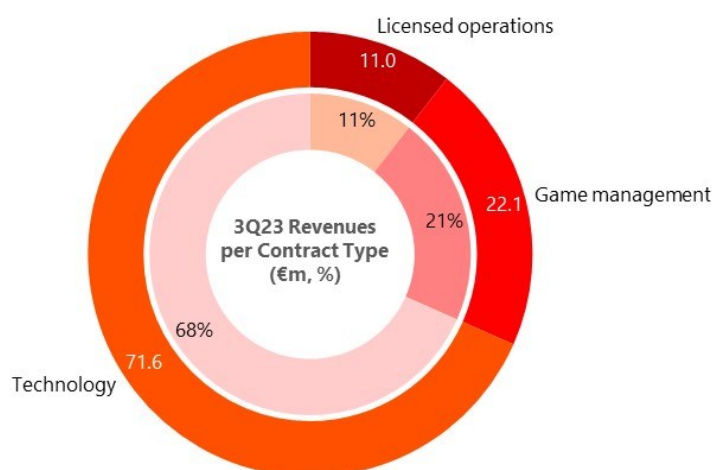
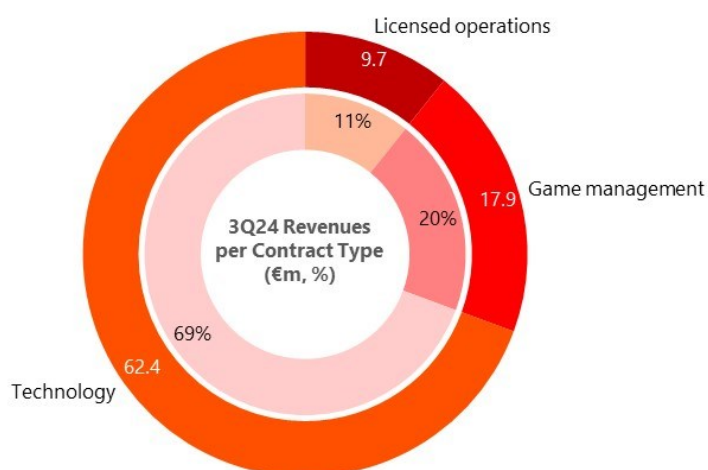
APPENDIX

Performance per Business Segment⁹

YTD Performance



Quarterly Performance



Performance per Geography

Revenue Breakdown

(in € million)	9M24	9M23	% Change
Europe	51.0	74.9	-31.9%
Americas	157.6	174.0	-9.4%
Other	70.6	66.3	6.5%
Eliminations	(15.6)	(35.1)	-
Total Consolidated Sales	263.5	280.0	-5.9%

⁹ 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.

Gross Profit Breakdown

(in € million)	9M24	9M23	% Change
Europe	1.3	23.9	-94.4%
Americas	35.0	50.0	-30.0%
Other	59.8	55.9	6.9%
Eliminations	3.5	(22.6)	-
Total Consolidated Gross Profit	99.5	107.2	-7.2%

Gross Margin Breakdown

	9M24	9M23	% Change
Europe	2.6%	32.0%	-29.3pps
Americas	22.2%	28.8%	-6.5pps
Other	84.6%	84.3%	+0.3pps
Total Consolidated Gross Margin	37.8%	38.3%	-0.5pps

INTRALOT Parent Company results

- **Revenue** for the period decreased by 42.8%, from €44.1m to €25.2m, driven by sales over-performance in last year's results due to the higher recharges to Group subsidiaries and the positive impact from a one-off sale in Taiwan.
- **EBITDA** shaped at €-0.6m from €18.4m in 9M23, with the negative variance arising mainly from the decreased revenue.
- **Earnings after Taxes (EAT)** at €-11.2m from €1.8m in 9M23 triggered by lower sales, in part counterbalanced by higher income from investing activities and lower interest expenses.

(in € million)	9M24	9M23	% Change	LTM
Revenue	25.2	44.1	-42.8%	49.1
Gross Profit	6.2	22.2	-72.1%	20.7
Other Operating Income ¹⁰	0.3	0.2	4.6%	0.9
OPEX ¹⁰	(14.7)	(12.5)	17.4%	(20.4)
EBITDA¹⁰	(0.6)	18.4	-	11.5
EAT	(11.2)	1.8	-	5.4
CAPEX (paid)	(6.0)	(1.8)	242.1%	(7.2)

¹⁰ Other Operating Income, Operating Expenses and EBITDA lines presented exclude the expenditures and recharges related to capital structure optimization.

CONFERENCE CALL INVITATION – THIRD QUARTER 2024 FINANCIAL RESULTS

Sokratis Kokkalis, Chairman, Nikolaos Nikolakopoulos, Group CEO, Chrysostomos Sfatos, Group Deputy CEO, Andreas Chrysos, Group CFO, Vasileios Vasdaris, Group Tax & Accounting Director, Antonis Skiadas, Group Finance, Controlling & Budgeting Director and Michail Tsagalakis, Capital Markets Director, will address INTRALOT's analysts and institutional investors to present the Company's Third Quarter 2024 results, as well as to discuss the latest developments at the Company.

The financial results will be released on the ATHEX website (www.athexgroup.gr) and will be posted on the company's website (www.intralot.com) on Friday, November 29th, 2024 (before the opening of the ATHEX trading session).

AGENDA: Brief Presentation - Question and Answer Session

CONFERENCE CALL DETAILS

Date: Friday, November 29 th , 2024	
Time: Greek time 17:00 - UK time 15:00 - CET 16:00 - USA time 10:00 (East Coast Line)	
Conference Phone GR	 + 30 211 180 2000
Conference Phone GR	 + 30 213 009 6000
Conference Phone GB	 + 44 (0) 203 059 5872
Conference Phone GB	 + 44 (0) 800 368 1063
Conference Phone US	 + 1 516 447 5632
We recommend that you call any of the above numbers 5 to 10 minutes before the conference call is scheduled to start.	

TO REGISTER FOR THE EVENT PLEASE CLICK HERE: [Global Pre-Registration Link](#)

LIVE WEBCAST DETAILS

The conference call will be available via webcast in real time over the Internet and you may join by linking at the internet site:

<https://87399.choruscall.eu/links/intralot3Q24.html>

DIGITAL PLAYBACK

There will be a digital playback on November 29th, 2024, at 19:00 (GR Time).

This Service will be available until the end of the business day December 10th, 2024.

Please dial the following numbers and the **PIN CODE: 059 #** from a touch-tone telephone:

Digital Playback UK: + 44 (0) 203 059 5874

Digital Playback US: + 1 631 257 0626

Digital Playback GR: + 30 210 946 0929

In case you need further information, please contact Intralot, Mr. Antonis Mandilas, at the telephone number: +30 213 0397000 or Chorus Call Hellas S.A., our Teleconferencing Services Provider, Tel. +30 210 9427300.

SUMMARY OF FINANCIAL STATEMENTS

Group Statement of Comprehensive Income

(in € million)	9M24	9M23	% Change	3Q24	3Q23	% Change	LTM
Revenue	263.5	280.0	-5.9%	89.9	104.8	-14.2%	347.5
Gross Profit	99.5	107.2	-7.2%	34.0	44.3	-23.3%	137.5
Other Operating Income	22.1	21.7	1.7%	8.2	6.9	18.1%	30.8
OPEX	(82.7)	(76.5)	8.1%	(27.5)	(29.7)	-7.4%	(120.3)
EBITDA	91.5	101.0	-9.4%	32.0	38.2	-16.3%	119.9
Margin %	34.7%	36.1%	-1.4pps	35.6%	36.5%	-0.9pps	34.5%
Capital Structure Optimization expenses	(1.8)	-	-	(0.5)	-	-	(1.8)
D&A	(52.5)	(48.6)	8.2%	(17.3)	(16.7)	3.9%	(71.9)
EBIT	37.2	52.5	-29.2%	14.1	21.5	-34.3%	46.3
Interest and related expenses (net)	(32.2)	(28.0)	15.0%	(10.2)	(8.8)	15.8%	(39.9)
Exchange differences	0.2	(2.5)	-	(0.3)	(2.2)	-87.6%	2.5
Other	5.4	10.2	-47.2%	0.9	5.3	-83.5%	3.1
EBT	10.6	32.1	-67.1%	4.5	15.8	-71.6%	12.0
NIATMI	6.5	9.0	-28.2%	1.9	4.6	-59.1%	3.3
NIATMI continuing	6.5	9.0	-28.2%	1.9	4.6	-59.1%	3.3

Group Statement of Financial Position

(in € million)	9M24	FY23
Tangible Assets (incl. investment properties)	85.0	94.1
Intangible Assets	173.9	182.3
Other Non-Current Assets	61.7	56.1
Inventories	28.1	24.4
Trade and Other Short-term Receivables	140.1	119.9
Cash and Cash Equivalents	83.3	111.9
Total Assets	572.1	588.7
Share Capital	181.2	181.2
Share Premium	122.4	122.4
Other Equity Elements	(271.3)	(279.3)
Non-Controlling Interests	19.8	17.8
Total Shareholders' Equity	52.1	42.1
Long-term Debt	302.5	193.2
Provisions/ Other Long-term Liabilities	22.9	32.7
Short-term Debt	131.1	251.9
Other Short-term Liabilities	63.5	68.8
Total Liabilities	519.9	546.5
Total Equity and Liabilities	572.1	588.7

Group Statement of Cash Flows

(in € million)	9M24	9M23
EBT from continuing operations	10.6	32.1
EBT from discontinued operations	-	-
Plus/less adjustments	81.4	67.7
Decrease/(increase) of inventories	(4.3)	(1.9)
Decrease/(increase) of receivable accounts	(5.4)	(2.8)
(Decrease)/increase of payable accounts	4.2	7.6
Income tax paid	(4.9)	(5.2)
Net Cash from Operating Activities	81.6	97.6
CAPEX	(24.7)	(22.2)
(Purchases) / Sales of subsidiaries & other investments	(3.9)	(2.0)
Interest received	2.7	5.0
Dividends received	0.2	1.0
Net Cash from Investing Activities	(25.7)	(18.3)
Restricted cash related to financing activities	(24.1)	-
Return of Capital to minority shareholders of subsidiary	(0.5)	(1.5)
Cash inflows from loans	237.7	-
Repayment of loans	(243.2)	(8.6)
Bond issuance costs	(6.2)	-
Repayment of leasing obligations	(5.1)	(4.0)
Interest and similar charges paid	(31.1)	(33.1)
Dividends paid	(5.9)	(4.5)
Reorganization costs paid	(1.8)	-
Net Cash from Financing Activities	(80.3)	(51.6)
Net increase / (decrease) in cash for the period	(24.4)	27.6
Exchange differences	(4.2)	(8.0)
Cash at the beginning of the period	111.9	102.4
Cash at the end of the period from total operations	83.3	122.0
Cash at the end of the period from total operations including restricted cash for financing activities and debt repayments	107.4	122.0

About [INTRALOT](#)

INTRALOT, a publicly listed company established in 1992, is a leading gaming solutions supplier and operator active in 39 regulated jurisdictions worldwide. With a global workforce of approximately 1,700 employees in September 2024, INTRALOT is committed to redefine innovation and quality of services in the lottery and gaming sector, while supporting operators in raising funds for good causes. Uniquely positioned to deliver state-of-the-art technology across geographies, the company has developed an advanced ecosystem that serves all verticals enabling the digital transformation of gaming operators and offering players an unparalleled gaming experience. INTRALOT has been awarded the prestigious Responsible Gaming Framework certification by the World Lottery Association and is certified under the WLA Security Control Standard. Visit us at www.intralot.com.

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