1H22 Financial Results

August 31st, 2022

intralot

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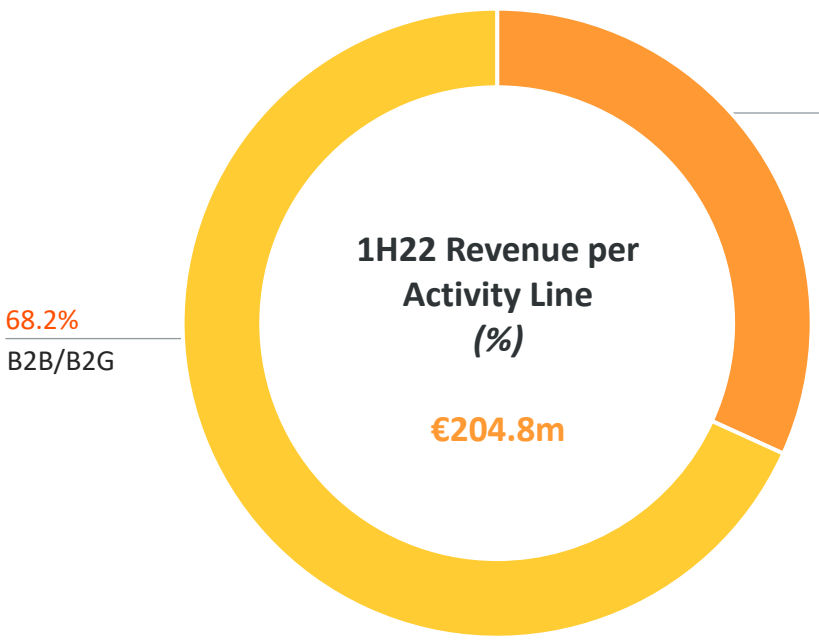
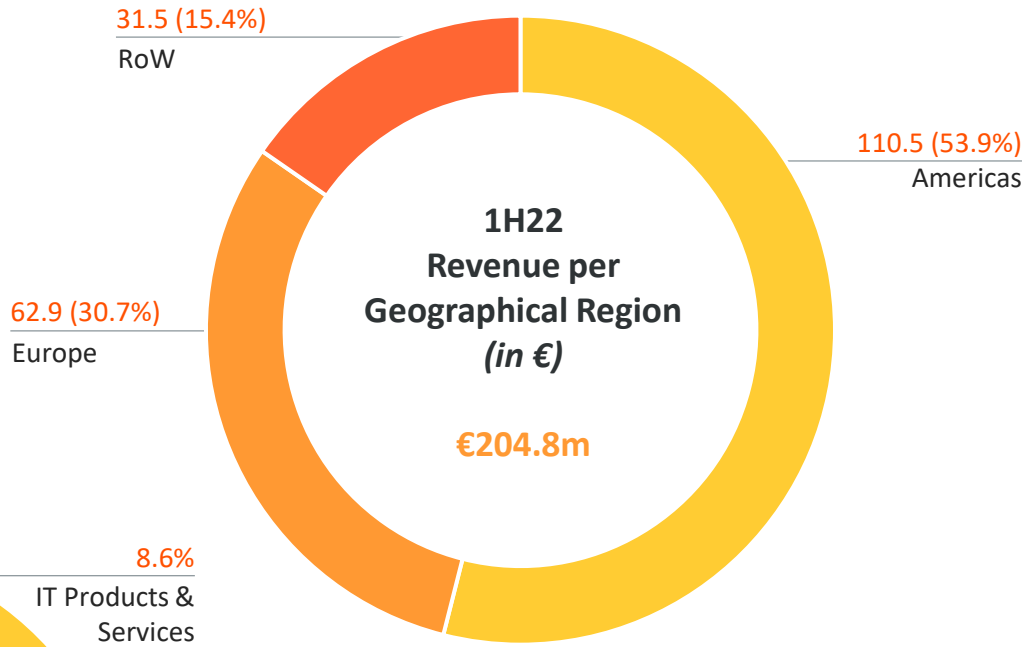
Note: Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals.

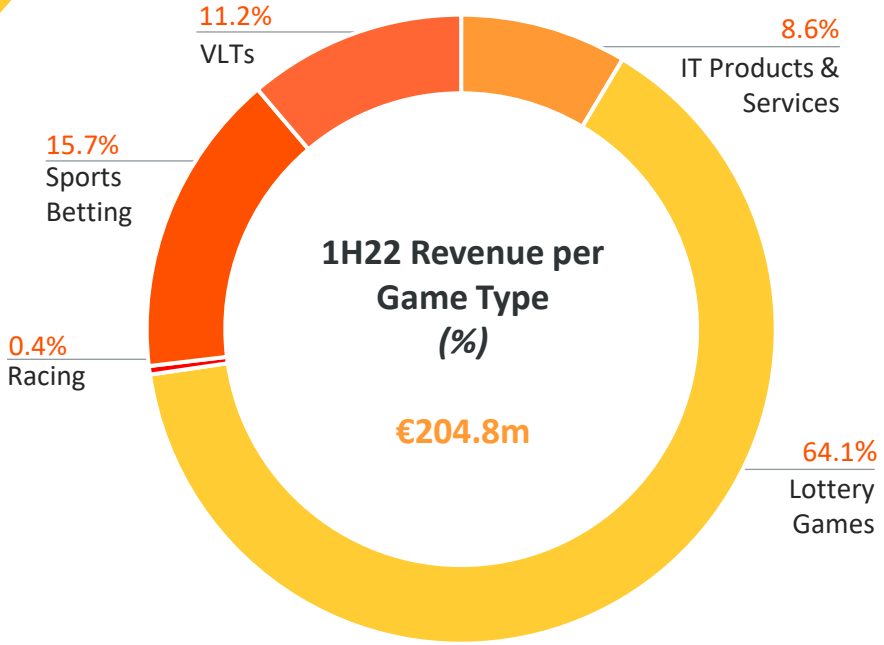
INTRALOT Chairman & CEO Sokratis P. Kokkalis, noted:

"INTRALOT has recently completed a series of strategic transactions that included a Share Capital Increase of €129m with the participation of a new cornerstone investor, the gaining of control of 100% of Intralot Inc. in the US, and the refinancing of $254m of Notes issued by Intralot Inc. via a new Term Loan and RCF. These events in combination with continuing strong performance as reflected in the first half results put INTRALOT in a stable course to tap new strategic opportunities in developed markets."

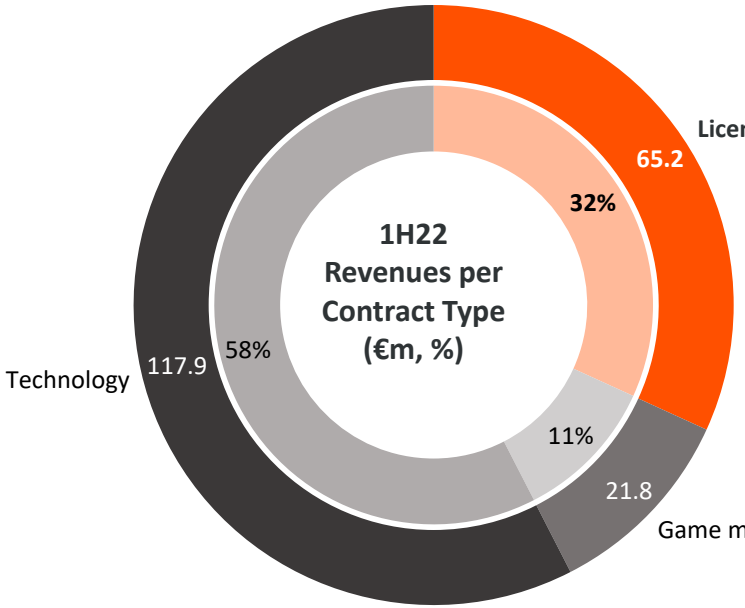
Revenue Overview

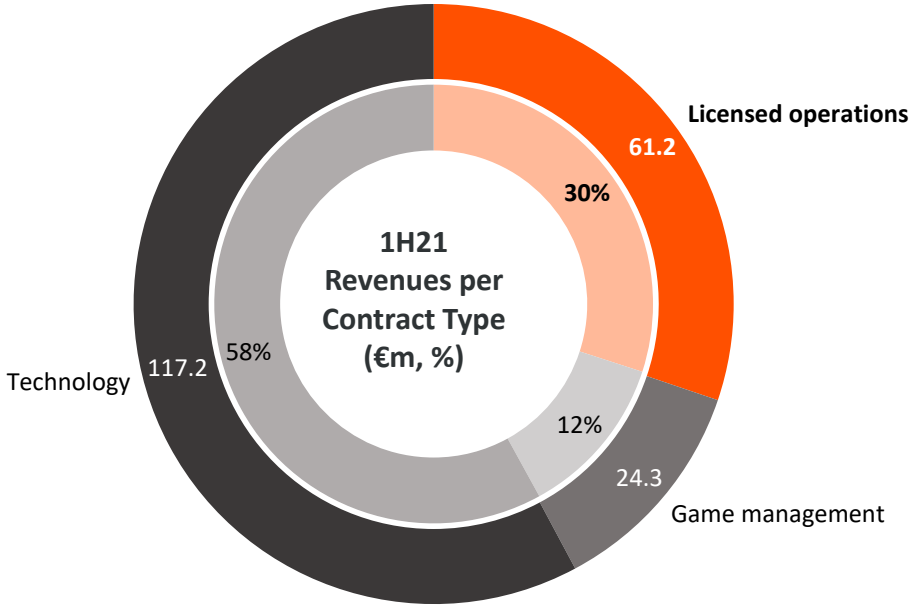


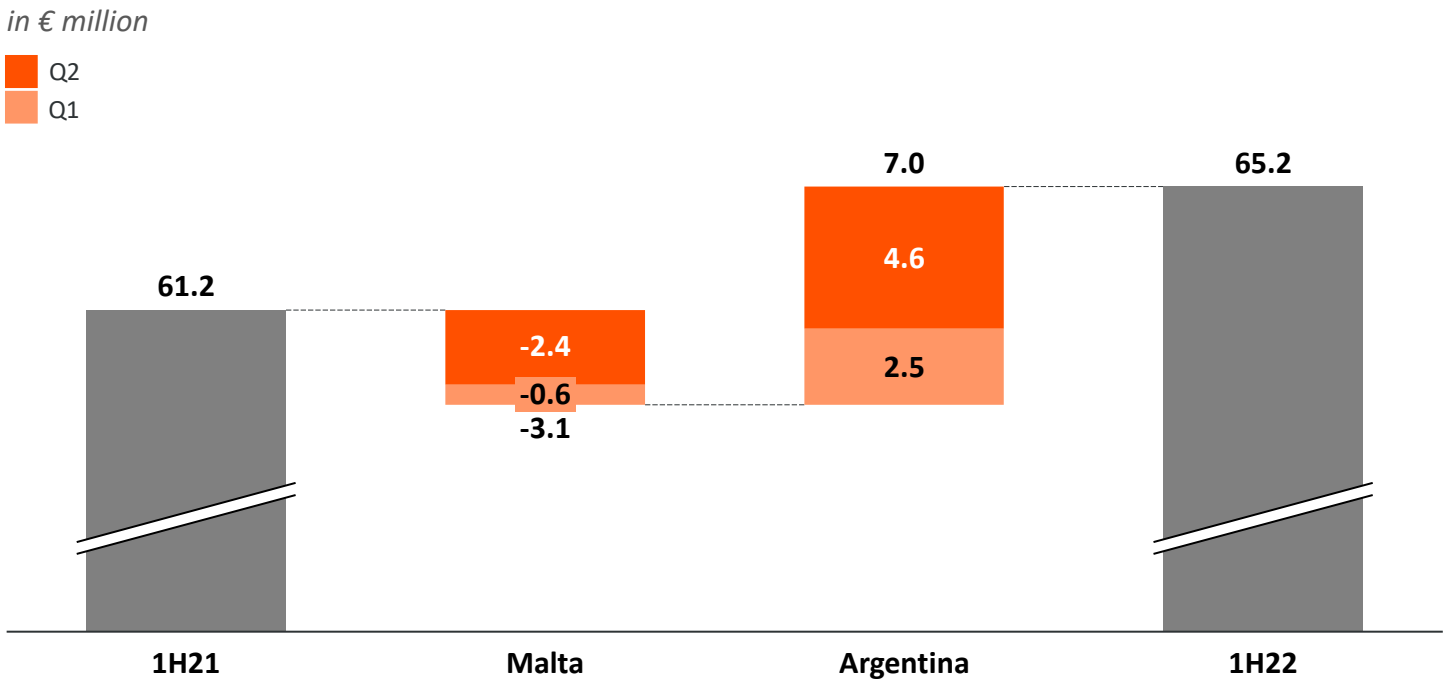




Licensed Operations - Revenue Evolution[1]





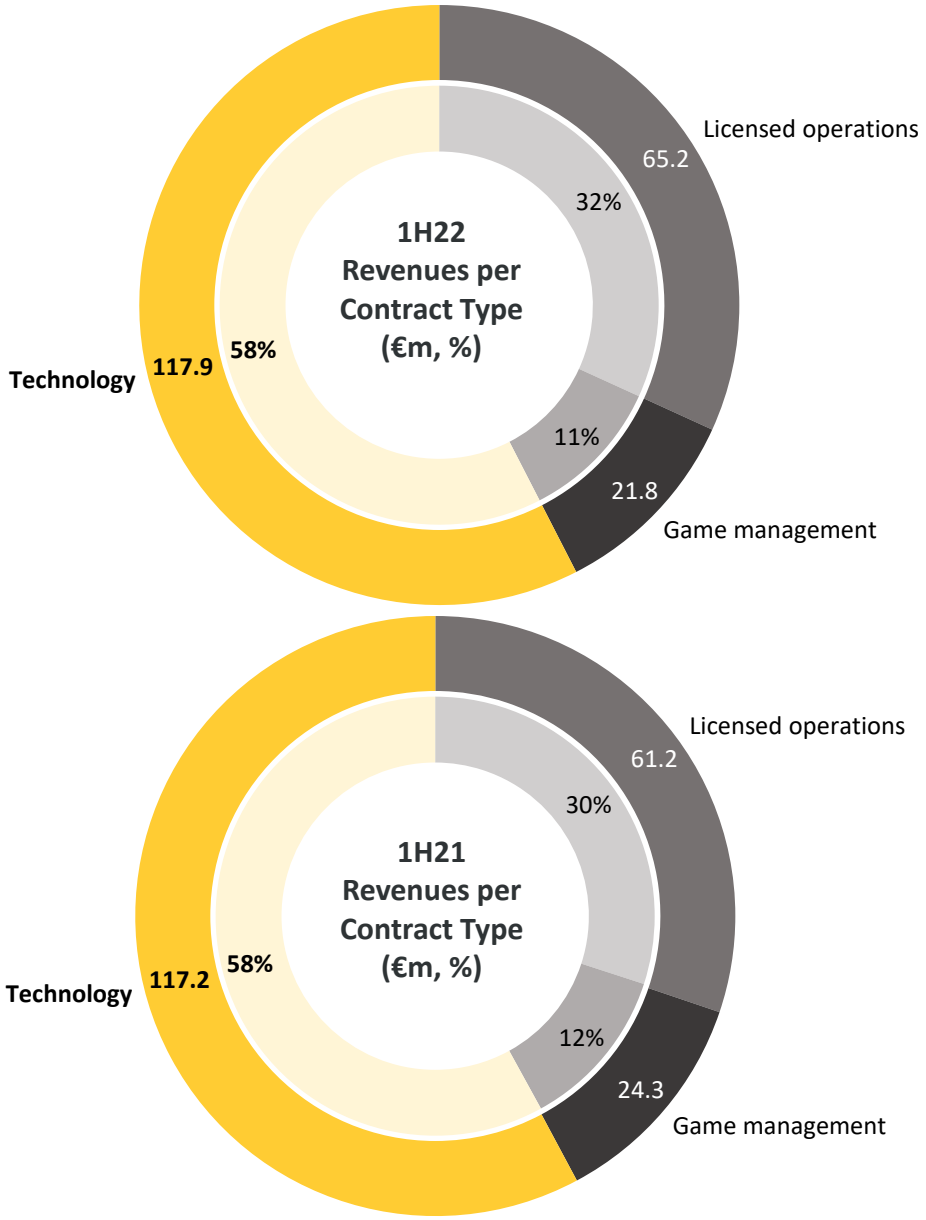


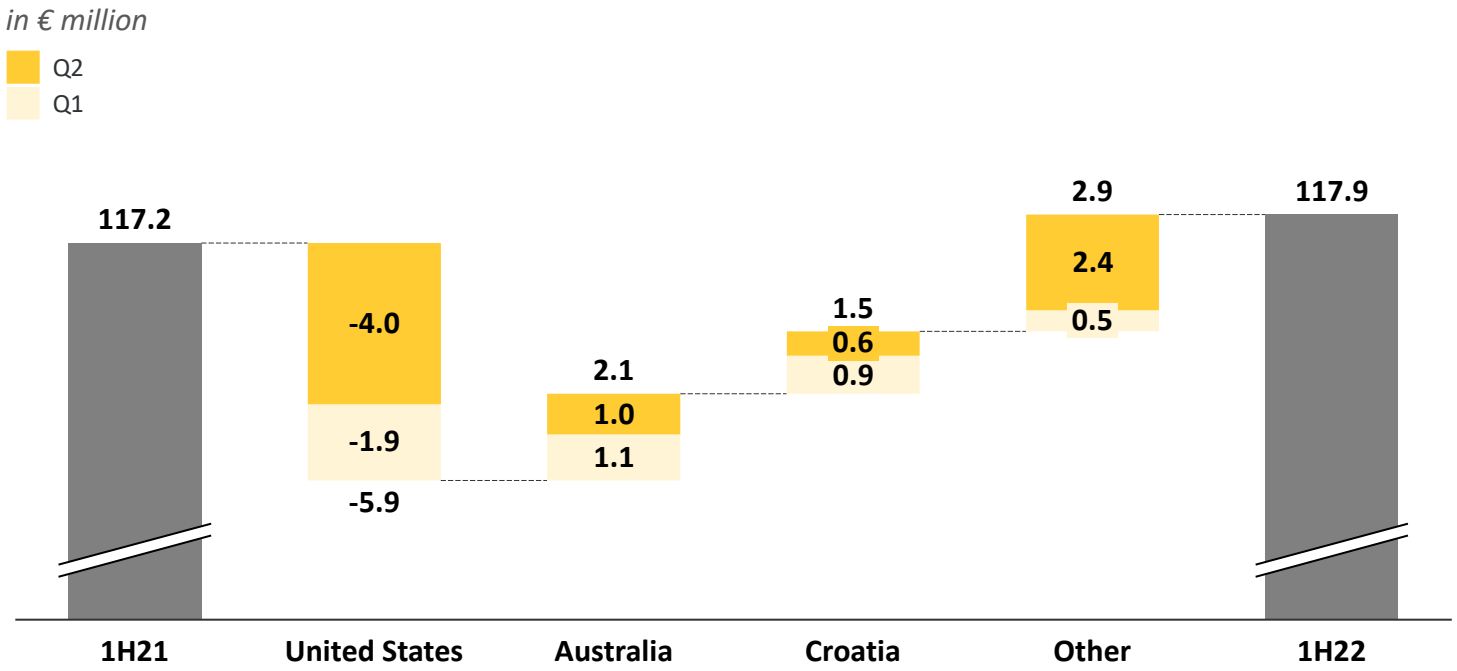
Revenue Evolution Drivers:

- Higher revenue in **Argentina** (€+7.0m or +46.7% y-o-y), driven by local market growth. In local currency, current year results posted a +69.7% y-o-y increase.
- Lower revenue in **Malta** (€-3.1m or -6.7% y-o-y).

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]



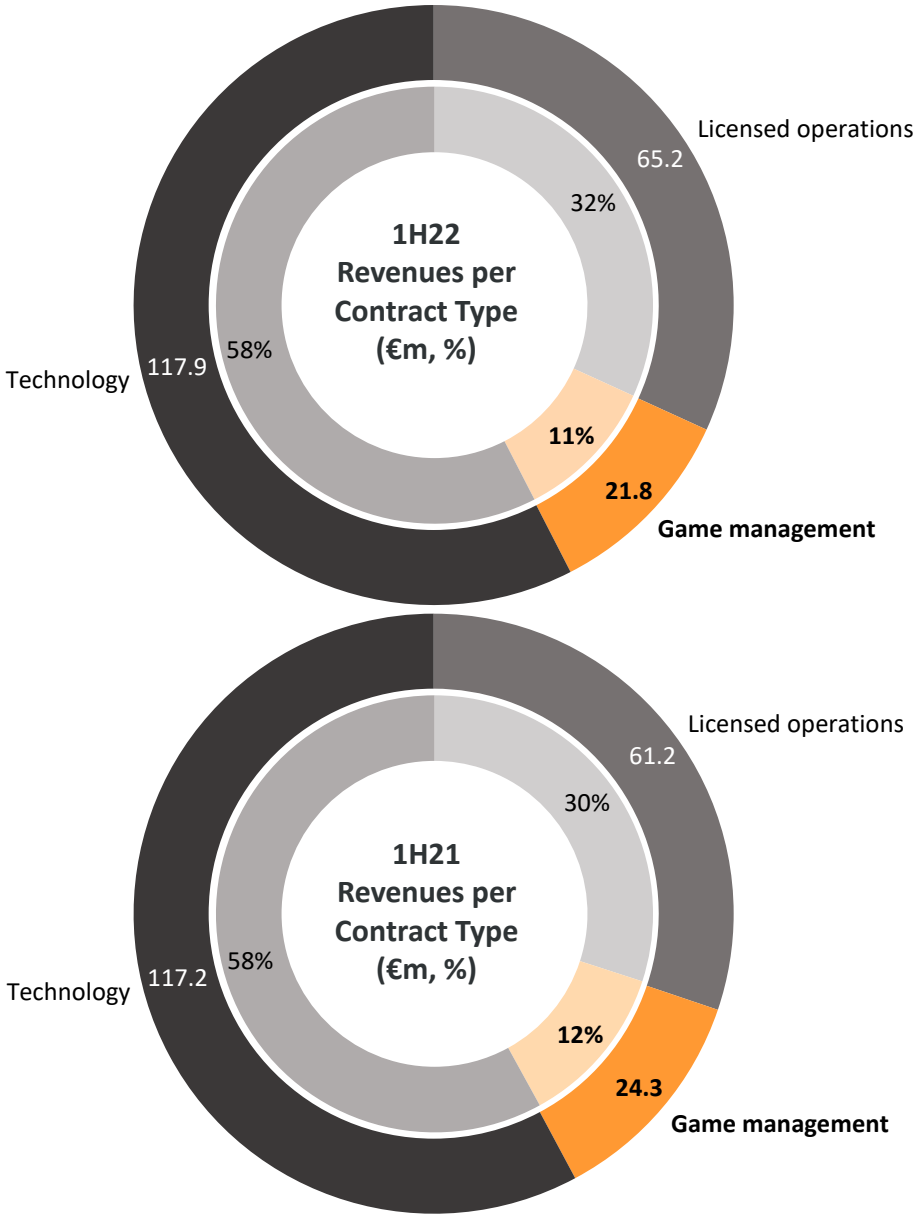


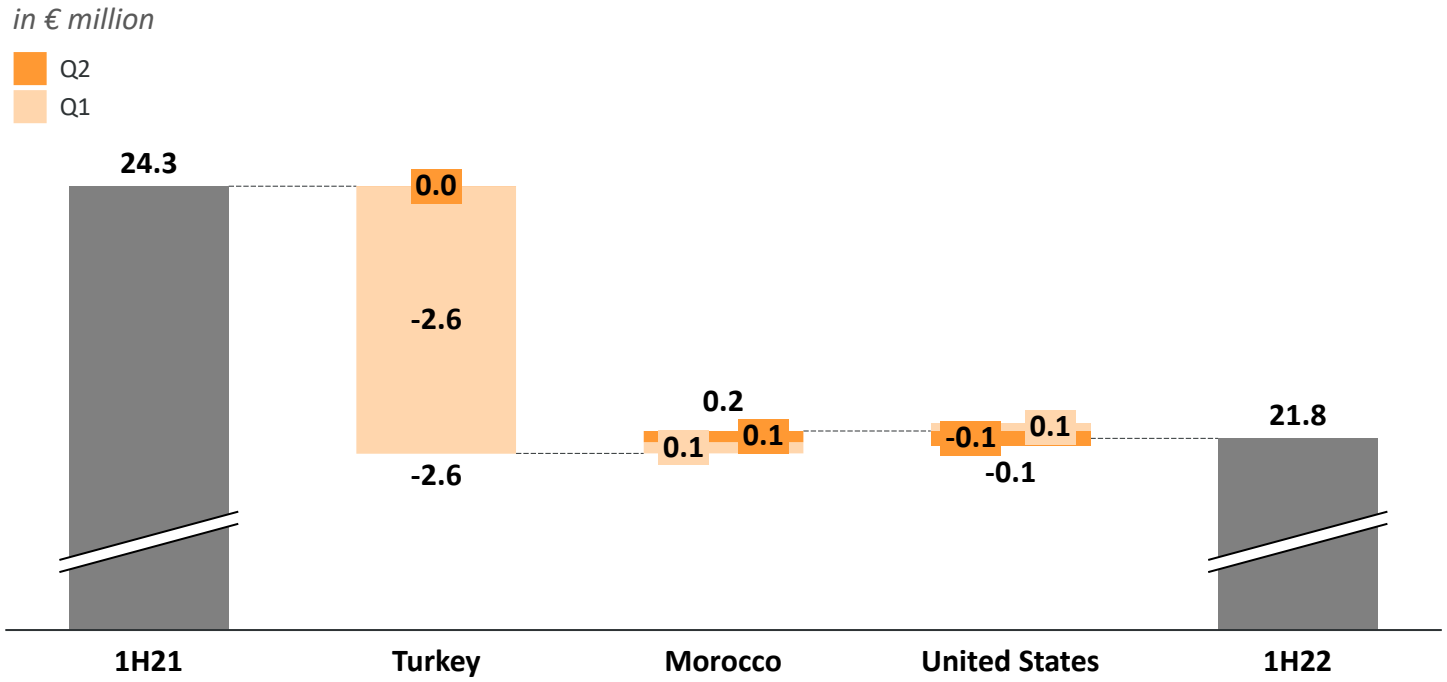
Revenue Evolution Drivers:

- Higher revenue in **Australia** (€+2.1m or +26.4% y-o-y).
- Higher revenue in **Croatia** (€+1.5m) due to the full integration of our lottery solution.
- Higher revenue from **other jurisdictions** (€+2.9m) mainly due to services related sales.
- Lower revenue in **US** operations (€-5.9m or -7.5% y-o-y), as 1H21 revenue performance was boosted by a large jackpot (took place in 1Q21) and higher merchandise sales vs. 1H22. From a currency perspective, there was a positive impact of 9.3% (Euro depreciation 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.

Game Management Contracts - Revenue Evolution[1]





Revenue Evolution Drivers:

- Slightly higher revenue in **Morocco** (€+0.2m).
- Marginally lower revenue from our **US** Sports Betting contracts in Montana and Washington, D.C. (€-0.1m).
- Lower revenue from our **Turkish** operations (€-2.6m), solely affected by the appreciation of EUR (+81.9% versus a year ago – in average terms). In local currency, current year results posted a +49.4% y-o-y increase. In 1H22, the local Sports Betting market expanded close to 1.4 times y-o-y, with the online segment representing close to 89% of the market at the end of 1H22.

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.

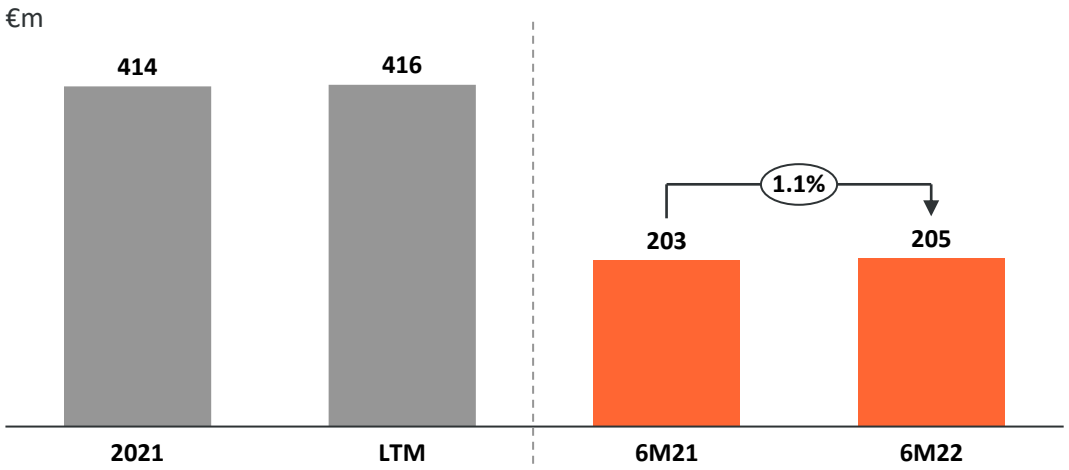
Consolidated Financial Statements for 1H22

(in € million)	1H22	1H21	% Change	2Q22	2Q21	% Change	LTM
Revenue (Turnover)	**204.8**	**202.6**	**1.1%**	**107.2**	**105.1**	**2.0%**	**416.2**
Technology, Management & Rest Contracts	142.7	143.2	-0.4%	75.3	74.7	0.9%	285.2
Licensed Operations (Payout related)	62.2	59.4	4.6%	31.9	30.4	4.9%	131.1
Payout (%)[1]	58.4%	65.1%	- 6.6pps	58.0%	65.8%	- 7.8pps	58.2%
GGR	**168.5**	**163.9**	**2.8%**	**88.7**	**85.1**	**4.3%**	**339.9**
Gross Profit	56.3	57.7	-2.5%	31.1	32.1	-3.1%	118.0
Gross Profit Margin (%)	27.5%	28.5%	- 1.0pps	29.0%	30.6%	- 1.5pps	28.4%
OPEX[2]	(49.4)	(45.5)	-8.5%	(27.6)	(23.4)	-17.7%	(105.5)
EBITDA[3]	**55.1**	**54.3**	**1.4%**	**29.0**	**29.4**	**-1.6%**	**111.2**
EBITDA Margin (% Sales)	26.9%	26.8%	+ 0.1pps	27.0%	28.0%	- 1.0pps	26.7%
EBITDA Margin (% GGR)	32.7%	33.1%	- 0.5pps	32.7%	34.6%	- 1.9pps	32.7%
Capital Structure Optimization expenses	(0.3)	(11.2)	97.2%	(0.0)	(6.2)	99.9%	(6.3)
D&A	(36.5)	(31.9)	-14.4%	(19.4)	(16.0)	-21.5%	(75.6)
EBT	**8.0**	**(10.4)**	**-**	**10.3**	**(7.6)**	**-**	**55.5**
EBT Margin (% Sales)	3.9%	-5.1%	+ 9.0pps	9.6%	-7.2%	+ 16.9pps	13.3%
NIATMI from Continuing Operations	**(6.1)**	**(17.6)**	**65.4%**	**(0.4)**	**(10.7)**	**95.9%**	**38.1**

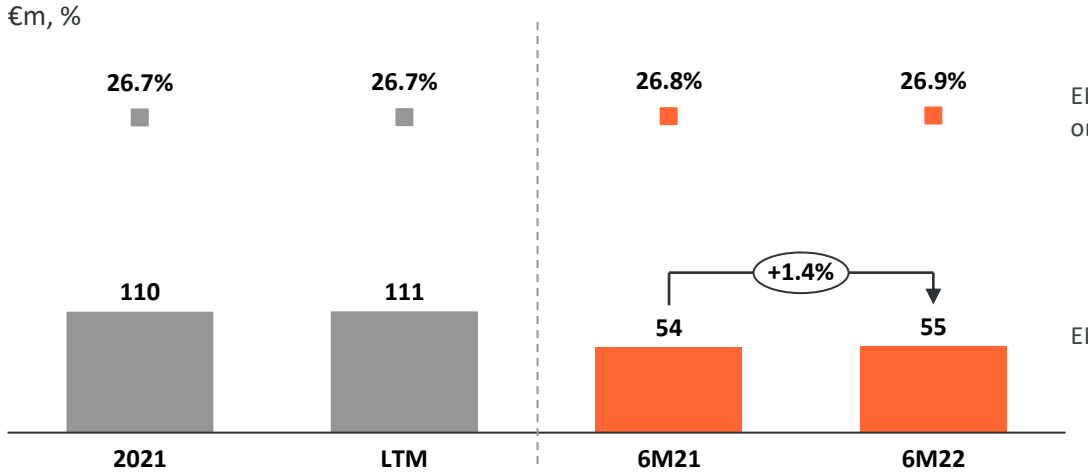
1. Payout ratio calculation excludes the IFRS 15 impact for payments to customers.
2. Operating Expenses analysis excludes expenditures related to capital structure optimization.
3. The Group defines "EBITDA" as "Operating Profit/(Loss) before tax" adjusted for the figures "Profit/(loss) from equity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

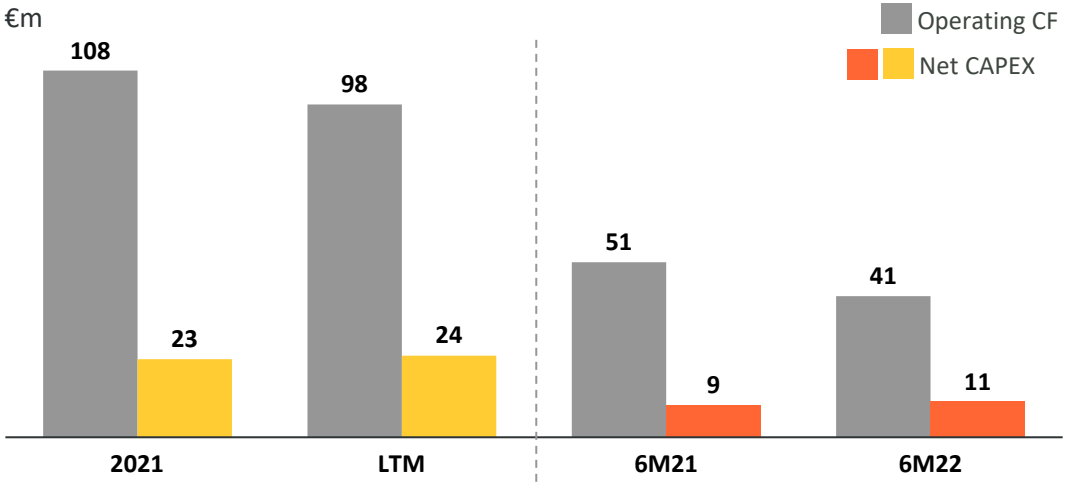
REVENUES[1]



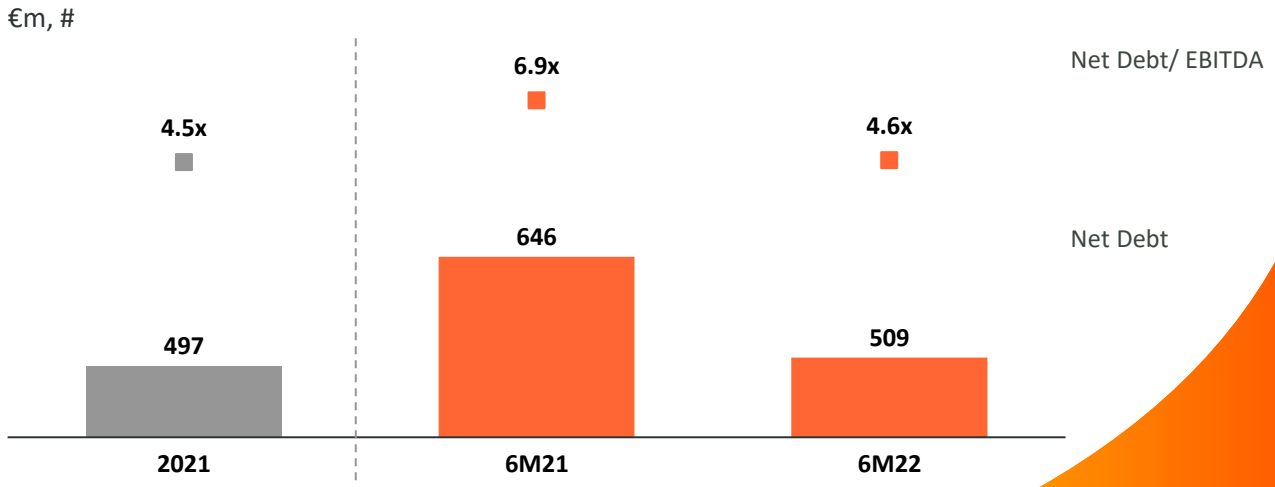
EBITDA AND EBITDA MARGIN[1]



OPERATING CASH FLOW[2] AND NET CAPEX



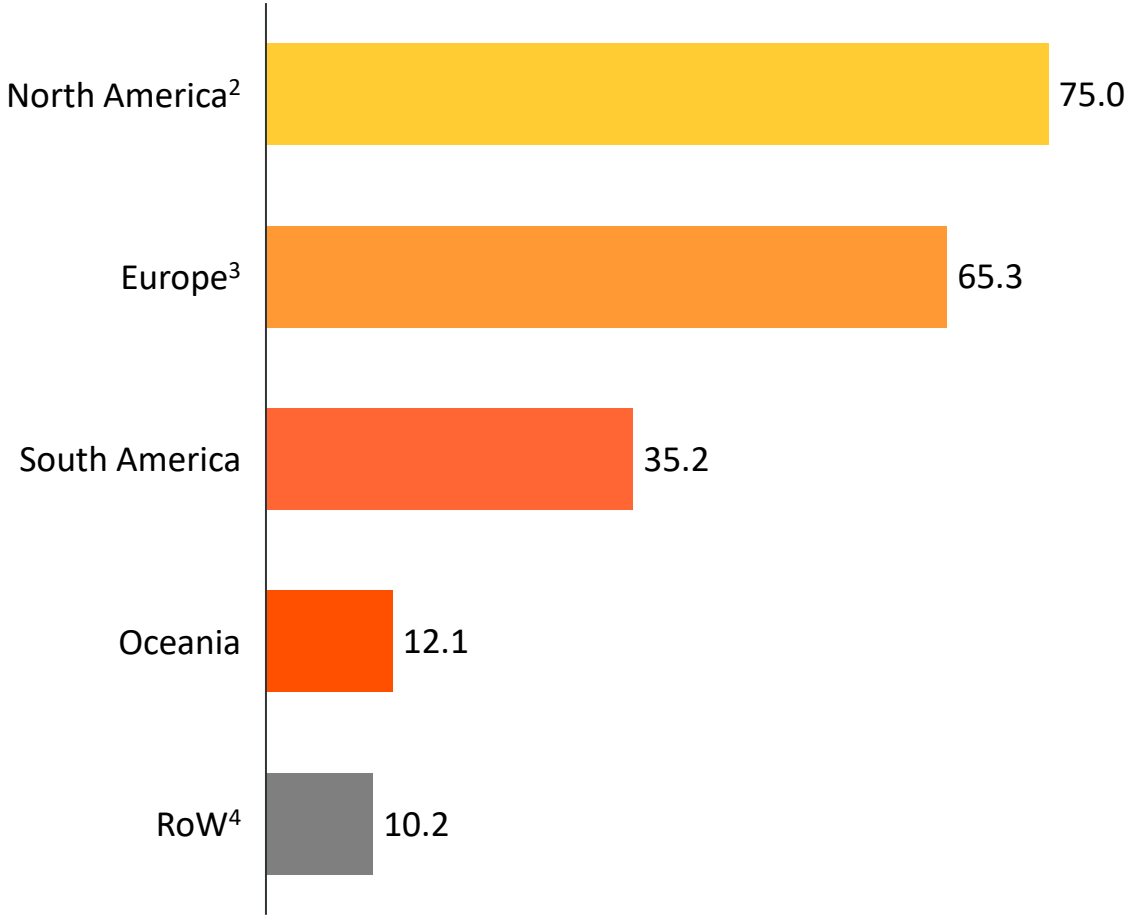
NET DEBT[3] AND NET DEBT / EBITDA[4]



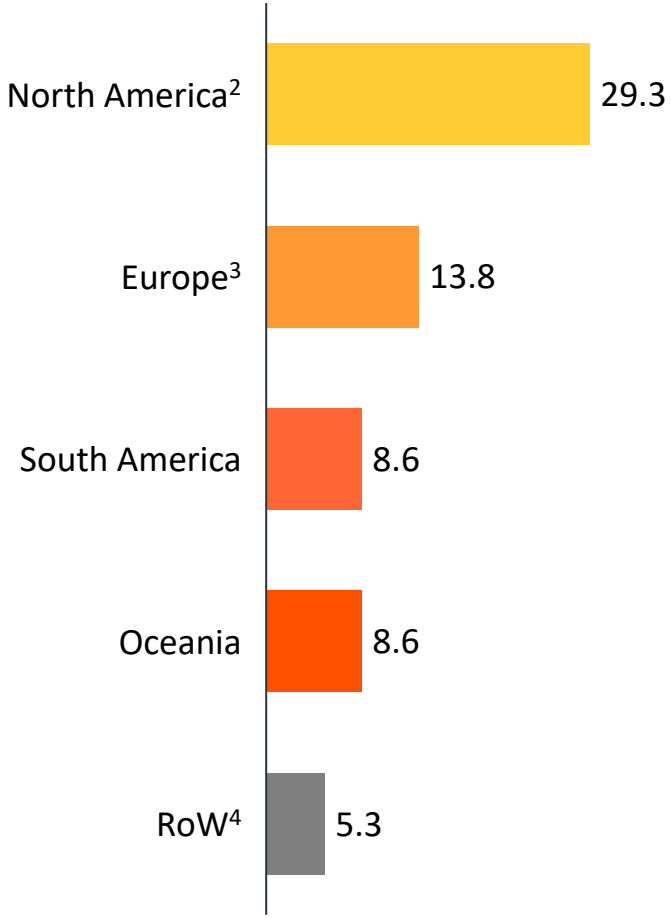
1. The activities of Group subsidiaries and associates in Brazil and Peru are presented as discontinued operations pursuant to IFRS 5.
2. Operating Cash Flows presented exclude the impact of the capital structure optimization costs paid.
3. Net debt calculated as Long-term debt plus Short-term debt and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

Key Revenue and EBITDA Contributors[1]

1H22 Key Revenue Contributors
(in €m)



1H22 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

1H22 – Group Income Statement

(in € million)	1H22	1H21	*% Change*	LTM
Revenue	**204.8**	**202.6**	**1.1%**	**416.2**
Gross Profit	56.3	57.7	-2.5%	118.0
Other Operating Income	11.7	10.2	14.2%	23.1
OPEX	(49.4)	(45.5)	-8.5%	(105.5)
EBITDA	**55.1**	**54.3**	**1.4%**	**111.2**
Margin	26.9%	26.8%	+ 0.1pps	26.7%
Capital Structure Optimization expenses	(0.3)	(11.2)	97.2%	(6.3)
D&A	(36.5)	(31.9)	-14.4%	(75.6)
EBIT	**18.2**	**11.2**	**62.7%**	**29.3**
Interest Expense (Net)	(19.5)	(23.6)	17.2%	(9.5)
Exchange Differences	(0.5)	2.9	-	(4.5)
Other	9.8	(0.9)	-	40.3
EBT	**8.0**	**(10.4)**	**-**	**55.5**
NIATMI	(0.5)	(26.7)	98.1%	43.7
NIATMI Continuing	**(6.1)**	**(17.6)**	**65.4%**	**38.1**
NIATMI Discontinued	5.6	(9.1)	-	5.6

1H22 – Group Statement Of Financial Position

(in € million)	1H22	FY21
Tangible Assets (incl. investment properties)	122.8	123.2
Intangible Assets	217.1	204.3
Other Non-current Assets	20.1	21.7
Inventories	26.8	18.7
Trade and Other Short-term Receivables	122.7	130.2
Cash and Cash Equivalents	116.4	107.3
Assets Held for Sale	-	-
Total Assets	**625.9**	**605.5**
Share Capital	44.6	45.7
Other Equity Elements	(168.4)	(169.1)
Reserves from profit / (loss) recognized directly in other comprehensive income and are related to assets held for sale	-	-
Non-controlling Interests	14.9	8.0
Total Shareholders Equity	**(108.9)**	**(115.5)**
Long-term Debt	609.5	588.0
Provisions / Other Long-Term Liabilities	29.0	19.2
Short-term Debt	15.6	16.5
Other Short-term Liabilities	80.8	97.3
Total Liabilities	**734.8**	**720.9**
Total Equity and Liabilities	**625.9**	**605.5**

1H22 – Group Cash Flow

(in € million)	1H22	1H21
EBT from continuing operations	**8.0**	**(10.4)**
EBT from discontinued operations	**5.6**	**(7.9)**
Plus/less adjustments	40.5	73.8
Decrease/(increase) of inventories	(6.2)	(1.2)
Decrease/(increase) of receivable accounts	7.8	23.8
(Decrease)/increase of payable accounts	(11.8)	(32.6)
Income tax paid	(2.5)	5.7
Net Cash from Operating Activities	**41.4**	**51.3**
Net CAPEX	(10.5)	(9.5)
(Purchases) / Sales of subsidiaries & other investments	(0.1)	9.6
Interest received	1.4	0.8
Dividends received	-	-
Net Cash from Investing Activities	**(9.2)**	**1.0**
Treasury shares purchase	-	0.1
Cash inflows from loans	0.0	0.0
Repayment of loans	(0.9)	(11.2)
Repayment of leasing obligations	(1.9)	(2.6)
Interest and similar charges paid	(20.6)	(37.8)
Dividends paid	(2.6)	(6.5)
Reorganization costs paid	(0.1)	(9.5)
Net Cash from Financing Activities	**(26.0)**	**(67.5)**
Net increase / (decrease) in cash for the period	**6.2**	**(15.2)**
Exchange differences	2.8	(1.5)
Cash at the beginning of the period	107.3	100.0
Cash at the end of the period from total operations	**116.4**	**83.2**

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