



# 1Q23 Financial Results

May 30<sup>th</sup>, 2023

***intralot***

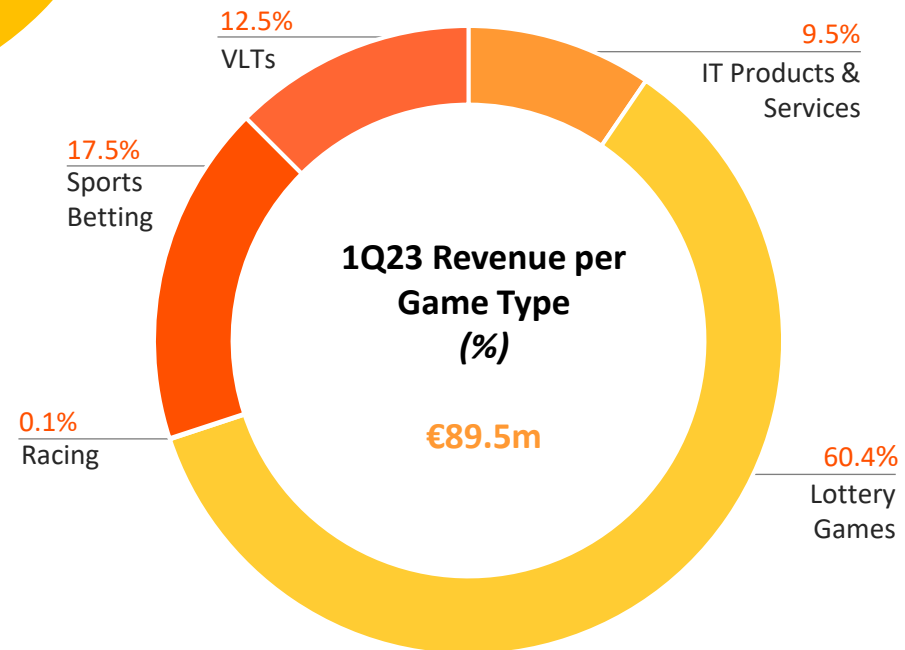
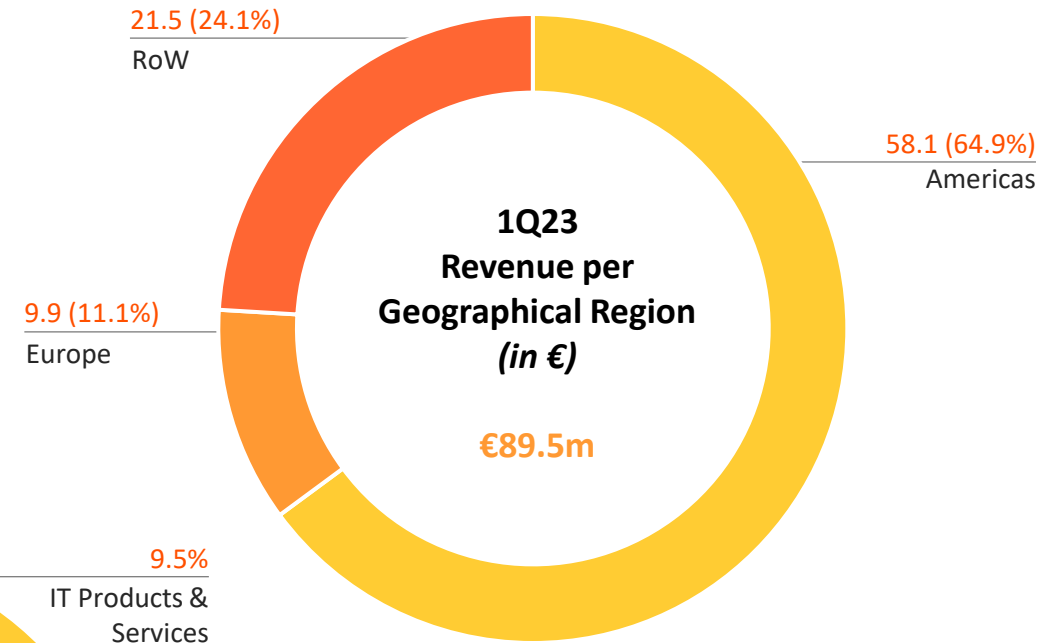
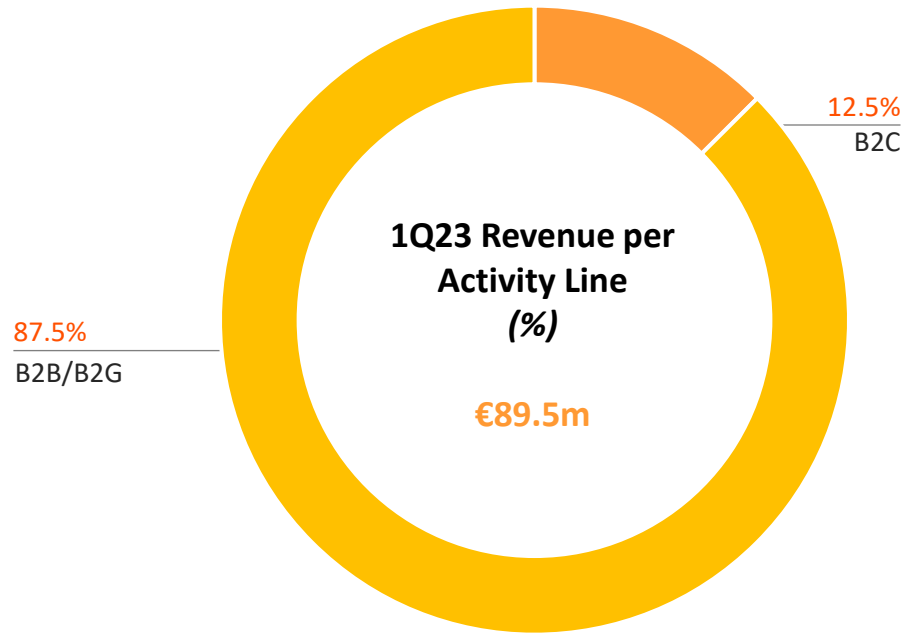
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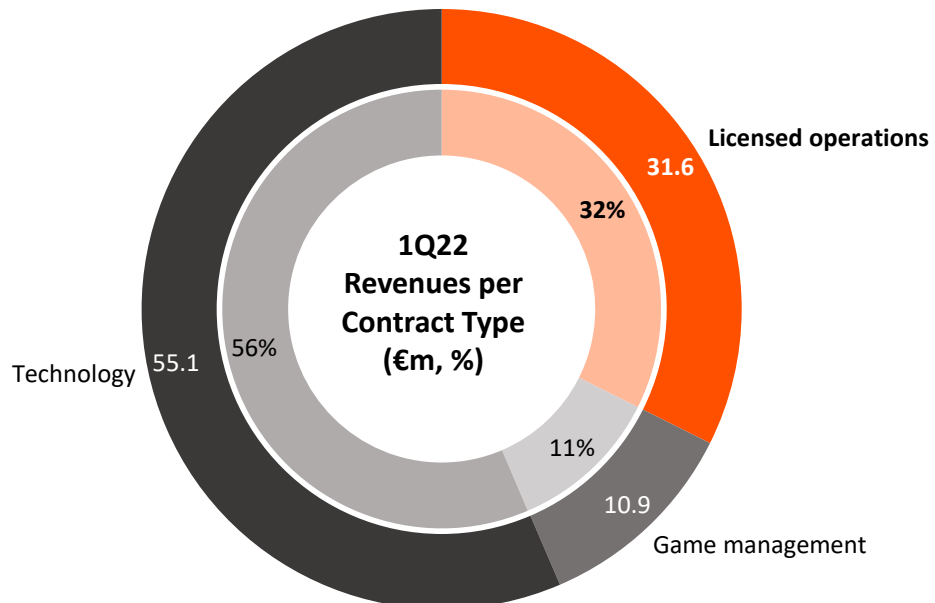
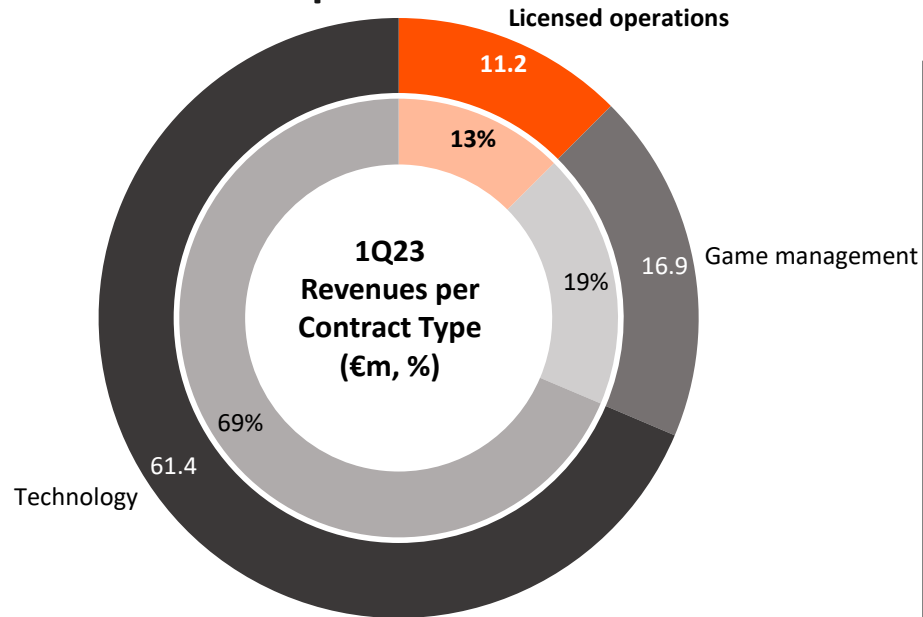
*Note: Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals.*

“ We are extremely proud of first quarter robust organic Ebitda growth of 29% and a return to Net Earnings, along with healthy cash flows and significant reduction of Group Net Leverage Ratio down to 3.6x, providing additional momentum to Intralot’s successful turnaround story as a result of our consistent efforts in the past few years. With healthy financials and new technical capabilities offered through next generation solutions for Lottery digital transformation, in both the retail and online worlds, we look forward to timely addressing upcoming maturities, further improving our capital structure, and implementing an ambitious plan for strong and sustainable growth in the US and key markets around the world, creating value for all stakeholders.”

# Revenue Overview

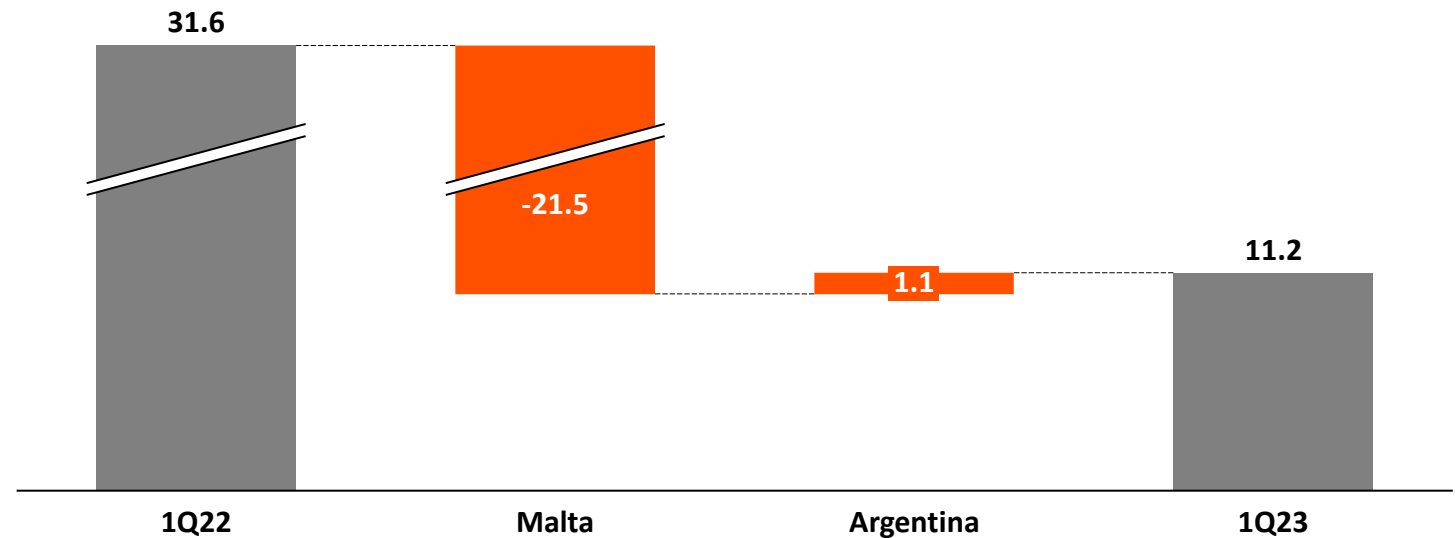


# Licensed Operations - Revenue Evolution<sup>1</sup>



in € million

Q1

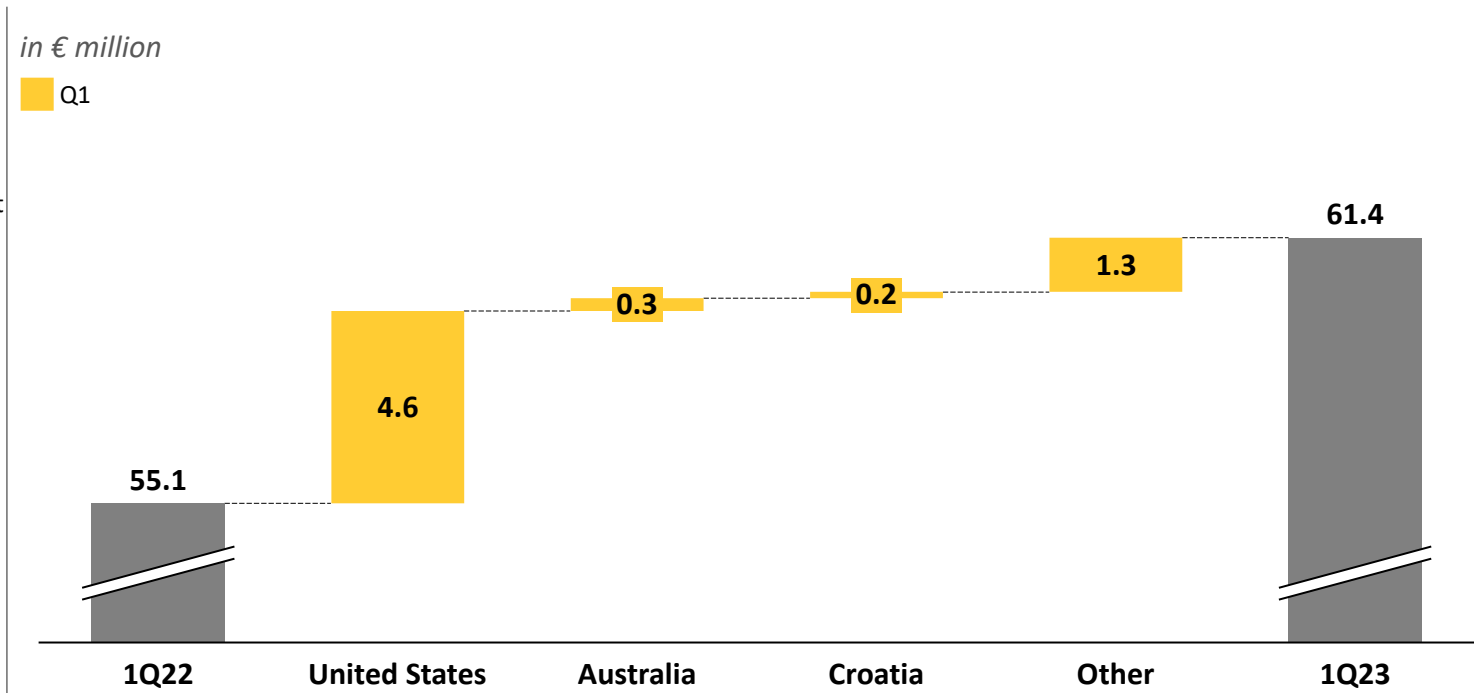
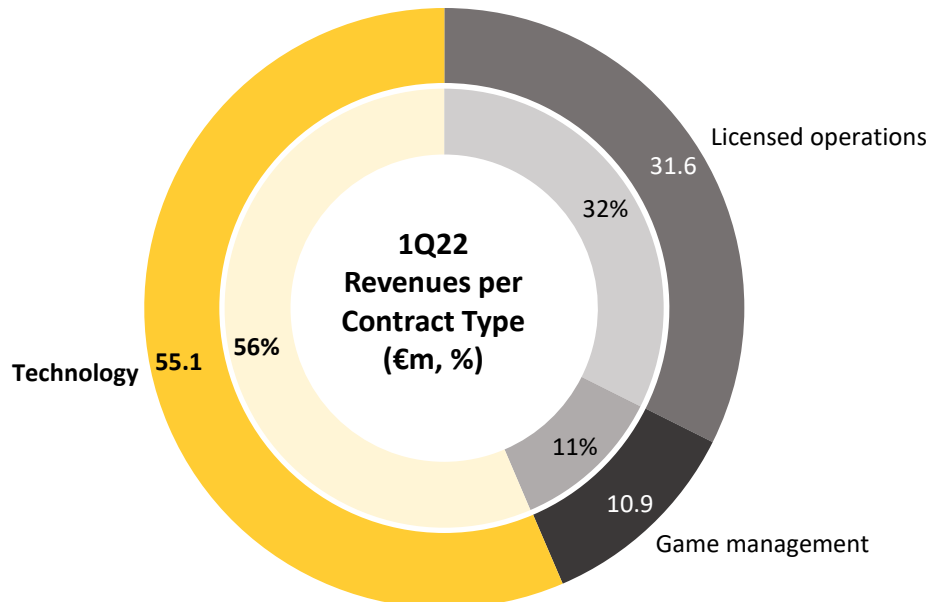
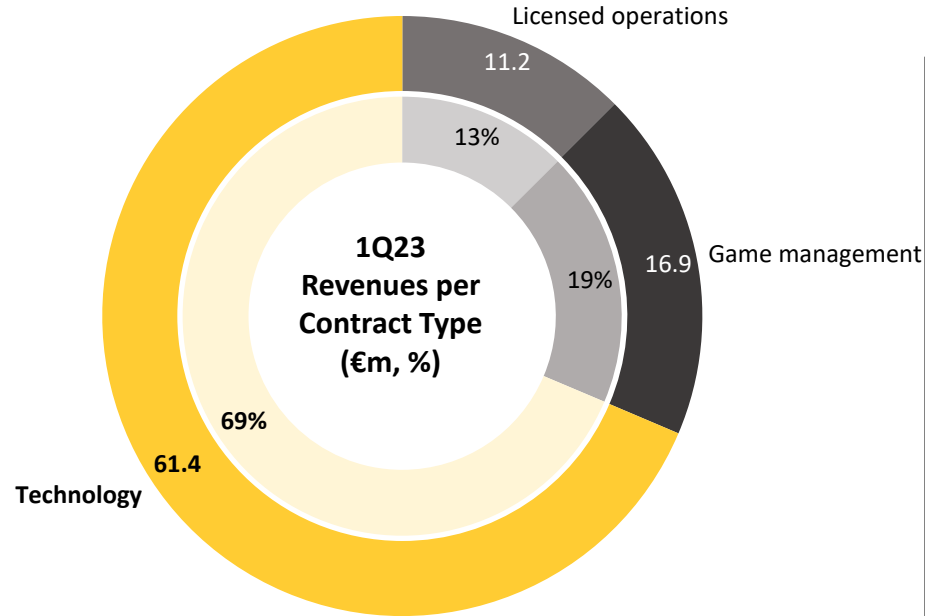


**Revenue Evolution Drivers:**

- Lower revenue in **Malta** (€-21.5m) due to the license expiration early July 2022.
- Higher revenue in **Argentina** (€+1.1m or +10.9% y-o-y), driven by local market growth. In local currency, current year results posted a +104.5% 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<sup>1</sup>

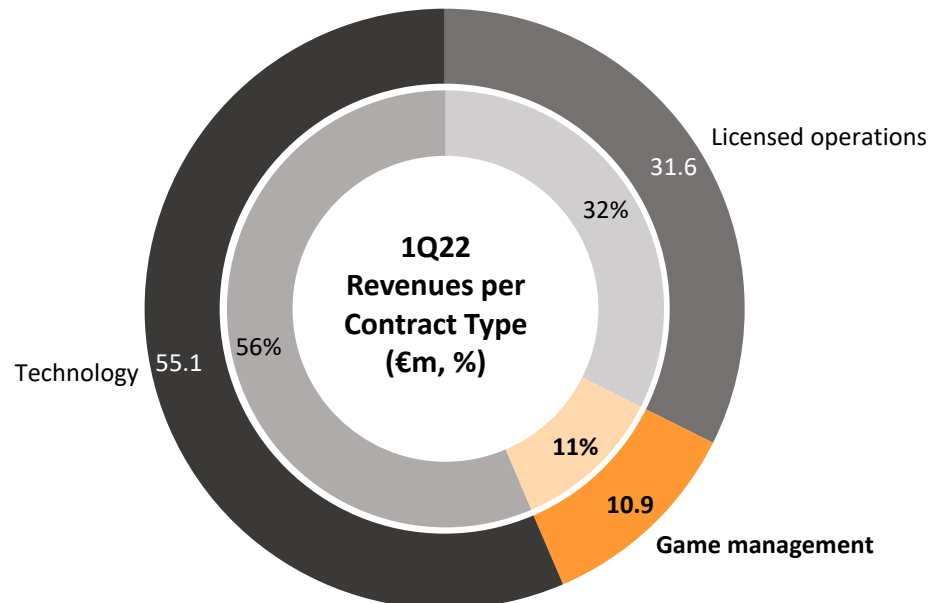
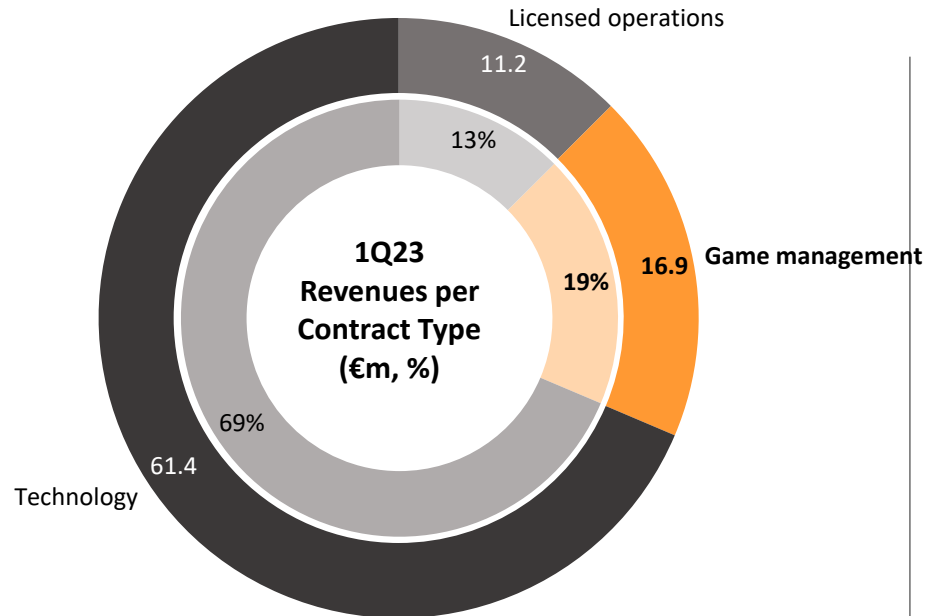


**Revenue Evolution Drivers:**

- **US operations'** increased revenue (€+4.6m or +13.1% y-o-y), mostly driven by the growth in Numerical and Instant games, further affected by the EUR depreciation (-4.3% versus a year ago – in average terms).
- Higher revenue from **rest jurisdictions** (€+1.7m or +8.6%).

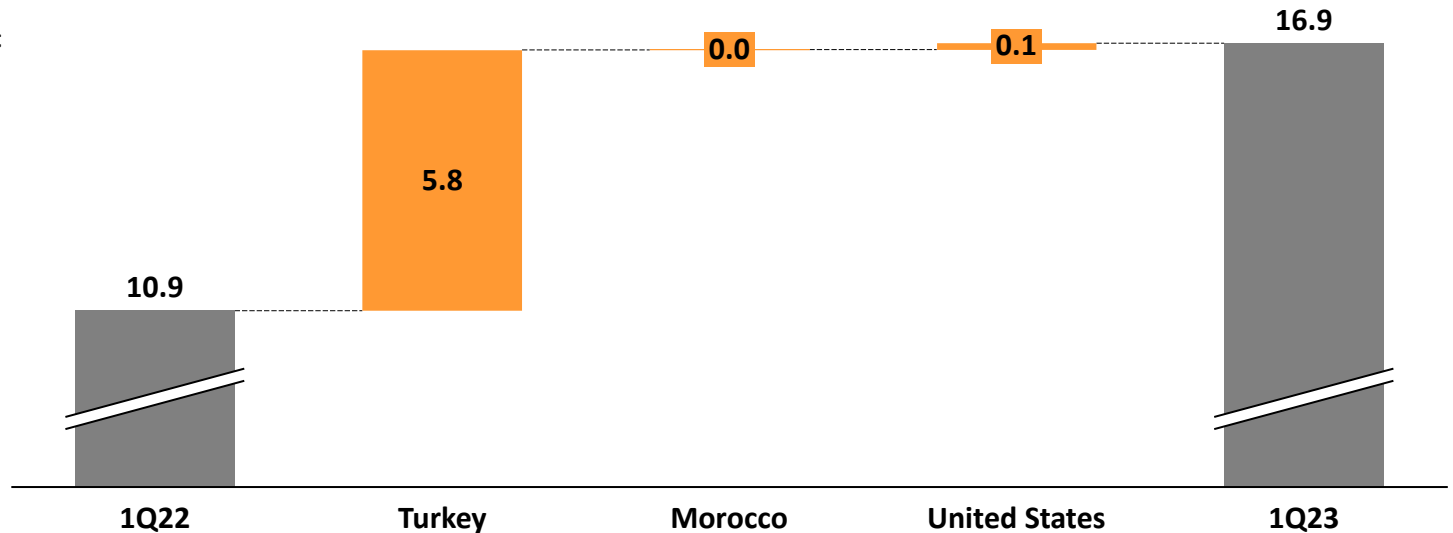
1. Part of the US revenue that concerns SB management, has been included under the category "Game Management". The rest of the US revenue is included under the "Technology" business segment.

# Game Management Contracts - Revenue Evolution<sup>1</sup>



in € million

Q1



### Revenue Evolution Drivers:

- Strong momentum of our **Turkish** operations (€+5.8m), driven by Bilyoner's improved performance, favored by the growth of the online market. In 1Q23, the local Sports Betting market expanded close to 2.2 times y-o-y. Performance in Euro terms was partially mitigated by the headwinds in Turkish lira (+28.1% Euro appreciation versus a year ago).
- Higher revenue from our **US** Sports Betting contracts in Montana and Washington, D.C. (€+0.1m).
- Steady performance in **Morocco**.

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 1Q23



<i>(in € million)</i>	1Q23	1Q22	% Change	LTM
<b>Revenue (Turnover)</b>	<b>89.5</b>	<b>97.7</b>	<b>-8.4%</b>	<b>384.6</b>
Technology, Management & Rest Contracts	79.7	67.4	18.3%	321.9
Licensed Operations (Payout related)	9.8	30.3	-67.7%	62.7
<i>Payout (%)</i> <sup>1</sup>	62.4%	58.9%	+ 3.5pps	59.2%
<b>GGR</b>	<b>83.4</b>	<b>79.8</b>	<b>4.5%</b>	<b>347.5</b>
Gross Profit	32.5	25.2	29.3%	135.1
<i>Gross Profit Margin (%)</i>	36.4%	25.8%	+ 10.6pps	35.1%
OPEX <sup>2</sup>	(22.7)	(21.8)	3.9%	(100.6)
<b>EBITDA<sup>3</sup></b>	<b>33.7</b>	<b>26.1</b>	<b>29.2%</b>	<b>130.5</b>
<i>EBITDA Margin (% Sales)</i>	37.7%	26.7%	+ 11.0pps	33.9%
<i>EBITDA Margin (% GGR)</i>	40.5%	32.7%	+ 7.7pps	37.6%
Capital Structure Optimization expenses	-	(0.3)	-100.0%	(0.9)
D&A	(16.1)	(17.1)	-5.9%	(69.1)
<b>EBT</b>	<b>10.9</b>	<b>(2.3)</b>	-	43.0
<i>EBT Margin (% Sales)</i>	12.2%	-2.4%	+ 14.6pps	11.2%
<b>NIATMI</b>	<b>3.1</b>	<b>(5.7)</b>	-	<b>20.7</b>

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

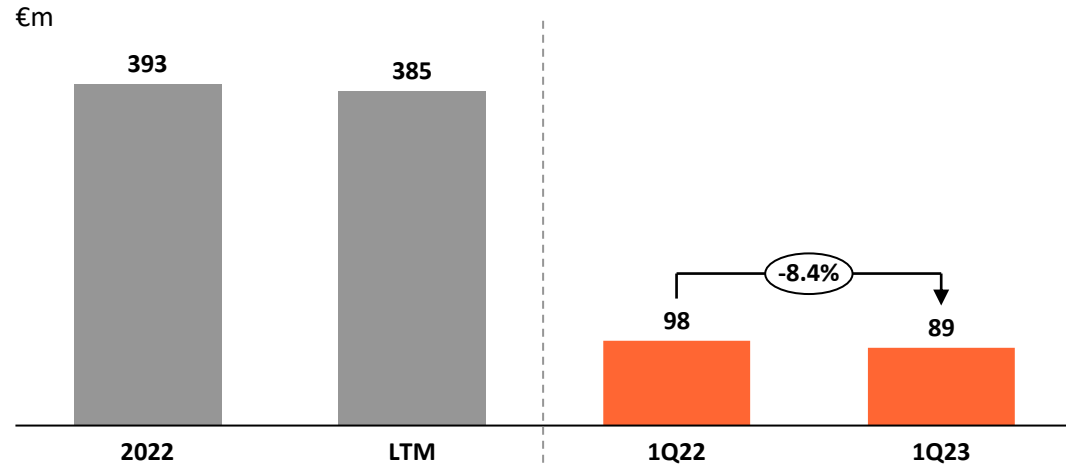
2. Operating Expenses analysis excludes expenditures related to capital structure optimization.

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".

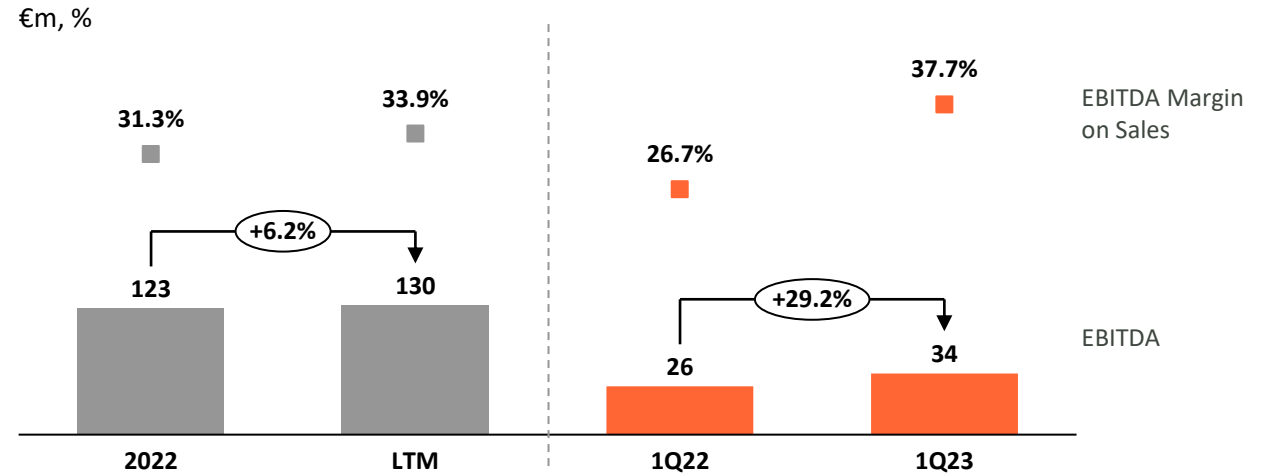


# Overview Of Key Financial Metrics

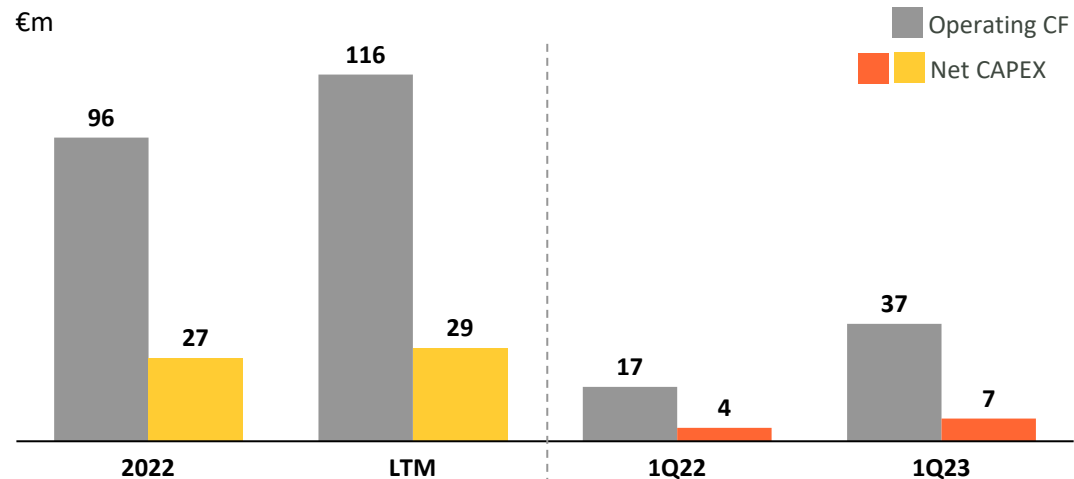
## REVENUES



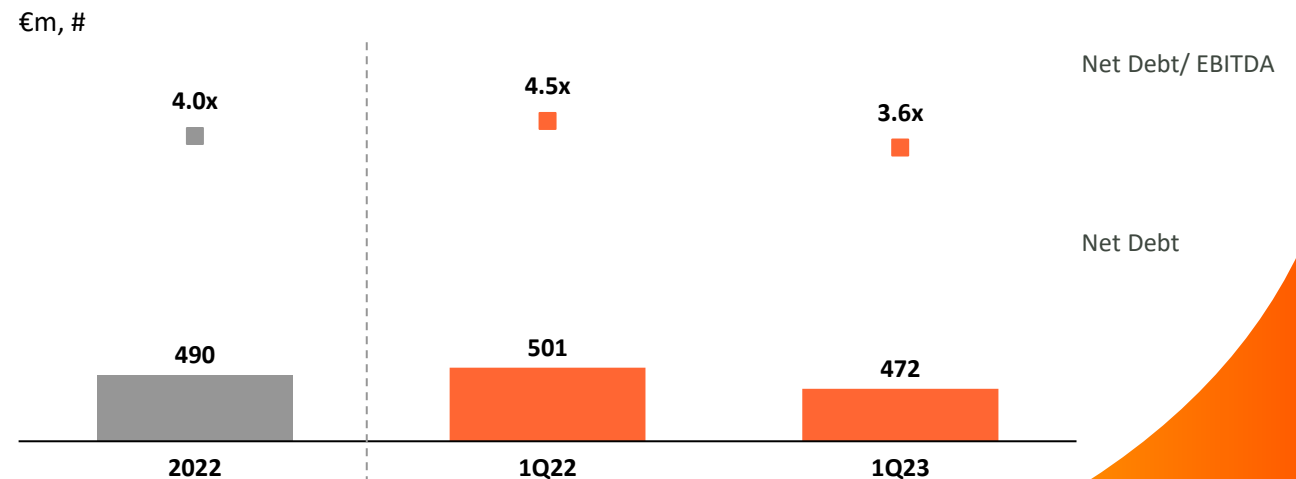
## EBITDA AND EBITDA MARGIN



## OPERATING CASH FLOW<sup>1</sup> AND NET CAPEX



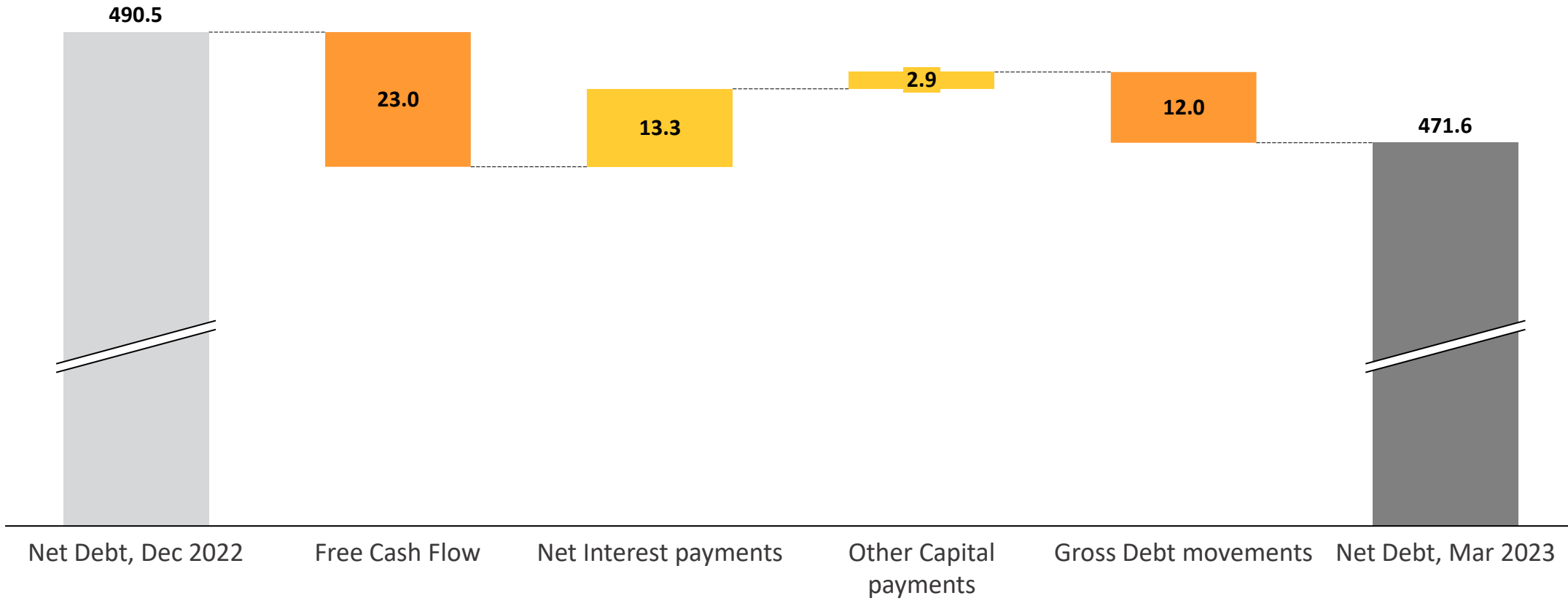
## NET DEBT<sup>2</sup> AND NET DEBT / EBITDA<sup>3</sup>



1. Operating Cash Flows presented exclude the impact of the capital structure optimization costs paid.
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.

# Net Debt Movement

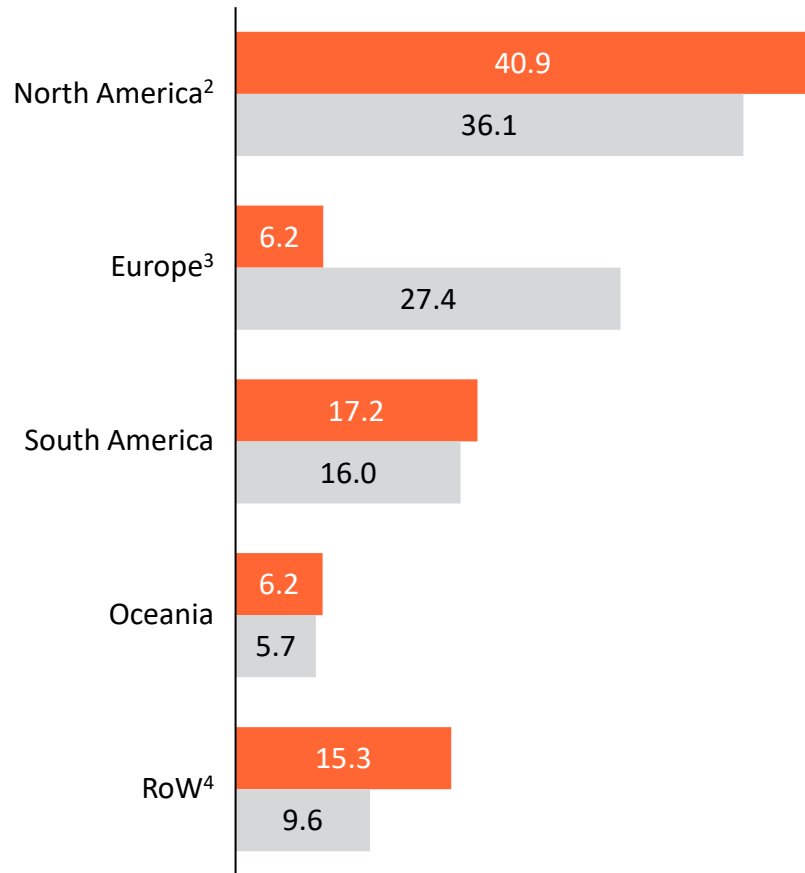
Net Debt Movement, 1Q23  
(in €m)



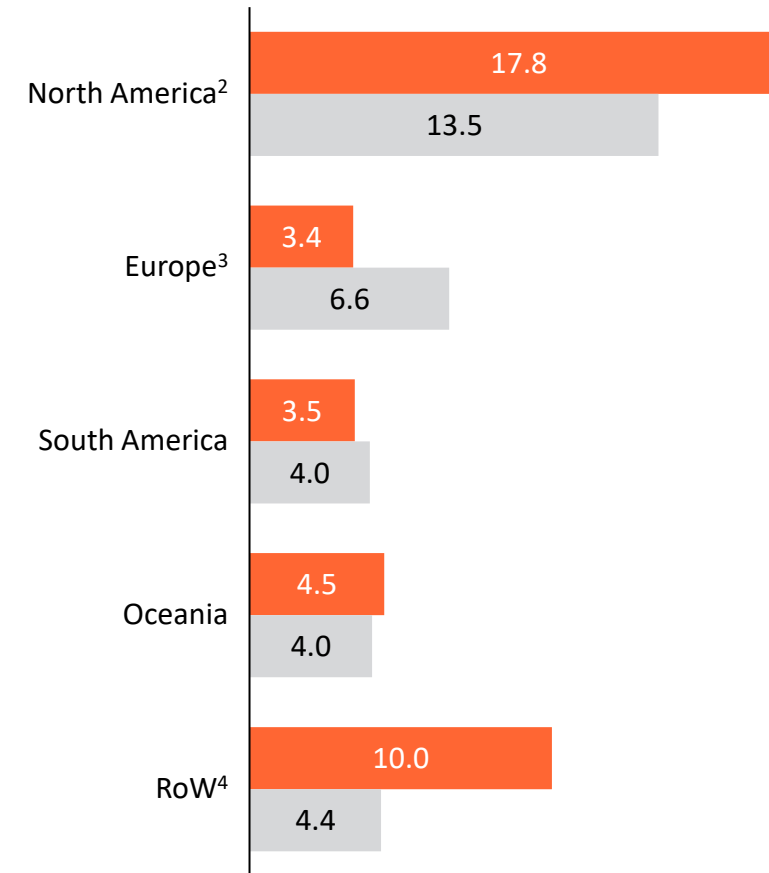
# Key Revenue and EBITDA Contributors<sup>1</sup>



## Key Revenue Contributors (in €m)



## Key EBITDA Contributors (in €m)



1Q23  
1Q22

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

# APPENDIX

## SUMMARY OF FINANCIAL STATEMENTS

# 1Q23 – Group Income Statement

<i>(in € million)</i>	1Q23	1Q22	% Change	LTM
<b>Revenue</b>	<b>89.5</b>	<b>97.7</b>	<b>-8.4%</b>	<b>384.6</b>
Gross Profit	32.5	25.2	29.3%	135.1
Other Operating Income	7.8	5.7	37.0%	27.0
OPEX	(22.7)	(21.8)	3.9%	(100.6)
<b>EBITDA</b>	<b>33.7</b>	<b>26.1</b>	<b>29.2%</b>	<b>130.5</b>
<i>Margin</i>	37.7%	26.7%	+ 11.0pps	33.9%
Capital Structure Optimization expenses	-	(0.3)	-100.0%	(0.9)
D&A	(16.1)	(17.1)	-5.9%	(69.1)
<b>EBIT</b>	<b>17.6</b>	<b>8.7</b>	<b>102.6%</b>	<b>60.5</b>
Interest and related Expenses (Net)	(9.8)	(9.7)	1.2%	(36.8)
Exchange Differences	(0.7)	(0.5)	30.2%	(0.6)
Other	3.8	(0.8)	-	19.9
<b>EBT</b>	<b>10.9</b>	<b>(2.3)</b>	<b>-</b>	<b>43.0</b>
NIATMI	3.1	(5.7)	-	20.7
<b>NIATMI Continuing</b>	<b>3.1</b>	<b>(5.7)</b>	<b>-</b>	<b>15.1</b>
NIATMI Discontinued	-	-	-	5.6

# 1Q23 – Group Statement Of Financial Position

<i>(in € million)</i>	1Q23	FY22
Tangible Assets (incl. investment properties)	110.3	116.3
Intangible Assets	206.1	208.6
Other Non-current Assets	54.2	56.0
Inventories	23.9	23.9
Trade and Other Short-term Receivables	95.7	109.9
Cash and Cash Equivalents	109.2	102.4
<b>Total Assets</b>	<b>599.4</b>	<b>617.1</b>
Share Capital	111.4	111.4
Share Premium	62.1	62.1
Other Equity Elements	(278.3)	(281.4)
Reserves from profit / (loss) recognized directly in other comprehensive income and are related to assets held for sale	-	-
Non-controlling Interests	17.5	20.2
<b>Total Shareholders Equity</b>	<b>(87.4)</b>	<b>(87.7)</b>
Long-term Debt	562.8	570.4
Provisions / Other Long-Term Liabilities	30.7	28.8
Short-term Debt	17.9	22.5
Other Short-term Liabilities	75.3	83.2
<b>Total Liabilities</b>	<b>686.7</b>	<b>704.8</b>
<b>Total Equity and Liabilities</b>	<b>599.4</b>	<b>617.1</b>

# 1Q23 – Group Cash Flow

(in € million)

	1Q23	1Q22
<b>EBT from continuing operations</b>	<b>10.9</b>	<b>(2.3)</b>
<b>EBT from discontinued operations</b>	-	-
Plus/less adjustments	24.3	27.4
Decrease/(increase) of inventories	(0.9)	(2.3)
Decrease/(increase) of receivable accounts	11.3	5.8
(Decrease)/increase of payable accounts	(6.9)	(10.5)
Income tax paid	(1.4)	(0.8)
<b>Net Cash from Operating Activities</b>	<b>37.2</b>	<b>17.3</b>
Net CAPEX	(7.2)	(4.3)
(Purchases) / Sales of subsidiaries & other investments	(0.5)	(0.3)
Interest received	1.0	0.7
Dividends received	1.0	-
<b>Net Cash from Investing Activities</b>	<b>(5.7)</b>	<b>(3.9)</b>
Proceeds from issues of shares and other equity securities	-	-
Treasury shares purchase	-	-
Cash inflows from loans	-	0.0
Repayment of loans	(2.9)	(0.4)
Repayment of leasing obligations	(1.5)	(0.8)
Interest and similar charges paid	(14.3)	(19.3)
Dividends paid	(4.5)	(2.0)
Reorganization costs paid	-	(0.1)
<b>Net Cash from Financing Activities</b>	<b>(23.2)</b>	<b>(22.7)</b>
<b>Net increase / (decrease) in cash for the period</b>	<b>8.3</b>	<b>(9.3)</b>
Exchange differences	(1.5)	-
Cash at the beginning of the period	102.4	107.3
<b>Cash at the end of the period from total operations</b>	<b>109.2</b>	<b>98.0</b>

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