FY22 Financial Results

April 11th, 2023

intralot

Disclaimer

By reading or attending the presentation that follows, you agree to be bound by the following limitations:

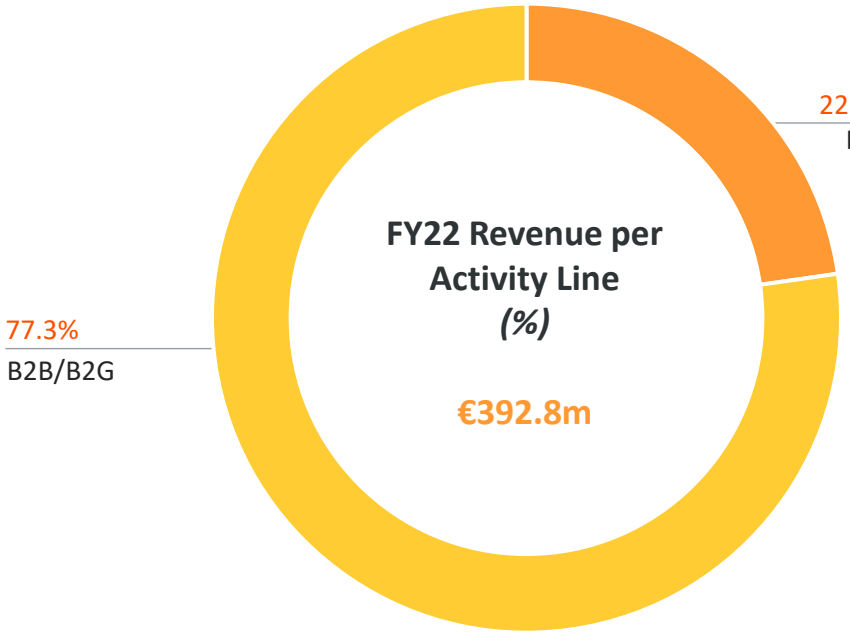
This presentation has been prepared by INTRALOT S.A. and its subsidiaries (the "Company" or "We") solely for informational purposes and does not constitute, and should not be construed as, an offer to sell or issue securities or otherwise constitute an invitation or inducement to any person to purchase, underwrite, subscribe to or otherwise acquire securities in the Company. This presentation is intended to provide a general overview of the Company and its business and does not purport to deal with all aspects and details regarding the Company. For the purposes of this disclaimer, the presentation that follows shall mean and include the slides that follow, the oral presentation of the slides by the Company or any person on its behalf, any question-and-answer session that follows the oral presentation, hard copies of this document and any materials distributed in connection with the presentation. By attending the meeting at which the presentation is made, dialing into the teleconference during which the presentation is made or reading the presentation, you will be deemed to have agreed to all of the restrictions that apply with regard to the presentation and acknowledged that you understand the legal regulatory sanctions attached to the misuse, disclosure or improper circulation of the presentation. The Company has included non-IFRS financial measures in this presentation. These measurements may not be comparable to those of other companies. Reference to these non-IFRS financial measures should be considered in addition to IFRS financial measures but should not be considered a substitute for results that are presented in accordance with IFRS. The information contained in this presentation has not been subject to any independent audit or review. A significant portion of the information contained in this presentation, including all market data and trend information, is based on estimates or expectations of the Company, and there can be no assurance that these estimates or expectations are or will prove to be accurate. Our internal estimates have not been verified by an external expert, and we cannot guarantee that a third party using different methods to assemble, analyze or compute market information and data would obtain or generate the same results. We have not verified the accuracy of such information, data or predictions contained in this presentation that were taken or derived from industry publications, public documents of our competitors or other external sources. Further, our competitors may define our and their markets differently than we do. In addition, past performance of the Company is not indicative of future performance. The future performance of the Company will depend on numerous factors, which are subject to uncertainty, including factors which may be unknown on the date hereof. Each attendee or recipient acknowledges that neither it nor the Company intends that the Company act or be responsible as a fiduciary to such attendee or recipient, its management, stockholders, creditors or any other person. By accepting and providing this document, each attendee or recipient and the Company, respectively, expressly disclaims any fiduciary relationship and agrees that each attendee or recipient is responsible for making its own independent judgment with respect to the Company and any other matters regarding this document. Certain statements contained in this presentation that are not statements of historical fact, including, without limitation, any statements preceded by, followed by or including the words "targets," "believes," "expects," "aims," "intends," "may," "anticipates," "would," "could" or similar expressions or the negative thereof, constitute forward-looking statements, notwithstanding that such statements are not specifically identified. Examples of forward looking statements include, but are not limited to: (i) statements about future financial and operating results; (ii) statements of strategic objectives, business prospects, future financial condition, budgets, projected levels of production, projected costs and projected levels of revenues and profits of the Company or its management or boards of directors; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions which are difficult to predict and outside of the control of the Company. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. We have based these assumptions on information currently available to us, if any one or more of these assumptions turn out to be incorrect, actual market results may differ from those predicted. While we do not know what impact any such differences may have on our business, if there are such differences, our future results of operations and financial condition, could be materially adversely affected. You should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date on which such statements are made. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.

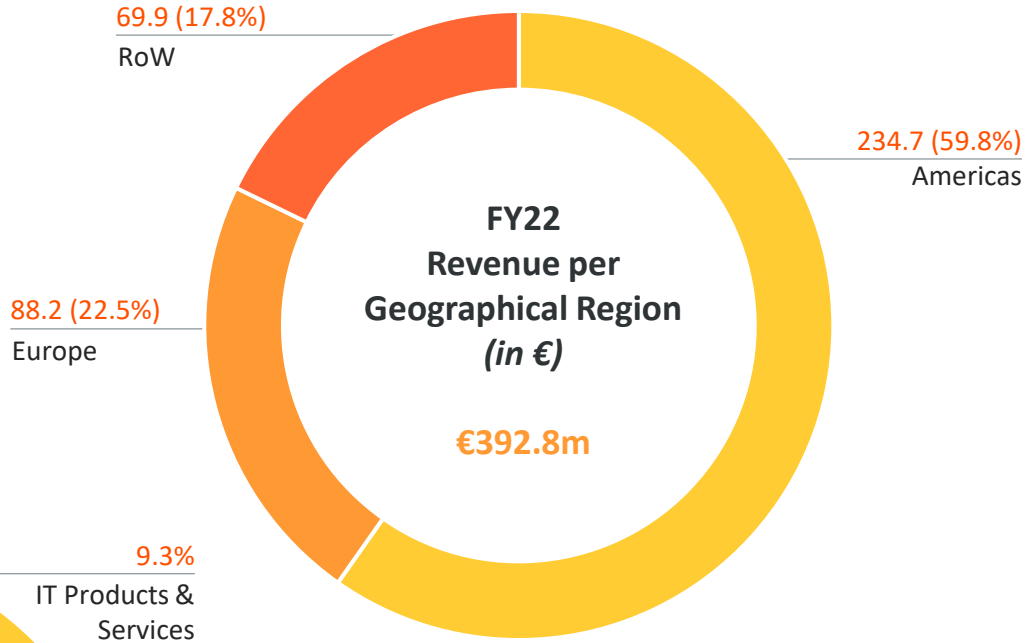
Note: Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals.

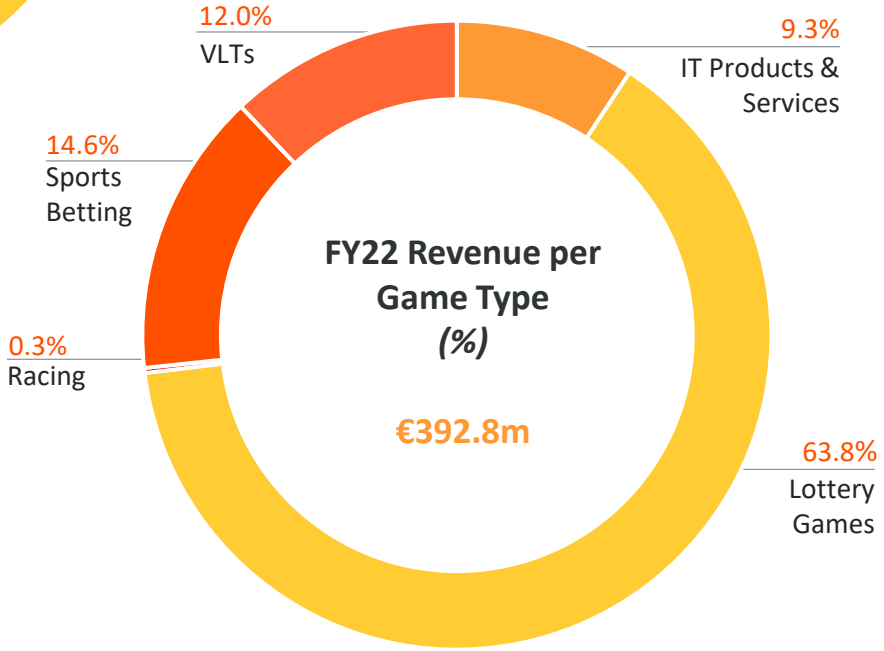
INTRALOT Chairman & CEO Sokratis P. Kokkalis, noted:

"INTRALOT's 2022 Financial Year results reflect robust performance and continuous improvements in all key financial indicators as the company delivered on its main business goals and as a result of intense efforts for capital structure optimization and management reorganization to boost growth and efficiencies. Furthermore, during 2022, we successfully completed a €129m share capital increase at parent level that attracted US based fund Standard General as strategic investor while the proceeds were mostly used to regain control of 100% of Intralot, Inc., our US subsidiary. In parallel we repaid the US-issued 2025 PIK Toggle Notes by use of a mix of a new $230m Term Loan from a Consortium of US banks and company's cash and secured a new revolving credit facility of $50m. In the light of our significantly improved position, we look forward to tapping new growth opportunities in the US and the rest of the world as one of the top gaming technology providers worldwide and working towards refinancing the 2024 Notes."

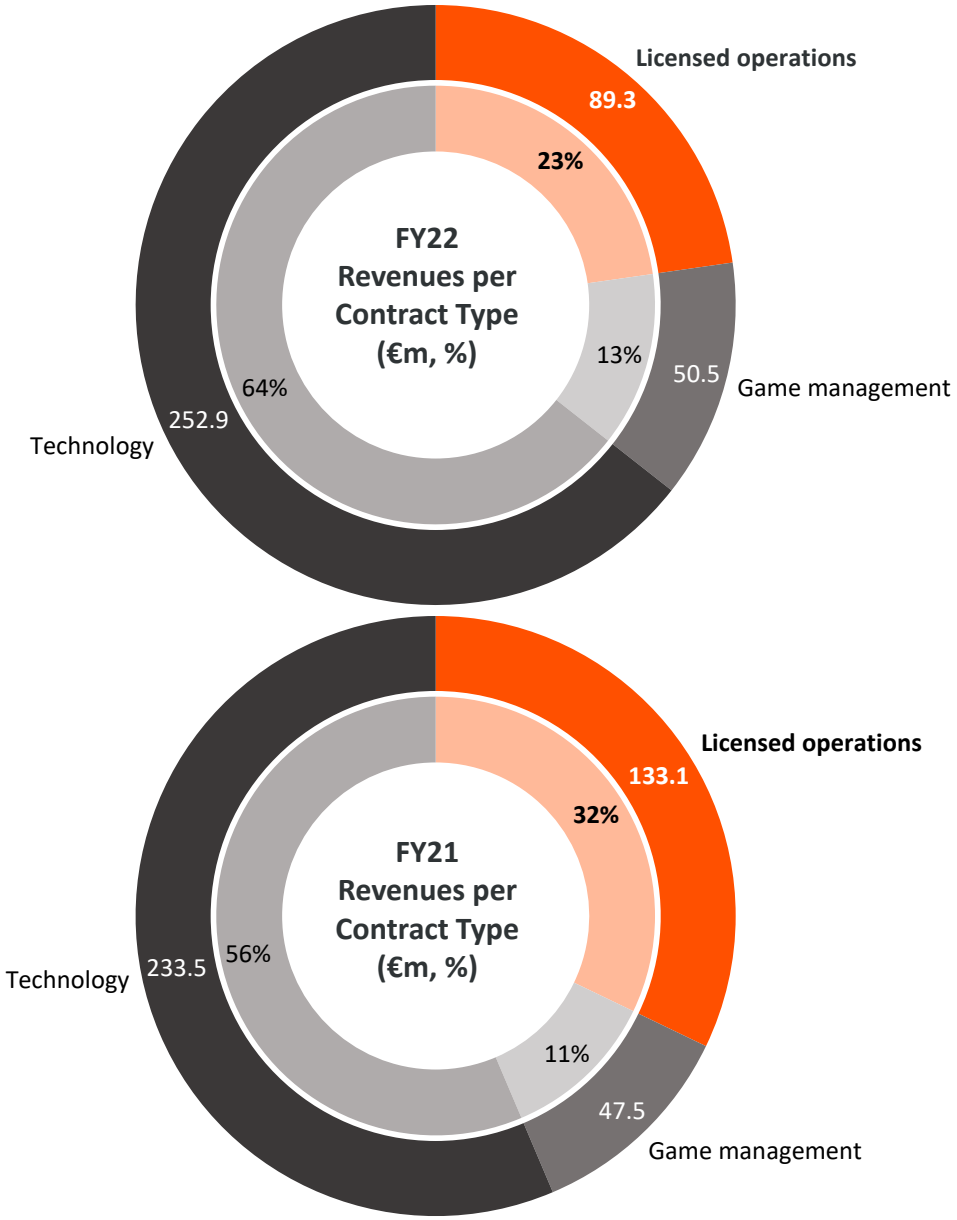
Revenue Overview

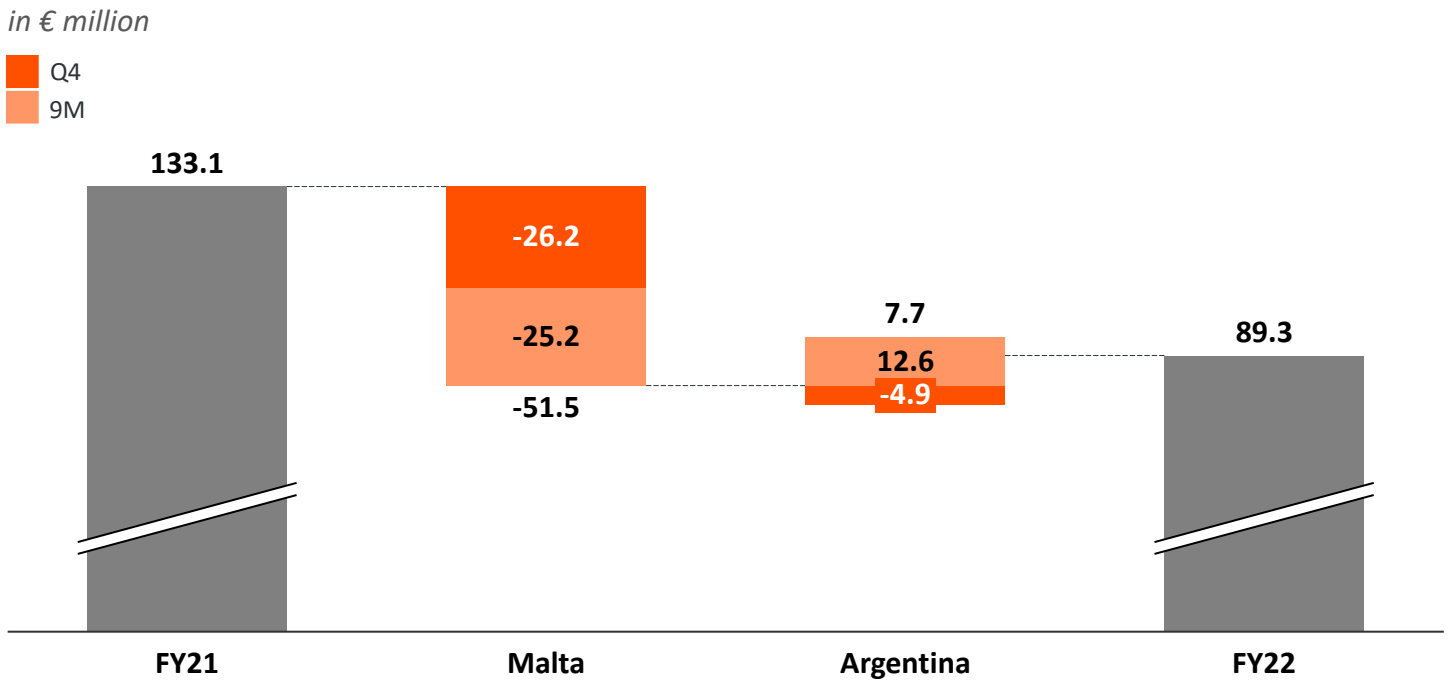






Licensed Operations - Revenue Evolution[1]



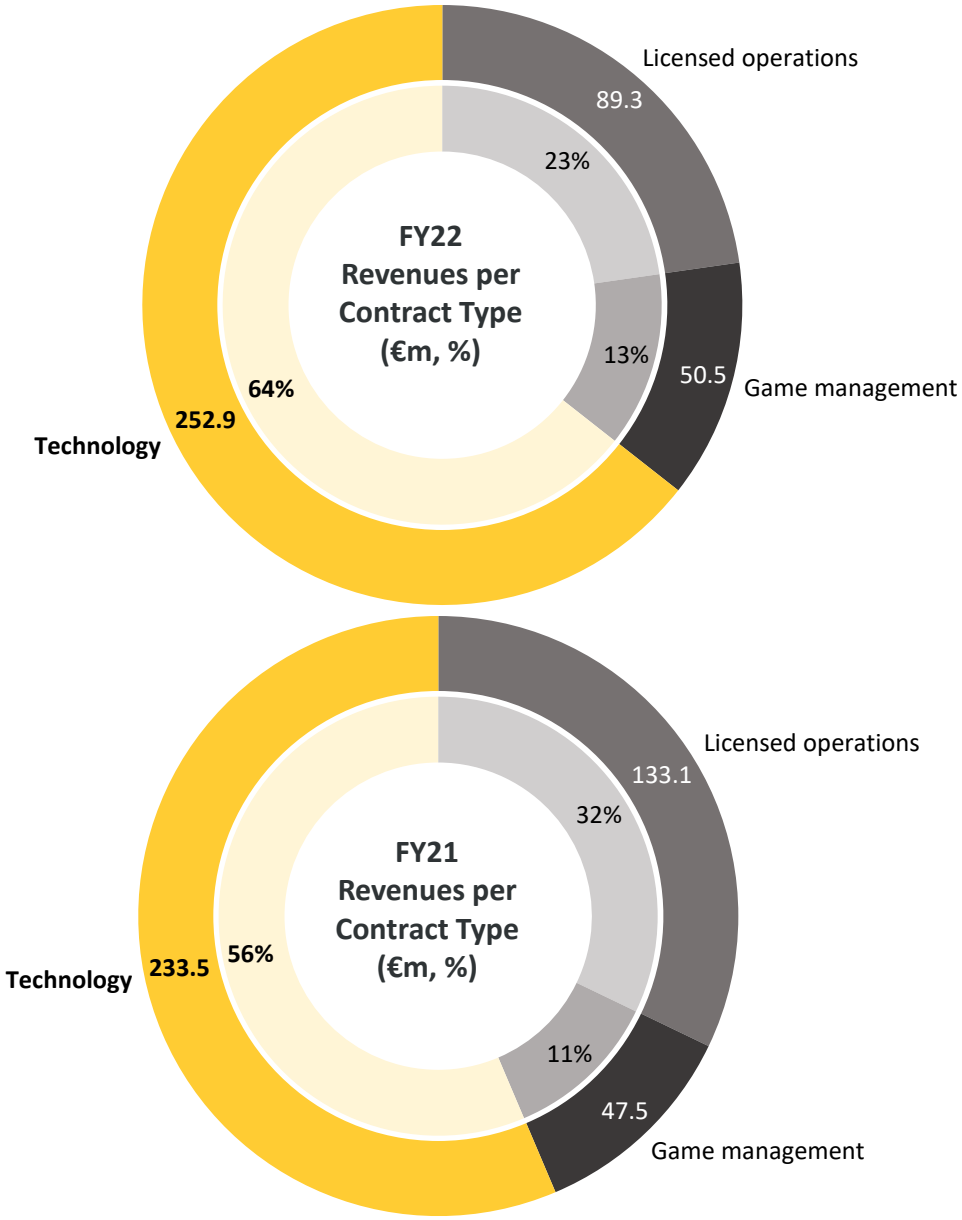


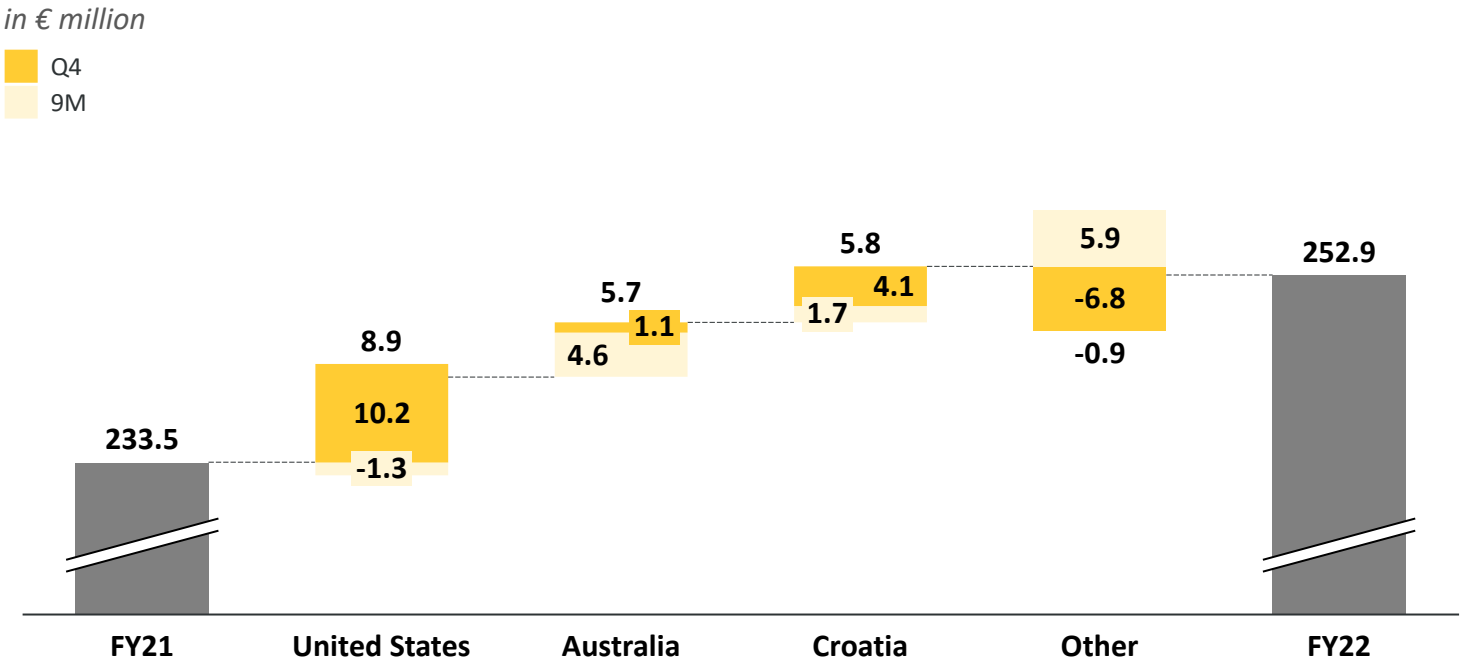
Revenue Evolution Drivers:

- Lower revenue in **Malta** (€-51.5m or -54.0% y-o-y) due to the license expiration early July 2022.
- Higher revenue in **Argentina** (€+7.7m or +20.5% y-o-y), driven by local market growth. In local currency, current year results posted a +95.5% 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[1]



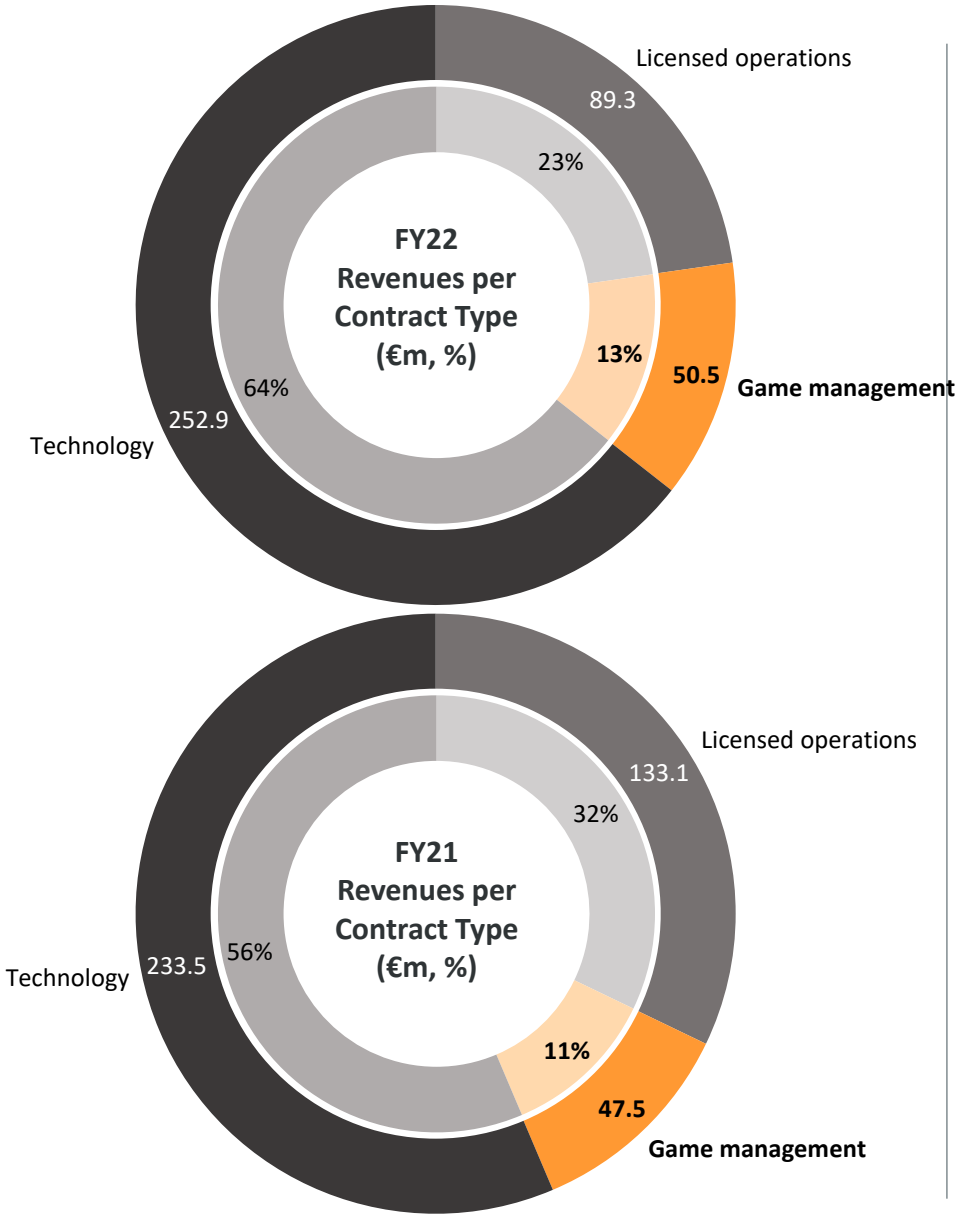


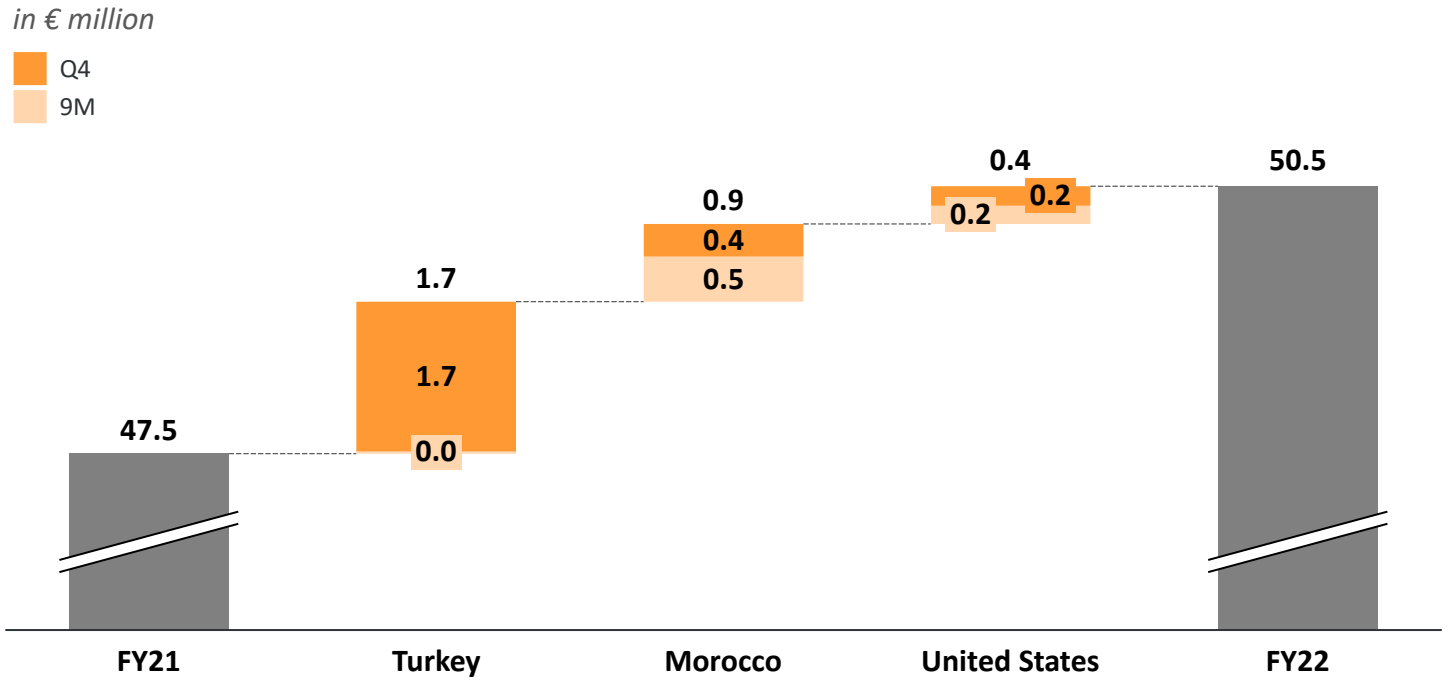
Revenue Evolution Drivers:

- Higher revenue in **US** operations (€+8.9m or +6.0% y-o-y) positively affected by the EUR depreciation (-11.0% versus a year ago – in average terms), offsetting the lower merchandise sale in local currency.
- Higher revenue in **Croatia** (€+5.8m) following the full contribution of our new contract (late April 2021 launch).
- Higher revenue in **Australia** (€+5.7m or +36.8% y-o-y) triggered by the return of our operations to pre COVID-19 levels.
- Lower revenue from **other jurisdictions** (€-0.9m).

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:

- Higher revenue from our **Turkish** operations (€+1.7m), driven by Bilyoner's improved performance, favored by the growth of the online market. Performance in Euro terms was partially mitigated by the headwinds in Turkish lira (+31.1% Euro appreciation versus a year ago).
- Higher revenue in **Morocco** (€+0.9m) led by the market growth.
- Higher revenue from our **US** Sports Betting contracts in Montana and Washington, D.C. (€+0.4m).

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 FY22

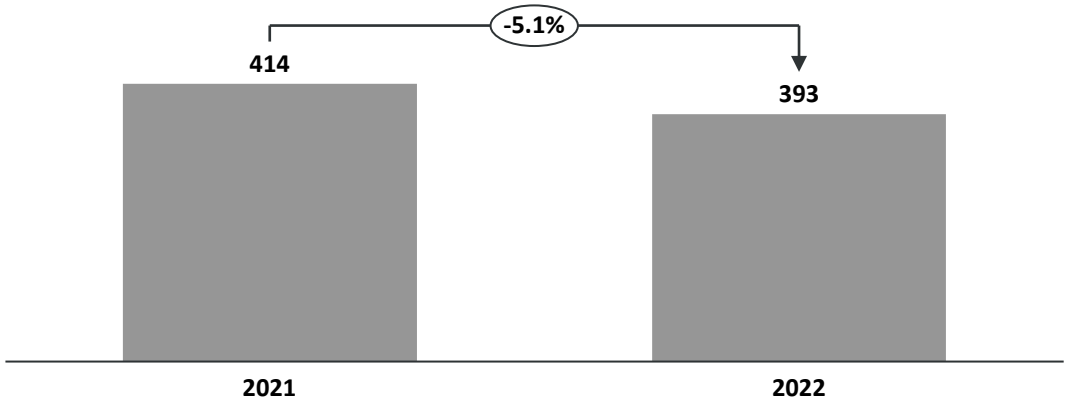
(in € million)	FY22	FY21	% Change	4Q22	4Q21	% Change
Revenue (Turnover)	**392.8**	**414.0**	**-5.1%**	**91.0**	**111.2**	**-18.1%**
Technology, Management & Rest Contracts	309.6	285.7	8.4%	84.9	74.6	13.9%
Licensed Operations (Payout related)	83.2	128.3	-35.2%	6.1	36.6	-83.3%
Payout (%)[1]	58.7%	61.3%	- 2.6pps	60.7%	55.5%	+5.2pps
GGR	**343.9**	**335.3**	**2.6%**	**87.3**	**90.9**	**-3.9%**
Gross Profit	127.7	113.8	12.2%	41.2	27.4	50.4%
Gross Profit Margin (%)	32.5%	27.5%	+ 5.0pps	45.2%	24.6%	+ 20.6pps
OPEX[2]	(99.8)	(96.0)	3.9%	(29.6)	(28.0)	5.5%
EBITDA[3]	**122.9**	**110.4**	**11.3%**	**34.8**	**27.8**	**25.1%**
EBITDA Margin (% Sales)	31.3%	26.7%	+ 4.6pps	38.2%	25.0%	+ 13.2pps
EBITDA Margin (% GGR)	35.7%	32.9%	+ 2.8pps	39.9%	30.6%	+ 9.2pps
Capital Structure Optimization expenses	(1.2)	(17.2)	-92.9%	(0.1)	(0.3)	-70.7%
D&A	(70.1)	(71.0)	-1.4%	(16.3)	(22.8)	-28.4%
EBT	**29.8**	**37.1**	**-19.8%**	**10.4**	**(19.7)**	**-**
EBT Margin (% Sales)	7.6%	9.0%	- 1.4pps	11.4%	-17.7%	-
NIATMI	**11.9**	**17.5**	**-31.9%**	**12.4**	**(18.0)**	**-**

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

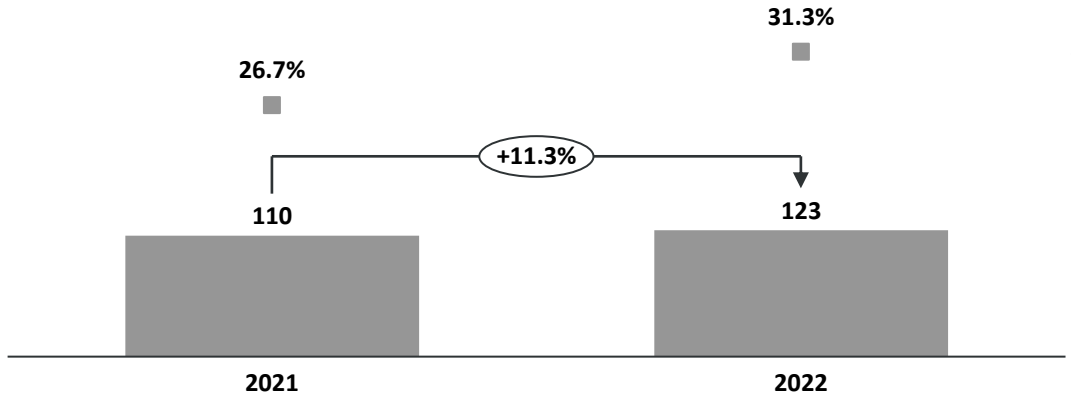
REVENUES[1]

€m



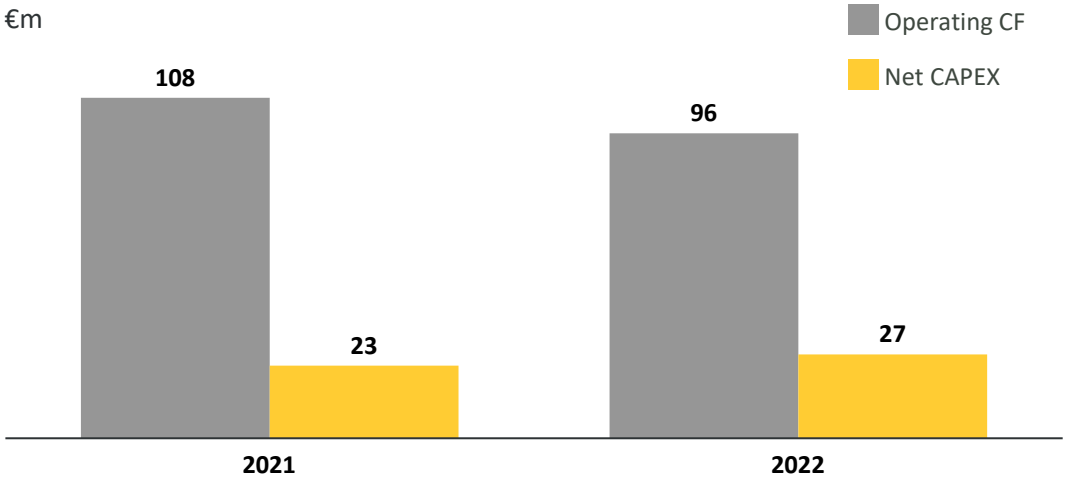
EBITDA AND EBITDA MARGIN[1]

€m, %



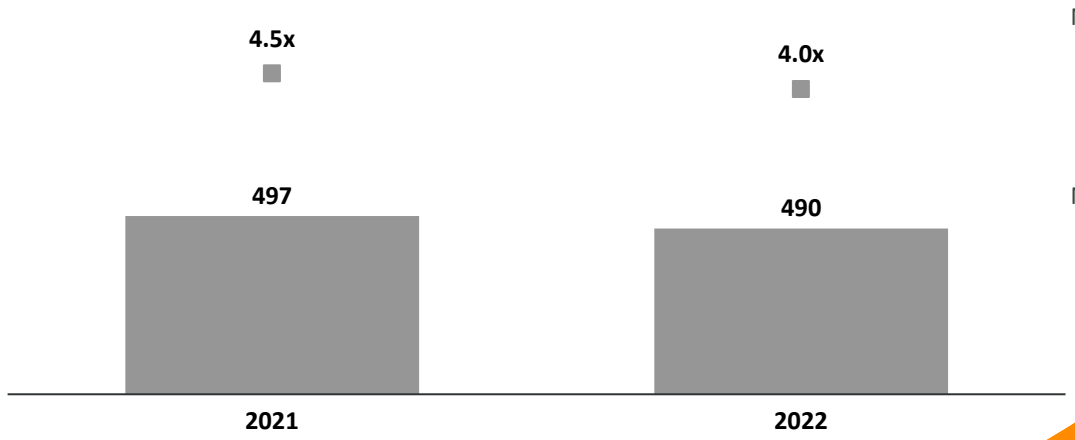
OPERATING CASH FLOW[2] AND NET CAPEX

€m



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

€m, #

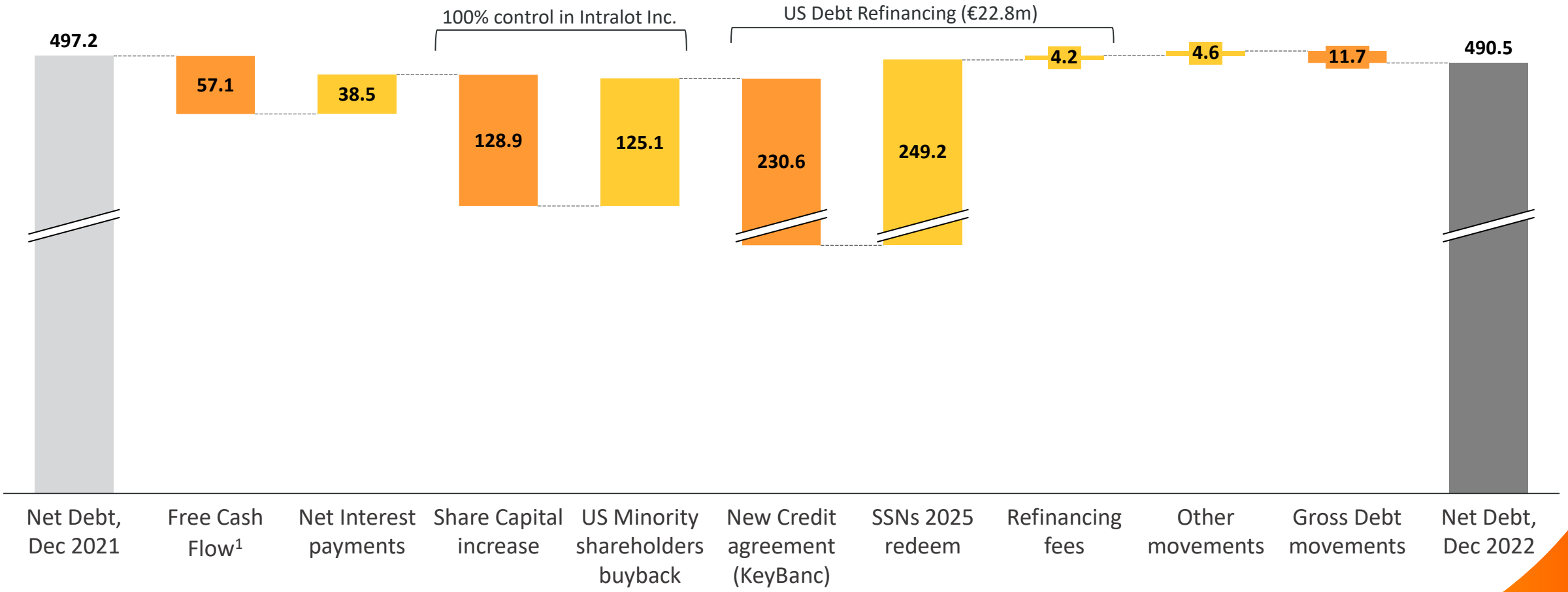


1. The activities of Group subsidiaries and associates in Poland, Brazil, Peru and Taiwan are presented as discontinued operations pursuant to IFRS 5.
2. Operating Cash Flows presented exclude the impact of the capital structure optimization costs paid.
3. Net debt calculated as Long-term debt plus Short-term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

Net Debt Movement

Net Debt Movement, FY22

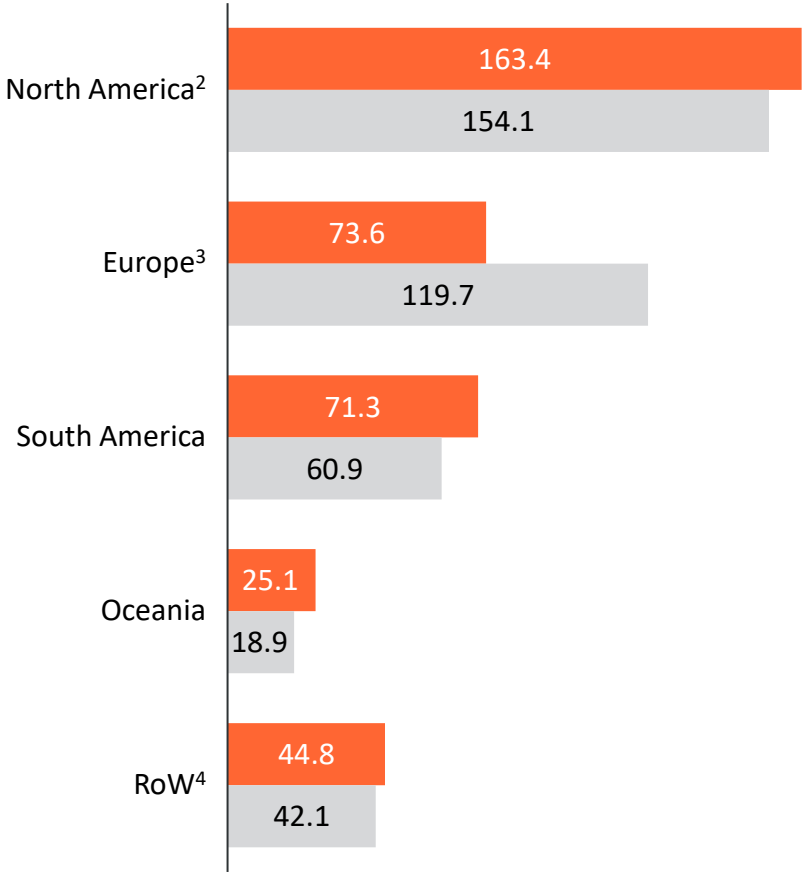
(in €m)



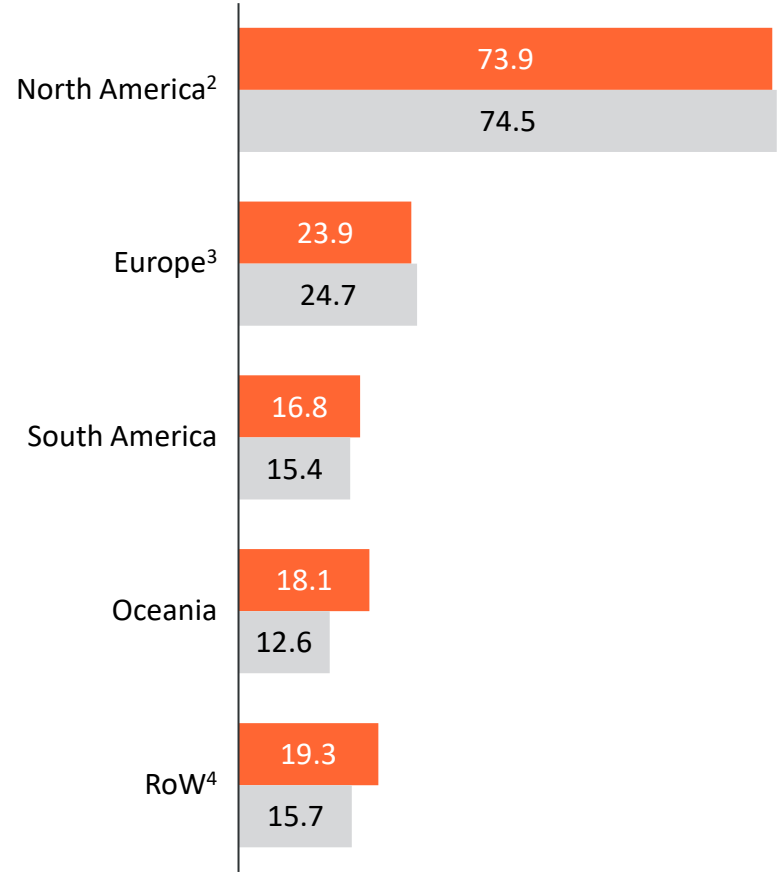
1. Free Cash Flow defined as "Net Cash from Operating activities" adjusted for "Net Dividends", "Net Capex", "Repayment of leasing obligations", "Reorganizations costs paid" and "Exchange differences".

Key Revenue and EBITDA Contributors[1]

Key Revenue Contributors
(in €m)



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

APPENDIX

SUMMARY OF FINANCIAL STATEMENTS

FY22 – Group Income Statement

(in € million)	FY22	FY21	*% Change*
Revenue	**392.8**	**414.0**	**-5.1%**
Gross Profit	127.7	113.8	12.2%
Other Operating Income	24.9	21.6	15.2%
OPEX	(99.8)	(96.0)	3.9%
EBITDA	**122.9**	**110.4**	**11.3%**
Margin	31.3%	26.7%	+ 4.6pps
Capital Structure Optimization expenses	(1.2)	(17.2)	-92.9%
D&A	(70.1)	(71.0)	-1.4%
EBIT	**51.6**	**22.2**	**132.1%**
Interest and related Expenses (Net)	(36.7)	(13.6)	170.7%
Exchange Differences	(0.4)	(1.2)	-62.4%
Other	15.3	29.6	-48.2%
EBT	**29.8**	**37.1**	**-19.8%**
NIATMI	11.9	17.5	-31.9%
NIATMI Continuing	**6.3**	**26.6**	**-76.2%**
NIATMI Discontinued	5.6	(9.1)	-

FY22 – Group Statement Of Financial Position

(in € million)	FY22	FY21
Tangible Assets (incl. investment properties)	116.3	123.2
Intangible Assets	208.6	204.3
Other Non-current Assets	56.0	49.0
Inventories	23.9	18.7
Trade and Other Short-term Receivables	109.9	105.1
Cash and Cash Equivalents	102.4	107.3
Total Assets	**617.1**	**607.6**
Share Capital	111.4	45.7
Share Premium	62.1	-
Other Equity Elements	(281.4)	(169.1)
Reserves from profit / (loss) recognized directly in other comprehensive income and are related to assets held for sale	-	-
Non-controlling Interests	20.2	8.0
Total Shareholders Equity	**(87.7)**	**(115.5)**
Long-term Debt	570.4	588.0
Provisions / Other Long-Term Liabilities	28.8	19.2
Short-term Debt	22.5	16.5
Other Short-term Liabilities	83.2	99.4
Total Liabilities	**704.8**	**723.1**
Total Equity and Liabilities	**617.1**	**607.6**

FY22 – Group Cash Flow

(in € million)	FY22	FY21
EBT from continuing operations	**29.8**	**37.1**
EBT from discontinued operations	**5.6**	**(7.9)**
Plus/less adjustments	89.9	86.9
Decrease/(increase) of inventories	(6.5)	(2.4)
Decrease/(increase) of receivable accounts	(6.8)	23.2
(Decrease)/increase of payable accounts	(3.4)	(33.1)
Income tax paid	(12.2)	3.8
Net Cash from Operating Activities	**96.3**	**107.6**
Net CAPEX	(26.5)	(22.9)
(Purchases) / Sales of subsidiaries & other investments	(125.1)	10.3
Interest received	3.3	2.1
Dividends received	1.1	1.2
Net Cash from Investing Activities	**(147.2)**	**(9.3)**
Proceeds from issues of shares and other equity securities	128.9	-
Treasury shares purchase	-	0.1
Cash inflows from loans	226.4	10.1
Repayment of loans	(253.8)	(13.2)
Repayment of leasing obligations	(5.4)	(3.4)
Interest and similar charges paid	(41.8)	(56.5)
Dividends paid	(3.7)	(6.5)
Reorganization costs paid	(1.0)	(17.7)
Net Cash from Financing Activities	**49.6**	**(87.1)**
Net increase / (decrease) in cash for the period	**(1.3)**	**11.1**
Exchange differences	(3.7)	(3.8)
Cash at the beginning of the period	107.3	100.0
Cash at the end of the period from total operations	**102.4**	**107.3**

intralot