19Km Markopoulou Ave., 19 002, Peania – Attica, Greece

Phone: (+30) 210 615 6000

Fax: (+30) 210 610 6800

"Full Year 2021 Financial Results Conference Call"

Monday, 11th April 2022, 17:00 (GR Time)

Conductors:

Mr. Chrysostomos Sfatos, Deputy Group CEO

Mr. Nikolaos Nikolakopoulos, Deputy Group CEO

Mr. Fotis Konstantellos, Deputy Group CEO

Mr. Andreas Chrysos, Group CFO

Mr. Nikolaos Pavlakis, Group Tax & Accounting Director

& Mr. Michail Tsagkalakis, Capital Markets Director

Conference Call Conducted by Chorus Call Hellas

CHORUS CALL HELLAS

PROVIDER OF TELECONFERENCING SERVICES

TEL: +30 210 94 27 300FAX: + 30 210 94 27 330

web: www.choruscall.com

OPERATOR: Ladies and Gentlemen thank you for standing by. I am Konstantinos your Chorus Call operator.

Welcome and thank you for joining the INTRALOT Conference Call and Live Webcast to present and discuss the Full Year 2021 Financial Results.

At this time, I would like to turn the conference over to Mr. Chrysostomos Sfatos, Deputy Group CEO of INTRALOT.

Mr. Sfatos, you may now proceed.

SFATOS C: Thank you. Thank you, everyone, for joining us in this Financial Year 2021 Results Call. I'm joined here by my colleagues, Mr. Nikolakopoulos and Mr. Konstantellos and the entire financial team.

And I will pass now the mic to group's CFO, Mr. Andreas Chrysos, for his presentation.

CHRYSOS A: Good afternoon, ladies and gentlemen. The financial results of previous year confirmed that INTRALOT delivered successfully on all important targets that were set by the Management. Having said that, all efforts of the last 3 years that peaked during 2021 placed our Group in a new, stable course, allowing us to be confident for the future.

The successful implementation of our capital structure optimization task not only provided a significant deleverage and a relief on the debt servicing cost, but also a runaway of at least 3 more years that will allow us to focus on strategic opportunities that will create value for all its stakeholders, shareholders and lenders.

An important side effect of the improved capital structure and position of the Group, was the upgrade of our corporate family rating, allowing the Group to take advantage of new opportunities and focusing on its strategy to place emphasis on developed markets.

Apart from the optimization on the capital structure front, we saw a rebound on the operational end as depicted from the operational metrics performance of the year. This was supported both from the top line and the bottom line.

The top line was positively affected by the rebound from the effects of COVID-19 that hit our financials in 2020. This was clearly evidenced in all markets we operate and was a result of the lifting of restriction measures and the return of the sports betting event schedules back to normal, as well as, a trend towards more traditional lottery products that supported the top line performance, especially in the US.

Bottom line, on the other hand, also assisted in the operational metrics improvement since we continued to adjust our cost base at lower levels, primarily at headquarters and worldwide, an effort that started from 2019 onwards.

Following these developments, we had to focus on the strengthening of our EBITDA to restore the lost profitability apart from the top line focus on developed markets, through targeted actions on the expenses front via development of synergies and continuous runs of cost adjustment on all expenses lines. Both these targets should be accompanied by a strong liquidity position of the Group, to the extent possible.

The Group not only succeeded in the targets it has set, but also strengthened its cash position versus a year ago. The performance metrics and achievements of 2021 are indicative:

#1, EBITDA for 2021 landed at €110 million, substantially better compared to the €100 million trajectory we were targeting at the beginning of the year, fueled by the strong top line rebound globally and in the US performance.

OPEX, excluding the depreciations that are referring to the new license in Bilyoner at €94 million, in line with the target levels we have set, supporting EBITDA as well.

Net CAPEX also in line with our expectations, landing at €23 million, lower by 36% versus last year and €32 million lower compared to 2019 as a result of the maturity of our products, as well as the optimum handling of our projects' renewals.

Fourth, the operating cash flow generation for the year at €108 million, indicating a healthy operational performance.

And fifth, the leverage ratio rationalization as a result of an improvement on all metrics affecting it. Net debt better by €154 million, resulting from a better gross debt by €146 million impacted by the deleveraging project, cash position better by €7.4 million, affected positively by the reasons mentioned above and a much better EBITDA, leading to a leverage ratio of 4.5 times for the group.

Now, moving on to the 2021 financials presentation, our results on the revenues line presented in detail in Slides 5 to 7 of the presentation show an upward trend in all activity lines compared to the respective period of 2020 and fueled mainly by the strong recovery of the pandemic impact, as well as the strong momentum in the US in the lottery segment and the gradual uptake of our Sports Betting projects in the country.

More specifically, in the licensed operations presented in Slide #5, we see an increase of €33 million coming from both markets in this activity line, the rebound of the markets in both geographies, after the strong hit last year, mainly in the second quarter due to lockdowns and restrictions, was the main contributor.

Turning to Page #6, we see the revenue results in the technology contracts increasing by €22 million. Major highlights here are the strong performance of the US operation throughout the year. The negative variance in the last quarter is attributed to a merchandise sale and a one-off revenue referring to our Canadian contract, which was €9 million in 2020. But with the performance of the service revenue in the fourth quarter of 2021 being 10% higher in dollar terms year-over-year, counterbalancing this one-off effect to a large extent.

Australia, although it continued to experience some turbulence from COVID-19 as a result of the new wave of the pandemic, which hit this part of the world in the wintertime, was certainly affected less than the previous year and lockdown restrictions were at a lower scale, therefore, managing to reduce the impact to the largest extent. The successful Go-Live of our contract in Croatia added a new revenue stream in the top line and is gradually growing. Lastly, in the rest of the world, lower merchandise sale in current year compared to 2020, resulted to a negative variance of €1.8 million.

In the last page of the revenue analysis, page #7, we see the performance of our game management activity line with Q4 indicating a stabilization of performance in Turkey and Morocco, landing at the same levels where it was in 2020, respective quarter, where the pandemic impact in these markets have been contained to a large extent. Finally, the US Sports Betting market also added a new revenue stream and is expected to grow in the future as well.

Turning to page #8, we see the overall P&L performance metrics for the full year of 2021 and the fourth quarter versus a year ago. Highlights on the operational front are: First, the growth in the revenue line year-over-year being overall higher by 20% and 9.5% quarter-on-quarter and has been analyzed in the previous slides in detail.

Secondly, the GGR line following the same trend as revenue was higher by 17.5% year-over-year and 8.6% quarter-on-quarter.

Third, the gross profit line was higher by 63% year-over-year and 37% quarter-on-quarter, equivalently important, that the gross profit margin was higher by 7.6 % points and 6 % points year-over-year and quarter-on-quarter, respectively, since a large part of our activity, mainly in technology and management lines does not incur proportionally increased costs with the revenue increase resulting to a higher gross profit margin that goes straight down to the EBITDA.

Fourth, is the OPEX line performance, which excluding the Bilyoner's depreciation was slightly higher by €2.4 million year-over-year, supporting the increase in the top line, indicating efficiency as a result of the efforts undertaken by the management in the last few years and in 2021 as well for a streamlined business and a lower cost base, especially at headquarters level, that also supported the EBITDA line increase.

All the above were reflected to the higher EBITDA margin over sales by 7.5 % points and almost 10 % points over GGR, which indicates a much more efficient operation. Better operating performance as described above, in accordance to the benefit of the capital structure optimization exercise of €88.5 million, hitting positively the income statement resulted to a positive trajectory performance at EBIT and net income after tax in minority interest level, showing a profit of €26.6 million versus loss of €103 million in 2020.

Turning to Page #9, the upper graphs have already been analyzed in detail in the previous slides. Now, focusing on the bottom left of the slide, we see the mirroring of the operating performance analyzed in detail already being reflected also on the operating cash flow, which reached €108 million in 2021 versus €44 million in 2020.

Net CAPEX, on the other hand, has been substantially reduced and has landed at €23 million for the year, materially lower compared to 2020 and in line with our commitment for a substantially reduced CAPEX following optimization of our spending post investments and important renewals, especially in the US.

On the bottom right of the slide, we see the result of our capital structure optimization exercise with the net debt materially reduced to less than €500 million after the deleveraging effect of €163 million in nominal value, but also the cash balance increase.

The reduction of the net debt in combination with the operational improvement reflected in the EBITDA has led to a leverage ratio of 4.5 times, showcasing the success of the Group in the actions it has undertaken in the last 2 years to adapt its capital structure to the new reality that has been shaped for the Group in the last few years.

Now, turning to Page #11, we see that the contributions per region in our revenues and EBITDA was 80% of our revenues and 85% of our EBITDA are produced in the more developed parts of the world, mainly it's North America, Europe and Oceania as part of our strategy in the last few years to shift the activity towards more developed markets.

At this point, let me remind you that for more details, you may also refer to the management and discussion analysis which is available in our website.

And with this final comment, the presentation of 2021 results is finished, and the INTRALOT Executive team is at your disposal for any questions you may have.

Q&A

OPERATOR: The first question is from the line of Permalloo Jemma with JP Morgan. Please go ahead.

PERMALLOO J: Hi, good afternoon and thank you very much for the presentation. I just have two questions. First of all, on your notes, your bonds to 2025 that are currently callable, and I know you've mentioned potential developments in the US business as well in the past. Can we have an update on this, please?

And then secondly, I know this is a presentation for full year numbers, but given that you've probably had some color on your Q1 for March 2022. Can you give us a bit of color on what was the performance of the business line? Thank you.

SFATOS C: Excuse me; can you repeat the second question, please?

PERMALLOO J: The second question was if we can have some color on the performance of the business…recent performance?

SFATOS C: Okay. So for the first question, we don't have anything definitive to announce at this point. It's certainly something that we are examining.

And on the second question, you are referring to the first quarter?

PERMALLOO J: Yes.

SFATOS C: The performance on the first quarter reflects pretty much the trends that we have seen in 2021. And we more or less expect a similar performance as in 2021.

PERMALLOO J: When you say 2021, just to be clear, are you referring to first quarter of 2021 or your recent run rate for the 2021 numbers?

SFATOS C: No, no. I'm referring to quarter-on-quarter.

PERMALLOO J: Okay. Thank you.

OPERATOR: The next question is from the line of Felix Wolfgang with Sarria Asset Management. Please go ahead.

FELIX W: Hi, I am just time to remember, I think you…and I missed the first part of the presentation, perhaps you've discussed a bit. But I think you were looking forward to making a major investment in the prolongation of Malta and Australia somewhere. What are the plans there? And what's the timing of that? Thank you.

SFATOS C: Malta, there was a tender last year and we didn't participate. There is a preferred bidder who bid with an extraordinary high bid, probably twice what the market expected, so we're not going to run the same business in Malta as in the past. But we are still evaluating our future in the country, because we were operating some licenses in addition to the ones that were tendered, which were the exclusive. So far, our contract expires in June, but maybe there will be extension, maybe not, we don't know yet.

FELIX W: Okay. Thank you. And yes, the Malta tender now I remember, so thank you, very much. All wonderful. Thank you. Good luck.

OPERATOR: Ladies and gentlemen, there are no further questions at this time. I will now turn the conference over to management for any closing comments. Thank you.

SFATOS C: Thank you, very much. I'd like to thank all of you for your participation. And I would like also to thank all my colleagues and everyone in the company who has contributed to the outcome of last year's results. Thank you, very much.