

The logo for Intralot, featuring the word "intralot" in a bold, lowercase, sans-serif font. The letters are black, and the word is underlined by a thick, orange, horizontal brushstroke that tapers to the right.

# ***intralot***

**INTRALOT Group**

**INTERIM FINANCIAL REPORT  
(according to article 5 of Law 3556/2007)  
FOR THE PERIOD JANUARY 1 TO JUNE 30, 2022  
ACCORDING TO  
INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)**

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**Statement of the Members of the Board of Directors  
(according to article 5 par. 2 of L.3556/2007)**

The

1. Sokratis P. Kokkalis, Chairman of the Board of Directors and Group CEO
2. Chrysostomos D. Sfatos, Member of the Board of Directors and Group Deputy CEO
3. Ioannis K. Tsoumas, Member of the Board of Directors

DECLARE THAT

As far as we know:

- a. the accompanying interim company and consolidated financial statements of the company "Intralot S.A." for the period January 1, 2022 to June 30, 2022, prepared according to the International Financial Reporting Standards, present truly and fairly the assets and liabilities, equity and the financial results of the Company, as well as of the companies included in the consolidation, according to par. 3 to 5 of article 5 of L. 3556/2007.
- b. the semi - annual Board of Directors Management Report presents a true and fair view of the information required according to par. 6 of article 5 of L. 3556/2007.
- c. the attached Financial Statements are those approved by the Board of Directors of "Intralot S.A." on August 31, 2022 and have been published to the electronic address [www.intralot.com](http://www.intralot.com).

**Peania, August 31, 2022**

Sokratis P. Kokkalis

Chrysostomos D. Sfatos

Ioannis K. Tsoumas

Chairman of the Board of  
Directors and Group CEO

Member of the Board and  
Deputy Group CEO

Member of the Board

## **SEMI-ANNUAL BOARD OF DIRECTORS MANAGEMENT REPORT**

We submit to all interested parties the interim financial statements for the first half of 2022, prepared according to the International Financial Reporting Standards as adopted by the European Union, along with the present report for the period from January 1<sup>st</sup> to June 30<sup>th</sup>, 2022. The present report to the Board of Directors of the company "INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES" has been composed according to the provision of par. 6, article 5 of the Law 3556/2007 and to the published executive resolutions 1/434/3-7-2008 and 7/448/11.10.2007 of the Capital Market Commission' Board of Directors.

### **PROGRESS OF THE GROUP'S AND COMPANY'S PERFORMANCE FOR THE PERIOD 1/1-30/6/2022 & BUSINESS DEVELOPMENTS FOR THE SECOND HALF OF 2022**

#### **FINANCIAL OVERVIEW**

In the first half of 2022, INTRALOT Group recorded a revenue growth of 1,1%, with Group turnover amounting to €204,8 million, compared to €202,6 million in the corresponding period of 2021. Earnings before interest, tax, depreciation, and amortization (EBITDA), amounted to €55,1 million, from €54,3 million in the first half of 2021, posting a slight increase of 1,4%. Earnings before taxes (EBT) were improved and totaled €8,0 million in the first half of 2022, from €-10,4 million in the first half of 2021, while Group net profit after minority interests from continuing operations amounted to €-6,1 million, from €-17,6 million in the first half of 2021. The above results do not include the impact from the discontinued operations of the Group's subsidiaries in Brazil, Peru, and Taiwan. Concerning parent company results, turnover decreased by 2,0% to €13,4 million in the first half of 2022, while earnings / (losses) after tax amounted to €-13,7 million from €-14,0 million in the first half of 2021.

In the first half of 2022, group Operating Cash-flow posted a decrease and stood at €41,4 million vs. €51,3 million in the first half of 2021, adversely impacted by the income tax return that the Group received during 1Q21 on behalf of the parent company.

Net debt, as of June 30<sup>th</sup>, 2022, stood at €508,7 million, higher by €11,5 million compared to December 31<sup>st</sup>, 2021 (€497,2 million). Despite the cash generation of €9,0 million, Net Debt increased due to the adverse FX impact on our USD denominated debt.

#### **RECENT COMPANY DEVELOPMENTS**

##### **Projects/ Significant Events**

On March 17, 2022, INTRALOT announced the extension of its current contract of INTRALOT Maroc, a subsidiary of the INTRALOT Group acting as games operator in Morocco, with La Marocaine Des Jeux et des Sports (MDJS), a state lottery offering sports betting and other games of chance in Morocco, for one additional year; the contract is now due to expire on 31.12.2023.

On April 5, 2022, INTRALOT announced the extension of its current contract, with Magnum Corporation Sdn Bhd, a gaming operator pioneer in Malaysia, for another two (2) years; the contract is now due to expire on 30.06.2024. The current agreement concerns the support of INTRALOT's core operating

system LOTOS™ O/S including the games software, the On-line Gaming System, and its new generation terminals Photon.

On April 6, 2022, INTRALOT announced that its U.S. subsidiary, INTRALOT, Inc., has signed a 5-year extension of its contract with the Wyoming Lottery Corporation. INTRALOT, Inc. will continue to provide its lottery operating system and services for the operation of the Wyoming Lottery through August of 2029.

### Organizational Changes

On March 3, 2022, INTRALOT notified that on March 1, 2022 «ALPHACHOICE SERVICES LIMITED» which is 100% controlled by the Société Anonyme company «K-GENERAL INVESTMENTS AND SYSTEMS SINGLE MEMBER HOLDINGS SOCIÉTÉ ANONYME» (distinctive title "K-SYSTEMS"), sole shareholder of which is Mr. Sokratis P. Kokkalis, acquired 7.323.920 common registered shares of INTRALOT, with voting rights. Following that, the percentage of the direct voting rights of the company "ALPHACHOICE SERVICES LIMITED" on INTRALOT's shares amounts to 25,695% of the total voting rights of the company (i.e. 39.123.920 voting rights) against a previous percentage 20,885% of the total voting rights of the company (i.e. 31.800.000 voting rights), while the percentage of the indirect voting rights of Mr. Sokratis P. Kokkalis on INTRALOT's shares amounts to 25,695% of the total voting rights of the company (i.e. 39.123.920 indirect voting rights) against a previous percentage 20,885% of the total voting rights of the company (i.e. 31.800.000 indirect voting rights).

Also, on March 3, 2022, INTRALOT notified that the 7.323.920 Company's common registered shares, with voting rights, which were acquired by "ALPHACHOICE SERVICES LTD", legal entity which is affiliated with and controlled by Mr. Sokratis P. Kokkalis, Chairman of the Board of Directors and CEO of INTRALOT, were acquired with a total value of 3.442.242,40 Euro.

On April 26, 2022, INTRALOT with its invitation convened an Extraordinary General Meeting of Shareholders dated May 17, 2022, with the following issues: The cancellation of the Company's own shares, the codification of the Company's Articles of Association, as well as a decision to increase its share capital.

On May 13, 2022, INTRALOT notified that the legal entity "ALPHACHOICE SERVICES LTD" which is affiliated with and controlled by Mr. Sokratis P. Kokkalis, Chairman of the Board of Directors and CEO of INTRALOT, on May 11, 2022, acquired over the counter 2.500.799 Company's common registered shares, with voting rights, in the context of an increase in its share capital with a contribution of the above shares (contribution in kind).

On May 16, 2022, INTRALOT notified that the legal entity INTRACOM HOLDINGS which is affiliated with Mr. Sokratis P. Kokkalis, Chairman of the Board of Directors and CEO of INTRALOT, on May 11, 2022 transferred over-the-counter 2.060.799 Company's common registered shares, with voting rights, to the legal entity «ALPHACHOICE SERVICES LTD», in the context of INTRACOM HOLDINGS' participation in the increase of share capital of «ALPHACHOICE SERVICES LTD» with a contribution of the above shares (contribution in kind).

On May 17, 2022, the Extraordinary General Meeting of the Shareholders decided the cancellation of 3,724,936 own shares which had been acquired by the Company, with a respective decrease of the

Company's share capital by the amount of €1.117.480,80 and a relevant amendment of article 5 of the Company's Articles of Association relating to its Share Capital. The codification of the Company's Articles of Association was approved, and the Board of Directors has been authorized for the rest of the implementation of the decision and the observance of the legal formalities

On May 23, 2022, the Repeat Session of the Extraordinary General Meeting of Shareholders approved the granting of authorization to the Board of Directors to resolve, pursuant to art. 24 para. 1(b) of Law 4548/2018 with the required by law quorum and majority, the increase of the share capital of the Company up to an amount not exceeding the 150% of the paid-up share capital on the date of granting of such authorizations to the Board of Directors, namely to increase the share capital by up to the amount of €66.841.553,25 (nominal capital) with a preemption right of the current shareholders according to the law and the Company's Articles of Association, with the issuance of new common registered shares with voting rights, and to define the specific terms and time-schedule of the share capital increase with a relevant resolution pursuant to the applicable provisions of Law 4548/2018, including, indicatively, the structure of the increase, the subscription price of the new shares, the allocation criteria between the different categories of investors, the execution of the necessary contracts or agreements with banks or/and other investment services companies acting as intermediaries, organizers, coordinators or administrators and in general, to proceed with any required or advisable action, deed or transaction for the implementation of the share capital increase, including the relevant amendment of the Articles of Association of the Company. The aforementioned authorization will remain in force for six (6) months as of the resolution of the General Meeting. The Board of Directors may exercise the abovementioned powers once.

On June 1, 2022, INTRALOT notified that, after the cancellation of 3.724.936 own shares of the Company, its share capital amounts to €44.561.035,50 divided into 148.536.785 common registered shares, with a nominal value of €0,30 each.

On June 8, 2022, INTRALOT announced the retirement of Mr. Nikolaos Pavlakis as Group Tax & Accounting Director, and his replacement by Mr. Vasileios Vasdaris, who is with INTRALOT since 1993.

On June 22, 2022, INTRALOT announced that, after the decision of the Board of Directors dated June 21, 2022 the Company's share capital increase by an amount of up to €66.840.064,50 with the issuance of up to 222.800.215 new common registered voting shares, with a nominal value of €0,30 each, with cash payment and with a pre-emption right of the existing shareholders of the Company.

On June 29, 2022, INTRALOT notified that as a cut-off date of the pre-emption right to the share capital increase 01.07.2022 was set, the exercise period of the pre-emption right being defined as the period from 06.07.2022-21.07.2022 and the trading period of the pre-emption right as the period from 06.07.2022-18.07.2022.

#### **Significant Events after the end of the 1H22 - until the date of the Financial Statements release**

On July 18, 2022, INTRALOT informed the investing public that Mr. Sokratis P. Kokkalis, Chairman of the Board of Directors & CEO of the Company, on July 15, 2022, acquired 1,281 common registered shares of INTRALOT, with voting rights, for a total value of €730,17.

On July 19, 2022, INTRALOT informed the investing public that Mr. Vasileios Vasdaris, Group Tax & Accounting Director of INTRALOT, on July 18, 2022, acquired 10.000 common registered shares of INTRALOT, with voting rights, for a total value of €5.650,00.

On July 26, 2022, INTRALOT notified that the share capital increase of the Company was successfully completed and fully covered, by raising funds of a total amount of €129.224.124,70 and by the issue of 222.800.215 new, common registered with voting rights shares, with a nominal value of €0,30 each.

Also, on July 26, 2022, INTRALOT announced that the following persons who exercise managerial duties in the Company and persons who have close ties with them, exercised the pre-emption right for the acquisition of new shares of the Company with an offer price of €0,58 per share: ALPHACHOICE SERVICES LTD, legal entity which is affiliated with and controlled by Mr. Kokkalis Sokratis, , Chairman of the BoD and CEO of the Company, Mr. Antonopoulos Constantinos, Vice-Chairman and Non-Executive member of the BoD, Mrs. Kokkali Eleni, a person affiliated with Mr. Kokkalis Sokratis, Chairman of the BoD and CEO of the Company, Mr. Tsagalakis Michail, Capital Markets Director & Head of Investor Relations of the Company.

On July 28, 2022, INTRALOT announced the closing of the purchase by its wholly owned Dutch subsidiary «Intralot Global Holdings B.V.» (IGH) of 33.227.256 ordinary shares (or 33,23%) in "Intralot US Securities B.V." from their current holders for a price of €3,65 per share (ie. €121.279.484,40 in total). "Intralot US Securities B.V." holds indirectly 100% of the shares of "Intralot, Inc." a US (Georgia) corporation.

On July 29, 2022, INTRALOT announced that its US subsidiary, Intralot, Inc. signed on July 28, 2022, a Credit Agreement with KeyBank National Association Inc. as Administrative Agent and Issuing Lender and a syndicate of US financial institutions for a 3-year Term Loan of \$230.000.000 plus a committed Revolving Credit Facility (RCF) of \$50.000.000. The Term Loan will be payable in consecutive quarterly installments commencing December 31, 2022, with the balance thereof payable in full on July 27, 2025. The annual amortization rate is 5% for the first two years and 10% for the third year, and the proceeds will be used for the immediate repayment of 100% of the \$254.042.911 PIK Toggle 2025 Notes issued by Intralot, Inc. plus accrued interest up to the payment day August 8, 2022. Under the current financial metrics, the indicative expected financial benefit from the refinancing of the PIK Toggle 2025 will be in excess of \$5.000.000 per annum.

On August 1, 2022, INTRALOT announced that, after the completion of the share capital increase, its share capital now amounts to €111.401.100, divided into 371.337.000 common registered shares, with voting rights, with a nominal value of €0,30 each.

On August 2, 2022, INTRALOT, following a notification received by Mr. Soohyung Kim and the company "Acme Amalgamated Holdings, LLC" on 1.8.2022, announced that the company under the trade name "CQ Holding Company, Inc.", acquired 122.182.840 common registered shares of INTRALOT and the corresponding voting rights, which represent 32,90% of INTRALOT's total voting rights, through its participation in INTRALOT's share capital increase. Therefore, CQ Holding Company, Inc. owns in total 122.182.840 common registered shares in INTRALOT, corresponding to 32,90% of the total voting rights. CQ Holding Company, Inc. is a company controlled by "Standard General Management, LLC",

which in turn is controlled by “Acme Amalgamated Holdings, LLC”, which is ultimately controlled by Mr. Soohyung Kim.

On August 3, 2022, INTRALOT (or “Issuer”), further to the notifications of the company «ALPHACHOICE SERVICES LIMITED, of Mr. Sokratis P. Kokkalis, and of the company “K-SYSTEMS” dated 02/08/2022 in relation to the voting rights of these entities on the shares of the Issuer, notified that on 01/08/2022 «ALPHACHOICE SERVICES LIMITED», a company which is controlled by «K-GENERAL INVESTMENTS AND SYSTEMS ΜΟΝΟΠΡΟΣΩΠΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΣΥΜΜΕΤΟΧΩΝ» (distinctive title “K-SYSTEMS”), sole shareholder of which is Mr. Sokratis P. Kokkalis, acquired 78.776.368 common registered shares, with voting rights, issued by INTRALOT, through its participation in INTRALOT’s share capital increase. Therefore, the percentage of the direct voting rights of the company «ALPHACHOICE SERVICES LIMITED» on INTRALOT’s shares amounts to 32,424% of the total voting rights of the Issuer (i.e. 120.401.087 voting rights in a total of 371.337.000 voting rights of the Issuer), against a previous percentage 28,023% of the total voting rights of the Issuer, while the percentage of the total voting rights of Mr. Sokratis P. Kokkalis on INTRALOT’s shares amounts to 32,424% of the total voting rights of the Issuer, of which 1.281 direct voting rights and 120.401.087 indirect voting rights in a total of 371.337.000 voting rights of the Issuer, against a previous percentage 28.023% of the total voting rights of the Issuer, through the above controlled companies.

On August 10, 2022, INTRALOT announced that on August 8, 2022, its US subsidiary Intralot, Inc. fully redeemed the Senior Secured 2025 PIK Toggle Notes (the Notes) utilizing proceeds from a syndicated three-year Term Loan and a Revolving Credit Facility signed on July 28, 2022, with a syndication of US banks. As a result of the redemption, all of the 2025 Notes have been cancelled.

### **GOING CONCERN**

The Group maintains sufficient liquidity as to cover its cash needs in the near future. The Group has completed a series of capital restructuring actions, including debt restructuring and refinancing transactions, as well as a share capital increase of €129,2m. Following the completion of the exchange offers in August 2021, resulting in the extension of the 2021 maturities and the deleverage of €163m, the Group recently acquired the minority shares in Intralot Inc. through the proceeds of the share capital increase, thus bringing the controlling share of the Intralot Group in Intralot Inc. to 100%. In addition, the Group proceeded with the refinancing of Intralot Inc. debt with new bank financing (Term Loan) maturing in 2025, the terms of which improve the access of the parent company to the cash flows of the US subsidiary and are expected to be favourable from a cost of debt perspective. The new loan facility signed with a syndicate of six US financial institutions permit the utilization of a \$50 million Revolving Facility (RCF) that is expected to significantly support the liquidity position of the Group. The successful execution of these three transactions is expected to allow the Group to implement its business plan and address significant opportunities both in the Lottery as well as in the Sports Betting markets.

In this field, the Management is continuously monitoring the cash flow of the Group and enhancing its efforts for further sales increase through operational improvements, while at the same time focusing on the cost reduction through operational efficiencies and development of synergies.



The geopolitical tension arising from the war in Ukraine coupled with the energy crisis, the supply chain disruptions and the rising inflation are factors that are expected to determine the economic outlook over the coming months. Although our Group does not have direct exposure in terms of operations or dependency on suppliers in Ukraine and Russia, the potential risks from the reduction in the household disposable income and the possible increase in operating expenses due to inflationary pressures cannot be overlooked.

The Management has prepared a detailed business plan with expected cash flows for a period of 18 months since the H1-22 financial statements reporting date, taking into consideration the trading performance and the current trends of our operations, and factoring the macroeconomic environment in the regions of our operations. In any case, as described above, the Group maintains ability for cash upstreaming from the US to the Parent to serve additional cash needs up to a substantial degree.

In conclusion, taking into consideration the Expected Cash Flows' Plan and all available information of the foreseeable future, the Management estimates that the Group has ensured its going concern.

In view of the above, the Financial Statements of the Group were prepared on the basis of the going concern principle.

## FINANCIAL REVIEW

### Financial Highlights<sup>1</sup>

During 1H22, the Group has managed to report a steady performance on both revenue (+1,1%) and EBITDA (+1,4%) levels since most of the projects undertaken have entered into their maturity stage and performance variances are mainly affected by the sales mix (i.e., realization of seasonal merchandise sales), and the FX movements.

Financial Data <sup>2</sup> (in € million)	1H 2022	1H 2021	% Change
Revenue (Sale Proceeds)	204,8	202,6	1,1%
Licensed Operations	65,2	61,2	6,5%
Management Contracts	21,8	24,3	-10,2%
Technology and Support Services	117,9	117,2	0,6%
GGR	168,5	163,9	2,8%
Gross Profit	56,3	57,7	-2,5%
Gross Profit Margin (%)	27,5%	28,5%	-1,0pps
Operating Expenses <sup>3</sup>	-49,4	-45,5	-8,5%
EBITDA <sup>4</sup>	55,1	54,3	1,4%
EBITDA Margin on Sales (%)	26,9%	26,8%	+0,1pps
EBITDA Margin on GGR (%)	32,7%	33,1%	-0,5pps
D&A	-36,5	-31,9	-14,4%
EBT (Profit/(loss) before tax from continuing operations)	8,0	-10,4	n/a

<sup>1</sup> For additional information on the Group's performance, please also consult the Management Discussion and Analysis Report published on our website.

<sup>2</sup> The activities of Group subsidiaries in Brazil (Intralot Do Brazil Ltda, OLTP Ltda), Peru (Intralot de Peru SAC), and Taiwan (Goreward) are presented as discontinued operations pursuant to IFRS 5 (note [2.20.A.VIII](#)).

<sup>3</sup> Operating Expenses line presented excludes the capital structure optimization expenses.

<sup>4</sup> 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".

EBT Margin (%)	3,9%	-5,1%	+9,0pps
NIATMI (Profit/(loss) after tax attributable to the equity holders of the parent company from continuing operations)	-6,1	-17,6	65,4%

### Revenue, GGR, Operating Expenses & EBITDA, EBT and NIATMI from Continuing Operations

Reported consolidated **revenue** increased by +1,1% compared to 1H21, leading to total a revenue for the six-month period ended June 30, 2022, of €204,8 million:

- Lottery Games was the largest contributor to our top line, comprising 64,1% of our revenue, followed by Sports Betting which contributed 15,7% to Group turnover for the six-month period. VLTs monitoring accounted for 11,2%, and Technology contracts accounted for 8,6% of Group turnover, while Racing constituted the 0,4% of total revenue for the first half of 2022.

Reported consolidated revenue for the six-month period is higher by €2,2 million year over year. The main factors that drove top line performance per Business Activity are:

- €+4,0 million (+6,5%) from our **Licensed Operations (B2C)** activity line, with the variance driven by the higher revenue in Argentina (€+7,0m or +46,7% y-o-y), attributed to local market growth (in local currency, current year results posted a +69,7% y-o-y increase), and the lower revenue in Malta (€-3,1m or -6,7% y-o-y).
- €+0,7 million (+0,6%) from our **Technology and Support Services (B2B/ B2G)** activity line with the variance driven by the higher revenue in Australia (€+2,1m or +26,4% y-o-y), Croatia (€+1,5m) following full integration of our lottery solution, and the rest of jurisdictions (€+2,9m), and the lower revenue in our US operations (€-5,9m or -7,5% y-o-y), as 1H21 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).
- €-2,5 million (-10,2%) from our **Management (B2B/ B2G)** contracts activity line, with the variance driven mainly by Turkey (€-2,6 million) and the corresponding appreciation of EUR (+81,9% versus a year ago – in average terms).

**Gross Gaming Revenue (GGR)** from continuing operations increased by 2,8% (€+4,6 million to €168,5 million) year over year, driven by:

- the increase in the payout related GGR (+24,5% y-o-y or €+5,1m vs. 1H21), arising from higher sales and a lower payout ratio both in Malta and Argentina (+4,6% y-o-y on wagers from licensed operations<sup>5</sup>). 1H22 Payout Ratio<sup>6</sup> decreased by 6,6pps vs. 1H21 (58,4% vs. 65,1%), significantly affected by the higher weighted contribution from our operations in Malta, followed by
- the decrease in the non-payout related GGR (-0,4% y-o-y or €-0,5 million vs. 1H21).

<sup>5</sup> Licensed Operations Revenue also include a small portion of non-payout related revenue, i.e., value-added services, which totalled €3,0 million and €1,7 million for 1H22 and 1H21 respectively.

<sup>6</sup> Payout ratio calculation excludes the IFRS 15 impact for payments to customers.

Total **Operating Expenses**<sup>7</sup> ended higher by €3,9m (or 8,5%) in 1H22 (€49,4m vs. €45,5m). After excluding the higher D&A expenses (€1,2m) in USA, Morocco and Turkey, the increase in Operating Expenses settles at €2,7m.

**Other Operating Income** from continuing operations concluded at €11,7m presenting an increase of 14,2% y-o-y (or €1,5m), driven by higher equipment lease income in the USA.

**EBITDA**<sup>8</sup>, from continuing operations, amounted to €55.1m in 1H22, posting an increase of 1,4% (or €0,8m) compared to 1H21, while the **EBITDA margin** on sales on a yearly basis, remained unchanged (+0,1pps).

**Earnings before Tax** in 1H22 totaled €8,0 million, significantly improved compared to €-10,4 million in 1H21. The improvement was mainly driven by the impact of the lower reorganization expenses following the successful conclusion of our capital structure optimization process (€10,9m vs 1H21), the gains on net monetary position (€9,1m vs 1H21) arising from Turkey due to IAS 29 (considered a hyperinflationary economy for the first time), the lower interest expenses, a direct effect of the debt restructuring process (€3,9m vs 1H21), the absence of impairments and write-offs (€3,9m vs 1H21) that took place in 1H21 (arising from our operations in Turkey), and the positive impact from EBITDA (€0,8m vs 1H21). The increase at EBT level is partially offset by the higher D&A (€4,6m vs 1H21), mainly due to Turkey (Bilyoner) and Morocco, the negative impact from FX results (€3,4m vs 1H21), as a result of the valuation of cash balances in foreign currency other than the functional currency of each entity and the valuation of commercial and borrowing liabilities of various subsidiaries abroad in EUR, and the recognition of losses vs gains from participations and investments (€2,3m vs 1H21), as the sale of Peru took place in 1H21.

**NIATMI** (*Net Income After Tax and Minority Interest*) from continuing operations in 1H22 concluded at €-6,1 million, compared to €-17,6 million in 1H21, while NIATMI from total operations in 1H22 amounted to €0,5 million (improved by €26,2 million vs. a year ago).

### Cash Flow & Net Debt

Statement of Financial Position/Cash Flows (in € million)	1H22	FY21
Total Assets	625,9	605,5
Total Equity	-108,9	-115,5
Cash & Cash Equivalents	116,4	107,3
Partnerships <sup>9</sup>	9,1	9,6
All other Operating Entities (with revenue contracts) & HQ	107,3	97,7
Net Debt	508,7	497,2
	1H22	1H21
Operating Cash Flows	41,4	51,3
Net Capital Expenditure	-10,5	-9,5

<sup>7</sup> Operating Expenses analysis excludes expenditures related to capital structure optimization.

<sup>8</sup> EBITDA analysis excludes Depreciation & Amortization, and expenditures related to capital structure optimization.

<sup>9</sup> Refers to stakes in Turkey (Inteltek & Bilyoner), and Argentina.

**Operating Cash-flow** in 1H22 amounted to €41,4m, lower by €9,9m, compared to 1H21 both on a total and continued basis, adversely impacted by the income tax return that the Group received during 1Q21 on behalf of the parent company.

**Net Capex** in 1H22 was €10,5m, higher by €1,0m compared to 1H21, with US projects consuming most of the CAPEX needs.

**Net Debt**, as of June 30<sup>th</sup>, 2022, stood at €508,7 million, higher by €11,5 million compared to December 31<sup>st</sup>, 2021 (€497,2 million). Despite the cash generation of €+9,1 million, Net Debt increased due to the adverse FX impact on our USD denominated debt.

**Cash and cash equivalents** at the end of the 1H22 period increased by €9,1 million vs. FY21; of the Cash & Cash Equivalents at the end of June 30<sup>th</sup>, 2022, €9,1 million are located in our partnerships, and the rest across all other Operating entities (with revenue contracts) and HQ (€107,3 million).

The Group's financial covenant with respect to Net Debt to LTM EBITDA (Leverage ratio) is:

Financial Covenants	1H 2022
Leverage ratio	4,6

### Our Key Gaming Markets Performance<sup>10</sup>

#### **United States and Canada**

In the United States, we provide technology and support services to state lotteries through our subsidiary Intralot Inc., which was established in December 2001. We are one of the only three vendors who hold contracts with the state lotteries for the supply of online gaming systems, retailer communication networks, and point of sale equipment, such as terminals and vending machines. We became the first non-U.S. company to win a tender for the supply of lottery systems, when we won a contract to supply the Nebraska state lottery in 2003. Intralot Tech, a 100% subsidiary of Intralot Inc., was established in 2019 as USA's development hub in Greece and complements its existing central functions in Atlanta and Mason, while diminishing the reliance of Intralot Inc. from the HQ functions, therefore enhancing its delivery capabilities, targeting to retain and enhance the quality of the existing services offered in the US jurisdiction.

In the continental US, we currently operate 12 contracts in 12 states, holding contracts for the supply and operation of online lottery gaming systems in Illinois, Ohio, Louisiana, Arkansas, New Hampshire, Idaho, Vermont, Wyoming, Montana, New Mexico and Washington, D.C. We also hold a contract for the provision of central monitoring services for more than 29.000 Coin Operated Amusement Machines in Georgia. In Ohio, in addition to providing the central systems, terminals, equipment, vending machines and retailer network communications, we also provide central monitoring services for seven racinos operating video lottery terminals (VLTs). Furthermore, in May 2019 INTRALOT entered in the Canadian market through a new contract with the British Columbia Lottery Corporation, which operates

<sup>10</sup> Financial figures refer to the subsidiaries' contribution to the Group and exclude non-operating entities in each of the countries presented.

lottery on behalf of the Government of British Columbia, for the provision of software, hardware and support services.

2020 marked the year where INTRALOT broke ground in the newly regulated and prominent US Sports Betting market. In early May, "Sports Bet Montana" in Montana of USA was launched. INTRALOT deployed in Montana its new INTRALOT Orion sports betting platform to enable the Montana Lottery's sports wagering self-service terminals and mobile sports wagering offering. In addition, INTRALOT provides to the Montana Lottery a complete suite of services, such as Managed Trading and Marketing Services (MTMS) and Customer Support (CS). Then, in early June, the Digital Sports Betting solution in Washington, DC, was also launched. INTRALOT, as part of its current contract with the DC Lottery, deployed its new INTRALOT Orion sports betting platform to enable the GambetDC mobile and desktop sports betting offering. A third Sport Betting launch, that of New Hampshire, is expected to go live within 2022. Towards strengthening its US Sports Betting offering, INTRALOT Inc. signed an agreement with Major League Baseball (MLB) to become an Authorized Gaming Operator of MLB, just in time for the start of 2020 60-game regular season. The new deal provides INTRALOT Inc. with immediate access to MLB's Official data, marks, and logos for its Sports Wagering platforms.

We have a strong track record in renewing and extending our contracts in the US, thus securing a long-term presence in the country. More specifically, in July 2018, Intralot announced a five-year extension to its current gaming systems contract with the New Hampshire Lottery Commission, through June 2025. Furthermore, in November 2018, we renewed our contract with the New Mexico Lottery for 2 more years, up to November 2025. In October 2020, a contract extension was signed through 2029 to continue Intralot Inc.'s six-year partnership with the Georgia Lottery Corporation, providing advanced services for the operation of its COAM (Coin Operated Amusement Machines) project. One more development as per contracts extension was realized in June 2021, with the renewal of the existing contract with the Ohio Lottery Commission until June 2023. Additionally, in late 2021, Intralot Inc. renewed the current contract with the Wyoming Lottery until August 2029. Finally, in late March 2022, Intralot Inc. extended the existing contract with the Montana Lottery up to March 2026.

In 1H22, our revenue in the United States reached €75,3 million, posting a decrease of 7,3%, over the prior year, when our revenue amounted to €81,3 million. This under-performance is mainly attributed to a significant jackpot in 1Q21 and lower merchandise sales in the current period, despite the positive effect from the USD movement (9,3% Euro depreciation versus a year ago — in YTD average terms). Revenue of the United States and Canada for the six months ended June 30, 2022, stands for the 36,8% of the Group's total revenue.

<b>Key Consolidated Financial Figures</b>	<b>1H 2022</b>	<b>1H 2021</b>	<b>Δ%</b>
<i>(in € million)</i>			
Revenue	75,3	81,3	-7,3%
GGR	75,3	81,3	-7,3%
EBITDA	29,8	41,1	-27,4%
CAPEX (Paid)	6,9	2,8	142,3%

<b>Key Standalone Balance Sheet Figures</b>	<b>1H 2022</b>	<b>FY 2021</b>
<b>Intralot Inc - USA</b>		
<i>(in € million)</i>		
Assets	285,2	265,9
Liabilities	279,7	263,1
Cash – Cash Equivalents	54,3	45,2
<b>DC09 LLC</b>		
<i>(in € million)</i>		
Assets	8,5	10,1
Liabilities	17,4	17,6
Cash – Cash Equivalents	1,5	2,8
<b>Intralot Tech</b>		
<i>(in € million)</i>		
Assets	0,8	0,6
Liabilities	0,2	0,2
Cash – Cash Equivalents	0,2	0,1
<b>Greece</b>		

In Greece, we provide technology support and support services for the operation of private gaming and the lottery through Intralot S.A., our parent company. Originally incorporated in Athens in 1992, we won our first domestic contract in 1993. We currently operate three contracts in Greece.

As the center of our Global operations, Greece is also home to our betting-trading center that controls our global fixed odds betting activity, and significant research and development programs (Technology Hub), as well as our corporate Headquarters which supports the wider INTRALOT ecosystem, employing approx. 400 employees at the end of June 30<sup>th</sup>, 2022. As such, Headquarters expenses serve the different projects of INTRALOT S.A, including among others the Greek projects, but the majority of the effort is distributed towards servicing and supporting the pipeline of won and upcoming contracts, as well as supporting INTRALOT's subsidiaries and R&D efforts.

Our relationship with Greek Organization of Football Prognostics S.A. (OPAP) began in 1999. On July 31<sup>st</sup>, 2018, the old OPAP contract ended, and the two parties continue their cooperation under a new contract, specifically in the field of numerical lotteries games, resulting in a smaller contract value due to the limited scope. The new contract is a 3-year contract that also includes an option for OPAP to renew for an additional two years. On January 14<sup>th</sup>, 2021, INTRALOT announced the extension of its partnership with OPAP. More specifically, OPAP exercised its two-year extension option of the contract with INTRALOT for the continuation of the collaboration of the two companies in the field of numerical lotteries and services from August 2021 to July 2023. Furthermore, on December 2, 2021, we extended our current contract with OPAP for an additional year, up to 31<sup>st</sup> of July 2024. Recently, in July 2022, the existing contract with OPAP was further extended until 31<sup>st</sup> of July 2025 with a one-year extension option. These extensions allow INTRALOT to continue providing its state-of-the-art Lottery Solution, that incorporates its novel core platform "LotosX", launched with great success in 2019, along with several other components and high-quality services.

On July 26, 2013, in connection with our participation in a joint venture for a 12-year concession for the management of the Hellenic State Lotteries in Greece, we also signed a set of contracts with the joint venture (the company Hellenic Lotteries S.A. which was incorporated by the consortium members) to provide the IT infrastructure, technical services and logistics to operate the Hellenic State Lottery Tickets and also a contract to develop and manage a new sales network for selling the Hellenic

State Lottery Tickets. INTRALOT also signed an amendment to its existing services provision agreement with Hellenic Lotteries S.A. under renegotiated terms and conditions, in the second half of 2019. In mid-September 2019, INTRALOT finalized the disposal of its shares in Hellenic Lotteries S.A. to "OPAP Investment Limited", for a price of €20,0 million.

In the first half of 2021, INTRALOT sold its 20% stake in Intralot de Peru SAC for a cash consideration of USD21 million to Nexus Group, along with a three-year extension of its current contract with Intralot de Peru SAC through 2024, related to the provision of gaming technology and support services. The net cash consideration, after taxes and transaction expenses, amounted to USD16,2 million.

Revenue from Greek operations in 1H22 was €6,7 million compared to €6,0 million in the respective period of the prior year, accounting for 3,2% of the Group's total revenue. The favored top line performance in the first half of 2022 is primarily impacted by higher services in the current period.

<b>Key Consolidated Financial Figures</b>	<b>1H 2022</b>	<b>1H 2021</b>	<b>Δ%</b>
<i>(in € million)</i>			
Revenue	6,7	6,0	11,8%
GGR	6,7	6,0	11,8%
EBITDA	-8,1	-13,8	-41,1%
CAPEX (Paid)	0,7	1,3	-48,3%

<b>Key Standalone Balance Sheet Figures</b>	<b>1H 2022</b>	<b>FY 2021</b>
<b>INTRALOT SA</b>		
<i>(in € million)</i>		
Assets	332,5	344,5
Liabilities	308,4	306,9
Cash – Cash Equivalents	5,5	8,3
<b>INTRALOT Services SA</b>		
<i>(in € million)</i>		
Assets	0,0	0,3
Liabilities	0,0	0,0
Cash – Cash Equivalents	0,0	0,0
<b>Betting Company SA - Greece</b>		
<i>(in € million)</i>		
Assets	6,9	6,3
Liabilities	2,1	2,4
Cash – Cash Equivalents	0,5	0,4
<b>INTRALOT Interactive - Greece</b>		
<i>(in € million)</i>		
Assets	0,1	0,1
Liabilities	0,1	0,1
Cash – Cash Equivalents	0,1	0,1

## Argentina

In Argentina, we provide technology support and support services mainly for the operation of lottery games and sports betting in 10 out of the 23 jurisdictions in the country, and we are the lottery operator for the Province of Salta. We entered the market when we acquired a majority stake (50,01%) in our subsidiary Tecno Accion in 2007. We facilitate approximately 7.400 terminals throughout Argentina and operate approximately 800 terminals in Salta.

Through Tecno Accion, we offer integrated technology solutions for lottery organizations, such as portable terminals, provide gaming software and trade management systems and communication

consultancy. In Salta, we act as the sole lottery operator in the province, with 12 numerical games. Our partners in Tecno Accion are HAPSA, the operator of horse racing (and CASINO HAPSA) in Buenos Aires, and the Inverclub, which manages casinos.

Our revenue from the Argentina facility management business in 1H22 reached €9,4 million, versus €6,6 million in 1H21. The lottery operator business generated sales of €22,2 million in 1H22, compared to €15,1 million in 1H21, posting an increase of 41,7%, mainly impacted by local market growth. Our total revenue in Argentina for 1H22 was €31,5 million compared to €21,7 million during the same period in the prior year. Revenue from the Argentinian operations in the six months ended June 30, 2022 was 15,4% of INTRALOT Group's total revenue.

<b>Key Consolidated Financial Figures<sup>11</sup></b>	<b>1H 2022</b>	<b>1H 2021</b>	<b>Δ%</b>
<i>(in € million)</i>			
Revenue	31,5	21,7	45,2%
GGR	20,1	13,7	46,6%
EBITDA	7,5	5,1	47,3%
CAPEX (Paid)	1,2	0,2	386,7%

<b>Key Standalone Balance Sheet Figures</b>	<b>1H 2022</b>	<b>FY 2021</b>
<b>Tecno Accion SA - Argentina</b>		
<i>(in € million)</i>		
Assets	12,9	12,2
Liabilities	4,9	4,3
Cash – Cash Equivalents	1,6	1,2
<b>TecnoAccion Salta SA</b>		
<i>(in € million)</i>		
Assets	3,7	4,7
Liabilities	1,9	2,2
Cash – Cash Equivalents	0,6	2,3

## Oceania

We originally entered the Australian market in 2006, where we currently provide technology and support services in two jurisdictions through our wholly owned subsidiaries Intralot Australia Pty Ltd and Intralot Gaming Services Pty Ltd.

In Victoria, IGS supplies a remote monitoring system to control over 26.000 gaming machines under a 15-year contract signed in September 2011 with the State of Victoria. Our monitoring system is designed to ensure the accurate and uninterrupted monitoring of gaming machine transactions, single and multiple venue linked jackpot arrangements, and the capture of data and information with respect to gaming machines for regulatory, taxation, research, and related purposes. In addition, conformance with the statewide precommitment system (PCS) has been in place since December 2015 and has increased the monitoring of revenue substantially. IGS will operate the precommitment scheme up to the end of the monitoring license referred above, which expires in August 2027.

In Western Australia, we provide the information technology and systems support for the Lotteries Commission of Western Australia (Lotterywest), to enable Lotterywest's retail and online gaming sales,

<sup>11</sup> Argentina figures have been restated based on IAS 29 (Financial Reporting in Hyperinflationary Economies) to reflect current purchasing power.



through our wholly owned subsidiary Intralot Australia Pty Ltd. Since 2014, we have provided support services for Lotterywest in its Retail Transformation Program (RTP) and secured an extension of our ongoing contract till 2026.

In New Zealand, we provide technology and support services through our wholly owned subsidiary Intralot New Zealand Ltd Operations, which was first awarded the government contract in 2005. To the government we provide an electronic monitoring system to link approximately 14.665 electronic gaming machines (EGMs) in more than 1.034 locations. The electronic monitoring system is designed to guarantee the integrity of games and limit opportunities for fraud. Our contract was extended in 2016 up to 2022, while in 2020 was further extended up to 2025 with a one-year extension option. Additionally, in 2010 we were awarded the development and operation of an Integrated Gambling Platform responsible for electronic licensing with the contract ended in February 2021.

Revenue for 1H22 from our Oceania operations has increased by +22,2%, amounting to €12,1 million versus €9,9 million in 1H21. The increase in Oceania's revenue mainly depicts the lower COVID-19 related impact in the first half of 2022. Revenue from our Oceania operations in the six months ended June 30, 2022, represented 5,9% of INTRALOT Group's total revenue.

<b>Key Consolidated Financial Figures</b>	<b>1H 2022</b>	<b>1H 2021</b>	<b>Δ%</b>
<i>(in € million)</i>			
Revenue	12,1	9,9	22,2%
GGR	12,1	9,9	22,2%
EBITDA	8,6	6,8	27,7%
CAPEX (Paid)	1,0	0,5	78,8%

<b>Key Standalone Balance Sheet Figures</b>	<b>1H 2022</b>	<b>FY 2021</b>
<b>INTRALOT Gaming Services Pty Ltd (IGS)</b>		
<i>(in € million)</i>		
Assets	13,9	12,3
Liabilities	6,3	7,3
Cash – Cash Equivalents	3,2	2,1
<b>INTRALOT Australia PTY Ltd – Australia</b>		
<i>(in € million)</i>		
Assets	6,3	6,5
Liabilities	0,5	0,9
Cash – Cash Equivalents	1,2	0,7
<b>INTRALOT New Zealand Ltd - New Zealand</b>		
<i>(in € million)</i>		
Assets	1,9	2,0
Liabilities	0,7	0,9
Cash – Cash Equivalents	0,5	0,8

### **Turkey<sup>12</sup>**

In Turkey, we currently own approximately 50,01% of Bilyoner, one of the leading online distributors of sports betting games in Turkey. Bilyoner, along with five other online providers, distributes the games of Spor Toto. Bilyoner was established in 2003 and had approximately 4,4 million registered players as of June 30<sup>th</sup>, 2022. Bilyoner's license agreement was renewed and is valid till December 2029.

<sup>12</sup> Turkey figures have been restated based on IAS 29 (Financial Reporting in Hyperinflationary Economies) to reflect current purchasing power.

Bilyoner's revenue decreased to €12,0 million in 1H22 from €14,6 million over the same period last year, affected by the local currency devaluation (81,9% Euro appreciation versus a year ago – in average YTD terms). Our operations in Turkey were also affected by the macro environment that led to the application of hyperinflationary economy reporting standard. In 1H22, the Sports Betting market expanded close to 1,4 times y-o-y, with the online segment representing close to 89% of the market. In Turkish Lira terms, Bilyoner's revenue increased by 49,4% (in Euro terms decreased by -17,9%). Bilyoner's revenue represented 5,9% of INTRALOT Group's total revenue for the six months ended June 30, 2022.

<b>Key Consolidated Financial Figures</b>	<b>1H 2022</b>	<b>1H 2021</b>	<b>Δ%</b>
<i>(in € million)</i>			
Revenue	12,0	14,6	-17,9%
GGR	12,0	14,6	-17,9%
EBITDA	4,7	6,5	-27,9%
CAPEX (Paid)	0,2	2,2	-90,5%

<b>Key Standalone Balance Sheet Figures</b>	<b>1H 2022</b>	<b>FY 2021</b>
<b>Bilyoner AS - Turkey</b>		
<i>(in € million)</i>		
Assets	59,5	44,5
Liabilities	39,5	40,5
Cash – Cash Equivalents	6,8	6,2

### **Morocco**

We founded Intralot Maroc S.A. in 2010, with 100% of shares held by INTRALOT S.A. Intralot Maroc supports the operation of all games of the Moroccan lottery La Marocaine des Jeux et des Sports (MDJS). The lottery operates a broad gaming portfolio that ranges from sports betting and numerical games to instants and fast draw entertainment games, with a distribution network of over 1.400 points of sale throughout Morocco.

Intralot Maroc has been offering its products and services to MDJS since 2010 and had an effective contract of an 8-year term, effective of January 1, 2020. Following the contract amendment in March 2021, the counterparties agreed to reduce the duration of the contract, ending 31/12/2022, aiming to enhance resilience in the context of the COVID-19 pandemic repercussions on the overall lottery market. On March 17, 2022, Intralot announced the extension of its current contract with MDJS for an additional year, up to December 2023. INTRALOT Maroc will continue to support MDJS with the overall management and operation of its lottery, sports betting, and other games activities.

In 1H22, Intralot Maroc generated revenue of €7,3 million, while in 1H21 the revenue amounted to €7,1 million. The slightly improved performance is attributed to the organic growth of local market. Morocco's revenue for the six months ended June 30, 2022, represented 3,6% of INTRALOT Group's total revenue.

<b>Key Consolidated Financial Figures</b>	<b>1H 2022</b>	<b>1H 2021</b>	<b>Δ%</b>
<i>(in € million)</i>			
Revenue	7,3	7,1	3,1%
GGR	7,3	7,1	3,1%
EBITDA	2,7	2,3	15,7%
CAPEX (Paid)	0,1	0,3	-65,0%

<b>Key Standalone Balance Sheet Figures</b>	<b>1H 2022</b>	<b>FY 2021</b>
<b>INTRALOT Maroc SA</b>		
<i>(in € million)</i>		
Assets	9,1	10,5
Liabilities	31,3	33,6
Cash – Cash Equivalents	0,9	1,2

### Malta

We entered the lottery market of Malta in 2004, when we were awarded an eight-year exclusive license to operate all state lottery games. For this project, we established the subsidiary Maltco Lotteries Limited, in which we own a 73,0% stake. The license to operate the national lottery of Malta that was awarded in 2012 terminated on July 4th, 2022.

The revenue of Maltco Lotteries in 1H22 posted a decrease of -6,7% versus prior year's levels (€46,1 million), reaching €43,0 million, with the variance attributable mainly lower market performance. Revenue net of gaming payout follows the opposite trend, reaching €18,1 million in 1H22, compared to €15,4 million in 1H21. Our total revenue from Malta for the six months ended June 30, 2022, was 21,0% of INTRALOT Group's total revenue.

<b>Key Consolidated Financial Figures</b>	<b>1H 2022</b>	<b>1H 2021</b>	<b>Δ%</b>
<i>(in € million)</i>			
Revenue	43,0	46,1	-6,7%
GGR	18,1	15,4	17,7%
EBITDA	5,1	3,8	35,3%
CAPEX (Paid)	0,0	0,0	-74,5%

<b>Key Standalone Balance Sheet Figures</b>	<b>1H 2022</b>	<b>FY 2021</b>
<b>Maltco Lotteries Ltd - Malta</b>		
<i>(in € million)</i>		
Assets	18,2	21,1
Liabilities	8,4	8,6
Cash – Cash Equivalents	15,5	16,8

### FIRST HALF SUMMARY AND PROSPECTS FOR THE SECOND HALF OF 2022

In the first half of 2022, on the operational front, INTRALOT has placed its focus on the stabilization of the business post the pandemic period, ensuring continuity of its operations and the successful ramping up of the projects that went live during previous year such as Croatia Lottery. Furthermore, the cost containment program that was carefully planned in the last three years especially at HQ perimeter continued to deliver desirable results supporting the strategy towards a healthy operational performance.

On the financing front after the completion of the capital structure optimization in 2021, first half of 2022 was marked by INTRALOT's continuous efforts to further optimize its capital structure and create value for all stakeholders as committed by the Management. Towards this direction it planned a Share Capital Increase of up to €129m that was successfully executed in July with the full subscription with cash payment and pre-emptive right in favor of existing shareholders. As part of this process a new corner store investor has entered the shareholding structure of the Group. Standard General Fund II L.P. through its wholly owned subsidiary CQ Holding Company Inc., acquired 32.90% stake of Intralot

SA's total voting rights by injecting €71m. Being a well-established player in the US market, the new investor's participation sets a strong foundation for grasping new opportunities in the US and Global markets that the Group has to offer. Focusing primarily on the US market, the Group enhanced its presence by utilizing a big part of the Share Capital Increase proceeds to buy back from the minority shareholders the percentage that was offered to the Noteholders of 2024 Notes with the Debt-to-Equity Exchange Offer in 2021 and now owns 100% of the US subsidiary, Intralot Inc. In the last couple of weeks, Intralot Inc. signed a Credit Agreement with KeyBank National Association Inc. as Administrative Agent and Issuing Lender and a syndicate of US financial institutions for a 3-year Term Loan of \$230,000,000 plus a committed Revolving Credit Facility (RCF) of \$50,000,000, the proceeds of which were used to fully refinance the 2025 PIK Toggle Notes, which subsequently were cancelled. Apart from the repayment of the 2025 Notes, the new credit agreements bear lighter terms and covenant package compared to the previous Notes, while the revolving credit facility provides flexibility to the company in relation to its liquidity needs.

On the contract renewals front, during the first half of 2022 INTRALOT extended its current contract with La Marocaine Des Jeux et des Sports (MDJS) for one more year which is now due to expire at the end of 2023 and with Magnum Corporation Sdn Bhd for two more years which now expires in June 2024. Furthermore, a 5-year extension option has been exercised with the Wyoming Lottery according to which Intralot Inc. will continue to provide its lottery operating system and services for the operation of the Lottery through August 2029.

Looking ahead, in H2 2022 INTRALOT will remain committed in implementing its new strategy for achieving growth and focus on the further improvement of operational efficiencies. The successful completion of the capital restructuring process in the beginning of H2 2022, will enhance the capital profile of the Company and will allow INTRALOT to focus on the delivery of the financial and operational targets as these have been set in the Group's 5-year Business Plan.

In the first half of 2022, we have accelerated the execution of our strategy, further improved our capital structure profile and welcomed a new strong partner. In the second half we will continue to emphasize on these verticals ensuring our strong focus remains on our mission to best address the evolving needs of our players and lottery customers with state-of-the-art products and services.

## **RISKS AND UNCERTAINTIES**

### **ENTERPRISE RISK MANAGEMENT**

The Enterprise Risk Management (ERM) Framework documents the good practices adopted by the INTRALOT Group in order to identify, assess and manage risks related to the achievement of its business objectives.

INTRALOT ERM targets at the assurance of stakeholder and shareholder trust through the appropriate and continuous balancing of risk and value.

INTRALOT ERM follows a holistic approach for taking into account all parameters that drive the execution of INTRALOT Group Strategy, including INTRALOT's financial health, operations, people, technology, compliance, products and reputation.

ERM provides the means to continuously monitor risk, align it with the changing internal and external parameters and manage it according to the defined corporate risk appetite.

The Enterprise Risk Management (ERM) Framework is designed according to the specifications of COSO (Committee of Sponsorship Organizations of the Treadway Commission) and ISACA (COBIT for RISK). It is a holistic strategic framework taking into account risks related to the business objectives of INTRALOT GROUP.

The framework incorporates the following components:

1. **Objective setting:** Objectives are clearly defined in order to be used as a reference point for the identification of risks. A process is in place for setting objectives that align with INTRALOT's mission and are consistent with the corporate risk appetite.
2. **Risk assessment:** Risks are analyzed in relation to the objectives and by determining the likelihood of and impact from the realization of an adverse event.
3. **Risk response:** Management selects risk responses – avoiding, accepting, reducing, or sharing risk – developing a set of actions to align risks with the entity's risk tolerances and risk appetite.
4. **Event identification:** Internal and external events affecting the achievement of INTRALOT objectives are identified.
5. **Internal environment:** The internal environment sets the basis for how risk is viewed and addressed by people, including risk management philosophy and risk appetite, integrity and ethical values, and the environment in which they operate.
6. **Control activities:** Policies, procedures, strategies and action plans in general are established and implemented to help ensure the risk responses are effectively carried out.
7. **Information and communication:** Relevant information is identified, captured, and communicated in a form and time frame that enable people to carry out their responsibilities.
8. **Monitoring:** Risk is monitored and modifications made as necessary. Monitoring is accomplished through ongoing management activities, separate evaluations, or both.

## **Description of significant risks and uncertainties**

### **FINANCIAL RISKS**

The Group's international activities create several financial risks in the Group's operation, due to constant changes in the global financial environment. The Group beyond the traditional risks of liquidity risk and credit risk also faces market risk. The most significant of these risks are currency risk and interest rate risk. The risk management program is a dynamic process that is constantly evolving and adapted according to market conditions and aims to minimize potential negative impact on financial results. The basic risk management policies are set by the Group Management. The risk management policy is implemented by the Treasury Department of the Group which operates under specific guidelines approved by management.

#### **Credit risk**

The Group does not have significant credit risk concentration because of the wide dispersion of its customers and the fact that credit limits are set through signed contracts. The maximum exposure of credit risk amounts to the aggregate values presented in the balance sheet. In order to minimize the

potential credit risk exposure arising from cash and cash equivalents, the Group sets limits regarding the amount of credit exposure to any financial institution. Moreover, in order to secure its transactions even more, the Group adopted an internal rating system, regarding credit rating evaluation, using the relevant financial indices.

### Liquidity risk

Prudent liquidity management means maintaining adequate liquidity, funding ability through approved credit limits, and ability to repay liabilities. The Group has established specific policies to manage and monitor its liquidity in order to continuously have sufficient cash and liquid non-core assets that can meet its obligations. In addition, the Group has set up a system of monitoring and constant optimization of its operating and investing costs in the framework of its liquidity management policies.

The following tables summarize the maturity of the financial liabilities of the Group as at 30/6/2022 and 31/12/2021:

GROUP Financial Liabilities:	30/6/2022			Total
	0-1 years	2-5 years	> 5 years	
Creditors and other liabilities <sup>1</sup>	64.667	0	0	64.667
Other long-term liabilities <sup>1</sup>	0	537	0	537
Income tax payable	5.481	0	0	5.481
Bonds (Senior Notes) <sup>2</sup>	37.919	676.897	2.074	716.890
Other Loans and lease liabilities <sup>3</sup>	4.316	12.700	2.758	19.774
<b>Total</b>	<b>112.383</b>	<b>690.135</b>	<b>4.832</b>	<b>807.350</b>

GROUP Financial Liabilities:	31/12/2021			Total
	0-1 years	2-5 years	> 5 years	
Creditors and other liabilities <sup>1</sup>	80.481	0	0	80.481
Other long-term liabilities <sup>1</sup>	0	502	0	502
Income tax payable	5.571	0	0	5.571
Bonds (Senior Notes) <sup>2</sup>	36.538	670.050	0	706.588
Other Loans and lease liabilities <sup>3</sup>	4.601	7.963	2.758	15.322
<b>Total</b>	<b>127.191</b>	<b>678.515</b>	<b>2.758</b>	<b>808.464</b>

<sup>1</sup> Excluding "Deferred Income" and refer to liabilities balances as of 30/6/2022 and 31/12/2021 as recognized in the relevant Statements of Financial Position, measured at amortized cost.

<sup>2</sup> Refer to Facilities "B", "SSN", "Extra Facility" and "Supplemental Indenture" of note [2.17](#) and include bonds balances (outstanding balance – after relevant repurchases) including future contractual interest up to maturity date, on undiscounted values, that differ to the relevant carrying amounts on Statements of Financial Position, that are measured at amortized cost according to IFRS 9.

<sup>3</sup> Refer to the remaining Debt of the note [2.17](#) (excluding the above Bonds) as of 30/6/2022 and 31/12/2021 and is stated as has been recognized to the relevant Statements of Financial Positions, measured at amortized cost.

COMPANY Financial Liabilities:	30/6/2022			Total
	0-1 years	2-5 years	> 5 years	
Creditors and other liabilities <sup>1</sup>	33.619	0	0	33.619
Other long-term liabilities <sup>1</sup>	0	36	0	36
Income tax payable	1.856	0	0	1.856
Loans and lease liabilities ( <a href="#">note 2.17</a> )	475	258.807	0	259.282
<b>Total</b>	<b>35.951</b>	<b>258.843</b>	<b>0</b>	<b>294.794</b>

COMPANY	31/12/2021			Total
	0-1 years	2-5 years	> 5 years	
<b>Financial Liabilities:</b>				
Creditors and other liabilities <sup>1</sup>	37.187	0	0	37.187
Other long-term liabilities <sup>1</sup>	0	36	0	36
Income tax payable	1.856	0	0	1.856
Loans and lease liabilities (note 2.17)	2.522	250.946	0	253.468
<b>Total</b>	<b>41.565</b>	<b>250.982</b>	<b>0</b>	<b>292.547</b>

<sup>1</sup> Excluding "Deferred Income" and refer to liabilities balances as of 30/6/2022 and 31/12/2021 as recognized in the relevant Statements of Financial Position, measured at amortized cost.

## Market Risk

### 1) Foreign Exchange risk

Foreign exchange risk arises from changes in currency exchange rates that affect Group's foreign currency positions. Group transactions are carried out in more than one currency and hence there is a high-risk exposure from exchange rate changes against the base currency, the Euro. However, the Group's activity in many countries generates an advantage, as more portfolio diversification is achieved and, therefore, better exchange rate risk management.

The main foreign exchange translation rates of the financial statements of foreign subsidiaries were:

- **Statement of Financial Position:**

	30/6/2022	31/12/2021	Change
EUR / USD	1,04	1,13	-8,0%
EUR / AUD	1,51	1,56	-3,2%
EUR / TRY	17,32	15,23	13,7%
EUR / ARS	131,28	116,94	12,3%

- **Income Statement:**

	Avg. 1/1-30/6/2022	Avg. 1/1-30/6/2021	Change
EUR / USD	1,09	1,21	-9,9%
EUR / AUD	1,52	1,56	-2,6%
EUR / TRY <sup>1</sup>	17,32	9,52	81,9%
EUR / ARS <sup>1</sup>	131,28	113,47	15,7%

<sup>1</sup> The Income Statement of the first half of 2022 and 2021 of the Group's subsidiaries operating in Argentina and in Turkey was converted at the closing rate of 30/6/2022 and 30/6/2021 instead of the Avg. 1/1-30/6/2022 and 1/1-30/6/2021 pursuant to IAS 21, paragraph 42a, for hyperinflationary economies.

This type of risk arises both from commercial transactions in foreign currency as well as from investments in foreign countries. In order to manage this risk category, the Group may enter into financial derivative contracts with financial institutions such as currency risk hedging for the receipt of foreign currency dividends by foreign subsidiaries, a policy that systematically applies to all cases where a dividend distribution has been declared or a fee payment and such a derivative product is available. The Group's policy regarding the management of its exposure to foreign exchange risk concerns not only the parent Company but also its subsidiaries.

Sensitivity Analysis in Currency movements amounts of the period 1/1–30/6/2022 (in thousand €)				
Foreign Currency	Currency Movement	Effect in Earnings before taxes		Effect in Equity
<b>USD:</b>	5%		125	-267
	-5%		-113	242
<b>TRY:</b>	5%		436	672
	-5%		-395	-608
<b>AUD:</b>	5%		185	575
	-5%		-168	-520
<b>ARS:</b>	5%		120	493
	-5%		-109	-446

Sensitivity Analysis in Currency movements amounts of the period 1/1–30/6/2021 (in thousand €)				
Foreign Currency	Currency Movement	Effect in Earnings before taxes		Effect in Equity
<b>USD:</b>	5%		427	9.940
	-5%		-387	-8.994
<b>TRY:</b>	5%		317	151
	-5%		-287	-136
<b>AUD:</b>	5%		122	626
	-5%		-110	-566
<b>ARS:</b>	5%		97	350
	-5%		-88	-316

## 2) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's activities are closely linked to interest rates because of investment and long and short-term borrowings. The Group's policy on managing its exposure to interest rate risk affects not only the parent company but also its subsidiaries for the loans concluded in euros or local currency.

The Group's exposure to the risk of changes in market interest rates relates primarily to long-term borrowings of the Group's with floating rate. The Group manages interest rate risk by having a balanced portfolio of loans with fixed and floating rate borrowings. On June 30, 2022, approximately 100% of the Group's borrowings are at a fixed rate (same as of 31/12/2021) and average duration of about 2,7 years. As a result, the impact of interest rate fluctuations in operating results and cash flows of the Group's operating activities is small.

## 3) High leverage risk

INTRALOT's ability to incur significant additional amounts of debt so as to finance its operations and expansion depends on capital market conditions that influence the levels of new debt issues interest rates and relevant costs. Furthermore, INTRALOT may be able to incur substantial additional debt in the future, however, under the Senior Notes terms will be able to incur additional debt so long as on an actual basis its consolidated fixed charge coverage ratio is at least 2,00 (30/6/2022: approximately 3,48), and the ratio of total net debt to EBITDA (senior leverage ratio) is not more than 3,75 (30/6/2022: approximately 4,01). Furthermore to the above, the Group can incur additional debt from specific baskets. Furthermore, the Group proceeded with the refinancing of Intralot Inc. debt with new bank financing (Term Loan) maturing in 2025, the terms of which improve the access of the parent company to the cash flows of the US subsidiary and are expected to be favourable from a cost of debt perspective. The new loan agreement signed with a consortium of six US financial institutions also



includes a revolving credit line (Revolver Facility) of \$50 million, which will significantly assist the Group's liquidity management. If new debt is added to INTRALOT's existing debt levels, the risks associated with its high leverage described above, including its possible inability to service its debt, will increase.

Further analysis of the Group's leverage is provided in note [2.17](#) of the interim financial statements.

## **OPERATING RISKS**

### **Winners' payouts in sports betting**

INTRALOT is one of the largest sports betting operators worldwide. The winners' payout in sports betting may fluctuate in the short-term since it depends on the outcome of the events. The fluctuation of the payout may affect the financial results of INTRALOT since it represents a significant cost element for the Company.

### **Gaming sector and economic activity**

The gaming market is affected by the economic cycles since lottery products are consumer products. However, the gaming sector is more resilient than other sectors of the economy in periods of economic crisis. Specifically, during an economic downturn, frequent draw games (like KENO or VLTs) are most likely to present a reduction in revenues, while lotto type games are less affected.

With its international expansion INTRALOT has achieved significant diversification and has reduced its dependency on the performance of individual markets and economies.

### **Gaming Taxation**

The financial crisis has increased the budget deficits of many countries. The increase of the taxation of lottery games constitutes sometimes an easy, but not correct in Group's opinion, solution for the governments to finance these deficits. Nevertheless, such measures may affect INTRALOT's financial results.

### **Regulatory risk**

The gaming industry is subject to extensive regulations and oversight and regulatory requirements vary from jurisdiction to jurisdiction. Because of the broad geographical reach of INTRALOT's operations, it is subject to a wide range of complex gaming laws and regulations in the jurisdictions in which it is licensed or operate. These regulations govern, for example, advertisement, payouts, taxation, cash and anti-money laundering compliance procedures and other specific limitations, such as the number of gaming machines in a given POS and their proximity to each other. Most jurisdictions require that INTRALOT be licensed. If a license, approval or finding of suitability is required by a regulatory authority and INTRALOT fails to seek or does not receive the necessary approval, license or finding of suitability, then it may be prohibited from providing its products or services for use in the particular jurisdiction. INTRALOT relies on government licenses in order to conduct its main business activities and termination of these licenses would have a material adverse effect on Group revenue. The regulatory environment in any particular jurisdiction may change in the future, and any such change could have a material adverse impact on Group results of operations, cash flows, business or prospects.

**Technological changes**

The gaming industry is characterized by rapidly changing technology and evolving industry standards. Many of INTRALOT's software and hardware products are based on proprietary technologies. INTRALOT's competitiveness in the future will depend on its ability to respond to technological changes and satisfy future technology demands by developing or licensing innovative and appealing products in a timely and cost-effective manner. INTRALOT invests significant financial resources in R&D efforts to develop innovative products so as to compete effectively in the gaming markets.

**Emerging markets risk**

INTRALOT is active and offers its products and services in many countries worldwide, being active in fast-growing and emerging markets. Possible social, political, legal and economic instability in these markets, such as the political turmoil in Turkey in 2016, may pose significant risks to the Group's ability to conduct and expand its operations in these markets. Although the management believes that its activities in Turkey have not been affected, there are no guarantees that such events will not have an impact in the future.

**Competition risk and margin squeeze**

Intralot operates in a highly competitive industry and its success depends on its ability to effectively compete with numerous domestic and foreign companies. Also, Intralot is heavily dependent on its ability to renew its long-term contracts with its customers and could lose substantial revenue and profits if is unable to renew such contracts or renew them with less favorable terms (profit margins, smaller range of services, etc.) due to high competition during public tender process.

**Environmental Sustainability**

INTRALOT embodies environmental sustainability by identifying best practices and perform green initiatives that align with its' values, in order to reduce its' environmental footprint. Paper and energy consumption are the largest environmental impacts identified. INTRALOT is committed to reducing the amount of waste and improve its' recycling rates. Additionally, it reduces the use of physical resources such as paper and ink by reducing printing within the offices. INTRALOT is measuring its environmental impact in order to operate in a more sustainable way in the future.

**Other Operating Risks**

- risks posed by illegal betting (loss of market share),
- changes in consumer preferences,
- increased competition in the gaming industry,
- non-renewal or termination of material contracts and licenses,
- seasonality of sports schedules,
- player fraud.

**CAPITAL MANAGEMENT**

The Group aims through the management of capital to ensure that the Group can operate smoothly in the future, maximize the value of its shareholders and maintain the appropriate capital structure in terms of costs of capital.

The Group monitors its capital adequacy on a Net Debt to EBITDA ratio basis. Net borrowings include borrowing and lease liabilities minus cash and cash equivalents.

GROUP	30/6/2022	31/12/2021
Long-term loans	599.689	578.805
Long-term lease liabilities	9.800	9.179
Short-term loans	12.891	13.678
Short-term lease liabilities	2.668	2.857
<b>Total Debt</b>	<b>625.048</b>	<b>604.519</b>
Cash and cash equivalents	-116.369	-107.339
<b>Net Debt</b>	<b>508.679</b>	<b>497.180</b>
Lending of discontinued operations	0	0
Cash and cash equivalents	0	0
<b>Net Debt (adjusted)</b>	<b>508.679</b>	<b>497.180</b>
<b>EBITDA from continuing operations</b>	<b>111.193</b>	<b>110.440</b>
<b>Leverage</b>	<b>4,57</b>	<b>4,50</b>

<sup>1</sup> EBITDA refers to the period of the last twelve months ended on 30/6/2022.

The Group proceeded with the refinancing of Intralot Inc. debt with new bank financing (Term Loan) maturing in 2025, the terms of which improve the access of the parent company to the cash flows of the US subsidiary and are expected to be favourable from a cost of debt perspective. The new loan agreement signed with a consortium of six US financial institutions also includes a revolving credit line (Revolver Facility) of \$50 million, which will significantly assist the Group's liquidity management.

#### MATERIAL TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES:

The most important transactions between the Company and its related parties as per IAS 24 are presented on the table below:

Group (total operations)	Income		Expense	
	1/1/2022- 30/6/2022	1/1/2021- 30/6/2021	1/1/2022- 30/6/2022	1/1/2021- 30/6/2021
Intracom Holdings Group	3	17	382	2.541
Lotrich Information Co LTD	1.020	1.039	0	0
Other related parties	254	278	257	408
Executives and members of the board	0	0	3.838	3.804
<b>Total</b>	<b>1.277</b>	<b>1.334</b>	<b>4.477</b>	<b>6.753</b>

Company	Income		Expense	
	1/1/2022- 30/6/2022	1/1/2021- 30/6/2021	1/1/2022- 30/6/2022	1/1/2021- 30/6/2021
Intracom Holdings Group	3	0	387	1.370
Lotrich Information Co LTD	1.238	1.290	0	0
Intralot Finance UK LTD	0	3.946	8.477	10.287
Intralot Gaming Services Pty Ltd	2.675	2.063	0	0
Intralot Inc	1.139	5.352	0	0
Bilyoner Interaktif Hizmetler A.S.	1.716	1.945	69	0
Intralot Iberia Holdings S.A.	152	2.342	0	0
Intralot Global Holdings B.V.	1	0	0	1.430
Other related parties	3.246	3.348	496	388
Executives and members of the board	0	0	2.391	2.638
<b>Total</b>	<b>10.170</b>	<b>20.286</b>	<b>11.820</b>	<b>16.113</b>

Group (total operations)	Receivable		Provision for Doubtful receivables		Payable	
	30/6/2022	31/12/2021	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Intracom Holdings Group	1.300	1.348	0	0	9.181	7.697
Lotrich Information Co LTD	1.207	525	0	0	0	0
VSC	3.967	5.136	0	0	0	0
Inver Club SA	1.231	1.182	-3	0	0	0
Other related parties	6.170	9.093	-4.590	-6.097	169	225
Executives and members of the board	17	32	0	0	38	360
<b>Total</b>	<b>13.892</b>	<b>17.316</b>	<b>-4.593</b>	<b>-6.097</b>	<b>9.388</b>	<b>8.282</b>

Company	Receivable		Provision for Doubtful receivables		Payable	
	30/6/2022	31/12/2021	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Intracom Holdings Group	28	42	0	0	3.490	3.287
Intralot International Ltd	12.798	13.452	0	0	8	420
Betting Company S.A.	1.588	1.591	0	0	5.208	4.702
Intralot Global Holdings B.V.	0	11	0	0	4.142	4.142
Bilyoner AS	0	0	0	0	0	1.701
Maltco Lotteries Ltd	663	1.464	0	0	7	0
Lotrom S.A.	1.663	1.663	0	0	12.741	12.734
Intralot Inc	1.022	439	0	0	0	0
Intralot Finance UK LTD	1.558	1.558	0	0	258.402	250.425
Lotrich Information Co LTD	1.207	525	0	0	0	0
Intralot Maroc S.A.	7.071	6.989	0	0	1.174	1.174
Intralot Global Operations B.V.	7.090	7.069	0	0	3.003	3.014
Intralot Adriatic DOO	8.215	8.119	0	0	1.385	1.350
Intralot Benelux B.V.	2.365	3.159	0	0	18	0
Other related parties	6.761	9.533	-4.811	-6.318	370	1.946
Executives and members of the board	0	0	0	0	0	263
<b>Total</b>	<b>52.030</b>	<b>55.615</b>	<b>-4.811</b>	<b>-6.318</b>	<b>289.948</b>	<b>285.158</b>

From the company profits for the period 1/1-30/6/2022, €1.933 thousand (1/1-30/6/2021: €4.997 thousand) refer to dividends from the subsidiaries Intralot Iberia Holdings SA and Bilyoner AS, as well as the associated company Lotrich Information Co LTD.

The BoD and Key Management Personnel transactions and fees for the Group and the Company for the year 1/1-30/6/2022 were €3,8 million and €2,4 million respectively (1/1-30/6/2021: €3,8 million and €2,6 million respectively).

#### ALTERNATIVE PERFORMANCE MEASURES ("APM")

The Group uses Alternative Performance Measurements ("APM") in decision-making regarding its financial, operational and strategic planning as well as for the evaluation and publication of its performance. These APMs serve to better understand the financial and operating results of the Group, its financial position and the cash flow statement. Alternative indicators ("APM") should always be taken into account in conjunction with the financial results prepared in accordance with IFRS and under no circumstances replace them.

### Definitions and reconciliation of APM

In the description of the Group's performance, "Adjusted" indicators are used:

- Net sales after winners payout (GGR)
- EBITDA, and
- Net Debt.

#### Net Sales after winners' payout (GGR)

The "Net Sales after winners' payout (GGR)" are calculated by subtracting the "Pay out" from "Sale proceeds". The relevant calculations are illustrated below:

	GROUP	
	1/1-30/6/2022	1/1-30/6/2021
Sale proceeds	204.841	202.628
Winners Pay out	-36.330	-38.689
<b>Net sales after winners payout (GGR)</b>	<b>168.511</b>	<b>163.939</b>

#### EBITDA

International Financial Reporting Standards (IFRS) do not define the content of the "EBITDA" & "EBIT". 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 expenses" and "Assets depreciation and amortization".

Reconciliation of operating profit before tax to EBIT & EBITDA (continuing operations):	GROUP	
	1/1-30/6/2022	1/1-30/6/2021
<b>Operating profit/(loss) before tax</b>	<b>8.028</b>	<b>-10.384</b>
Profit/(loss) to net monetary position	-9.353	-291
Profit/(loss) equity method consolidation	-134	-110
Foreign exchange differences	495	-2.875
Interest and similar income	-1.030	-879
Interest and similar expenses	20.536	24.449
Income / (expenses) from participations and investments	237	-2.021
Gain / (loss) from assets disposal, impairment loss and write-off of assets	-540	3.321
<b>EBIT</b>	<b>18.239</b>	<b>11.210</b>
Depreciation and amortization	36.538	31.938
Reorganization expenses	313	11.192
<b>EBITDA</b>	<b>55.091</b>	<b>54.339</b>

#### Net Debt

Net debt is an APM used by the management to assess the capital structure of the Group. Net debt is calculated by adding to "Long-term debt" the "Long-term lease liabilities" the "Short-term debt" and the "Short-term lease liabilities" and deducting from total the "Cash and cash equivalents".

The relevant calculations are presented below:

	GROUP	
	30/6/2022	31/12/2021
Long-term debt	599.689	578.805
Long-term lease liabilities	9.800	9.179
Short-term debt	12.891	13.678
Short-term lease liabilities	2.668	2.857
<b>Total debt</b>	<b>625.048</b>	<b>604.519</b>
Cash and cash equivalents	-116.369	-107.339
<b>Net debt</b>	<b>508.679</b>	<b>497.180</b>
Discontinued Operation Debt	0	0
Discontinued Operation cash and cash equivalents	0	0
<b>Net debt (adjusted)</b>	<b>508.679</b>	<b>497.180</b>

From the information stated above and from the Financial Statements you are able to have a complete picture of the Group for the year 1/1-30/6/2022.

Peania, August 31, 2022

Sincerely,

Chairman of the Board of Directors  
and Group CEO

Sokratis P. Kokkalis

# Independent Auditors' Review Report

To the Board of Directors of "INTRALOT SA INTEGRATED LOTTERY SYSTEMS AND SERVICES"

## Report on Review of Interim Financial Information

### Introduction

We have reviewed the accompanying condensed interim separate and consolidated statement of financial position of INTRALOT SA INTEGRATED LOTTERY SYSTEMS AND SERVICES as at June 30, 2022 and the relative condensed statements of income and other comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the condensed interim financial information, which is an integral part of the six-month financial report under the L. 3556/2007.

Management is responsible for the preparation and presentation of this condensed interim financial information, in accordance with International Financial Reporting Standards, as adopted by the European Union (EU) and which apply to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that have been incorporated into the Greek Legislation and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard "IAS 34".



## Report on other Legal and Regulatory Requirements

Our review did not identify material inconsistency or error in the statements of the members of the Board of Directors and the information of the six-month Financial Report of the Board of Directors, as these are defined in article 5 and 5a of L. 3556/2007, with respect to the condensed interim separate and consolidated financial information.

Athens, August 31, 2022

The Certified Public Accountants

Anastasios Dallas  
SOEL Reg. No. 27021

Panagiotis Noulas  
SOEL Reg. No. 40711

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**INTERIM FINANCIAL STATEMENTS**  
**INCOME STATEMENT GROUP / COMPANY FOR THE FIRST HALF OF 2022**

Amounts reported in thousand €	Notes	GROUP		COMPANY	
		1/1-30/6/2022	1/1-30/6/2021	1/1-30/6/2022	1/1-30/6/2021
Sale Proceeds	<a href="#">2.2</a>	204.841	202.628	13.408	13.685
Less: Cost of Sales		-148.565	-144.931	-12.715	-15.535
<b>Gross Profit / (loss)</b>		<b>56.276</b>	<b>57.697</b>	<b>693</b>	<b>-1.850</b>
Other Operating Income	<a href="#">2.3</a>	11.697	10.241	524	6.436
Selling Expenses		-10.188	-11.513	-3.174	-3.112
Administrative Expenses		-36.227	-30.473	-5.177	-5.641
Research and Development Expenses		-869	-860	-869	-860
Reorganization expenses		-313	-11.192	0	-6.950
Other Operating Expenses	<a href="#">2.7</a>	-2.137	-2.690	-38	-601
<b>EBIT</b>	<a href="#">2.1.5</a>	<b>18.239</b>	<b>11.210</b>	<b>-8.041</b>	<b>-12.578</b>
<b>EBITDA</b>	<a href="#">2.1.5</a>	<b>55.091</b>	<b>54.339</b>	<b>-995</b>	<b>-4.738</b>
Income/(expenses) from participations and investments	<a href="#">2.5</a>	-237	2.021	1.909	10.089
Gain/(loss) from assets disposal, impairment loss and write-off of assets	<a href="#">2.6</a>	540	-3.321	546	32
Interest and similar expenses	<a href="#">2.8</a>	-20.536	-24.449	-8.697	-10.474
Interest and similar income	<a href="#">2.8</a>	1.030	879	434	485
Exchange Differences	<a href="#">2.9</a>	-495	2.875	744	352
Profit / (loss) from equity method consolidations		134	110	0	0
Profit / (loss) to net monetary position	<a href="#">2.23</a>	9.353	291	0	0
<b>Profit / (loss) before tax from continuing operations</b>		<b>8.028</b>	<b>-10.384</b>	<b>-13.105</b>	<b>-12.094</b>
Tax	<a href="#">2.4</a>	-7.790	-3.910	-579	-1.919
<b>Profit / (loss) after tax from continuing operations (a)</b>		<b>238</b>	<b>-14.294</b>	<b>-13.684</b>	<b>-14.014</b>
Profit / (loss) after tax from discontinued operations (b) <sup>1</sup>	<a href="#">2.20</a>	5.568	-9.224	0	0
<b>Profit / (loss) after tax (continuing and discontinued operations) (a)+(b)</b>		<b>5.806</b>	<b>-23.519</b>	<b>-13.685</b>	<b>-14.014</b>
Attributable to:					
Equity holders of parent					
-Profit/(loss) from continuing operations		-6.089	-17.628	-13.685	-14.014
-Profit/(loss) from discontinued operations <sup>1</sup>	<a href="#">2.20</a>	5.568	-9.093	0	0
		-521	-26.721	-13.685	-14.014
Non-Controlling Interest					
-Profit/(loss) from continuing operations		6.328	3.333	0	0
-Profit/(loss) from discontinued operations <sup>1</sup>	<a href="#">2.20</a>	0	-131	0	0
		<b>6.328</b>	<b>3.202</b>	<b>0</b>	<b>0</b>
<b>Earnings / (losses) after tax per share (in €) from total operations</b>					
-basic		-0,0035	-0,1805	-0,0921	-0,0947
-diluted		-0,0035	-0,1805	-0,0921	-0,0947
Weighted Average number of shares		148.536.785	148.034.131	148.536.785	148.034.131

<sup>1</sup> The activities of Group subsidiaries and associates in Poland (Totolotek S.A.), in Brazil (Intralot do Brazil Ltda, OLTP Ltda), Peru (Intralot de Peru SAC) and Taiwan (GoReward Ltd) are presented as discontinued operations pursuant to IFRS 5 (note [2.20.A.VIII](#)).

## STATEMENT OF COMPREHENSIVE INCOME GROUP / COMPANY FOR THE FIRST HALF OF 2022

Amounts reported in thousand €	Notes	GROUP		COMPANY	
		1/1-30/6/2022	1/1-30/6/2021	1/1-30/6/2022	1/1-30/6/2021
<b>Profit / (loss) after tax (continuing and discontinued operations) (a)+(b)</b>		<b>5.806</b>	<b>-23.519</b>	<b>-13.685</b>	<b>-14.014</b>
Attributable to:					
Equity holders of parent					
-Profit/(loss) from continuing operations		-6.089	-17.628	-13.685	-14.014
-Profit/(loss) from discontinued operations <sup>1</sup>	<a href="#">2.20</a>	5.568	-9.093	0	0
		<b>-521</b>	<b>-26.721</b>	<b>-13.685</b>	<b>-14.014</b>
Non-Controlling Interest					
-Profit/(loss) from continuing operations		6.328	3.333	0	0
-Profit/(loss) from discontinued operations <sup>1</sup>	<a href="#">2.20</a>	0	-131	0	0
		<b>6.328</b>	<b>3.202</b>	<b>0</b>	<b>0</b>
<b>Other comprehensive income after tax</b>					
<b>Amounts that may not be reclassified to profit or loss:</b>					
Defined benefit plans revaluation for subsidiaries and parent company	<a href="#">2.15</a>	16	28	0	0
Defined benefit plans revaluation for associates and joint ventures		0	0	0	0
Valuation of assets measured at fair value through other comprehensive income of parent and subsidiaries	<a href="#">2.15</a>	-11	3	-10	34
<b>Amounts that may be reclassified to profit or loss:</b>					
Exchange differences on subsidiaries consolidation	<a href="#">2.15</a>	-1.293	2.439	0	0
Share of exchange differences on consolidation of associates and joint ventures	<a href="#">2.15</a>	102	311	0	0
<b>Other comprehensive income/ (expenses) after tax</b>		<b>-1.186</b>	<b>2.781</b>	<b>-10</b>	<b>34</b>
<b>Total comprehensive income / (expenses) after tax</b>		<b>4.620</b>	<b>-20.738</b>	<b>-13.695</b>	<b>-13.980</b>
<b>Attributable to:</b>					
Equity holders of parent		-646	-23.344	-13.695	-13.980
Non-Controlling Interest		5.267	2.605	0	0

<sup>1</sup> The activities of Group subsidiaries and associates in Poland (Totolotek S.A.), in Brazil (Intralot do Brazil Ltda, OLTP Ltda), Peru (Intralot de Peru SAC) and Taiwan (GoReward Ltd) are presented as discontinued operations pursuant to IFRS 5 (note [2.20.A.VIII](#)).

**INCOME STATEMENT GROUP / COMPANY FOR THE SECOND QUARTER OF 2022**

Amounts reported in thousand €	Notes	GROUP		COMPANY	
		1/4-30/6/2022	1/4-30/6/2021	1/4-30/6/2022	1/4-30/6/2021
Sale Proceeds		107.185	105.067	7.455	9.038
Less: Cost of Sales		-76.078	-72.950	-6.232	-7.786
<b>Gross Profit / (loss)</b>		<b>31.107</b>	<b>32.117</b>	<b>1.223</b>	<b>1.252</b>
Other Operating Income		6.011	4.734	430	6.410
Selling Expenses		-5.519	-4.934	-1.663	-1.590
Administrative Expenses		-19.609	-15.821	-2.684	-2.582
Research and Development Expenses		-452	-404	-452	-404
Reorganization expenses		-8	-6.166	0	-4.762
Other Operating Expenses		-1.995	-2.259	-2	-584
<b>EBIT</b>		<b>9.535</b>	<b>7.267</b>	<b>-3.148</b>	<b>-2.260</b>
<b>EBITDA</b>		<b>28.977</b>	<b>29.435</b>	<b>291</b>	<b>-230</b>
Income/(expenses) from participations and investments		132	898	193	-6.510
Gain/(loss) from assets disposal, impairment loss and write-off of assets		-3	-3.313	2	20
Interest and similar expenses		-10.258	-12.268	-4.400	-5.101
Interest and similar income		485	436	217	188
Exchange Differences		17	-843	447	-136
Profit / (loss) from equity method consolidations		67	40	0	0
Profit / (loss) to net monetary position		10.360	200	0	0
<b>Profit/(loss) before tax from continuing operations</b>		<b>10.335</b>	<b>-7.583</b>	<b>-6.689</b>	<b>-13.799</b>
Tax		-5.151	-1.762	-315	-74
<b>Profit / (loss) after tax from continuing operations (a)</b>		<b>5.184</b>	<b>-9.345</b>	<b>-7.004</b>	<b>-13.873</b>
Profit / (loss) after tax from discontinued operations (b) <sup>1</sup>		5.568	-7.740	0	0
<b>Profit / (loss) after tax (continuing and discontinued operations) (a)+(b)</b>		<b>10.752</b>	<b>-17.085</b>	<b>-7.004</b>	<b>-13.873</b>
Attributable to:					
Equity holders of parent					
-Profit/(loss) from continuing operations		-436	-10.740	-7.004	-13.874
-Profit/(loss) from discontinued operations <sup>1</sup>		5.568	-7.733	0	0
		<b>5.132</b>	<b>-18.473</b>	<b>-7.004</b>	<b>-13.874</b>
Non-Controlling Interest					
-Profit/(loss) from continuing operations		5.620	1.394	0	0
-Profit/(loss) from discontinued operations <sup>1</sup>		0	-7	0	0
		<b>5.620</b>	<b>1.387</b>	<b>0</b>	<b>0</b>
<b>Earnings/(losses) after tax per share (in €) from total operations</b>					
-basic		0,0345	-0,1248	-0,0472	-0,0937
-diluted		0,0345	-0,1248	-0,0472	-0,0937
Weighted Average number of shares		148.536.785	148.034.131	148.536.785	148.034.131

<sup>1</sup> The activities of Group subsidiaries and associates in Poland (Totolotek S.A.), in Brazil (Intralot do Brazil Ltda, OLTP Ltda), Peru (Intralot de Peru SAC) and Taiwan (GoReward Ltd) are presented as discontinued operations pursuant to IFRS 5 (note [2.20.A.VIII](#)).

**STATEMENT OF COMPREHENSIVE INCOME GROUP / COMPANY FOR THE SECOND QUARTER OF 2022**

Amounts reported in thousand €	Notes	GROUP		COMPANY	
		1/4-30/6/2022	1/4-30/6/2021	1/4-30/6/2022	1/4-30/6/2021
<b>Profit / (loss) after tax (continuing and discontinued operations) (a)+(b)</b>		<b>10.752</b>	<b>-17.085</b>	<b>-7.004</b>	<b>-13.873</b>
Attributable to:					
Equity holders of parent					
-Profit/(loss) from continuing operations		-436	-10.740	-7.004	-13.874
-Profit/(loss) from discontinued operations <sup>1</sup>		5.568	-7.733	0	0
		<b>5.132</b>	<b>-18.473</b>	<b>-7.004</b>	<b>-13.874</b>
Non-Controlling Interest					
-Profit/(loss) from continuing operations		5.620	1.394	0	0
-Profit/(loss) from discontinued operations <sup>1</sup>		0	-7	0	0
		<b>5.620</b>	<b>1.387</b>	<b>0</b>	<b>0</b>
<b>Other comprehensive income after tax</b>					
<b>Amounts that may not be reclassified to profit or loss:</b>					
Defined benefit plans revaluation for subsidiaries and parent company		-32	-6	0	0
Defined benefit plans revaluation for associates and joint ventures		0	0	0	0
Valuation of assets measured at fair value through other comprehensive income of parent and subsidiaries		-11	-37	-10	20
<b>Amounts that may be reclassified to profit or loss:</b>					
Exchange differences on subsidiaries consolidation		-2.432	-3.580	0	0
Share of exchange differences on consolidation of associates and joint ventures		226	61	0	0
<b>Other comprehensive income/ (expenses) after tax</b>		<b>-2.249</b>	<b>-3.562</b>	<b>-10</b>	<b>20</b>
<b>Total comprehensive income / (expenses) after tax</b>		<b>8.503</b>	<b>-20.647</b>	<b>-7.014</b>	<b>-13.853</b>
<b>Attributable to:</b>					
Equity holders of parent		3.482	-21.859	-7.014	-13.854
Non-Controlling Interest		5.022	1.210	0	0

<sup>1</sup> The activities of Group subsidiaries and associates in Poland (Totolotek S.A.), in Brazil (Intralot do Brazil Ltda, OLTP Ltda), Peru (Intralot de Peru SAC) and Taiwan (GoReward Ltd) are presented as discontinued operations pursuant to IFRS 5 (note [2.20.A.VIII](#)).

## STATEMENT OF FINANCIAL POSITION GROUP/COMPANY

Amounts reported in thousand €	Notes	GROUP		COMPANY	
		30/6/2022	31/12/2021	30/6/2022	31/12/2021
<b>ASSETS</b>					
Tangible assets	<a href="#">2.10</a>	120.174	123.210	17.894	22.820
Investment property	<a href="#">2.10</a>	2.615	0	2.615	0
Intangible assets	<a href="#">2.10</a>	217.144	204.306	54.326	57.791
Investment in subsidiaries, associates and joint ventures	<a href="#">2.11</a>	13.416	13.434	143.448	143.833
Other financial assets	<a href="#">2.12</a>	79	97	70	80
Deferred Tax asset		4.450	5.021	2.418	2.998
Other long-term receivables	<a href="#">2.19</a>	2.188	3.194	44	45
<b>Total Non-Current Assets</b>		<b>360.066</b>	<b>349.261</b>	<b>220.816</b>	<b>227.568</b>
Inventories	<a href="#">2.13</a>	26.809	18.657	3.412	3.593
Trade and other short-term receivables	<a href="#">2.19</a>	122.665	130.198	102.743	105.177
Other financial assets	<a href="#">2.12</a>	11	13	0	0
Cash and cash equivalents	<a href="#">2.14</a>	116.369	107.339	5.537	8.338
<b>Total Current Assets</b>		<b>265.854</b>	<b>256.207</b>	<b>111.692</b>	<b>117.108</b>
<b>TOTAL ASSETS</b>		<b>625.919</b>	<b>605.468</b>	<b>332.508</b>	<b>344.676</b>
<b>EQUITY AND LIABILITIES</b>					
Share capital	<a href="#">2.15</a>	44.561	45.679	44.561	45.679
Treasury shares	<a href="#">2.15</a>	0	-3.018	0	-3.018
Other reserves	<a href="#">2.15</a>	68.913	68.989	56.808	54.518
Foreign currency translation	<a href="#">2.15</a>	-102.724	-96.854	0	0
Retained earnings		-134.614	-138.246	-77.273	-59.388
<b>Total equity attributable to shareholders of the parent</b>		<b>-123.864</b>	<b>-123.450</b>	<b>24.096</b>	<b>37.791</b>
Non-Controlling Interest		14.944	7.985	0	0
<b>Total Equity</b>		<b>-108.920</b>	<b>-115.465</b>	<b>24.096</b>	<b>37.791</b>
Long term debt	<a href="#">2.17</a>	599.689	578.805	258.402	250.425
Staff retirement indemnities		1.225	1.354	1.059	1.176
Other long-term provisions	<a href="#">2.20</a>	18.288	15.189	10.356	10.577
Deferred Tax liabilities		8.308	1.468	0	0
Other long-term liabilities	<a href="#">2.19</a>	1.135	1.152	36	36
Long term lease liabilities	<a href="#">2.17</a>	9.800	9.179	405	519
<b>Total Non-Current Liabilities</b>		<b>638.445</b>	<b>607.147</b>	<b>270.258</b>	<b>262.733</b>
Trade and other short-term liabilities	<a href="#">2.19</a>	70.279	87.050	35.783	39.734
Short term debt and lease liabilities	<a href="#">2.17</a>	15.559	16.535	475	2.522
Income tax payable		5.481	5.571	1.856	1.856
Short term provision	<a href="#">2.20</a>	5.075	4.630	40	40
<b>Total Current Liabilities</b>		<b>96.394</b>	<b>113.786</b>	<b>38.154</b>	<b>44.152</b>
<b>TOTAL LIABILITIES</b>		<b>734.839</b>	<b>720.933</b>	<b>308.412</b>	<b>306.885</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>625.919</b>	<b>605.468</b>	<b>332.508</b>	<b>344.676</b>

**STATEMENT OF CHANGES IN EQUITY GROUP**

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP	Share Capital	Treasury Shares	Legal Reserve	Other Reserves	Foreign exchange differences	Retained Earnings	Total	Non-Controlling Interest	Grand Total
(Amounts reported in thousands of €)									
<b>Opening Balance as of January 1, 2022</b>	<b>45.679</b>	<b>-3.018</b>	<b>24.309</b>	<b>44.680</b>	<b>-96.854</b>	<b>-138.246</b>	<b>-123.450</b>	<b>7.985</b>	<b>-115.465</b>
Effect from the application of IFRS 29	0	0	140	0	0	5.225	5.365	5.366	10.731
<b>Opening Balance as at 1 January 2022 after the revaluation from reconsideration of IAS 29</b>	<b>45.679</b>	<b>-3.018</b>	<b>24.449</b>	<b>44.680</b>	<b>-96.854</b>	<b>-133.021</b>	<b>-118.085</b>	<b>13.351</b>	<b>-104.734</b>
Effect on retained earnings from previous years adjustments	0	0	-265	0	0	265	0	0	0
Period's results	0	0	0	0	0	-521	-521	6.328	5.806
Other comprehensive income / (expenses) after tax	0	0	0	-2	-5.870	-1	-5.873	-1.061	-6.934
Dividends to equity holders of parent / non-controlling interest	0	0	0	0	0	0	0	-4.304	-4.304
Subsidiary disposal/liquidation	0	0	-8	0	0	-7	-15	0	-15
Adjustment to net monetary position	0	0	68	0	0	571	639	639	1.278
Stock Options	0	0	0	-9	0	0	-9	-9	-18
Cancellation of own shares	-1.117	3.018	0	0	0	-1.901	0	0	0
<b>Balances as June 30, 2022</b>	<b>44.561</b>	<b>0</b>	<b>24.244</b>	<b>44.669</b>	<b>-102.724</b>	<b>-134.614</b>	<b>-123.864</b>	<b>14.944</b>	<b>-108.920</b>

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP	Share Capital	Treasury Shares	Legal Reserve	Other Reserves Restated*	Foreign exchange differences	Retained Earnings Restated*	Assets held for sale reserves <sup>1</sup>	Total	Non-Controlling Interest	Grand Total
(Amounts reported in thousands of €)										
<b>Opening Balance as of January 1, 2021</b>	<b>47.089</b>	<b>-8.528</b>	<b>23.640</b>	<b>42.122</b>	<b>-100.908</b>	<b>-223.232</b>	<b>-644</b>	<b>-220.461</b>	<b>3.698</b>	<b>-216.763</b>
Effect on retained earnings from previous years adjustments	0	0	0	0	0	56	0	56	-3	53
Period's results	0	0	0	0	0	-26.721	0	-26.721	3.202	-23.519
Other comprehensive income / (expenses) after tax	0	0	0	3	2.638	14	0	2.655	-601	2.053
Dividends to equity holders of parent / non-controlling interest	0	0	0	0	0	0	0	0	-5.006	-5.006
Subsidiary disposal/liquidation	0	0	0	0	0	0	0	0	7.125	7.125
Effect due to change in participation percentage	0	0	0	0	0	0	0	0	0	0
Adjustment to net monetary position	0	0	36	0	0	166	0	202	202	404
Cancellation of own shares	-1.410	4.618	0	0	0	-3.208	0	0	0	0
Sale of own shares	0	891	0	-765	0	0	0	126	0	126
Discontinued operations	0	0	0	0	-644	0	644	0	0	0
Transfer between reserves	0	0	-432	2.450	0	-2.018	0	0	0	0
<b>Balances as June 30, 2021</b>	<b>45.679</b>	<b>-3.019</b>	<b>23.244</b>	<b>43.810</b>	<b>-98.914</b>	<b>-254.943</b>	<b>0</b>	<b>-244.143</b>	<b>8.619</b>	<b>-235.524</b>

<sup>1</sup> The activities of Group subsidiaries and associates in Poland (Totolotek S.A.), in Brazil (Intralot do Brazil Ltda, OLTP Ltda), Peru (Intralot de Peru SAC) and Taiwan (GoReward Ltd) are presented as discontinued operations pursuant to IFRS 5 (note [2.20.A.VIII](#)).

\*Restated due to change in accounting policy (note [2.1.4](#))

**STATEMENT OF CHANGES IN EQUITY COMPANY**

<b>STATEMENT OF CHANGES IN EQUITY INTRALOT S.A.</b> (Amounts reported in thousands of €)	<b>Share Capital</b>	<b>Treasury Shares</b>	<b>Legal Reserve</b>	<b>Other Reserves</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Opening Balance as of January 1, 2022</b>	<b>45.679</b>	<b>-3.018</b>	<b>15.896</b>	<b>38.622</b>	<b>-59.388</b>	<b>37.791</b>
Period's results	0	0	0	0	-13.685	-13.685
Other comprehensive income /(expenses) after taxes	0	0	0	-10	0	-10
Cancellation of own shares	-1.117	3.018	0	0	-1.901	0
Transfer between reserves	0	0	0	2.300	-2.300	0
<b>Balances as June 30, 2022</b>	<b>44.561</b>	<b>0</b>	<b>15.896</b>	<b>40.912</b>	<b>-77.273</b>	<b>24.096</b>

<b>STATEMENT OF CHANGES IN EQUITY INTRALOT S.A.</b> (Amounts reported in thousands of €)	<b>Share Capital</b>	<b>Treasury Shares</b>	<b>Legal Reserve</b>	<b>Other Reserves Restated*</b>	<b>Retained Earnings Restated*</b>	<b>Total</b>
<b>Opening Balance as of January 1, 2021</b>	<b>47.089</b>	<b>-8.528</b>	<b>15.896</b>	<b>39.326</b>	<b>-83.974</b>	<b>9.809</b>
Period's results	0	0	0	0	-14.014	-14.014
Other comprehensive income /(expenses) after taxes	0	0	0	34	0	34
Sale of own shares	0	891	0	-765	0	126
Cancellation of own shares	-1.410	4.618	0	0	-3.208	0
<b>Balances as June 30, 2021</b>	<b>45.679</b>	<b>-3.018</b>	<b>15.896</b>	<b>38.595</b>	<b>-101.196</b>	<b>-4.045</b>

\*Restated due to change in accounting policy (note [2.1.4](#))

## CASH FLOW STATEMENT GROUP/COMPANY

Amounts reported in thousands of € (total operations)	Notes	GROUP		COMPANY	
		1/1- 30/6/2022	1/1- 30/6/2021	1/1- 30/6/2022	1/1- 30/6/2021
<b>Operating activities</b>					
Profit / (loss) before tax from continuing operations		8.028	-10.384	-13.105	-12.094
Profit / (loss) before tax from discontinued operations	<a href="#">2.20</a>	5.568	-7.892	0	0
<b>Profit / (loss) before Taxation</b>		<b>13.596</b>	<b>-18.276</b>	<b>-13.105</b>	<b>-12.094</b>
Plus / Less adjustments for:					
Depreciation and amortization		36.538	32.123	7.047	7.139
Provisions		151	5.107	-664	592
Results (income, expenses, gain and loss) from investing activities		-6.688	2.069	-2.991	-10.452
Interest and similar expenses	<a href="#">2.8</a>	20.536	24.472	8.697	10.474
Interest and similar income	<a href="#">2.8</a>	-1.030	-884	-434	-485
(Gain) / loss to net monetary position	<a href="#">2.23</a>	-9.353	-291	0	0
Reorganization expenses	<a href="#">2.1.5</a>	313	11.192	0	6.950
Plus / less adjustments for changes in working capital:					
Decrease / (increase) of inventories		-6.188	-1.216	181	76
Decrease / (increase) of receivable accounts		7.803	23.843	538	6.599
(Decrease) / increase of payable accounts (except banks)		-11.764	-32.603	-2.125	-4.627
Income tax (paid)/received		-2.505	5.747	405	5.169
<b>Total inflows / (outflows) from operating activities (a)</b>		<b>41.409</b>	<b>51.283</b>	<b>-2.451</b>	<b>9.341</b>
<b>Investing Activities</b>					
(Purchases) / Sales of subsidiaries, associates, joint ventures and other investments	<a href="#">2.20</a>	-71	9.646	128	10.423
Purchases of tangible and intangible assets	<a href="#">2.10</a>	-10.514	-9.506	-685	-1.809
Proceeds from sales of tangible and intangible assets	<a href="#">2.10</a>	1	24	0	15
Interest received		1.406	816	775	659
Dividends received		0	0	11	5.312
<b>Total inflows / (outflows) from investing activities (b)</b>		<b>-9.178</b>	<b>980</b>	<b>229</b>	<b>14.600</b>
<b>Financing Activities</b>					
Sale of own shares		0	126	0	126
Cash inflows from loans	<a href="#">2.17</a>	31	12	23	0
Repayment of loans	<a href="#">2.17</a>	-859	-11.249	-425	-10.641
Repayments of lease liabilities	<a href="#">2.17</a>	-1.877	-2.601	-173	-207
Interest and similar expenses paid	<a href="#">2.17</a>	-20.592	-37.768	-172	-1.888
Dividends paid	<a href="#">2.16</a>	-2.577	-6.538	0	0
Reorganization expenses paid		-129	-9.480	0	-4.873
<b>Total inflows / (outflows) from financing activities (c)</b>		<b>-26.002</b>	<b>-67.498</b>	<b>-747</b>	<b>-17.483</b>
<b>Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)</b>		<b>6.229</b>	<b>-15.235</b>	<b>-2.969</b>	<b>6.458</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<a href="#">2.14</a>	<b>107.339</b>	<b>99.984</b>	<b>8.338</b>	<b>7.959</b>
Net foreign exchange difference		2.800	-1.548	168	127
<b>Cash and cash equivalents at the end of the period from total operations</b>	<a href="#">2.14</a>	<b>116.369</b>	<b>83.202</b>	<b>5.537</b>	<b>14.544</b>

<sup>1</sup> The activities of Group subsidiaries and associates in Poland (Totolotek S.A.), in Brazil (Intralot do Brazil Ltda, OLTP Ltda), Peru (Intralot de Peru SAC) and Taiwan (GoReward Ltd) are presented as discontinued operations pursuant to IFRS 5 (note [2.20.A.VIII](#)).



## **1. GENERAL INFORMATION**

INTRALOT S.A. – “Integrated Lottery Systems and Gaming Services”, with the distinct title «INTRALOT» is a business entity that was established based on the Laws of Hellenic Republic, whose shares are traded in the Athens Stock Exchange. Reference to «INTRALOT» or the «Company» includes INTRALOT S.A. whereas reference to the «Group» includes INTRALOT S.A. and its fully consolidated subsidiaries, unless otherwise stated. The Company was established in 1992 and has its registered office in Peania of Attica.

INTRALOT, a public listed company, is the leading supplier of integrated gaming and transaction processing systems, innovative game content, sports betting management and interactive gaming services to state-licensed gaming organizations worldwide. Its broad portfolio of products & services, its know-how of Lottery, Betting, Racing & Video Lottery operations and its leading-edge technology, give INTRALOT a competitive advantage, which contributes directly to customers’ efficiency, profitability and growth. With presence in 41 countries and states, with approximately 1.700 employees and revenues from continuing operations of €414 million for 2021, INTRALOT has established its presence on all 5 major continents.

The interim financial statements of the Group and the Company for the period ended June 30, 2022 were approved by the Board of Directors on August 31<sup>st</sup>, 2022.

## **2. NOTES TO THE INTERIM FINANCIAL STATEMENTS**

### **2.1.1 Basis of preparation of the Financial Statements**

The attached financial statements have been prepared on the historical cost basis, except for the financial assets measured at fair value through other comprehensive income and the derivative financial instruments that are measured at fair value, or at cost if the difference is not a significant amount, and on condition that the Company and the Group would continue as a going concern, as described below. The attached financial statements are presented in Euros and all values are rounded to the nearest thousand (€000) except if indicated otherwise.

#### **Going concern**

The Group maintains sufficient liquidity as to cover its cash needs in the near future. The Group has completed a series of capital restructuring actions, including debt restructuring and refinancing transactions, as well as a share capital increase of €129,2m. Following the completion of the exchange offers in August 2021, resulting in the extension of the 2021 maturities and the deleverage of €163m, the Group recently acquired the minority shares in Intralot Inc. through the proceeds of the share capital increase, thus bringing the controlling share of the Intralot Group in Intralot Inc. to 100%. In addition, the Group proceeded with the refinancing of Intralot Inc. debt with new bank financing (Term Loan) maturing in 2025, the terms of which improve the access of the parent company to the cash flows of the US subsidiary and are expected to be favourable from a cost of debt perspective. The new loan agreement signed with a consortium of six US financial institutions also includes a revolving credit line (Revolver Facility) of \$50 million, which will significantly assist the Group's liquidity management. The successful execution of these three transactions is expected to allow the Group to implement its business plan and address significant opportunities both in the Lottery as well as in the Sports Betting markets.

In this field, the Management is continuously monitoring the cash flow of the Group and enhancing its efforts for further sales increase through operational improvements, while at the same time focusing on the cost reduction through operational efficiencies and development of synergies.

The geopolitical tension arising from the war in Ukraine coupled with the energy crisis, the supply chain disruptions and the rising inflation are factors that are expected to determine the economic outlook over the coming months. Although our Group does not have direct exposure in terms of operations or dependency on suppliers in Ukraine

and Russia, the potential risks from the reduction in the household disposable income and the possible increase in operating expenses due to inflationary pressures cannot be overlooked.

The Management has prepared a detailed business plan with expected cash flows for a period of 18 months since the H1-22 financial statements reporting date, taking into consideration the trading performance and the current trends of our operations, and factoring the macroeconomic environment in the regions of our operations. In any case, as described above, the Group maintains ability for cash upstreaming from the US to the Parent to serve additional cash needs up to a substantial degree.

In conclusion, taking into consideration the Expected Cash Flows' Plan and all available information of the foreseeable future, the Management estimates that the Group has ensured its going concern.

In view of the above, the Financial Statements of the Group were prepared on the basis of the going concern principle.

### **2.1.2 Statement of compliance**

These financial statements for the period ended June 30, 2022 have been prepared in accordance with IAS 34 "Interim Financial Reporting". Those interim condensed financial statements do not include all the information and disclosures required by IFRS in the annual financial statements and should be read in conjunction with the Group's and Company's annual financial statements as at [December 31, 2021](#).

### **2.1.3 Financial Statements**

INTRALOT keeps its accounting books and records and prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS) Law 4308/2014 chap. 2, 3 & 4 and current tax regulations and issues its financial statements in accordance with the International Financial Reporting Standards (IFRS).

INTRALOT's Greek subsidiaries keep their accounting books and records and prepare their financial statements in accordance with GAS (L.4308/2014), the International Financial Reporting Standards (IFRS) and current tax regulations. INTRALOT's foreign subsidiaries keep their accounting books and records and prepare their financial statements in accordance with the applicable laws and regulations in their respective countries. For the purpose of the consolidated financial statements, Group entities' financial statements are adjusted and prepared in relation to the requirements of the International Financial Reporting Standards (IFRS).

### **2.1.4 Changes in accounting policies**

For the preparation of the financial statements of period ended June 30, 2022, the accounting policies adopted are consistent with those followed in the preparation of the most recent annual financial statements ([December 31, 2021](#)), except for the below mentioned adoption of new standards and interpretations applicable for fiscal periods beginning at January 1, 2022.

#### **Standards and Interpretations compulsory for the fiscal year 2022**

New standards, amendments of published standards and interpretations mandatory for accounting periods beginning on 1st January 2022. The Group's assessment of the impact of these new and amended standards and interpretations is set out below.

#### **IAS 16 (Amendment) 'Property, Plant and Equipment – Proceeds before Intended**

The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities. The amendment did not have any impact on the Group Financial Statements.

### **IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract'**

The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract. The amendment did not have any impact on the Group Financial Statements.

### **IFRS 3 (Amendment) 'Reference to the Conceptual Framework'**

The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date. The amendment did not have any impact on the Group Financial Statements.

### **Annual Improvements to IFRS Standards 2018–2020**

Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of IFRS, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases. The Group will examine the impact of the above on its financial statements.

### **Standards and Interpretations compulsory after December 31, 2022**

The following new standards, amendments and IFRICs have been published but are in effect for the annual fiscal period beginning the 1st of January 2023 and have not been adopted from the Group earlier.

### **IFRS 17 'Insurance contracts' and Amendments to IFRS 17**

Effective for annual periods beginning on or after 1 January 2023.

IFRS 17 has been issued in May 2017 and, along with the Amendments to IFRS 17 issued in June 2020, supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. This amendment will not affect Group financial statements.

### **IAS 1 (Amendment) 'Classification of liabilities as current or non-current'**

Effective for annual periods beginning on or after 1 January 2023.

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The Group will assess the impact of the amendment on its financial statements. These amendments have not yet been endorsed by the European Union.

### **IAS 1 (Amendments) 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Disclosure of Accounting policies'**

Effective for annual periods beginning on or after 1 January 2023.

The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures. The Group will assess the impact of the amendment on its financial statements.

### **IAS 8 (Amendments) 'Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates'**

Effective for annual periods beginning on or after 1 January 2023.

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.

The Group will assess the impact of the amendment on its financial statements.

### **IAS 12 (Amendments) 'Deferred tax related to Assets and Liabilities arising from a Single Transaction'**

Effective for annual periods beginning on or after 1 January 2023.

The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The Group will assess the impact of the amendment on its financial statements.

### **IFRS 17 (Amendment) 'Initial Application of IFRS 17 and IFRS 9 – Comparative Information'**

Effective for annual periods beginning on or after 1 January 2023.

The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. This amendment does not affect Group financial statements. This amendment has not yet been endorsed by the European Union.

The Group will assess the impact of the amendment on its financial statements.

#### **2.1.5 EBITDA & EBIT**

International Financial Reporting Standards (IFRS) do not define the content of the "EBITDA" & "EBIT". The Group taking into account the nature of its activities, defines "EBITDA" as "Operating Profit/(Loss) before tax" adjusted for the figures "Profit/(loss) from equity method consolidations", "Profit/(loss) on net monetary position", "Exchange Differences", "Interest and similar 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". Also, the Group defines "EBIT" as "Operating Profit/(Loss) before tax" adjusted for the figures "Profit/(loss) from equity method consolidations", "Profit/(loss) on net monetary position", "Exchange Differences", "Interest and similar income", "Interest and similar expenses", "Income/(expenses) from participations and investments", "Write-off and impairment loss of assets" and "Gain/(loss) from assets disposal".

<b>Reconciliation of operating profit before tax to EBIT and EBITDA (continuing operations):</b>	<b>GROUP</b>	
	<b>1/1-30/6/2022</b>	<b>1/1-30/6/2021</b>
<b>Operating profit/(loss) before tax</b>	<b>8.028</b>	<b>-10.384</b>
Profit / (loss) to net monetary position	-9.353	-291
Profit / (loss) from equity method consolidations	-134	-110
Exchange Differences	495	-2.875
Interest and similar income	-1.030	-879
Interest and similar expenses	20.536	24.449
Income/(expenses) from participations and investments	237	-2.021
Gain/(loss) from assets disposal, impairment loss and write-off of assets	-540	3.321
<b>EBIT</b>	<b>18.239</b>	<b>11.210</b>
Depreciation and amortization	36.538	31.938
Reorganization costs	313	11.192
<b>EBITDA</b>	<b>55.091</b>	<b>54.339</b>

Reconciliation of operating profit before tax to EBIT and EBITDA (continuing operations):	COMPANY	
	1/1-30/6/2022	1/1-30/6/2021
<b>Operating profit/(loss) before tax</b>	<b>-13.105</b>	<b>-12.094</b>
Exchange Differences	-744	-352
Interest and similar income	-434	-485
Interest and similar expenses	8.697	10.474
Income/(expenses) from participations and investments	-1.909	-10.089
Gain/(loss) from assets disposal, impairment loss and write-off of assets	-546	-32
<b>EBIT</b>	<b>-8.041</b>	<b>-12.578</b>
Depreciation and amortization	7.047	7.138
Reorganization costs	0	6.950
Income from recharging reorganization expenses to subsidiaries	0	-6.247
<b>EBITDA</b>	<b>-995</b>	<b>-4.738</b>

### 2.1.6 Significant accounting judgments estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the amounts of revenues, expenses, assets liabilities and disclosures of contingent liabilities that included in the financial statements. On an ongoing basis, management evaluates its judgements, estimates and assumptions that mainly refer to goodwill impairment, allowance for doubtful receivables – expected credit losses, provision for staff retirement indemnities, provision for impairment of inventories value, impairment of tangible and intangible assets as well as estimation of their useful lives, recognition of revenue and expenses, pending legal cases, provision for income tax and recoverability of deferred tax assets. These judgements, estimates and assumptions are based on historical experience and other factors including expectations of future events that are considered reasonable under the circumstances.

The key judgements, estimates and assumptions concerning the future and other key sources of uncertainty at the reporting date of the interim condensed financial statements for the period ended on June 30, 2022 and have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are consistent with those applied and were valid at the reporting date of the annual financial statements [December 31, 2021](#).

More specifically, the Management of the Group evaluates the going concern assumption based on the approved business plans that cover a period of five years. Following this, it prepares Expected Cash Flows that cover a period of at least 18 months since the financial statements reporting date.

The estimates and assumptions used to prepare the business plans and Expected Cash Flows are based on historical data as well as on various factors that are considered reasonable given the circumstances, and are reconsidered taking into account current and expected future market conditions. The preparation of business plans also includes long-term assumptions for important economic factors that involve a significant use of Management judgement.

### 2.1.7 Seasonality and cyclicity of operations

The Group revenue can fluctuate due to seasonality in some components of the worldwide operations. In particular, the majority of the Group sports betting revenue is generated from bets placed on European football, which has an off-season in the European summer that typically causes a corresponding periodic decrease in the Group revenue. In addition, Group revenue from lotteries can be somewhat dependent on the size of jackpots of lottery games during the relevant period. The Group revenue may also be affected by the scheduling of major football events that do not occur annually, notably the FIFA World Cup and UEFA European Championships, and by the performance of certain teams within specific tournaments, particularly where the national football teams, in the markets where the Group earns the majority of its revenue, fail to qualify for the World Cup. Furthermore, the cancellation or curtailment of significant sporting events, for example due to adverse weather, traffic or transport disruption or civil

disturbances, may also affect Group revenue. This information is provided to allow for a better understanding of the revenue, however, Group management has concluded that this is not “highly seasonal” in accordance with IAS 34.

## 2.2 INFORMATION PER SEGMENT

Intralot Group manages in 41 countries and states an expanded portfolio of contracts and gaming licenses. The grouping of the Group companies is based on the geographical location in which they are established. The financial results of the Group are presented in the following operating geographic segments based on the geographic location of the Group companies:

European Union:	Greece, Malta, Cyprus, Luxembourg, Spain, Nederland, Romania, Bulgaria, Germany, Croatia and Republic of Ireland.
Other Europe:	United Kingdom and Moldova.
America:	USA, Peru, Argentina, Mexico, Jamaica, Chile and Colombia.
Other Countries:	Australia, New Zealand, China, South Africa, Turkey, Taiwan and Morocco.

No operating segments have been added.

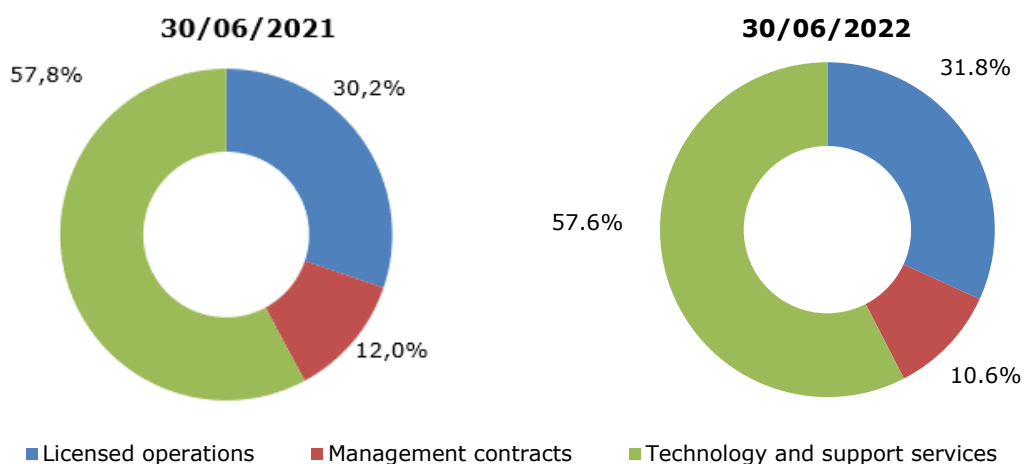
The following information is based on the internal financial reports provided to the manager responsible for taking decisions who is the CEO. The performance of the segments is evaluated based on the sales and profit/(loss) before tax. The Group applies the same accounting policies for the financial results of the above segments as those of the consolidated financial statements. The transactions between segments are realized within the natural conditions present in the Group with similar way to that with third parties. The intragroup transactions are eliminated in group level and are included in the column “Eliminations”.

<b>1/1-30/6/2022</b> <i>(in million €)</i>	<b>European Union</b>	<b>Other Europe</b>	<b>America</b>	<b>Other Countries</b>	<b>Eliminations</b>	<b>Total</b>
Sales to third parties	62,88	0,00	110,51	31,45	0,00	204,84
Intragroup sales	12,02	0,00	0,20	0,02	-12,24	0,00
<b>Total Sales</b>	<b>74,90</b>	<b>0,00</b>	<b>110,71</b>	<b>31,47</b>	<b>-12,24</b>	<b>204,84</b>
<b>Gross Profit/(loss)</b>	<b>8,42</b>	<b>0,00</b>	<b>26,54</b>	<b>26,40</b>	<b>-5,08</b>	<b>56,28</b>
(Debit)/Credit interest & similar (expenses)/income	-4,76	0,00	-9,29	-1,29	-4,18	-19,52
Depreciation/Amortization	-13,75	0,00	-17,62	-6,36	1,19	-36,54
Profit/(loss) consolidated with equity method	0,00	0,00	0,00	0,14	0,00	0,14
Write-off & impairment of assets	0,54	0,00	0,00	-0,01	0,00	0,53
Write-off & impairment of investments	-6,47	0,00	0,00	0,00	6,47	0,00
Doubtful provisions, write-off & impairment of receivables	-0,33	0,00	0,29	-0,17	0,33	0,12
Reversal of doubtful provisions & recovery of written off receivables	0,00	0,00	0,00	0,09	0,00	0,09
<b>Profit/(Loss) before tax and continuing operations</b>	<b>-11,16</b>	<b>0,00</b>	<b>7,71</b>	<b>8,45</b>	<b>3,02</b>	<b>8,02</b>
Tax	-2,71	0,00	-2,69	-2,39	0,00	-7,79
<b>Profit/(Loss) after tax from continuing operations</b>	<b>-13,87</b>	<b>0,00</b>	<b>5,02</b>	<b>6,06</b>	<b>3,02</b>	<b>0,23</b>
Profit/(Loss) after tax from discontinued operations	0,00	0,00	0,00	5,57	0,01	5,58
<b>Profit/(Loss) after tax from total operations</b>	<b>-13,87</b>	<b>0,00</b>	<b>5,02</b>	<b>11,63</b>	<b>3,03</b>	<b>5,81</b>

<b>1/1-30/6/2021</b> <i>(in million €)</i>	<b>European Union</b>	<b>Other Europe</b>	<b>America</b>	<b>Other Countries</b>	<b>Eliminations</b>	<b>Total</b>
Sales to third parties	64,91	0,00	106,07	31,65	0,00	202,63
Intragroup sales	12,52	0,00	0,19	0,03	-12,75	-0,01
<b>Total Sales</b>	<b>77,43</b>	<b>0,00</b>	<b>106,26</b>	<b>31,68</b>	<b>-12,75</b>	<b>202,62</b>
<b>Gross Profit/(loss)</b>	<b>2,68</b>	<b>0,00</b>	<b>30,39</b>	<b>26,75</b>	<b>-2,13</b>	<b>57,69</b>
(Debit)/Credit interest & similar (expenses)/income	-22,79	0,00	-0,86	-0,08	0,17	-23,56
Depreciation/Amortization	-13,16	0,00	-17,10	-2,17	0,49	-31,94
Profit/(loss) consolidated with equity method	0,00	0,00	0,00	0,11	0,00	0,11
Write-off & impairment of assets	0,00	0,00	-0,25	-3,13	0,00	-3,38
Write-off & impairment of investments	-17,90	0,00	0,00	0,00	17,90	0,00
Doubtful provisions, write-off & impairment of receivables	-135,20	0,00	0,18	-1,41	135,31	-1,12
Reversal of doubtful provisions & recovery of written off receivables	0,13	0,00	0,00	0,15	-0,13	0,15
<b>Profit/(Loss) before tax and continuing operations</b>	<b>-171,13</b>	<b>0,00</b>	<b>12,38</b>	<b>6,91</b>	<b>141,46</b>	<b>-10,38</b>
Tax	-0,29	0,00	-1,38	-2,24	0,00	-3,91
<b>Profit/(Loss) after tax from continuing operations</b>	<b>-171,42</b>	<b>0,00</b>	<b>11,00</b>	<b>4,67</b>	<b>141,46</b>	<b>-14,29</b>
Profit/(Loss) after tax from discontinued operations	-1,40	0,00	-7,83	0,00	0,00	-9,23
<b>Profit/(Loss) after tax from total operations</b>	<b>-172,82</b>	<b>0,00</b>	<b>3,17</b>	<b>4,67</b>	<b>141,46</b>	<b>-23,52</b>

<b>Sales per business activity</b> (continuing operations)			
(in thousand €)	<b>30/6/2022</b>	<b>30/6/2021</b>	<b>Change</b>
Licensed operations	65.150	61.164	6,52%
Management contracts	21.779	24.253	-10,20%
Technology and support services	117.911	117.210	0,60%
<b>Total</b>	<b>204.841</b>	<b>202.628</b>	<b>1,09%</b>

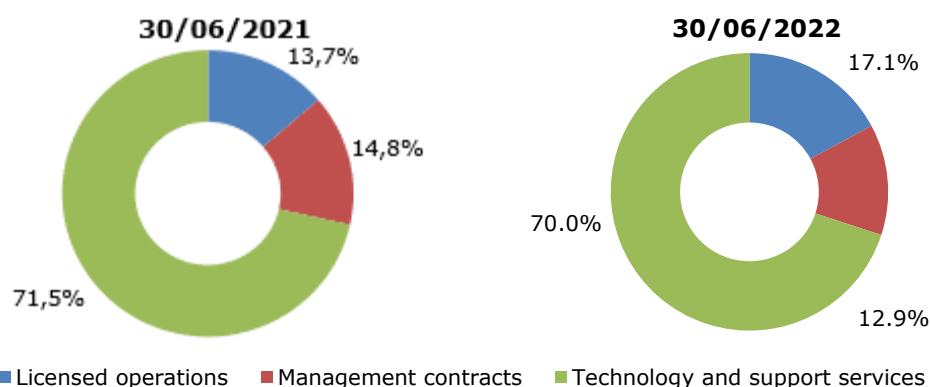
**Sales per business activity**



<b>Sales per product type</b> (continuing operations)		
	<b>30/6/2022</b>	<b>30/6/2021</b>
Lottery games	64,1%	59,5%
Sports Betting	15,7%	18,3%
IT products & services	8,6%	12,2%
Racing	0,4%	0,5%
Video Lottery Terminals	11,1%	9,4%
<b>Total</b>	<b>100%</b>	<b>100%</b>

<b>Revenue Net of Payout (GGR) per business activity</b> (continuing operations)			
(in thousand €)	<b>30/6/2022</b>	<b>30/6/2021</b>	<b>Change</b>
Licensed operations	28.821	22.475	28,24%
Management contracts	21.779	24.253	-10,20%
Technology and support services	117.911	117.210	0,60%
<b>Total</b>	<b>168.511</b>	<b>163.938</b>	<b>2,79%</b>

**Revenue Net of Payout (GGR) per business activity**





### 2.3 OTHER OPERATING INCOME

(continuing operations)	GROUP		COMPANY	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
Income from rents from third parties	9.872	8.533	54	0
Income from rents from subsidiaries	0	0	39	28
Proceeds from legal disputes	0	0	0	0
Income from uncollected winnings	0	0	0	0
Income from reversal of doubtful provisions and proceeds for written off receivables from third parties	94	154	0	0
Income from reversal of doubtful provisions and proceeds for written off receivables from subsidiaries	0	0	0	131
Income from recharging reorganization expenses to subsidiaries	0	0	0	6.247
Other income	1.731	1.554	81	29
Other income from other related parties	0	0	0	0
Other income from subsidiaries	0	0	348	0
<b>Total</b>	<b>11.697</b>	<b>10.241</b>	<b>524</b>	<b>6.436</b>

### 2.4 INCOME TAX

GROUP (continuing operations)	30/6/2022	30/6/2021
Current income tax	6.188	2.709
Deferred income tax	1.075	934
Tax audit differences and other taxes non-deductible	526	266
<b>Total income tax expense reported in income statement</b>	<b>7.790</b>	<b>3.910</b>

The income tax expense for the Company and its Greek subsidiaries was calculated to 22% on the taxable profit of the periods 1/1-30/6/2022 and 1/1-30/6/2021 respectively

The deferred income tax for the Company and its Greek subsidiaries was calculated using the rate 22%, pursuant to Law 4799/2021, for tax years 2021 and after.

COMPANY	30/6/2022	30/6/2021
Current income tax	0	0
Deferred income tax	579	491
Tax audit differences and other taxes non-deductible	0	1.428
<b>Total income tax expense reported in income statement</b>	<b>579</b>	<b>1.919</b>

### 2.5 INCOME / (EXPENSES) FROM PARTICIPATIONS AND INVESTMENTS

(continuing operations)	GROUP		COMPANY	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
Income from dividends	0	1.988	1.933	4.997
Gain from sale of participations and investments	274	497	0	11.935
Other income from participations and investments	0	0	0	0
<b>Total income from participations and investments</b>	<b>274</b>	<b>2.485</b>	<b>1.933</b>	<b>16.932</b>
Loss from sale of participations and investments	-510	-464	0	-20
Loss from impairment / write-offs of participations and investments	0	0	-24	-6.824
<b>Total expenses from participations and investments</b>	<b>-510</b>	<b>-464</b>	<b>-24</b>	<b>-6.844</b>
<b>Net result from participations and investments</b>	<b>-237</b>	<b>2.021</b>	<b>1.909</b>	<b>10.089</b>

## 2.6 GAIN / (LOSS) FROM ASSETS DISPOSAL, IMPAIRMENT LOSS & WRITE OFF OF ASSETS

(continuing operations)	GROUP		COMPANY	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
Gain from disposal of tangible and intangible assets	2	582	0	586
Loss from disposal of tangible and intangible assets	0	-562	0	-575
Loss from impairment and write-off of tangible and intangible assets	-9	-3.380	0	0
Gain from write-off lease liability	0	39	0	20
Loss from write-off property rights	3	0	3	0
Gain from Reversal of tangible & intangible assets' Impairment	544	0	544	0
<b>Net result from tangible and intangible assets</b>	<b>540</b>	<b>-3.321</b>	<b>547</b>	<b>32</b>

## 2.7 OTHER OPERATING EXPENSES

(continuing operations)	GROUP		COMPANY	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
Impairment, write-off and provisions for doubtful debt	-118	1.125	0	578
Provisions for contractual fines-penalties	244	1.494	0	0
Other expenses from other related parties	10	0	10	0
Other expenses <sup>1</sup>	2.001	71	28	23
<b>Total</b>	<b>2.137</b>	<b>2.690</b>	<b>38</b>	<b>601</b>

<sup>1</sup> Within June 2022, there was an increase in legal provisions of € 1.5m in our subsidiary in Malta, Maltco Lotteries Ltd, concerning to an action brought by a horse racing bettor for unpaid winnings. Refer also to note [2.21.A](#).

Analysis of the account "Impairment, write-off and provisions for doubtful debt":

(continuing operations)	GROUP		COMPANY	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
Provisions for doubtful receivables from subsidiaries	0	0	0	0
Doubtful provisions from third party trade receivables (3rd parties)	-121	1.118	0	578
Write-off of trade receivables (3rd parties)	0	7	0	0
Write-off of receivables from associates	0	0	0	0
Write-off of receivables from other related parties	3	0	0	0
<b>Total</b>	<b>-118</b>	<b>1.125</b>	<b>0</b>	<b>578</b>

## 2.8 INTEREST AND SIMILAR EXPENSES / INTEREST AND SIMILAR INCOME

(continuing operations)	GROUP		COMPANY	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
Interest Expense <sup>1</sup>	-19.996	-24.032	-8.628	-10.358
Financial Expense	-543	-433	-70	-116
Discounting	3	16	0	0
<b>Total Interest and similar expenses</b>	<b>-20.536</b>	<b>-24.449</b>	<b>-8.697</b>	<b>-10.474</b>
Interest Income	1.030	843	434	485
Financial Income	0	0	0	0
Discounting	0	36	0	0
<b>Total Interest and similar Income</b>	<b>1.030</b>	<b>879</b>	<b>434</b>	<b>485</b>
<b>Net Interest and similar Income / (Expenses)</b>	<b>-19.506</b>	<b>-23.570</b>	<b>-8.263</b>	<b>-9.989</b>

<sup>1</sup> Including the amortized costs, expenses and fees of banking institutions in connection with the issue of bond and syndicated loans, as well as repurchase of bond loans costs.

## 2.9 FOREIGN EXCHANGE DIFFERENCES

The Group reported in the Income Statement of the three months of 2022 loss from «Exchange differences» amount to €495 thousand (six months 2021: gain €2.875 thousand) mainly from valuation of commercial and

borrowing liabilities (intercompany and non) in EUR that various subsidiaries abroad had, as at 30/6/2022, with a different functional currency than the Group, from valuation of cash balances in foreign currency other than the functional currency of each entity, as well as from valuation of trade receivables (from third parties and associates) mainly in USD that held by the Company on 30/6/2022, as well as gain from reclassification of foreign exchange differences reserve to income statement pursuant to IFRS 10.

## 2.10 TANGIBLE, INTANGIBLE ASSETS AND INVESTMENTS PROPERTIES

### Acquisitions and disposals of tangible and intangible assets:

During the six months of 2022, the Group acquired tangible (owner occupied) and intangible assets with acquisition cost €11.119 thousand (discontinued operations €0 thousand), (six months 2021: €15.031 thousand – discontinued operations €38 thousand), whereas transferred from Property Plant & Equipment to Investment properties an amount of € 2.615 thousands due to change in use (inception of operating lease to a third party) of properties owned to the parent company.

Also, during the six months of 2022, the Group disposed tangible (owner occupied) and intangible assets with a net book value of €71 thousand (discontinued operations €0 thousand), (six months 2021: €4 thousand – discontinued operations €0 thousand), making a net gain amounting to €2 thousand (six months 2021: net gain €20 thousand), which was recorded in the account "Gain/(loss) from assets disposal, impairment loss & write-off of assets".

### Write-offs and impairment of tangible and intangible assets:

During six months of 2022, the Group proceeded to writes-offs and impairments of tangible (owner-occupied) and intangible assets with a net book value of €9 thousand (discontinued operations €0 thousand) - (six months 2021: €3.380 thousand – discontinued operations €0 thousand), and reversal of prior years impairment loss on tangible assets of €544 thousand, which were recorded in the account "Profit / (loss) from assets disposal, impairment loss & write-off of assets".

### Exchange differences on valuation of tangible and intangible assets:

The net book value of tangible (owner-occupied) and intangible assets of the Group increased in the six months of 2022 due to foreign exchange valuation differences by €8,6 million.

### Restatement of tangible and intangible fixed assets into current measuring units (IAS 29):

The net book value of the Group's tangible (owner-occupied) and intangible assets increased by €28,8 million in the six months of 2022 due to a recalculation in current measuring units pursuant to IAS 29 "Financial Reporting in Hyperinflationary Economies".

Tangible Assets include Right-of-Use-Assets (RoU Assets) through Leases pursuant to IFRS 16:

GROUP	RIGHT OF USE ASSETS			Total
	BUILDINGS AND INSTALLATIONS	TRANSPORT EQUIPMENT	MACHINERY AND EQUIPMENT	
<b>Balance 01/01/2022</b>	<b>15.191</b>	<b>1.016</b>	<b>1.997</b>	<b>18.204</b>
Additions	229	189	0	418
Termination/expiration of contracts	0	15	0	15
Foreign Exchange differences	661	-1	48	708
Effect from IAS 29	687	24	3	714
Change of consolidation method / Sale of subsidiary	0	0	0	0
Depreciation	-1.684	-448	-154	-2.286
Write off of asset	0	0	0	0
Transfers	0	0	0	0
<b>Balance 30/6/2022</b>	<b>15.084</b>	<b>795</b>	<b>1.894</b>	<b>17.773</b>

Below amounts recognized in Income Statement pursuant to IFRS 16:

<b>GROUP (continuing operations)</b>	<b>01/01 -30/6/2022</b>
Depreciation from right of use assets	2.286
Interest expenses from lease liabilities	502
Rental expenses from short-term contracts	1.651
Rental expenses from contracts of low value assets	22
<b>Total amounts recognized in Income Statement</b>	<b>4.461</b>

<b>COMPANY</b>	<b>RIGHT OF USE ASSETS</b>			<b>Total</b>
	<b>BUILDINGS AND INSTALLATIONS</b>	<b>TRANSPORT EQUIPMENT</b>	<b>MACHINERY AND EQUIPMENT</b>	
<b>Balance 01/01/2022</b>	<b>5.431</b>	<b>498</b>	<b>27</b>	<b>5.956</b>
Additions	0	23	0	23
Termination/expiration of contracts	0	15	0	15
Write off of asset	0	0	0	0
Depreciation	-181	-112	-3	-296
<b>Balance 30/6/2022</b>	<b>5.250</b>	<b>424</b>	<b>24</b>	<b>5.698</b>

## 2.11 INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

<b>GROUP INVESTMENT IN ASSOCIATES AND JOINT VENTURES</b>	<b>% Participation</b>	<b>Country</b>	<b>30/6/2022</b>	<b>31/12/2021</b>
LOTRICH INFORMATION Co LTD	40%	Taiwan	6.718	6.733
KARENIA ENTERPRISES COMPANY LTD	50%	Cyprus	6.694	6.696
Other			5	5
<b>Total</b>			<b>13.416</b>	<b>13.434</b>

<b>GROUP INVESTMENT IN ASSOCIATES AND JOINT VENTURES</b>				
<b>Opening Balance</b>			<b>13.434</b>	<b>12.785</b>
Participation in net profit / (loss) of associates and joint ventures			134	214
Exchange differences			61	685
Impairment /Reverse of impairment			0	0
Dividends			-217	-252
Transfer to Assets held for sale			0	0
Additions in kind			5	5
Other			0	-2
<b>Closing Balance</b>			<b>13.416</b>	<b>13.434</b>

<b>COMPANY INVESTMENT IN ASSOCIATES AND JOINT VENTURES</b>	<b>% Participation</b>	<b>Country</b>	<b>30/6/2022</b>	<b>31/12/2021</b>
Lotrich Information Co LTD	40%	Taiwan	5.131	5.131
<b>Total</b>			<b>5.131</b>	<b>5.131</b>

<b>COMPANY INVESTMENT IN SUBSIDIARIES</b>	<b>% Participation</b>	<b>Country</b>	<b>30/6/2022</b>	<b>31/12/2021</b>
INTRALOT HOLDINGS INTERNATIONAL LTD	100%	Cyprus	464	464
BETTING COMPANY S.A.	95%	Greece	139	139
INTELTEK INTERNET AS	100%	Turkey	659	1.020
BILYONER INTERAKTIF HIZMELTER AS GROUP	50,01%	Turkey	3.990	3.990
INTRALOT GLOBAL SECURITIES B.V.	100,00%	Netherlands	50.961	50.961
INTRALOT GLOBAL HOLDINGS B.V.	99,98%	Netherlands	76.374	76.374
INTRALOT IBERIA HOLDINGS S.A.	100%	Spain	5.638	5.638
Other			92	116
<b>Total</b>			<b>138.317</b>	<b>138.702</b>
<b>Grand Total</b>			<b>143.448</b>	<b>143.833</b>

<b>COMPANY INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES</b>	<b>30/6/2022</b>	<b>31/12/2021</b>
<b>Opening Balance</b>	<b>143.833</b>	<b>128.239</b>
Provisions/ reversals of provisions for impairment of subsidiaries	0	-6.824
Capitalization of receivables from subsidiaries	0	21.602
Liquidations	-24	0
Return of subsidiaries' capital	-361	0
Acquisition of additional percentage in an existing subsidiary	0	816
<b>Closing Balance</b>	<b>143.448</b>	<b>143.833</b>

## 2.12 OTHER FINANCIAL ASSETS

The other financial assets that have been classified by the Group as "equity instruments at fair value through other comprehensive income" and as "debt instruments at amortized cost" are analyzed below:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30/6/2022</b>	<b>31/12/2021</b>	<b>30/6/2022</b>	<b>31/12/2021</b>
<b>Opening Balance</b>	<b>109</b>	<b>276</b>	<b>80</b>	<b>39</b>
Disposals	0	-99	0	0
Receipts	0	-13	0	0
Fair value revaluation	-11	-50	-10	41
Foreign exchange differences	-9	-5	0	0
<b>Closing balance</b>	<b>90</b>	<b>110</b>	<b>70</b>	<b>80</b>
Quoted securities	90	110	70	80
Unquoted securities	0	0	0	0
<b>Total</b>	<b>90</b>	<b>110</b>	<b>70</b>	<b>80</b>
Long-term Financial Assets	79	97	70	80
Short-term Financial Assets	11	13	0	0
<b>Total</b>	<b>90</b>	<b>110</b>	<b>70</b>	<b>80</b>

During the six months of 2022, the Group losses arising from the valuation at fair value of the above financial assets amount to €11 thousand (six months 2021: gain €7 thousand) are analyzed in losses amount to €10 thousand (six months 2021: gain 3 thousand) reported in particular equity reserves (revaluation reserve) and in losses amount to €1 thousand (six months 2021: gain €4 thousand) reported in the income statement. Respectively for the Company, losses amount to €10 thousand (six months 2021: gain €34 thousand) are analyzed in losses amount to €10 thousand (six months 2021: gain €34 thousand) that were reported in particular equity reserves (revaluation reserve).

For investments that are actively traded in organized financial markets, the fair value is determined by reference to the closing price at the reporting date. For investments where there is no corresponding market price, fair value is determined by reference to the current market value of another instrument that is substantially the same or estimated based on expected cash flows of the net assets underlying the investment or acquisition value.

## 2.13 INVENTORIES

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30/6/2022</b>	<b>31/12/2021</b>	<b>30/6/2022</b>	<b>31/12/2021</b>
Merchandise – Equipment	18.718	16.325	3.412	3.593
Other	9.539	3.780	0	0
<b>Total</b>	<b>28.257</b>	<b>20.105</b>	<b>3.412</b>	<b>3.593</b>
Provisions for impairment	-1.448	-1.449	0	0
<b>Total</b>	<b>26.809</b>	<b>18.657</b>	<b>3.412</b>	<b>3.593</b>

The burden for the six months of 2022, from disposals/usage and provision of inventories for the Group amounts to €84 thousand (six months 2021: €5.603 thousand) while for the Company amounts to €200 thousand (six months 2021: €132 thousand) and is included in "Cost of Sales".

Reconciliation of changes in inventories provision for impairment	GROUP		COMPANY	
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Opening balance for the period	-1.449	-1.473	0	0
Provisions of the period	0	0	0	0
Foreign exchange differences	1	24	0	0
Sale of subsidiary	0	0	0	0
<b>Closing balance for the period</b>	<b>-1.448</b>	<b>-1.449</b>	<b>0</b>	<b>0</b>

There are no liens on inventories.

## 2.14 CASH AND CASH EQUIVALENTS

Bank current accounts are either non-interest bearing or interest bearing and yield income at the daily bank interest rates. The short-term deposits are made for periods from one day to three months depending on the Group's cash requirements and yield income at the applicable prevailing interest rates.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of:

	GROUP		COMPANY	
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Cash and bank current accounts	115.439	104.823	5.537	8.338
Short term time deposits/investments (cash equivalents)	930	2.516	0	0
<b>Total</b>	<b>116.369</b>	<b>107.339</b>	<b>5.537</b>	<b>8.338</b>

## 2.15 SHARE CAPITAL, TREASURY SHARES AND RESERVES

### Share Capital

Total number of authorized shares	30/6/2022	31/12/2021
Ordinary shares of nominal value €0,30 each	148.536.785	152.261.721
Issued and fully paid shares	Number of Ordinary Shares	
Balance June 30,2022	148.536.785	44.561

### Treasury Shares

#### Share buyback program 11.6.2014 - 11.6.2018:

The Company, according to article 16, C.L. 2190/1920, article 4.1.4.2 of the regulation of ATHEX and based on the resolution of the Shareholder's Annual General Meeting on 11.6.2014, as amended by the resolution of the Shareholder's Annual General Meeting of 19.5.2015 and 18.5.2017, has approved a treasury shares buy-back program from the Company, of up to 10% of the paid share capital, for the time period of 24 months with effect from 11.06.2014 and until 11.06.2018, with a minimum price of €1,00 and maximum price of €12,00. It has also been approved that the treasury shares which will eventually be acquired may be held for future acquisition of shares of another company or be distributed to the Company's employees or the staff of a company related with it. The above programme was cancelled with a relevant decision of the Shareholder's Annual General Meeting on 16.5.2018.

#### Share buyback program 16.5.2018 - 16.5.2020:

The Company, according to article 16, C.L. 2190/1920, article 4.1.4.2 of the regulation of ATHEX and based on the resolution of the Shareholder's Annual General Meeting on 16.5.2018, has approved a treasury shares buy-back program from the Company, of up to 10% of the paid share capital, including treasury shares which might have been acquired and held by the Company (on 16/5/2018 amounted 748.661 treasury shares that is 0,48% of the share capital following the cancelation of 2.000.000 treasury shares and a relevant decrease

in the share capital of the Company as approved by the Shareholder's Annual General Meeting for a period of 24 months with effect from 16.5.2018 and until 16.5.2020, with a minimum price of €0,30 and maximum price of €12,00 cancelling the previous programme that was about to end on 11.6.2018. It has also been approved that the treasury shares which will eventually be acquired may be held for future acquisition of shares of another company or be distributed to the Company's employees or the staff of a company related with it.

During 2018, the Company purchased 9.218.779 treasury shares (5,87% of the Company's share capital) at an average price of €0,93 per share, totalling €8.589 thousand. Until 31/3/2020 the Company had 9.200.033 treasury shares (5,86% of the company's share capital) with average price €0,93 per share, with total price of €8.528 thousand subtracting 2.000.000 treasury shares (1,27% of the share capital of the Company) at an average purchase price of €1,10, that were cancelled from the Shareholder's Annual General Meeting of 16.05.2018.

#### Share buyback program 29.05.2020 - 29.05.2022:

According to article 49, Law 4548/2018, article 4.1.4.2 of the regulation of ATHEX and based on the resolution of the Shareholder's Annual General Meeting which took place on the 29.05.2020, that a treasury shares buy – back program by the Company of up to 10% of its paid share capital, taking into account the shares which had been acquired and held by the Company (in the amount of 9.200.033 treasury shares as of 29.05.2020, that is 5,861% of its share capital), for a period of 24 months with effect from 29.05.2020 and until 29.05.2022, with a minimum price of €0,30 and maximum price of €12, is approved. It was approved also that the treasury shares which will eventually be acquired may be distributed to its personnel and/or to the personnel of Company's affiliates and/or to be kept for future acquisition of shares in another company.

INTRALOT, in accordance with the current legislation and its relevant announcement dated 13/04/2021 and 11/05/2021, informed that, by May 31 2021, it completed the sale of 775.097 own shares, or 0,49% of its total share capital, with an average selling price of €0,16 per share and a total value of €126.392,04.

The Annual General Meeting of the Company's shareholders that took place on June 29, 2021 decided the reduction of the Company's share capital by the amount of one million four hundred ten thousand euro (€1.410.000,00) through the reduction of the total number of shares from 156.961.721 to 152.261.721 common registered shares, due to the cancellation of four million seven hundred thousand (4.700.000) own common registered shares, with the amendment of article 5 of the Company's Articles of Association.

The Extraordinary General Meeting of the Company's shareholders that took place on May 17, 2022 decided the cancellation of three million seven hundred twenty four thousand nine hundred thirty six (3.724.936) own shares which have been acquired by the Company with a respective decrease of the Company's share capital by the amount of one million one hundred and seventeen thousand four hundred eighty Euros and eighty cents (€1.117.480,80) and a relevant amendment of article 5 of the Company's Articles of Association relating to its Share Capital. INTRALOT, does not possess any own shares.

## Reserves

### Foreign exchange differences reserve

This reserve is used to report the exchange differences arising from the translation of foreign subsidiaries' financial statements. The balance of this reserve in the Group on 30/6/2022 was €-102,7 million (31/12/2021: €-96,9 million). The Group had a total net loss which was reported in the statement of comprehensive income from the change in the Foreign currency translation reserve during 2022 amounting to €1,19 million, out of which loss of €0,12 million is attributable to the owners of the parent and a loss of €1,07 million to non-

controlling interest. The above total net loss for 2022 comes mainly from the negative fluctuation of TRY and ARS against the EUR.

During the six months of 2022, an accumulated gain of €5,75 million was reclassified/recycled in the income statement (line "Foreign Exchange Differences and "Profit / (loss) after tax from discontinued operations") from the reserve of foreign exchange differences due to the liquidation of subsidiaries and associates.

The main exchange rates of abroad subsidiaries financial statements conversion were:

- **Statement of Financial Position:**

	30/6/2022	31/12/2021	Change
EUR / USD	1,04	1,13	-8,0%
EUR / AUD	1,51	1,56	-3,2%
EUR / TRY	17,32	15,23	13,7%
EUR / ARS	131,28	116,94	12,3%

- **Income Statement:**

	AVG 1/1- 30/6/2022	AVG 1/1- 30/6/2021	Change
EUR / USD	1,09	1,21	-9,9%
EUR / AUD	1,52	1,56	-2,6%
EUR / TRY <sup>1</sup>	17,32	9,52	81,9%
EUR / ARS <sup>1</sup>	131,28	113,47	15,7%

<sup>1</sup> The Income Statement of the six months of 2022 and 2021 of the Group's subsidiaries operating in Argentina and in Turkey was converted at the closing rate of 30/6/2022 and 30/6/2021 instead of the Avg. 1/1-30/6/2022 and Avg.1/1-30/6/2021 pursuant to IAS 21, paragraph 42a, for hyperinflationary economies.

### Other Reserves

	GROUP		COMPANY	
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Statutory Reserve	24.244	24.309	15.896	15.896
Extraordinary Reserves	4.190	4.190	1.456	1.456
Tax Free and Specially Taxed Reserves	40.655	40.655	40.391	38.091
Treasury shares reserve	-760	-760	-760	-760
Actuarial differences reserve	-56	-56	-46	-46
Revaluation reserve	641	651	-129	-119
<b>Total operations</b>	<b>68.913</b>	<b>68.989</b>	<b>56.808</b>	<b>54.518</b>

### Analysis of changes in other comprehensive income by category of reserves

COMPANY 1/1-30/6/2022	Actuarial differences Reserve	Revaluation Reserve	Total
Defined benefit plans revaluation	0	0	0
Valuation of assets measured at fair value through other comprehensive income	0	-10	-10
<b>Other comprehensive income / (expenses) after tax</b>	<b>0</b>	<b>-10</b>	<b>-10</b>

COMPANY 1/1-30/6/2021	Actuarial differences Reserve	Revaluation Reserve	Total
Defined benefit plans revaluation	0	0	0
Valuation of assets measured at fair value through other comprehensive income	0	34	34
<b>Other comprehensive income / (expenses) after tax</b>	<b>0</b>	<b>34</b>	<b>34</b>



**Analysis of changes in other comprehensive income by category of reserves**

<b>GROUP 1/1-30/6/2022</b>	<b>Actuarial differences Reserve</b>	<b>Revaluation Reserve</b>	<b>Foreign exchange differences Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>	<b>Non-controlling interest</b>	<b>Grand Total</b>
Defined benefit plans revaluation for subsidiaries and parent company	9	0	0	-1	8	8	16
Valuation of assets measured at fair value through other comprehensive income of parent and subsidiaries	0	-11	0	0	-11	0	-11
Foreign exchange differences on consolidation of subsidiaries	0	0	-224	0	-224	-1.069	-1.293
Share of foreign exchange differences on consolidation of associates and joint ventures	0	0	102	0	102	0	102
<b>Total operations</b>	<b>9</b>	<b>-11</b>	<b>-122</b>	<b>-1</b>	<b>-125</b>	<b>-1.061</b>	<b>-1.186</b>

<b>GROUP 1/1-30/6/2021</b>	<b>Actuarial differences Reserve</b>	<b>Revaluation Reserve</b>	<b>Foreign exchange differences Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>	<b>Non-controlling interest</b>	<b>Grand Total</b>
Defined benefit plans revaluation for subsidiaries and parent company	0	0	0	14	14	14	28
Revaluation of defined benefit plans of associates and joint ventures	0	0	0	0	0	0	0
Valuation of assets measured at fair value through other comprehensive income of parent and subsidiaries	0	3	0	0	3	0	3
Foreign exchange differences on consolidation of subsidiaries	0	0	3.050	0	3.050	-611	2.439
Share of foreign exchange differences on consolidation of associates and joint ventures	0	0	311	0	311	0	311
<b>Total operations</b>	<b>0</b>	<b>3</b>	<b>3.361</b>	<b>14</b>	<b>3.378</b>	<b>-597</b>	<b>2.781</b>

## 2.16 DIVIDENDS

Declared dividends of ordinary shares:	GROUP		COMPANY	
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Final dividend of 2020	0	4.318	0	0
First dividend of 2021	4.304	688	0	0
First dividend of 2022	0	0	0	0
<b>Dividend per statement of changes in equity</b>	<b>4.304</b>	<b>5.006</b>	<b>0</b>	<b>0</b>

### Paid Dividends on ordinary shares:

During the six months of 2022 dividends paid on ordinary shares, aggregated €2.577 thousand (six months 2021: €6.538 thousand).

## 2.17 DEBT

### Long-term loans and lease liabilities:

	Currency	Interest rate	GROUP		COMPANY	
			30/6/2022	31/12/2021	30/6/2022	31/12/2021
Facility B (€500,0 million)	EUR	5,25%	501.537	500.266	0	0
Facility SSN (\$242,1 million)	EUR	7,09% - 8,87%	239.322	220.500	0	0
Extra Facility (\$11,9 million)	EUR	7,09% - 8,87%	11.794	10.866	0	0
Supplemental Indenture (€2,1 million)	EUR	0,00%	2.073	2.073	0	0
Intercompany Loans			0	0	258.596	252.678
Other			2.730	3.286	0	0
<b>Total Loans (long-term and short-term) before repurchasing</b>			<b>757.456</b>	<b>736.991</b>	<b>258.596</b>	<b>252.678</b>
Less: Payable during the next year			-12.891	-13.678	-194	-2.253
Repurchase of Facility B			-144.876	-144.509	0	0
<b>Long-term loans after repurchasing</b>			<b>599.689</b>	<b>578.805</b>	<b>258.402</b>	<b>250.425</b>
Long-term lease liabilities <sup>1</sup>			9.800	9.179	405	519
<b>Total long-term debt (loans and lease liabilities)</b>			<b>609.489</b>	<b>587.984</b>	<b>258.807</b>	<b>250.944</b>

<sup>1</sup> In the Group and the Company on 30/6/2022 included Long-term lease liabilities from other related parties amount to €5.831 thousand and €192 thousand respectively (31/12/2021: € 4.610 thousands and € 223 thousands respectively) (note [2.20.E](#)).

### Short-term loans and lease liabilities:

	Currency	Interest rate	GROUP		COMPANY	
			30/6/2022	31/12/2021	30/6/2022	31/12/2021
Facility B (€500,0 million)		5,25%	6.903	6.847	0	0
Facility SSN (\$242,1 million)	EUR	7,09% - 8,87%	6.231	6.733	0	0
Extra Facility (\$11,9 million)	EUR	7,09% - 8,87%	307	332	0	0
Supplemental Indenture (€2,1 million)	EUR	0,00%	0	0	0	0
Other			1.444	1.744	194	2.253
<b>Short-term loans before repurchasing</b>			<b>14.885</b>	<b>15.656</b>	<b>194</b>	<b>2.253</b>
Repurchasing Facility B			-1.994	-1.978	0	0
<b>Short-term loans after repurchasing</b>			<b>12.891</b>	<b>13.678</b>	<b>194</b>	<b>2.253</b>
Short-term lease liabilities <sup>1</sup>			2.668	2.857	282	269
<b>Total short-term debt (loans and lease liabilities)</b>			<b>15.559</b>	<b>16.535</b>	<b>475</b>	<b>2.522</b>

<sup>1</sup> In the Group and the Company as at 30/6/2022 included Short-term lease liabilities from other related parties amount to €233 thousand and €74 thousand respectively (31/12/2021: € 261 thousands and € 70 thousands respectively) (note [2.20.E](#)).

	GROUP		COMPANY	
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
<b>Total debt (loans and lease liabilities)</b>	<b>625.048</b>	<b>604.519</b>	<b>259.282</b>	<b>253.466</b>

- Facility B: In September 2017, Intralot Capital Luxembourg issued Senior Notes with a nominal value of €500,0 million, guaranteed by the parent company and subsidiaries of the Group, due 15 September 2024. The Notes were offered at an issue price of 100,000%. Interest is payable semi-annually at an annual fixed nominal coupon of 5,25%. The Notes are trading on the Luxembourg Stock Exchanges Euro MTF Market. The Notes bear the Group financial covenants for incurring additional debt with respect to total Net Debt (senior) to EBITDA (EBITDA/ "Consolidated Cash Flow") (Senior Leverage ratio <3,75), and financial expenses coverage ratio (Fixed Charge Coverage ratio >2,00). The Group proceeded to the repurchase of bonds from the open market with nominal value of €5,0 million during 2018, as well as €21,2 million during the second half of 2019, forming the total outstanding nominal amount at €473,8 million. The Group finalized on 3/8/2021 the transfer of shares from Intralot Global Holdings B.V., amounting to 34,27% of the share capital of Intralot US Securities B.V. (indirect parent of Intralot, Inc.), to the holders of existing Notes of the Facility B with a nominal value of €118.240.000 who participated in the exchange. Following the above procedure, these Notes came to the possession of Intralot Global Holdings B.V.. So, the total outstanding nominal value of Facility B on 3/8/2021 came up to €355,6 million.
- Facility SSN & Extra Facility: On August 3rd, 2021, New Notes (Facility SSN) with a nominal value of \$242.111.911 due September 2025 were issued by US based Intralot, Inc., in exchange for existing Notes maturing in September 2021 with nominal value of €247.471.724,07 (corresponding to an 18% discount), which were then cancelled. At the same date, additional notes (Extra Facility) with a nominal value of \$11.931.000 due September 2025 were issued by Intralot, Inc. in cash that were used for other corporate purposes. Interest is payable semi-annually for both facilities at an annual fixed nominal coupon of 7,09% until 15/9/2023, 8,19% from 15/9/2023 to 15/9/2024 and 8,87% from 15/9/2024 until 15/9/2025. The Notes bear the US Sub-group financial covenants for incurring additional debt with respect to the total Net Debt (senior) to EBITDA (EBITDA/ "Consolidated Cash Flow") (Senior Leverage ratio <3,75).
- Supplemental Indenture: On August 3<sup>rd</sup>, 2021, New Notes (Supplemental Indenture) with a nominal value of €2,1 million due in September 15, 2050 were issued by Intralot Capital Luxembourg, guaranteed by the parent company and subsidiaries of the Group.

The Group under the Senior Notes (Facility B) terms will be able to incur additional debt so long as on an actual basis its consolidated fixed charge coverage ratio is at least 2,00 (30/6/2022: approx. 3,48), and will be able to incur additional senior debt as long as on an actual basis its total Net Debt (senior) to EBITDA consolidated (Senior leverage ratio) is not more than 3,75 (30/6/2022: approx. 4,01). Furthermore to the above, the Group can incur additional debt from specific baskets. Furthermore to the above, the Group can incur additional debt from specific baskets. Furthermore, the Group proceeded with the refinancing of Intralot Inc. debt with new bank financing (Term Loan) maturing in 2025, the terms of which improve the access of the parent company to the cash flows of the US subsidiary and are expected to be favourable from a cost of debt perspective. The new

loan agreement signed with a consortium of six US financial institutions also includes a revolving credit line (Revolver Facility) of \$50 million, which will significantly assist the Group's liquidity management.

The Company, the subsidiaries of the Group or other related parties, or agents on its or their behalf, may from time to time purchase and/or re-sell bonds of the Group in one or more series of open-market transactions from time to time. The Group does not intend to disclose the extent of any such purchase or re-sale otherwise than in accordance with any legal or regulatory obligation the Group may have to do so.

- Other facilities:

Facility C: In February and March 2020 Intralot Global Holdings BV signed a loan agreement, with relevant securities on financial assets, amounting up to €18 million as a revolving facility and issuing bank letters of guarantee. Loan agreement bears a floating reference rate (relevant bank's cost of funding cost) plus a 1,65% margin. The above financing does not include financial terms and has been fully paid as at 30/6/2021 and the in-force letters of guarantee as at 30/6/2022 amounted to €10,8 million.

#### Maturity analysis of lease liabilities

GROUP	Minimum of the lease payments 30/6/2022	Present value of the minimum lease payments 30/6/2022	Minimum of the lease payments 31/12/2021	Present value of the minimum lease payments 31/12/2021
Within 1 year	3.193	2.668	3.363	2.857
Between 2 and 5 years	7.090	6.153	7.241	6.421
Over 5 years	4.178	3.647	3.076	2.758
Minus: Interest	-1.994	0	-1.644	0
<b>Total</b>	<b>12.468</b>	<b>12.468</b>	<b>12.036</b>	<b>12.036</b>

COMPANY	Minimum of the lease payments 30/6/2022	Present value of the minimum lease payments 30/6/2022	Minimum of the lease payments 31/12/2021	Present value of the minimum lease payments 31/12/2021
Within 1 year	315	282	308	269
Between 2 and 5 years	430	405	556	519
Over 5 years	0	0	0	0
Minus: Interest	-58	0	-76	0
<b>Total</b>	<b>687</b>	<b>687</b>	<b>788</b>	<b>788</b>

### CAPITAL MANAGEMENT

The Group aims through the management of capital to ensure that the Group can operate smoothly in the future, maximize the value of its shareholders and maintain the appropriate capital structure in terms of costs of capital. The Group monitors its capital adequacy on a Net Debt to EBITDA ratio basis. Net borrowings include borrowing and lease liabilities minus cash and cash equivalents.

GROUP	30/6/2022	31/12/2021
Long-term loans	599.689	578.805
Long-term lease liabilities	9.800	9.179
Short-term loans	12.891	13.678
Short-term lease liabilities	2.668	2.857
<b>Total Debt</b>	<b>625.048</b>	<b>604.519</b>
Cash and cash equivalents	-116.369	-107.339
<b>Net Debt</b>	<b>508.679</b>	<b>497.180</b>
Lending of discontinued operations	0	0
Cash and cash equivalents	0	0
<b>Net Debt (adjusted)</b>	<b>508.679</b>	<b>497.180</b>
<b>EBITDA from continuing operations <sup>1</sup></b>	<b>111.193</b>	<b>110.440</b>
<b>Leverage</b>	<b>4,57</b>	<b>4,50</b>

<sup>1</sup> EBITDA refers to the period of the last twelve months ended on 30/6/2022.

**Reconciliation of liabilities arising from financing activities:**

Group	BALANCE 31/12/2021	Cash flows	Non cash adjustments					BALANCE 30/6/2022	
			Accrued interest	Foreign exchange differences & IAS 29 effect	Transfers	Impact from debt restructuring	Purchases of fixed assets under leases/contract cancellation		Change of consolidation method & other transfers
Long term loans	578.805	-20.631	19.550	20.511	1.454	0	0	0	599.689
Short term loans	13.678	53	0	613	-1.454	0	0	0	12.890
Long term lease liabilities	9.179	-1.914	502	697	249	0	1.086	0	9.800
Short term lease liabilities	2.857	-32	0	20	-249	0	73	0	2.668
<b>Total liabilities from financing activities</b>	<b>604.519</b>	<b>-22.524</b>	<b>20.052</b>	<b>21.841</b>	<b>0</b>	<b>0</b>	<b>1.159</b>	<b>0</b>	<b>625.048</b>

Group	BALANCE 31/12/2020	Cash flows	Non cash adjustments					BALANCE 31/12/2021	
			Accrued interest	Foreign exchange differences & IAS 29 effect	Transfers	Impact from debt restructuring	Purchases of fixed assets under leases/contract cancellation		Change of consolidation method & other transfers
Long term loans	468.695	-14.057	31.778	10.947	-7.252	88.694	0	0	578.805
Short term loans	272.032	-38.942	24.394	146	7.252	-251.204	0	0	13.678
Long term lease liabilities	7.469	-4.190	564	334	-223	0	5.226	0	9.179
Short term lease liabilities	2.882	-285	3	49	233	0	0	-25	2.857
<b>Total liabilities from financing activities</b>	<b>751.078</b>	<b>-57.474</b>	<b>56.739</b>	<b>11.476</b>	<b>10</b>	<b>-162.510</b>	<b>5.226</b>	<b>-25</b>	<b>604.519</b>

## 2.18 SHARED BASED BENEFITS

The Group had no active option plan during the six months of 2022.

## 2.19 FINANCIAL ASSETS AND LIABILITIES

The financial assets and liabilities of the Group, excluding cash and cash equivalents are analyzed as follows:

<u>30/6/2022</u>		<u>GROUP</u>		
Financial assets:	Debt instruments at amortized cost	Equity instruments at fair value through other comprehensive income	Derivative financial assets at fair value through other comprehensive income	Total
Trade receivables	70.571	0	0	70.571
Provisions for doubtful receivables	-10.663	0	0	-10.663
Receivables from related parties	13.892	0	0	13.892
Provisions for doubtful receivables	-4.593	0	0	-4.593
Pledged bank deposits	8.585	0	0	8.585
Tax receivables	26.868	0	0	26.868
Prepaid expenses and other receivable	22.673	0	0	22.673
Provisions for doubtful receivables	-2.481	0	0	-2.481
Other quoted financial assets	20	70	0	90
<b>Total</b>	<b>124.872</b>	<b>70</b>	<b>0</b>	<b>124.942</b>
Long-term	2.196	70	0	2.266
Short-term	122.676	0	0	122.676
<b>Total</b>	<b>124.872</b>	<b>70</b>	<b>0</b>	<b>124.942</b>

<u>31/12/2021</u>		<u>GROUP</u>		
Financial assets:	Debt instruments at amortized cost	Equity instruments at fair value through other comprehensive income	Derivative financial assets at fair value through other comprehensive income	Total
Trade receivables	76.861	0	0	76.861
Provisions for doubtful receivables	-10.730	0	0	-10.730
Receivables from related parties	17.316	0	0	17.316
Provisions for doubtful receivables	-6.097	0	0	-6.097
Pledged bank deposits	8.378	0	0	8.378
Tax receivables	29.871	0	0	29.871
Prepaid expenses and other receivable	19.258	0	0	19.258
Provisions for doubtful receivables	-1.465	0	0	-1.465
Other quoted financial assets	28	81	0	109
<b>Total</b>	<b>133.420</b>	<b>81</b>	<b>0</b>	<b>133.502</b>
Long-term	3.209	81	0	3.290
Short-term	130.211	0	0	130.211
<b>Total</b>	<b>133.420</b>	<b>81</b>	<b>0</b>	<b>133.502</b>

<u>30/6/2022</u>		<u>GROUP</u>		
Financial liabilities:	Financial liabilities measured at amortized cost	Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Total
Creditors	45.683	0	0	45.683
Payables to related parties	3.324	0	0	3.324
Other liabilities	22.407	0	0	22.407
Borrowing and lease liabilities	625.047	0	0	625.047
<b>Total</b>	<b>696.461</b>	<b>0</b>	<b>0</b>	<b>696.461</b>
Long-term	610.623	0	0	610.623
Short-term	85.838	0	0	85.838
<b>Total</b>	<b>696.461</b>	<b>0</b>	<b>0</b>	<b>696.461</b>

<u>31/12/2021</u>		<u>GROUP</u>		
Financial liabilities:	Financial liabilities measured at amortized cost	Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Total
Creditors	55.557	0	0	55.557
Payables to related parties	3.410	0	0	3.410
Other liabilities	29.235	0	0	29.235
Borrowing and lease liabilities	604.519	0	0	604.519
<b>Total</b>	<b>692.721</b>	<b>0</b>	<b>0</b>	<b>692.721</b>
Long-term	589.136	0	0	589.136
Short-term	103.585	0	0	103.585
<b>Total</b>	<b>692.721</b>	<b>0</b>	<b>0</b>	<b>692.721</b>

Below is the analysis of the financial assets and liabilities of the Company excluding cash and cash equivalents:

<u>30/6/2022</u>		<u>COMPANY</u>		
Financial assets:	Debt instruments at amortized cost	Equity instruments at fair value through other comprehensive income	Derivative financial assets at fair value through other comprehensive income	Total
Trade receivables	35.788	0	0	35.788
Provisions for doubtful receivables	-7.759	0	0	-7.759
Receivables from related parties	52.030	0	0	52.030
Provisions for doubtful receivables	-4.811	0	0	-4.811
Pledged bank deposits	4.529	0	0	4.529
Tax receivables	18.034	0	0	18.034
Prepaid expenses and other receivable	6.815	0	0	6.815
Provisions for doubtful receivables	-1.838	0	0	-1.838
Other quoted financial assets	0	70	0	70
<b>Total</b>	<b>102.787</b>	<b>70</b>	<b>0</b>	<b>102.857</b>
Long-term	44	70	0	114
Short-term	102.743	0	0	102.743
<b>Total</b>	<b>102.787</b>	<b>70</b>	<b>0</b>	<b>102.857</b>

<u>31/12/2021</u>		<u>COMPANY</u>		
Financial assets:	Debt instruments at amortized cost	Equity instruments at fair value through other comprehensive income	Derivative financial assets at fair value through other comprehensive income	Total
Trade receivables	35.186	0	0	35.186
Provisions for doubtful receivables	-7.312	0	0	-7.312
Receivables from related parties	55.615	0	0	55.615
Provisions for doubtful receivables	-6.318	0	0	-6.318
Pledged bank deposits	4.657	0	0	4.657
Tax receivables	18.012	0	0	18.012
Prepaid expenses and other receivable	6.159	0	0	6.159
Provisions for doubtful receivables	-778	0	0	-778
Other quoted financial assets	0	80	0	80
<b>Total</b>	<b>105.222</b>	<b>80</b>	<b>0</b>	<b>105.302</b>
Long-term	45	80	0	125
Short-term	105.177	0	0	105.177
<b>Total</b>	<b>105.222</b>	<b>80</b>	<b>0</b>	<b>105.302</b>



30/6/2022	COMPANY			Total	
	Financial liabilities:	Financial liabilities measured at amortized cost	Financial liabilities at fair value through profit and loss		Financial liabilities at fair value through other comprehensive income
Creditors		2.444	0	0	2.444
Payables to related parties		31.085	0	0	31.085
Other liabilities		2.289	0	0	2.289
Borrowing and lease liabilities		259.283	0	0	259.283
<b>Total</b>		<b>295.101</b>	<b>0</b>	<b>0</b>	<b>295.101</b>
Long-term		258.843	0	0	258.843
Short-term		36.258	0	0	36.258
<b>Total</b>		<b>295.101</b>	<b>0</b>	<b>0</b>	<b>295.101</b>

31/12/2021	COMPANY			Total	
	Financial liabilities:	Financial liabilities measured at amortized cost	Financial liabilities at fair value through profit and loss		Financial liabilities at fair value through other comprehensive income
Creditors		4.279	0	0	4.279
Payables to related parties		32.186	0	0	32.186
Other liabilities		3.305	0	0	3.305
Borrowing and lease liabilities		253.467	0	0	253.467
<b>Total</b>		<b>293.236</b>	<b>0</b>	<b>0</b>	<b>293.236</b>
Long-term		250.981	0	0	250.981
Short-term		42.255	0	0	42.255
<b>Total</b>		<b>293.236</b>	<b>0</b>	<b>0</b>	<b>293.236</b>

### Estimated fair value

Below is a comparison by category of carrying amounts and fair values of financial assets and liabilities of the Group and the Company as at June 30, 2022 and December 31, 2021:

Financial Assets	GROUP			
	Carrying Amount	Carrying Amount	Fair Value	Fair Value
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Other long-term financial assets - classified as "equity instruments at fair value through other comprehensive income "	70	81	70	81
Other long-term financial assets - classified as "debt instruments at fair value at amortized cost"	8	16	8	16
Other long-term receivables	2.188	3.194	2.188	3.194
Trade and other short-term receivables	122.665	130.198	122.665	130.198
Other short-term financial assets - classified as "debt instruments at amortized cost"	11	13	11	13
Cash and cash equivalents	116.369	107.339	116.369	107.339
<b>Total</b>	<b>241.311</b>	<b>240.841</b>	<b>241.311</b>	<b>240.841</b>

Financial Liabilities	GROUP			
	Carrying Amount	Carrying Amount	Fair Value	Fair Value
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Long-term loans	599.689	578.805	561.581	543.383
Other long-term liabilities	1.135	1.152	1.135	1.152
Long-term lease liabilities	9.800	9.179	9.800	9.179
Trade and other short-term payables	70.279	87.050	70.279	87.050
Short-term loans and lease liabilities	15.559	16.535	15.009	16.116
<b>Total</b>	<b>696.462</b>	<b>692.721</b>	<b>657.804</b>	<b>656.879</b>

Financial Assets	COMPANY			
	Carrying Amount	Carrying Amount	Fair Value	Fair Value
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Other long-term financial assets - classified as "equity instruments at fair value through other comprehensive income "	70	80	70	80
Other long-term receivables	44	45	44	45
Trade and other short-term receivables	102.743	105.177	102.743	105.177
Cash and cash equivalents	5.537	8.338	5.537	8.338
<b>Total</b>	<b>108.394</b>	<b>113.640</b>	<b>108.394</b>	<b>113.640</b>

Financial Liabilities	COMPANY			
	Carrying Amount	Carrying Amount	Fair Value	Fair Value
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Long-term loans	258.402	250.425	258.402	250.425
Other long-term liabilities	36	36	36	36
Long-term lease liabilities	405	519	405	519
Trade and other short-term payables	35.783	39.734	35.783	39.734
Short-term loans and lease liabilities	475	2.522	475	2.522
<b>Total</b>	<b>295.101</b>	<b>293.236</b>	<b>295.101</b>	<b>293.236</b>

The management estimated that the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value, primarily because of their short-term maturities.

#### Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making these measurements. The levels of the fair value hierarchy are as follows:  
Level 1: official quoted prices (unadjusted) in markets with significant volume of transactions for similar assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group and the Company held on 30/6/2022 the following assets and liabilities measured at fair value:

GROUP	Fair Value 30/6/2022	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>				
Other financial assets classified as "equity instruments at fair value through other comprehensive income"	70	70	0	0
- Quoted securities	70	70	0	0
- Unquoted securities	0	0	0	0
Other financial assets classified as "debt instruments at amortized cost"	20	0	0	20
- Quoted securities	20	0	0	20
- Unquoted securities	0	0	0	0
Derivative financial instruments	0	0	0	0
<b>Financial liabilities measured at fair value</b>				
Derivative financial instruments	0	0	0	0

COMPANY	Fair Value 30/6/2022	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>				
Other financial assets classified as "equity instruments at fair value through other comprehensive income"	70	70	0	0
- Quoted securities	70	70	0	0
- Unquoted securities	0	0	0	0
Derivative financial instruments	0	0	0	0
<b>Financial liabilities measured at fair value</b>				
Derivative financial instruments	0	0	0	0

During 2022 there were no transfers between Level 1 and Level 2 of the fair value hierarchy, no transfers to and from Level 3.

The Group and the Company held on 31/12/2021 the following assets and liabilities measured at fair value:

GROUP	Fair Value 31/12/2021	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>				
Other financial assets classified as "equity instruments at fair value through other comprehensive income"	81	81	0	0
- Quoted securities	81	81	0	0
- Unquoted securities	0	0	0	0
Other financial assets classified as "debt instruments at amortized cost"	28	0	0	28
- Quoted securities	28	0	0	28
- Unquoted securities	0	0	0	0
Derivative financial instruments	0	0	0	0
<b>Financial liabilities measured at fair value</b>				
Derivative financial instruments	0	0	0	0

COMPANY	Fair Value 31/12/2021	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>				
Other financial assets classified as "equity instruments at fair value through other comprehensive income"	80	80	0	0
- Quoted securities	80	80	0	0
- Unquoted securities	0	0	0	0
Derivative financial instruments	0	0	0	0
<b>Financial liabilities measured at fair value</b>				
Derivative financial instruments	0	0	0	0

During 2021 there were no transfers between Level 1 and Level 2 of the fair value hierarchy, no transfers to and from Level 3.

**Reconciliation for recurring fair value measurements classified in the 3rd level of the fair value hierarchy:**

Quoted securities	GROUP	COMPANY
<b>Balance 31/12/2020</b>	<b>47</b>	<b>0</b>
Fair value adjustment	0	0
Receipts	-13	0
Foreign exchange differences	-5	0
<b>Balance 31/12/2021</b>	<b>29</b>	<b>0</b>
Fair value adjustment	5	0
Receipts	-10	0
Exchange differences	-3	0
<b>Balance 30/6/2022</b>	<b>21</b>	<b>0</b>

### Valuation methods and assumptions

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair values:

- Fair value of the quoted shares (classified as "equity instruments at fair value through other comprehensive income") derives from quoted market closing prices in active markets at the reporting date.
- Fair value of the unquoted shares (classified as "equity instruments at fair value through other comprehensive income") is estimated by reference to the current market value of another item substantially similar or using a DCF model. The valuation through the DCF model requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.
- Fair value of the quoted bonds is based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The Group uses derivative financial instruments such as forward currency contracts, interest rate swaps, currency swaps and other derivatives in order to hedge risks related to interest rates and foreign currency fluctuations. Such derivative financial instruments are measured at fair value at each reporting date. The fair value of these derivatives is measured mainly by reference of the market value and is verified by the financial institutions.

### Description of significant unobservable inputs to valuation:

The fair value of unquoted shares (classified as "equity instruments at fair value through other comprehensive income") except that it is sensitive to a reasonably possible change in the forecast cash flows and the discount rate, is also sensitive to a reasonably possible change in growth rates. The valuation requires management to use unobservable inputs in the model, of which the most significant are disclosed in the tables below. The management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

**Unquoted shares (classified as "equity instruments at fair value through other comprehensive income")**

On 30/6/2022 and 31/12/2021 the Group did not hold any unquoted shares (classified as "Equity instruments valued at fair value through other comprehensive income").

## 2.20 SUPPLEMENTARY INFORMATION

### A. BUSINESS COMBINATION AND METHOD OF CONSOLIDATION

The companies included in the consolidation, with the relevant addresses and the relevant participation percentages are the following:

I. Full consolidation		Domicile	Nature of business	% Direct Part'n	% Indirect Part'n	% Total Part'n
	INTRALOT S.A.	Peania, Greece	Holding company / Technology and support services	Parent	Parent	-
3.	BETTING COMPANY S.A.	Peania, Greece	Technology and support services	95%	5%	100%
12.	BETTING CYPRUS LTD	Nicosia, Cyprus	Technology and support services		100%	100%
	INTRALOT IBERIA HOLDINGS S.A.	Madrid, Spain	Holding company	100%		100%
8.	INTRALOT CHILE SPA	Santiago, Chile	Technology and support services		100%	100%
	INTELTEK INTERNET AS	Istanbul, Turkey	Management contracts	100,00%		100%
	BILYONER INTERAKTIF HIZMELTER AS GROUP	Istanbul, Turkey	Management contracts	50,01%		50,01%
	INTRALOT MAROC S.A.	Casablanca, Morocco	Management contracts	99,83%		99,83%
	INTRALOT INTERACTIVE S.A.	Peania, Greece	Technology and support services	100%		100%
	INTRALOT GLOBAL SECURITIES B.V.	Amsterdam, Netherlands	Holding company	100,00%		100%
1.	INTRALOT CAPITAL LUXEMBOURG S.A.	Luxembourg, Luxembourg	Financial services		100%	100%
1,2,3,4.	INTRALOT GLOBAL HOLDINGS B.V.	Amsterdam, Netherlands	Holding company	0,02%	99,98%	100%
5.	INTRALOT US SECURITIES B.V.	Amsterdam, Netherlands	Holding company		65,73%	65,73%
9.	INTRALOT US HOLDINGS B.V.	Amsterdam, Netherlands	Holding company		65,73%	65,73%
10.	INTRALOT INC	Atlanta, USA	Technology and support services		65,73%	65,73%
11.	DC09 LLC	Wilmington, USA	Technology and support services		32,21%	32,21%
11.	INTRALOT TECH SINGLE MEMBER S.A.	Peania, Greece	Technology and support services		65,73%	65,73%
5.	INTRALOT AUSTRALIA PTY LTD	Melbourne, Australia	Technology and support services		100,00%	100%
7.	INTRALOT GAMING SERVICES PTY	Melbourne, Australia	Technology and support services		100%	100%
5.	INTRALOT NEDERLAND B.V.	Amsterdam, Netherlands	Technology and support services		100%	100%
13.	INTRALOT BENELUX B.V.	Amsterdam, Netherlands	Technology and support services		100%	100%
5.	LOTROM S.A.	Bucharest, Romania	Management contracts		84%	84%
5.	TECNO ACCION S.A.	Buenos Aires, Argentina	Technology and support services		50,01%	50,01%
5.	TECNO ACCION SALTA S.A.	Buenos Aires, Argentina	Licensed operations		50,01%	50,01%

I. Full consolidation (Continue)		Domicile	Nature of business	% Direct Part'n	% Indirect Part'n	% Total Part'n
5.	MALTCO LOTTERIES LTD	Valetta, Malta	Licensed operations		73%	73%
5.	INTRALOT NEW ZEALAND LTD	Wellington, New Zealand	Technology and support services		100%	100%
5.	INTRALOT GERMANY GMBH	Munich, Germany	Technology and support services		100%	100%
5.	INTRALOT FINANCE UK LTD	Hertfordshire, United Kingdom	Financial services		100%	100%
5.	INTRALOT BETTING OPERATIONS (CYPRUS) LTD	Nicosia, Cyprus	Holding company		54,95%	54,95%
5,6.	ROYAL HIGHGATE LTD	Nicosia, Cyprus	Licensed operations		35,08%	35,08%
5.	INTRALOT IRELAND LTD	Dublin, Ireland	Technology and support services		100%	100%
5.	INTRALOT GLOBAL OPERATIONS B.V.	Amsterdam, Netherland	Technology and support services		100%	100%
5.	BIT8 LTD	Valletta, Malta	Technology and support services		100%	100%
5.	INTRALOT ADRIATIC DOO	Zagreb, Croatia	Technology and support services		100%	100%
5.	INTRALOT BETCO EOOD	Sofia, Bulgaria	Technology and support services		100%	100%
5.	INTRALOT CYPRUS GLOBAL ASSETS LTD	Nicosia, Cyprus	Holding company		100%	100%
	INTRALOT HOLDINGS INTERNATIONAL LTD	Nicosia, Cyprus	Holding company		100%	100%
2.	INTRALOT INTERNATIONAL LTD	Nicosia, Cyprus	Technology and support services		100%	100%
3.	INTRALOT OPERATIONS LTD	Nicosia, Cyprus	Technology and support services		100%	100%
2,4.	NETMAN SRL	Bucharest, Romania	Management contracts		100%	100%
2.	INTRALOT BUSINESS DEVELOPMENT LTD	Nicosia, Cyprus	Technology and support services		100%	100%
2,4.	GAMING SOLUTIONS INTERNATIONAL SAC	Lima, Peru	Licensed operations		100%	100%

II. Equity method		Domicile	Nature of business	% Direct Part'n	% Indirect Part'n	% Total Part'n
	LOTRICH INFORMATION Co LTD	Taipei, Taiwan	Technology and support services	40%		40%
	INTRALOT SOUTH AFRICA LTD	Johannesburg, S. Africa	Technology and support services	45%		45%
5.	KARENIA ENTERPRISES COMPANY LTD	Nicosia, Cyprus	Holding company		50%	50%

Subsidiary of the company:		
1: Intralot Global Securities B.V.	6: Intralot Betting Operations (Cyprus) LTD	11: Intralot Inc
2: Intralot Holdings International LTD	7: Intralot Australia PTY LTD	12: Betting Company S.A.
3: Intralot International LTD	8: Intralot Iberia Holdings S.A.	13: Intralot Nederland B.V.
4: Intralot Operations LTD	9: Intralot US Securities B.V.	
5: Intralot Global Holdings B.V.	10: Intralot US Holdings B.V.	

The standalone annual financial statements of the most important subsidiaries of the Group (not listed on a stock exchange) are posted on the INTRALOT website ([www.intralot.com](http://www.intralot.com)) pursuant to article 1 of the Board of Directors' decision 8/754/14.04.2016 of the Hellenic Capital Market Commission.

The entity Gaming Solutions International SAC is under liquidation process.

On 30/6/2022, the Group or its subsidiaries did not have any significant contractual or statutory restrictions on their ability to access or use the assets and settle the liabilities of the Group.

The following United Kingdom subsidiaries were exempted until 30/6/2022 from Companies Act 2006 requirements relating the statutory audit of individual company accounts by virtue of Section 479A of that Act:

Intralot Finance UK Ltd (company number 6451119)

However, Intralot Finance UK Ltd has been audited in 2018 for IFRS Group reporting purposes.

### **III. Acquisitions**

The Group did not proceed to any acquisition of new entities for the six months of 2022.

### **IV. New Companies of the Group**

The Group did not proceed in establishing new entities during the six months of 2022.

### **V. Changes in ownership percentage**

During the six months of 2022 the Group did not proceed in changing ownership percentages.

### **VI. Subsidiaries' Share Capital Increase**

During the six months of 2022 the Group did not complete any share capital increase.

### **VII. Strike off - Disposal of Group Companies**

The Group completed the liquidation of Intralot de Mexico LTD (March 2022) , Intralot Services S.A. (June 2022) , Uniclic Ltd (January 2022) and Intralot Jamaica Ltd (June 2022) during the first semester of 2022.

### **VIII. Discontinued Operations**

#### **A) Poland**

On March 26, 2019 INTRALOT Group announced that it has reached an agreement with Merkur Sportwetten GmbH, a subsidiary of the Gauselmann Group based in Espelkamp, Germany to take over the renowned sports betting company Totolotek S.A. – an INTRALOT subsidiary in Poland. Since, 31/3/2019 the Group's above activities in Poland were classified as assets held for sale and discontinued operations pursuant to IFRS 5. The transfer of Totolotek S.A. shares was completed at the end of April 2019 and the Group consolidated it by 30/4/2019. The final consideration for the disposal of Totolotek S.A. amounted to approximately €8,0 millions, including the contingent consideration, in case of meeting certain terms and requirements within 2 years, amounting to approximately €1,8 millions on a discounted basis (€2,0 millions in future value). From the above consideration amount approximately €5,5 millions was paid in the first six-months of 2019 and amount approximately €0,8 million in July 2019. On 30/6/2021 the Group recognized a loss of €996 thousand from the non-collection of contingent



consideration of Totolotek S.A. disposal, since the relevant terms and requirements were not met. The above loss is presented in the Income Statement of the Group (line "Profit / (loss) after taxes from discontinued operations")

### B) Peru

On February 2021 INTRALOT announced that it has reached a binding agreement with Nexus Group in Peru to sell its entire stake of 20% in Intralot de Peru SA, an associate of INTRALOT Group, which is consolidated through the Equity method, for a cash consideration of \$21millions (twenty-one millions USD). In addition, the Company has signed a three-year extension of its current contract with Intralot de Peru SA through 2024, to continue to provide its gaming technology and support services. The above associate company is presented under the geographical segment "America" (note 2.2). From 31/12/2020 the above activities of the Group in Peru were classified as discontinued operations pursuant to IFRS 5 par.8.. Meanwhile, the Group's investment to Intralot de Peru SAC was classified as at 31/12/2020 to "Assets held for sale".

The above transaction was completed within February 2021 and the net price after taxes and transaction costs amounted to \$16,2 millions (€13,3 millions).

Below are presented the results of the Group's discontinued operations in Peru (Intralot de Peru SAC) for the period 1/1-31/1/2021 (during 2021 consolidated under the equity method until 31/1/2021):

	1/1- 31/1/2021
Gains / (losses) from consolidations under the equity method	155
<b>Profit / (loss) before taxes</b>	<b>155</b>
Income Tax	0
	<b>155</b>
Gain/(loss) from disposal of discontinued operations	1.129
Relevant taxes	-1.332
Expenses and exchange differences occurred from sale	-197
Reclassification of exchange differences reserve to Income Statement	-637
<b>Gain/(loss) after taxes from discontinued operations</b>	<b>-882</b>
Attributable to:	
Equity holders of the parent Company	-882
Non-controlling interest	0

Below are presented the net cash flows of the discontinued operations of the associate Intralot de Peru SAC on a consolidated level:

	1/1- 31/1/2021
Operating activities	0
Investing activities	13.309
Financing activities	0
Effect from exchange differences	0
<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>13.309</b>

### C) Brazil

On May, 2021, INTRALOT announced that it has reached a binding agreement with "SAGA CONSULTORIA E REPRESENTAÇÕES COMERCIAIS E EMPRESARIAIS" ("SAGA") in Brazil to sell its entire stake in "Intralot do Brasil Comércio de Equipamentos e Programas de Computador LTDA" ("Intralot do

Brasil”), representing 80% of the company’s voting capital. SAGA is the only other shareholder of “Intralot do Brasil” holding 20% of the company. INTRALOT will continue to provide its gaming technology to “Intralot do Brasil” following closing of the transaction. The total cash consideration for the stake sale amounts to EUR 700 thousand (seven hundred thousand EUR). “Intralot do Brasil” owes by 100% OLTP Ltda subsidiary. The aforementioned subsidiary is presented in the geographic operating segment “America (note 2.2).

The above consideration was paid by €500 thousand within the second half of 2021 and the remaining amount of €200k was paid during the first quarter of 2022.

The net cash outflow of the Group during the first semester of 2021 from Sale of discontinued operations in Brazil amounted to €605 thousand, consisting of the derecognition of Intralot do Brazil Ltda cash.

Below are presented the results of the Group's discontinued operations in Brazil (Intralot do Brazil Ltda and OLTP Ltda) for the period 1/1- 31/5/2021 (in 2021 were consolidated through full consolidation method until 31/5/2021):

	<b>1/1-31/5/2021</b>
Sale proceeds	7.225
Expenses	-7.321
Other operating income	47
Other operating expenses	-567
<b>Profit / (loss) before taxes, financing and investing results (EBIT)</b>	<b>-616</b>
<b>Profit / (loss) before taxes, financing, investing results and depreciation (EBITDA)</b>	<b>-431</b>
Income / (expense) from participations and investments	0
Gain/(loss) from assets disposal, impairment loss and write-off of assets	0
Interest and similar expenses	-22
Interest and similar income	4
Exchange Differences	-1
<b>Profit / (loss) before taxes</b>	<b>-635</b>
Income Tax	0
	<b>-635</b>
Gain/(loss) from disposal of discontinued operations	-7.306
Relevant taxes	0
Reclassification of exchange differences reserve to Income Statement	595
<b>Gain/(loss) after taxes from discontinued operations</b>	<b>-7.346</b>
Attributable to:	
Equity holders of the parent Company	-7.215
Non-controlling interest	-131

Below are presented the net cash flows of the discontinued operations in Brazil on a consolidated level:

	<b>1/1-31/5/2021</b>
Operating activities	-25
Investing activities	-519
Financing activities	-61
<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>-605</b>

#### **D) Taiwan**

On April 2022, the Group proceeded with the sale of the GoReward Ltd group through its subsidiaries in Cyprus, INTRALOT INTERNATIONAL LTD and INTRALOT HOLDINGS INTERNATIONAL LTD, which held the Group's entire shareholding (38,84%). The total price from the sale of the participation amounts to Euro 170 thousand and has been collected entirely within June 2022.

Below are presented the earnings / (losses) after taxes per share of the Group's discontinued operations from the subsidiaries of the Group in Brazil (Intralot do Brazil Ltda, OLTP Ltda), Peru (Intralot de Peru SAC) and Taiwan (GoReward Ltd):

<b>Earnings/(losses) after tax per share (in €) from discontinued operations</b>	<b>1/1-30/6/2021</b>	<b>1/1 - 30/6/2022</b>
-basic	-0,0614	0,0375
-diluted	-0,0614	0,0375
Weighted Average number of shares	148.034.131	148.536.785

### **IX. Companies merge**

The Group did not proceed with any merge of companies in the six months of 2022.

### **B. REAL LIENS**

A Group subsidiary in Malta has banking facility amounting €4,3 millions, for issuing bank letters of guarantee. This facility is secured by an initial general mortgage on all the subsidiary's present and future assets (on 30/6/2022 the letters of guarantee used amounted to €4,0 millions). Also, a subsidiary of the Group in Netherlands has a banking facility amounting €18,0 millions for revolving facility and issuing bank letters of guarantee, with relevant securities on financial assets (on 30/6/2022 the utilized letters of guarantee amounted to €10,8 millions).

There are no other restrictions than the above, in the ownership or transfer or other encumbrances on the Group's property.

In the Group Statement of Financial Position (line "Trade and other short-term receivables") of 30/6/2022 are included restricted bank deposits as security coverage for banking facilities amounting €8.581 thousand (31/12/2021: €8.253 thousand) and other restricted bank deposits amount to €3 thousand (31/12/2021: €125 thousand). Respectively, for the Company on 30/6/2022 are included restricted bank deposits as security coverage for banking facilities amounting €4.529 thousand (31/12/2021: €4.536 thousand) and other restricted bank deposits amount to €0 thousand (31/12/2021: €122 thousand).

### **C. PROVISIONS**

<b>GROUP</b>	<b>Litigation cases <sup>1</sup></b>	<b>Unaudited fiscal years and tax audit expenses <sup>2</sup></b>	<b>Other provisions <sup>3</sup></b>	<b>Total provisions</b>
<b>Period opening balance</b>	<b>4.017</b>	<b>6.658</b>	<b>9.144</b>	<b>19.819</b>
Period additions	1.500	707	831	3.038
Utilized provisions	-221	0	-393	-614
Change of consolidation method	0	0	0	0
Foreign exchange differences	-2	-3	1.125	1.120
<b>Period closing balance</b>	<b>5.294</b>	<b>7.362</b>	<b>10.707</b>	<b>23.363</b>
Long-term provisions	5.241	6.655	6.392	18.288
Short-term provisions	53	707	4.315	5.075
<b>Total</b>	<b>5.294</b>	<b>7.362</b>	<b>10.707</b>	<b>23.363</b>

<sup>1</sup> Relate to litigation cases as analyzed in note [2.21.A](#)

<sup>2</sup> Relate to provisions for the coverage of differences from future audits for income taxes and other taxes. It is expected to be used in the next 1-3 years.

<sup>3</sup> Relate to provisions for risks none of which are individually material to the Group except from provisions for additional fees (bonus) and other employee benefits of the Group amounting to €3.420 thousand as well as provisions amounting to €1.610 thousand for earned winnings which relate to sports betting prices and guaranteed future numerical games jackpots. The Other provisions are expected to be used in the next 1-6 years.

COMPANY	Litigation cases <sup>1</sup>	Unaudited fiscal years and tax audit expenses <sup>2</sup>	Other provisions	Total provisions
<b>Period opening balance</b>	<b>3.987</b>	<b>6.630</b>	<b>0</b>	<b>10.617</b>
Utilized provisions	-221	0	0	-221
Foreign exchange differences	0	0	0	0
<b>Period closing balance</b>	<b>3.766</b>	<b>6.630</b>	<b>0</b>	<b>10.396</b>
Long-term provisions	3.726	6.630	0	10.356
Short-term provisions	40	0	0	40
<b>Total</b>	<b>3.766</b>	<b>6.630</b>	<b>0</b>	<b>10.396</b>

<sup>1</sup> Relate to litigation cases as analyzed in note [2.21.A](#)

<sup>2</sup> Relate to provisions for the coverage of differences from future audits for income taxes and other taxes. It is expected to be used in the next 1-3 years.

#### **D. PERSONNEL EMPLOYED**

The number of employees of the Group on 30/6/2022 amounted to 1.716 persons (Company/subsidiaries 1.704 and associates 12) and the Company's to 370 persons. Respectively on 30/6/2021 the number of employees of the Group amounted to 1.903 persons (Company/subsidiaries 1.867 and associates 36) and the Company 482 persons. At the end of 2021 fiscal year, the number of employees of the Group amounted to 1.840 persons (Company/subsidiaries 1.803 and associates 37) and the Company 427 persons.

#### **E. RELATED PARTY DISCLOSURES**

Intralot SA purchases goods and services and/or provides goods and services to various related companies, in the ordinary course of business. These related companies consisting of subsidiaries, associates or other related companies which have common ownership and / or management with Intralot SA. Below is a condensed report of the transactions for six months of 2022 and the balances on 30/6/2022 of other related parties:

Amounts reported in thousands of € (total operations)	1/1 -30/6/2022	
	GROUP	COMPANY
Income		
-from subsidiaries	0	8.917
-from associates and joint ventures	1.020	1.238
-from other related parties	257	15
Expenses		
-to subsidiaries	0	9.039
-to associates and joint ventures	0	0
-to other related parties	639	390
BoD and Key Management Personnel transactions and fees	3.838	2.391

Amounts reported in thousands of €	30/6/2022	
	GROUP	COMPANY
Receivables		
-from subsidiaries	0	46.048
-from associates and joint ventures	5.600	5.555
-from other related parties	8.275	427
Doubtful Provisions		
-to subsidiaries	0	-221
-to associates and joint ventures	-4.348	-4.348
-to other related parties	-245	-242
Payables		
-to subsidiaries	0	286.596
-to associates and joint ventures	0	0
-to other related parties	9.350	3.352

BoD and Key Management Personnel receivables	17	0
BoD and Key Management Personnel payables	38	0

Below there is a summary of the transactions for the six months of 2021 and the balances on 31/12/2021 with related parties:

Amounts reported in thousands of € (total operations)	1/1 -30/6/2021	
	GROUP	COMPANY
Income		
-from subsidiaries	0	18.865
-from associates and joint ventures	1.132	1.384
-from other related parties	202	37
Expenses		
-to subsidiaries	0	12.081
-to associates and joint ventures	0	0
-to other related parties	2.949	1.394
BoD and Key Management Personnel transactions and fees	3.804	2.638

Amounts reported in thousands of €	31/12/2021	
	GROUP	COMPANY
Receivables		
-from subsidiaries	0	48.866
-from associates and joint ventures	4.917	4.872
-from other related parties	12.367	1.877
Doubtful Provisions		
-to subsidiaries	0	-221
-to associates and joint ventures	-4.348	-4.348
-to other related parties	-1.749	-1.749
Payables		
-to subsidiaries	0	281.754
-to associates and joint ventures	0	0
-to other related parties	7.922	3.140
BoD and Key Management Personnel receivables	32	0
BoD and Key Management Personnel payables	360	263

Sales and services to related parties are made at normal market prices. Outstanding balances at year end are unsecured and settlement occurs in cash. No guarantees have been provided or received for the above receivables.

## 2.21 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

### A. LITIGATION CASES

a. In Colombia, INTRALOT, on 22nd July 2004, entered into an agreement with an entity called Empresa Territorial para la salud ("Etesa"), under which it was granted with the right to operate games of chance in Colombia. In accordance with terms of the abovementioned agreement, INTRALOT has submitted an application to initiate arbitration proceedings against Etesa requesting to be recognized that there has been a disruption to the economic balance of abovementioned agreement to the detriment of INTRALOT and for reasons not attributable to INTRALOT and that Etesa to be compelled to the modification of the financial terms of the agreement in the manner specified by INTRALOT as well as to pay damages to INTRALOT (including damages for loss of profit) or alternatively to terminate now the agreement with no liability to INTRALOT. The arbitration court adjudicated in favor of Etesa the amount of 23,6 billion Colombian pesos (approx. €5,4m). The application for annulment of the arbitration award filed by

INTRALOT before the High Administrative Court was rejected on 25/5/2011. The Company filed a lawsuit before the Constitutional Court of Colombia which was rejected on 18/12/2012. On 31 August 2016, an application was served to the Company requesting to render the abovementioned arbitration decision as executable in Greece which was heard before the Athens One-Member First Instance Court and the decision issued accepted it. The Company filed an appeal against this decision which was rejected by the Athens Court of Appeals. The Company filed, before the Supreme Court, a cassation appeal against the decision of the Athens Court of Appeals which was rejected. The Company filed, before the Athens Court of Appeals, an application for the revocation of the above decision of the Athens Court of Appeals that rejected the appeal, which has been scheduled for hearing, following a postponement, on 7 December 2023. The Company has created relative provision in its financial statements part of which (€2,2m) has already been used for the payment to Etesa of a letter of guarantee amounting to 7.694.081.042 Colombian pesos.

b. Against the subsidiary Intralot Holdings International Ltd., a shareholder of LOTROM SA and against LOTROM SA, another shareholders of LOTROM SA, Mr. Petre Ion filed a lawsuit before the competent court of Bucharest requesting that Intralot Holdings International Ltd to be obliged to purchase his shares in LOTROM SA for €2.500.000 and that LOTROM SA to be obliged to register in the shareholders book such transfer. Following the hearing of 28th September 2010 a decision of the court was issued accepting the lawsuit of the plaintiff. Intralot Holdings International Ltd and LOTROM SA filed an appeal which was rejected. The abovementioned companies further filed a recourse before the Supreme Court which was heard and rejected. Mr. Petre Ion initiated an enforcement procedure of the above decision in Romania. The companies will exercise legal means against the enforcement procedure according to the provisions of the Romanian laws.

c. Mr. Petre Ion filed in Romania a lawsuit against Intralot Holdings International Ltd and LOTROM requesting to issue a decision to replace the share purchase contract of its shares in LOTROM SA for €2.500.000 (for which he had filed the above lawsuit) in order to oblige Intralot Holdings International Ltd a) to pay the amount of €400.000 as tax on the above price, b) to sign on the shareholders book for the transfer of the shares, c) to pay the price of the transfer and the legal costs. The Court of First Instance rejected Mr. Petre Ion's lawsuit. Mr. Petre Ion filed an appeal which was heard on 4 November 2014 and was partially accepted. The Company filed an appeal against this decision which was rejected. Following postponements, the case was heard on 10 June 2016 and the respective first instance decision was issued on 19 July 2016; the lawsuit against LOTROM was rejected while it was accepted partially in respect to its part filed against Intralot Holdings International Ltd., obligating the latter to pay the amount of the purchase and the legal expenses. Both Intralot Holdings International Ltd. and Mr. Petre Ion filed appeals against this decision which was heard and were rejected. The decision became final, while the application for cassation filed by Intralot Holdings International Ltd was rejected. While since 2018 there has been no action by the plaintiff, at the beginning of 2021 it was notified to Intralot Holdings International Ltd. that, following a unilateral petition of the plaintiff (ex parte procedure, i.e. without Intralot Holdings International Ltd. to be summoned and represented), a decision was issued by the Cypriot court appointing Bank of Cyprus as custodian of the amount of the account held by Intralot Holdings International Ltd. in that bank, as precautionary measure to ensure the payment of the claim of the plaintiff pursuant to the decision of the courts of Romania. This decision has been rendered enforceable in Cyprus by the local court in October 2020 also without any knowledge of Intralot

Holdings International Ltd. since the same unilateral procedure ex parte had been followed by the plaintiff. After being informed on the above, Intralot Holdings International Ltd. objected before the court of Cyprus which, on 23 July 2021, didn't accept its arguments. Intralot Holdings International Ltd. filed an appeal against this decision before the competent courts of Cyprus which is pending. Intralot Holdings International Ltd. considers that has valid grounds to deny the execution of the decision in Cyprus.

d. In August 2012, two British Virgin Island companies filed a Complaint in the United States Bankruptcy Court Southern District of Florida, Miami Division, against numerous defendants, including Supreme Ventures Limited ("SVL"), a publicly traded gaming company listed on the Jamaican Stock Exchange in which INTRALOT was holding until 10.10.2017 an indirect shareholding interest. Notably, as per SVL, the lawsuit was based on the same claims, towards third parties, initial shareholders and/or directors of SVL, or not, which were brought in, and were rejected by the Jamaican courts, first by the Supreme Court and then again by the Court of Appeals. INTRALOT was named as a «Relief Defendant» which means that INTRALOT was not alleged to have been part - directly or indirectly - of any wrongdoing, since the alleged by the plaintiffs acts were made before the acquisition of SVL's shares by INTRALOT through the Jamaican Stock Exchange. The lawsuit was rejected by the Court. The other party filed an appeal which is finally dismissed since the litigant parties submitted to the Court a joint stipulation of dismissal of the case which was agreed by the Court and the case is closed.

e. On 30 July 2012, Intralot filed before the Athens Multi-member Court of First Instance a lawsuit against the company "Hellenic Organization of Horse Racing S.A." (ODIE) requesting the payment of the amount of €2.781.381,15 relating to system maintenance services provided but not paid. The case was heard on 6th May 2015 and a decision was issued accepting Intralot's lawsuit in full. ODIE filed an appeal against this decision which has been heard on 1 November 2018 before the Athens Court of Appeal which was rejected with the decision no. 3153/2019 of the Athens Court of Appeal. The decision has not been further appealed and, therefore, has become final and irrevocable. Moreover, Intralot filed a recourse to the arbitration panel on 13 August 2012 against the same company ODIE requesting the payment of the amount of €9.551.527,34 relating to operational services of integrated system provided but not paid. The arbitration was concluded on 1st March 2013 and the arbitration decision no 27/2013 was issued vindicating Intralot and compelling ODIE to pay to Intralot the total amount requested (€9.551.527,34). Intralot has not been notified of any legal remedy against the above arbitral decision.

In order to secure its claims, Intralot:

a) by virtue of the above arbitration decision, has already recorded on the mortgage books of the Land Registry Office of Kropia a mortgage on a land property of ODIE and specifically on the property where the Horse Racetrack of Athens in Markopoulo Attica is operating, and on the buildings thereupon, for an amount of €11.440.655,35.

b) by virtue of the decision no 2209/2014 of the Athens Single Member Court of First Instance, has already recorded on the mortgage books of the Land Registry Office of Kropia, a note of mortgage on the same real estate of ODIE for an amount of €9.481.486,11, which, following the issue of the above decision no. 3153/2019 of the Athens Court of Appeal, partially turned to a mortgage for the total amount adjudicated, i.e. for the amount of €2.781.381,15.

c) advanced the procedure of compulsory execution against ODIE in order to execute its claims. Furthermore, on 20 March 2014, Intralot filed before the Athens Multi-member Court of First Instance a lawsuit against ODIE requesting the payment of the amount of €8.043.568,69 which is owed to it pursuant to the "Agreement of Maintenance and Operation of the System of the Mutual Betting on Horse Races of ODIE" dated 6 March 2012. The lawsuit was heard on 4 October 2017 and the decision issued accepted the lawsuit. ODIE filed an appeal which was rejected by the Athens Court of Appeals in December 2019. The decision is final. No petition for cassation has been notified to the Company.

The confiscation on the above land property of ODIE in Markopoulo Attica imposed in the frame of the abovementioned procedure of compulsory execution against ODIE, was reversed with the consent of Intralot on 15 December 2015 in execution of the terms of the agreement dated 24 November 2015 between Intralot and ODIE which settled the payment of all above claims of Intralot. Pursuant to this agreement, ODIE assigned to Intralot 2/3 of the rent which it will receive from the lease agreement relating to that real estate to the company "Ippodromies SA". The payment of the assigned rent amounts has already been started.

Intralot filed before the Athens Multi Member Court of First Instance a lawsuit dated 8.3.2021 against ODIE (under liquidation), the company "Hellenic Republic Asset Development Fund SA" (HRADF) and the Greek State, requesting to be recognized that the above agreement is binding, in addition to ODIE, for HRADF and the Greek State, to oblige all defendants to pay to INTRALOT €487.079,32 and to be recognized that all defendants are obliged to pay to INTRALOT the total amount of €4.747.489,91, while HRADF and the Greek State the amount of €12.676.846,6. The case is pending. The hearing has been scheduled for 22 September 2022.

f. A former officer of the Company filed a lawsuit before the Athens First Instance Court requesting to be recognized that the Company had to pay him the amount of €121.869,81 as non-paid wages. The decision issued partially accepted the lawsuit in relation to the amount of €80.685,42. Both parties have filed appeals which are on 24 November 2020. The decision issued by the Athens Court of Appeals accepts the appeal of the Company and totally rejects the appeal of the plaintiff. The decision is final. On 4 March 2022 a petition for cassation has been served to the Company which is scheduled to be heard before the Supreme Court on 25 October 2022.

g. In Cyprus, the National Betting Authority had suspended the Class A license of the company Royal Highgate Pcl Ltd. in which the Company has an indirect participation of approx. 35,08%, initially for a period of two months, alleging non-compliance of Royal Highgate Pcl Ltd. with specific terms of the license. Royal Highgate Pcl Ltd. considering that those requested by the National Betting Authority are beyond the provisions of the law, filed a recourse before the competent administrative court of Nicosia which was heard on 30 March 2018. The decision issued rejected the recourse for typical reasons. Royal Highgate Pcl Ltd. filed an appeal against this decision which has been heard, following postponement, on 8 March 2021 and was rejected for the same typical reasons. Royal Highgate Pcl Ltd. has filed a complaint application in relation to that case before the European Court of Human Rights which is pending. In parallel, Royal Highgate Pcl Ltd. has filed three more recourses against decisions of the National Betting Authority relating to the suspension of the license of Royal Highgate Pcl Ltd. which are all scheduled for hearing, following postponements, on 20 September 2022. National Betting Authority started the procedure for the revocation of the license of Royal Highgate Pcl Ltd. and the latter submitted



its arguments on 30 November 2018 without any further actions from the National Betting Authority. On 31 December 2018, the contractual term of the license of Royal Highgate Pcl Ltd. expired.

h. In USA, in South Carolina State, class actions were filed against the local lottery South Carolina Education Lottery Commission and the subsidiary Intralot Inc. for breach of contract with the allegation that because of malfunctioning of the system there were winning tickets which were not paid and claiming a total compensation of approx. 35 million USD (€33,6 million). The local court accepted Intralot Inc.'s motions to dismiss in two lawsuits, holding that the plaintiffs were required to exhaust administrative remedies and failed to do so. The other side filed appeals against such decisions which are pending. The third similar lawsuit was rejected finally by the court. The Group's management, relying on local expert legal counsels' opinion, considers that the lawsuits have low probability of success. It is noted that with regards to such cases, the Group has a respective insurance coverage.

i. A former employee of the Company filed two lawsuits before the Athens First Instance Court requesting, with the first one, the payment of the amount of €133.179,47 for unpaid salaries and €150.000 as compensation for moral damages and, with the second one, the amount of €259.050 for overdue salaries calculated until 3 December 2019 and €150.000 as compensation for moral damages. The first lawsuit was heard on 28 February 2018 and the decision issued partially accepted the lawsuit in relation to the amount of €46.500,82. Both parties filed appeals against this decision which were heard on 22 September 2020 and the decision issued orders the re-hearing of the case after the submission of further evidences. A new hearing date, following a postponement, was scheduled for 20 September 2022. The second lawsuit has been scheduled for hearing, following postponements, on 3 November 2022. The Company had made respective provisions to its financial statements.

j. On 1 April 2019, the Company filed a Request for Arbitration before the ICC International Court of Arbitration requesting to be declared that the defendant Sisal SpA has breached a contract signed with Intralot by using, in Morocco, terminals and the software embedded therein. A decision of the ICC was issued declaring that Sisal SpA has breached the terms of the abovementioned contract and specifically that it has breach the intellectual property rights of Intralot with regards to the software TAPIS embedded in the terminals which Sisal SpA installed in Morocco, it ordered to cease supplying such terminals in Morocco and also ordered their removal until 31 December 2021, it rejected the requests for compensation against the respondent and ordered Sisal SpA to pay part of the costs and expenses of the arbitration.

k. In Morocco, "La Société de Gestion de la Loterie Nationale" ("SGLN") filed a lawsuit against the Company and its subsidiary Intralot Maroc claiming that it exercised unilaterally its option to transfer to it the equipment of Intralot which was used jointly by SGLN and the other local lottery "La Marocaine des Jeux et des Sports" ("MDJS") and, because of Intralot's denial, it suffered damages in the amount of MAD 18.000.000 (€1.704.868,346) which corresponds to the value of the equipment, while, additionally, it requests MAD 34.000.000 (€3.220.306,88) as loss of profit. It is also requesting the call of the letter of guarantee amounting to MAD 30.000.000 (€2.841.447,24). It is noted that according to the terms of the Intralot's contracts with the two lotteries SGLN & MDJS, the option for the transfer of the equipment as well as any call of the letters of guarantee can only be exercised with a joint request of both entities SGLN & MDJS. The case was scheduled to be heard, following postponements, on 7 June 2021 when a report of a judicial expert was submitted to the court and the court ordered, once more,

the submission of a third expert's report which was submitted and a new hearing date has been scheduled for 7 April 2022. The court's decision has been issued and adjudicates the payment to SGLN of the amount of MAD 14.175.752,50 (€1.342.655,10). An appeal was filed against this decision which has been scheduled for hearing on 8 September 2022. Intralot Maroc has created provision in its financial statements for the amount of MAD 3.908.385,91 (€ 370.182,41).

l. In Malta a lawsuit was filed against the subsidiary Maltco Lotteries Ltd. and the company ATG, having its registered offices in Sweden, by a player of horse races betting games who is requesting the payment of the amount of approx. €1,5m as non-paid winnings. The specific betting game is conducted by the company ATG which refused the payment of the requested amount due to breach of the gaming rules by the player. The case has been scheduled for hearing, following postponements, on 12 October 2022. The Group has created relative provision in its financial statements.

m. In U.S.A. the funds Northlight European Fundamental Credit Fund, HCN LP and Bardin Hill Investment Partners LP, claiming holding notes due in 2024 amounting approximately to 3,5%-4%, filed a complaint on 29 July 2021 before the US District Court for the Southern District of New York against Intralot and companies of its group (Intralot Capital Luxembourg S.A., Intralot Global Holdings B.V., Intralot, Inc. and Intralot US Securities, B.V.), requesting to be declared that the exchanges of notes due in 2021 and in 2024 breach certain provisions of the indenture agreement governing the notes maturing in 2024, as well as the New York legislation. The plaintiffs amended their complaint by on 31 January 2022 by adding new plaintiffs (Halcyon Eversource Credit LLC, Halcyon Vallee Blanche Master Fund LP, HDML Fund II LLC, CQS Credit Opportunities Master Fund, CQS ACS Fund, CQS Directional Opportunities Master Fund Ltd & BIWA Fund Ltd.) and new defendants (Intralot U.S. Holdings BV and The Law Debenture Trust Corporation P.L.C.). On 31 March 2022, Intralot requested from the court to consider a motion to dismiss. On 21 April 2022, UMB Bank, N.A. filed suit as successor trustee against the above defendants, for alleged breaches of certain provisions of the indenture agreement for the notes maturing in 2024. The suit has been assigned to the same judge as a "related case" and the response of the defendants was submitted, following an extension of the response granted, on 25 August 2022. A Plaintiffs' motion seeking a temporary restraining order to enjoin the notes exchanges was denied by the court on 2 August 2021 and the exchanges of notes due in 2021 and in 2024 were completed.

Until 25 August 2022, apart from the legal issues for which a provision has been recognized, the Group Management estimates that the rest of the litigations will be finalized without a material effect on the Group's and the Company's financial position and results.

## **B. FISCAL YEARS UNAUDITED BY THE TAX AUTHORITIES**

### **I) COMPANY AND SUBSIDIARIES**

<b>COMPANY</b>	<b>YEARS</b>	<b>COMPANY</b>	<b>YEARS</b>
INTRALOT S.A.	2016-2021	TECNO ACCION S.A.	2015-2021
BETTING COMPANY S.A.	2016-2021	TECNO ACCION SALTA S.A.	2015-2021
BETTING CYPRUS LTD	2016-2021	MALTCO LOTTERIES LTD	2016-2021
INTRALOT IBERIA HOLDINGS SA	2017-2021	INTRALOT NEW ZEALAND LTD	2013 & 2017-2021
INTRALOT CHILE SPA	2019-2021	INTRALOT GERMANY GMBH	2016-2021
INTELTEK INTERNET AS	2017-2021	INTRALOT FINANCE UK LTD	2020-2021
BILYONER INTERAKTIF HIZMELTER AS GROUP	2020-2021	INTRALOT BETTING OPERATIONS (CYPRUS) LTD	2016-2021
INTRALOT MAROC S.A.	2018-2021	ROYAL HIGHGATE LTD	2016-2021

INTRALOT INTERACTIVE S.A.	2016-2021	INTRALOT IRELAND LTD	2015-2021
INTRALOT GLOBAL SECURITIES B.V.	2013-2021	INTRALOT GLOBAL OPERATIONS B.V.	2016-2021
INTRALOT CAPITAL LUXEMBOURG S.A.	2016-2021	BIT8 LTD	2016-2021
INTRALOT FINANCE LUXEMBOURG S.A. <sup>1</sup>	2018	INTRALOT ADRIATIC DOO	2015-2021
INTRALOT GLOBAL HOLDINGS B.V.	2013-2021	INTRALOT BETCO EOOD	2020-2021
INTRALOT US SECURITIES B.V.	2021	INTRALOT CYPRUS GLOBAL ASSETS LTD	2016-2021
INTRALOT US HOLDINGS B.V.	2021	INTRALOT HOLDINGS INTERNATIONAL LTD	2016-2021
INTRALOT INC	2018-2021	INTRALOT INTERNATIONAL LTD	2016-2021
DC09 LLC	2018-2021	INTRALOT OPERATIONS LTD	2016-2021
INTRALOT TECH SINGLE MEMBER S.A.	2019-2021	NETMAN SRL	2014-2021
INTRALOT AUSTRALIA PTY LTD	2017-2021	INTRALOT BUSINESS DEVELOPMENT LTD	2016-2021
INTRALOT GAMING SERVICES PTY	2017-2021	GAMING SOLUTIONS INTERNATIONAL SAC	2017-2021
INTRALOT NEDERLAND B.V.	2010-2021	INTRALOT DE COLOMBIA (BRANCH)	2017-2021
INTRALOT BENELUX B.V.	2018-2021		
LOTROM S.A.	2014-2021		

<sup>1</sup> The company Intralot Finance Luxembourg S.A. have been merged with Intralot Capital Luxembourg S.A..

In Bilyoner İnteraktif Hizmetler AS the tax audit for the year 2020 is in progress, while in Inteltek Internet AS has been notified of a dividend tax audit for 2018 and a tax audit for Intralot Germany GMBH is in progress for years 2016-2018. In Lotrom S.A. the audit initiated by the local tax authorities with respect to financial activities for transactions subject to VAT for the period 2004-2014 was completed in the fourth quarter of 2016. By order of the competent Prosecutor of Romania, the case was filed. No appeal has been lodged against this provision.

In the context of Law 2238/94 Art. 82 par. 5 and POL.1159/2011, companies Betting Company SA and Intralot Interactive SA have received a tax certificate for the years 2016-2020 and Intralot Services SA for the years 2016-2018 and 1/1-22/7/2019 when the liquidation process started. Intralot Tech – Single Member SA has received a tax certificate for the fiscal year 2019 while for 2020 the issuance of the certificate is pending. Intralot SA has received a tax certificate for fiscal years 2016-2018 and the issuance of a tax certificate is pending for 2019 & 2020. For the companies INTRALOT SA, Betting Company SA & Intralot Tech SA the issuance of a tax certificate for the tax year 2021 is in progress.

In Intralot SA during the tax audit for the year 2011 which completed in 2013, were imposed taxes on accounting differences plus surcharges amounting to €3,9 million. The Company lodged an administrative appeal against the relevant control sheets resulting in a reduction of taxes to €3,34 million. The Company filed new appeals to the Greek Administrative Courts which did not justify the Company, which filed an appeal before the Council of State. The Company's management and its legal advisors estimate that there is a significant probability that the appeal will be in favor for the most part. The Company has formed sufficient provisions and has paid the whole amount of taxes.

In Intralot SA, during the tax audit for 2013, as well as the partial re-audit of 2011 and 2012 which both completed in 2019, taxes, VAT, fines, and surcharges of €15,7 million were imposed. The Company filed appeals against the relevant control sheets resulting in a reduction of taxes to €5,4 million. On 11.11.2020, the Company filed six appeals to the Athens Three-Member Administrative Court of Appeal against decisions of the Dispute Resolution Directorate of A.A.D.E. (Greek Tax Authorities) to the extent that they rejected the company's appeals, requesting their annulment. The total amount charged is €5,4 million. As of 7/4/2022 court decisions issued and amounted (against) to €4,6 million, while for the amount of €0,78 million, court decision were issued according to which: a) the first appeal was partially accepted and the amount of €260 thousand was reduced by the court at €2,5 thousand, b) the second appeal (charged

amount €146 thousand) was partially accepted and and decreased by €135 thousand, and c) the third appeal (charged amount €376 thousand) was rejected. Appeals will be brought against the last two decisions. It is noted that the amounts charged have already been paid by the Company and therefore the final result of the appeals will not result in any further financial burden for the Company.

Also, during the tax audit of the years 2014 & 2015, completed in 2020, taxes and surcharges were charged for accounting difference of €353 thousand. The Company filed appeals against the relevant control sheets resulting in a reduction of taxes to €301 thousand. The Company on 31/5/2021 issued appeals in the Administrative Courts, against the decisions of the Dispute Resolution Directorate of A.A.D.E. , to the extent that the company's appeals had been rejected, requesting their annulment. The appeals were heard on 19/1/2022 and a decision is expected. The total amount charged amounts to €301 thousand. The Company's management and its legal advisors estimate that the case has high success rates for the most part, either at this stage or at the highest court level. The Company has already paid all the taxes and surcharges charged. The Company has formed sufficient relevant tax provisions amounting to €3,5 million.

Finally, a partial VAT audit is in progress for the Company for the period 1/2/2010-31/10/2012 upon request of assistance from Romanians to the Greek tax authorities on transactions with a Romanian company, as well as a partial tax audit for the fiscal years 2016 & 2017.

## II) ASSOCIATE COMPANIES & JOINT VENTURES

COMPANY	YEARS	COMPANY	YEARS
LOTRICH INFORMATION Co LTD	2021	KARENIA ENTERPRISES COMPANY LTD	2016-2021
INTRALOT SOUTH AFRICA LTD	2020-2021		

## C. COMMITMENTS

### I) Guarantees

The Company and the Group on June 30, 2022 had the following contingent liabilities from guarantees for:

	GROUP		COMPANY	
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Bid	284	318	284	286
Performance	114.268	108.795	4.491	4.512
Financing	2.286	1.948	200	200
<b>Total</b>	<b>116.838</b>	<b>111.061</b>	<b>4.976</b>	<b>4.997</b>

	GROUP	
	30/6/2022	31/12/2021
Guarantees issued by the parent and subsidiaries:		
-to third party	116.838	111.061
<b>Total</b>	<b>116.838</b>	<b>111.061</b>

	COMPANY	
	30/6/2022	31/12/2021
Guarantees issued by the parent:		
- to third party on behalf of subsidiaries	3.126	3.141
- to third party on behalf of the parent	1.850	1.856
<b>Total</b>	<b>4.976</b>	<b>4.997</b>

Beneficiaries of Guarantees on 30/6/2022:

Bid: Department of Justice and Community Safety - State of Victoria Australia

**Performance:** Arkansas Lottery Commission, Camelot Illinois LLC, Centre Monetique Interbancaire (CMI), City of Torrington, District of Columbia, Georgia Lottery Corporation, GPT Pty Ltd, Hrvatska Lutrija D.O.O., Icrá Dairesi Mudurlugu, Idaho State Lottery, La Marocaine Des Jeux et des Sports, Lotteries Commission of Western Australia, Lotto Hamburg, Louisiana Lottery Commission, Malta Gaming Authority, Meditel Telecom SA, Milli Piyango Idaresi Genel Mudurlugu, New Hampshire Lottery Commission, New Mexico Lottery Authority, Polla Chilena de Beneficencia S.A., Spor Toto, State of Montana, State of Ohio - Lottery Gaming System, State of Vermont - Vermont Lottery Commission, Town of Greybull, Town of Jackson, City of Gillette, Turk Telekomunikasyon, Wyoming Lottery Corporation, OPAP SA..

**Financing:** Bogazici Kurumlar Vergi Dairesi Mudurlugu, Denizli 9.Icra Mudurlugu , Airport EL. Venizelos Customs.

## II) Other commitments

The Group has contractual obligations for the purchase of telecommunication services for the interconnection of points of sale. The minimum future payments for the remaining contract duration on June 30, 2022 were:

GROUP	30/6/2022	31/12/2021
Within 1 year	968	592
Between 2 and 5 years	4.088	5.524
Over 5 years	0	0
<b>Total</b>	<b>5.056</b>	<b>6.116</b>

As of June 30, 2022, the Group did not have material contractual commitments for acquisition of tangible and intangible assets

### 2.22 COMPARABLE FIGURES

In the presented data of the previous years, there were limited adjustments/reclassifications for comparability purposes, with no significant impact on "Equity", "Sale Proceeds" and "Profit / (loss) after tax" of the Group and the Company.

### 2.23 APPLICATION OF IAS 29 "FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES"

The Group operates in Argentina through its two subsidiaries Tecno Accion SA and Tecno Accion Salta SA. Since the third quarter of 2018, the cumulative 3-year inflation index in Argentina has exceeded 100% and the country is now considered as a hyperinflationary economy for accounting purposes under IAS 29. The Group applied, for the first time in the nine months of 2018, IAS 29 and restated to current purchasing power in the financial statements (transactions and non-cash balances) of the above subsidiaries that use ARS as functional currency and present their financial statements at historical cost. The restatement was made using the (IPIM) Internal Index Wholesale Prices and applied pursuant to IAS 29, as if Argentina has always been a hyperinflationary economy.

Since the first semester of 2022, the cumulative 3-year inflation index in Turkey has exceeded 100% and the country is now considered as a hyperinflationary economy for accounting purposes under IAS 29. The Group applied, for the first time in the six months of 2022, IAS 29 and restated to current purchasing power in the financial statements (transactions and non-cash balances) of its subsidiary BILYONER INTERAKTIF HIZMELTER AS GROUP that uses TRY as functional currency and presents its financial statements at historical cost.

The result (after the relevant consolidation eliminations) from the restatement of the non-cash assets, liabilities and transactions of the six months of 2022 following the application of IAS 29 amounted to a gain of €9.353 thousand and was recorded in the Income Statement (line "Gain/(loss) on net monetary position").

The conversion FX rates of the financial statements of the above subsidiaries were:

**Statement of Financial Position:**

	30/6/2022	31/12/2021	Change
EUR / ARS	131,28	116,94	12,3%
EUR / TRY	17,32	15,23	13,7%

**Income statement:**

	AVG 1/1- 30/6/2022	AVG 1/1- 30/6/2021	Change
EUR / ARS <sup>1</sup>	131,28	113,47	15,7%
EUR / TRY <sup>1</sup>	17,32	9,52	81,9%

<sup>1</sup> The Income Statement of the six months of 2022 and 2021 of the Group's subsidiaries operating in Argentina and Turkey (only for the six months of 2022) was converted at the closing rate of 30/6/2022 and 30/6/2021 instead of the Avg. 1/1-30/6/2022 and Avg.1/1-30/6/2021 pursuant to IAS 21, paragraph 42a, for hyperinflationary economies.

## 2.24 SIGNIFICANT FLUCTUATIONS, RECLASSIFICATIONS & REVERSALS

### Income Statement

Below are the most significant fluctuations in the Group's Income Statement for the period 1/1- 30/6/2022 compared to 1/1-30/6/2021:

### Sale proceeds

In the first half of 2022, the INTRALOT Group recorded a revenue increase of +1.1%, with the consolidated turnover amounting to €204.8 million, from €202.6 million during the corresponding period of 2021. The consolidated turnover for the six months showed an increase of €2.2 million on an annual basis. The main factors that led to this performance are as follows (per Business Activity):

- €+4,0 million (+6,5%) from our **Licensed Operations (B2C)** activity line, with the variance driven by the higher revenue in Argentina (€+7,0m or +46,7% y-o-y), attributed to local market growth (in local currency, current year results posted a +69,7% y-o-y increase), and the lower revenue in Malta (€-3,1m or -6,7% y-o-y).
- €+0,7 million (+0,6%) from our **Technology and Support Services (B2B/ B2G)** activity line with the variance driven by the higher revenue in Australia (€+2,1m or +26,4% y-o-y), Croatia (€+1,5m) following full integration of our lottery solution, and the rest of jurisdictions (€+2,9m), and the lower revenue in our US operations (€-5,9m or -7,5% y-o-y), as 1H21 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).
- €-2,5 million (-10,2%) from our **Management (B2B/ B2G)** contracts activity line, with the variance driven mainly by Turkey (€-2,6 million) and the corresponding appreciation of EUR (+81,9% versus a year ago – in average terms).

### Gross Profit

Gross profit in the six months ended June 30, 2022, amounted to €56.3 million, without significant change with the corresponding gross profit of €57.7 million ended June 30, 2021.

### **Other Operating Income**

Other Operating Income from continuing operations concluded at €11,7million presenting an increase of 14,2% y-o-y (or €1,5m), driven by higher equipment lease income in the USA.

### **Selling Expenses**

Selling expenses decreased by €1,3 million, or by 11,3%, from €11,5 million in the period 1/1-30/6/2021 to €10,2 million in the period 1/1-30/6/2022, despite the increase of Sale proceeds by 1,1%. This decrease was primarily due to lower costs in Greece.

### **Administrative Expenses**

Administrative expenses increased by €5,7 million, or by 18,7%, from €30,5 million in the period 1/1-30/6/2021 to €36,2 million in the period 1/1-30/6/2022. This increase is mainly due to increased costs in the US, which are partially offset by cost reductions in Greece.

### **Reorganization expenses**

Reorganization expenses amounted to €0,3 million for the six months ended June 30, 2022, and 11,2 million for the six months ended June 30, 2021 and relate to consulting fees related to the restructuring of the 2021 and 2024 bonds that took place in 2021.

### **Other operating expenses**

Other operating expenses decreased by €0.6 million, from €2.7 million in the period 1/1-30/6/2021 to €2.2 million in the period 1/1-30/6/2022. Provisions for contractual fines-clauses, write-offs, and doubtful provisions of receivables in the period 30/6/2021, were reversed in this year's period by approximately 2.1 million, while in the period 1/1-30/6/2022 Other Operating Expenses increased by approx. 1.5m following the provision of our subsidiary, Maltco Lotteries Ltd regarding to an action brought by a horse racing bettor for unpaid winnings.

### **EBITDA**

EBITDA from continuing operations amounted to €55.1m in 1H22, posting an increase of 1.4% (or €+0.8m) compared to 1H21, while EBITDA margin on sales remained unchanged (+0.1pps).

### **Income/(expenses) from participations and investments**

Income/(expenses) from participations and investments came up to net expense of €0,2 million in the period 1/1-30/6/2022 from net income of €2,0 million in the period 1/1-30/6/2021. This decrease is mainly due to the increased net profits from the sale of securities that took place in the first semester of 2021.

### **Gain / (loss) from assets disposal, impairment loss & write off of assets**

Gain / (loss) from assets disposal, impairment loss & write off of assets came up to net gain of €0,5 million in the period 1/1-30/6/2022, comparing with net loss €3,3 million in the period 1/1-30/6/2021. These gains are due to a reversal of impairment of tangible assets by the Group's parent company, Intralot SA.

### **Interest and Similar Expenses**

Interest and similar expenses decreased by €3,9 million, or by 16,0%, from €24,4 million in the period 1/1-30/6/2021 to €20,5 million in the period 1/1-30/6/2022. This decrease is mainly due to the lower interest costs, as well as the lower costs for letters of guarantee in 2022.

### **Interest and Related Income**

Interest and related income remained about the same as in the respective period. Specifically in the period 1/1-30/6/2021 the corresponding amount was €0,9 million, and in the current period 1/1-30/6/2022 in the amount of €1,0 million.

### **Exchange Differences**

The negative impact of exchange rate differences (€-3,4 million compared to the first semester of 2021), as a result of the valuation of cash in foreign currency different from the operating currency of each company, the valuation of trade balances and loan liabilities of various subsidiaries of the Group abroad in Euro, which were offset by the positive impact of the reclassification of foreign exchange reserves on the Income Statement pursuant to IFRS 10.

### **Profit / (loss) from equity method consolidations**

Consolidation of associates and joint ventures through the equity method remained the same to the respective period presenting gains of €0,1 million in the period 1/1-30/6/2022, mainly deriving by the Group's associates in Asia.

### **Taxes**

Taxes in the period 1/1-30/6/2022 amounted to €7,8 million, versus €3,9 million in the period 1/1-30/6/2021.

### **Net Monetary Position**

Net Monetary Position of the Group presented gains of €0,3 million in the period 1/1-30/6/2021 against profits of €9,4 million in the period 1/1-30/6/2022, due to IAS 29 of our subsidiaries in Turkey and Argentina.

Further analysis for the accounts Group Income Statement for the period 1/1-30/6/2022 compared to 1/1-30/6/2021 is provided in the ANNUAL Group Management report ("INTRALOT Group MANAGEMENT'S DISCUSSION & ANALYSIS") that has been posted on the website [www.intralot.com](http://www.intralot.com).

### **Statement of Financial Position**

No significant reclassifications were made to the Group's statement of financial position as of 30/6/2022 compared to the 31/12/2021.

## **2.25 SUBSEQUENT EVENTS**

As of 26/7/2022 "Intralot SA Integrated Lottery Systems and Services" (the "Company") announces to the investors that the share capital increase with cash payment and preemptive right in favour of the existing shareholders, that was decided by the Board of Directors of the Company at its meeting on 21.06.2022, by virtue of the power granted to it by the resolution of the Extraordinary General Meeting of the Company's shareholders of 23.05.2022 (the "Share Capital Increase"), was successfully completed and fully covered by raising funds of a total amount of €129,224,124.70 and by the issue of 222,800,215 new, common, dematerialized, registered, voting shares, with a nominal value of €0.30 each (the "New Shares").

As of 28/7/2022 "Intralot SA Integrated Lottery Systems and Services" (the "Company") announces the closing of the purchase by its wholly owned Dutch subsidiary "Intralot Global Holdings B.V." (IGH) of



33,227,256 ordinary shares (or 33.23%) in "Intralot US Securities B.V." from their current holders for a price of €3.65 per share (ie. €121,279,484.40 in total). "Intralot US Securities B.V." holds indirectly 100% of the shares of "Intralot, Inc." a US (Georgia) corporation. The remaining 1,043,424 shares (or 1.04%) of "Intralot US Securities B.V." that are not already owned by IGH will be acquired by IGH for the same price per share pursuant to the "drag-along" provisions of the Joint Venture Agreement in effect since Aug 3, 2021, in the following days, bringing the controlling share of the Intralot Group in "Intralot Inc." to 100%. The funds for the transaction were raised by a share capital increase via rights issue by INTRALOT, a listed company on the Athens Stock Exchange, completed on July 25, 2022, according to the provisions of the Prospectus published on June 24, 2022.

As of 29/7/2022 "Intralot SA Integrated Lottery Systems and Services" (the "Company") announces that its US Subsidiary, Intralot, Inc., signed on July 28, 2022, a Credit Agreement with KeyBank National Association Inc. as Administrative Agent and Issuing Lender and a syndicate of US financial institutions for a 3-year Term Loan of \$230,000,000 plus a committed Revolving Credit Facility (RCF) of \$50,000,000.

As of 10/8/2022 "Intralot SA Integrated Lottery Systems and Services" (the "Company"), Further to the announcement of July 29, 2022, Intralot announces that on August 8, 2022, its US subsidiary Intralot, Inc. fully redeemed the Senior Secured 2025 PIK Toggle Notes (the Notes) utilizing proceeds from a syndicated three-year Term Loan and a Revolving Credit Facility signed on July 28, 2022 with a syndication of US banks. As a result of the redemption, all of the 2025 Notes have been cancelled.

**Paiania, August 31, 2022**

**THE CHAIRMAN OF THE BOD AND  
GROUP CEO**

**S.P. KOKKALIS  
ID. No. AI 091040**

**THE GROUP CFO**

**A. A. CHRYSOS  
ID No. AK 544280**

**THE DEPUTY CHIEF EXECUTIVE  
OFFICER AND MEMBER OF THE BOD**

**C.D. SFATOS  
ID. No. AH 641907**

**THE GROUP ACCOUNTING DIRECTOR**

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