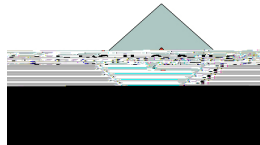




19Km Markopoulou Ave., 19 002, Peania Attica, Greece



web: www.choruscall.com

OPERATOR: Ladies and Gentlemen, thank you for standing by. I am Mina your Chorus Call operator. Welcome and thank you for joining the Intralot conference call and Live Webcast to present and discuss the First Half 2023 Financial Results.

At this time, I would like to turn the conference over to Mr. Chrysostomos Sfatos, Deputy Group CEO of Intralot. Mr. Sfatos, you may now proceed.

SFATOS CH: Welcome to the Earnings Call for the First Half of 2023. I will pass the mic to the Group CFO, Mr. Andreas Chrysos for his statements.

CHRYOSOS A: Good afternoon, ladies and gentlemen. In the First Half of 2023, Intralot continued to grow and presented healthy cash flows, supported by strong operational metrics, following the same trend of the last two years. Strong EBITDA

progress in the last two years, and we will continue the same way in the next short-term period.

Thirdly, the opex line was better by 5.2% or EUR2.6 million, primarily due to the ability of the Group to adjust its cost base very quickly following the license expiration in Malta. If excluding this effect, the opex line was pretty stable year-over-year, therefore the increase of the top line was directed down to the EBITDA, which finally stood at EUR62.8 million for the period, 14% better compared to the respective period of last year.

In line with the gross profit margin, EBITDA margin over sales was also higher by 8.9 percentage points versus last year.

As a result of all the above metrics, but also due to the lower depreciation and amortization result of EUR4.6 million, EBT was strongly positive and doubled if compared to the previous year, standing at EUR16.3 million versus EUR8 million in 2022, while the bottom-line result continuing in positive trajectory for one more reporting period, indicating the improvement on the operational as well as on the financing front.

A major highlight of the P&L is also the improvement of the last 12 Months metrics with the EBITDA reaching EUR130 million trajectory and EBT and earnings lines being also strongly positive, which is one more indication of the positive outlook of our performance.

Turning to page number nine, the upper graphs have already been analyzed in detail in the previous slides. Focusing on the bottom left of the slide, we see the operating cash flow standing at EUR50 million for the First

Half of 2023, which was higher by 20% compared to the respective period of 2022, which was a direct effect of the higher EBITDA.

Net capex was higher by EUR3.6 million versus a year ago, mainly due to the higher capex needs in the US. On the bottom right of the slide, we see the implication of the continuously improved performance on the financing, as well as on the operating front, with a net debt and net debt to EBITDA ratio standing at EUR480 million and 3.7x respectively at the end of June 2023, considerably improved, not only versus a year ago, but also compared to the respective performance six months ago metrics at the end of 2022.

Turning to page number ten, we see the net debt movement bridge for the Six Months from December 2022 through June 2023, indicating a strong free cash flow generation of around EUR21 million and an overall improved net debt by around EUR10 million in the Six Month period. This metric was also positively affected by a gross debt movement of EUR11 million that includes the capital payments towards the term loan in the US and the favorable effect from the FX differences for our US dollar denominated debt.

Lastly, on page number eleven, we see the contributions per region in our revenues and EBITDA. The key takeaway from this slide is that there is a balanced contribution on basic operational metrics between North America and the rest of the world, since around 46% of the revenues and

ratio below 3, and we believe it will be below the area of 2.8 according to our plans, but the details of the rights issue will be announced by the end of September.

weaker than the First Quarter, but this is normal. The First Quarter had two jackpots in the United States, which contributed significantly in the First Quarter results, which didn't happen in the Second Quarter. Usually, we have two such events per year.

We had two strong jackpots in the months of July and August, which is going to contribute significantly in the Second Half results. We also have announced that we have some income coming from our new Taiwan contract, which will be a very strong one-time income coming in the Fourth Quarter. And we see continuously strong performance in our Turkish operations, which will also be probably more heavily loaded in the Fourth Quarter.

So, with all this considered, we stand by our optimism for completing this year with much stronger performance than last year, and the Six Month results are indicative to that end. But giving you specific guidance, I would refrain at this point.

C

want to make sure, I heard it correctly. So, did you say that you're already in discussion with banks and you're possibly looking at a retail bond? I was just curious if you're looking at a Euro bond.

And then my second question along the lines of refinancing, are you planning to

SFATOS CH: Thank you very much for participating in this earnings call. And as I said, we will be making more announcements on the refinancing front and on the share capital increase front later in September. Thank you very much and look forward to the next one.