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

Welcome and thank you for joining the INTRALOT Conference Call and Live Webcast to present and discuss the Full Year 2022 Financial Results.

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

Mr. Sfatos, you may now proceed.

SFATOS C.: Welcome to the Financial Year 2022 Annual Earnings Call. I would like to turn the microphone over to Group CFO, Mr. Andreas Chrysos, to proceed with his presentation.

CHRYSOS A.

profitability. In parallel, we performed a series of transactions, most notably a Share Capital Increase at parent level, which proceeds were mainly used to regain control of 100% of our US subsidiary, INTRALOT Inc., and the refinancing of the US issued notes.

In line with its commitment to expand its activities in the US sports betting market, INTRALOT, through its subsidiary INTRALOT Inc., has signed a five-year contract with the Ohio Lottery to implement its INTRALOT Orion Sportsbook solution. In particular, INTRALOT is already utilizing the current lottery equipment and infrastructure to facilitate the sports betting journey for retailers and customers throughout the state of Ohio and more recently the retail sports betting contract with British Columbia Lottery Corporation in Canada.

Second, the high revenues in Australia, which has been the result of the return to pre-COVID period performance levels that affected the 2021 first months. Third, the strong performance due to the ramp-up of our new lottery contract in Croatia, following the go-live that commenced in April 2021. And fourth, a slightly lower performance in all other jurisdictions.

Finally turning to page number 7, we see a better performance of our management contracts by €3 million year-over-year, fueled by slightly improved revenue in all parts of the world with this type of activity.

And then if we move on to page number 8, we see the overall P&L performance metrics for the 12 months that ended in 2022 and the fourth quarter of 2022 compared to previous year. Takeaways on the operational front are: First, the lower performance in the revenue year-over-year and on the fourth quarter, which have been analyzed in previous slides, but primarily affected by the license expiration in Malta. Secondly, the GGR line, which was better by 2.6% due to a lower average payout ratio versus respective period of last year for payout related activities and a much better performance on technology and management contracts that are not affected directly by the payout.

Third, the Gross Profit, better by 12.2% or around €14 million, accompanied by a better margin of 5 percentage points versus 2021. Part of this improvement is attributed to the better GGR, but also to the cost optimization

Net Capex, slightly higher by €3.6 million versus a year ago, mainly due to CAPEX needs in the United States of America.

On the bottom right of the slide, we see the Net Debt and the Net Debt to EBITDA ratio, standing at €490 million and 4 times, respectively at the end of 2022, considerably improved versus a year ago. The substantially better Net Debt to EBITDA ratio is also an indicator of the results of the good work that took place on the financing and operating front over the last few years.

SCHAUS L.: Great. Thanks very much.

OPERATOR: The next question is from the line of Walther Daniel with Morgan Stanley.

WALTHER D.: Yes. Good afternoon, everyone, and congratulations on the strong results. Question, which are some of the big expiries in terms of contracts that we should be keeping an eye out for?

SFATOS C.: Expiries. Well, fortunately, we don't have expirations in the next two, three years of significant contracts. In fact, some of the smaller contracts that are expiring in the next years, they are being in the process of being extended. Soon, we will have some news to share with you about three contracts in the Asia Pacific and hold on, let me take a look at the list. Yes, the most substantial contract that's expiring is in 2025, in New Hampshire but the big contracts expire after 2027.

WALTHER D.: Okay. Great. And then you had some positive announcements with the sports betting gains, one in Canada and one in the US. What type of EBITDA contribution should we be expecting from those?

SFATOS C.: Yes. In Canada, we have also the lottery business. So, I would say ballpark between $

And regarding Ohio, it's already a big contract. We have to see how the numbers are going, the competition is intense, I can't really give you a number right now. We still have some way to go. The Canadian contract is different, it's differently structured, so we can have already some visibility about the EBITDA contribution. The Ohio contract is completely performance-based. So, we need some time to see how it's performing.

WALTHER D.: Okay. Great. And when you take all of this together, it feels like you've, over the last few years, made nice progress in growing your EBITDA. How do you see 2023 shaping up?

SFATOS C.: Already, the first quarter of '23 is better than the first quarter of '22. And according to our predictions, '23 will be a stronger year than '22.

WALTHER D.: Okay. Great. And maybe a last question. Turkey continues to be quite strong. I thought two years ago, you were quite worried that it would almost go away, what has actually changed there?

SFATOS C.: Actually Turkey, what we lost was the retail contract in sports betting. What we currently have in Turkey is Bilyoner, which is an online agent. So, our business is in the online sports betting and that's a booming business. And actually, the market has changed completely in favor of online in Turkey. So, our Bilyoner businesses in the online betting and that was not affected by the loss of the contract with Sport Toto with the retail and the entire sportsbook in Turkey that you remember in 2019.

WALTHER D.: Okay. Thank you very much and good luck.

OPERATOR: The next question is from the line of Sykes John with Nomura. Please go ahead.

SYKES J.: Yeah. Hi. Thanks for taking our questions. You had a nice increase in the EBITDA margin for 2022. Can you just walk us through what was the biggest contributor? Was it all volume driven? I mean, I know here, your operating expenses were kept pretty tight. And then my question would be, do you expect some margin improvement in 2023?

SFATOS C.: Yes, the margin improvement is also due to the fact that through the operation from which we lost revenue is an operation like Malta, where the conversion of revenue to EBITDA is much smaller margin. So, the mix this year contains less of the Malta income and therefore, that's one structural change in the EBITDA margin.

On the other hand, one of the things we're very proud of is that, usually, when you lose a contract, companies don't adjust to the expense side so fast, which we were able to do. If you look at the total cost of sales, it's down €35 million in 2022 compared to 2021, while the income reduction is only €21 million, that leads dramatically to a higher gross profit and that's another factor that contributes.

But basically, we are replacing loss of EBITDA from one contract with gain of EBITDA in another contract, such as Croatia. Obviously, we had a positive impact from the FX in the United States compared to the year before. So, these are some of the key drivers that I hope answer your question.

SYKES J.: Yes. I mean, I guess, Q4, therefore, you had a bigger impact from Malta on the revenue base as well. So, it wasn't anything fundamental with the remaining mix of your business that was really Malta for Q4, right?

SFATOS C.: Yes, if you compare EBITDA margin '21 with EBITDA margin of '22, what I'm saying is that there's more of Malta conversion of revenue to EBITDA, which has a smaller EBITDA margin compared to this year, which only had six months of Malta.

SYKES J.: Right, right. Okay. Okay. I got it. And then just 2023, do you see some additional margin expansion?

SFATOS C.: We see better revenue in '23. I'm not sure about the margin, the EBITDA margin right now. But what's important, yes, if you take into account the fact that this year, we had six months of Malta, yes, in that sense, next year, it will be a full year without Malta and that's actual margin. So, the margin will improve next year. But the important thing is that we see a great deal of good opportunities in the United States now. And I think we will be able to tap significant growth in the US. We are also bidding for two new contracts in Denmark and in the lottery of New Zealand.

And as I said, we are renewing three existing contracts in the Asia-Pacific that soon, we will be able to share the news. So we are expecting a revenue growth, more. But yes, indeed, the rest of the six months of Malta will play a role in increasing the EBITDA margin.

SYKES J.: Okay. And then just the last one for me. It piggybacks on the questions about the refinancing and the maturity of the existing bond. And really, you did mention some banks that you -- have you entered discussions with banks regarding a syndicated deal and how far along are those discussions, I guess, I would ask?

SFATOS C.: No, there is nothing that I can say so specifically about this right now. I would ask you to be a little bit more patient on that, on the specifics.

SYKES J.: Okay. But yes, okay. I mean, we've seen a lot of issuers also do exchanges or opportunistically come to the bond market again, so I imagine you're considering all those options?

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

SFATOS C.: Thank you very much for attending this conference call. We look forward to talking to you again in the first quarter results very soon.