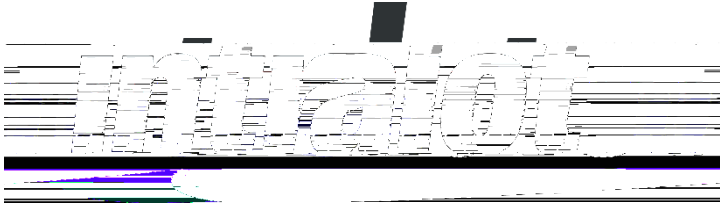


INTRALOT Group

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# DISCUSSION & ANALYSIS

of our financial condition and results of operations  
for the period 1/1 -30/09/ 2022



Overview

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Net Profit /(Loss) after taxes (Continuing and Discontinued Operations) (a) + (b)	40.0	10.0	-74.9%
Attributable to:			
Equity holders of parent			
-Profit/(loss) from continuing operations	44.5	-6.0	n/a
-Profit/(loss) from discontinued operations ~	-9.1	5.6	n/a
	35.4	-0.5	n/a
Non-Controlling Interest			
-Profit/(loss) from continuing operations	4.7	10.5	124.5%
-Profit/(loss) from discontinued operations ~	-0.1	0.0	n/a
	4.5	10.5	131.0%
The activities of Group subsidiaries and associates in Poland (Totolotek S.A.), 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 : Due to rounding, numbers presented throughout this, and other documents may not add up precisely to the totals.			

## Sales Overview

Total revenue decreased E \ 10 million, or -0.3%, from 302.8 million in the nine months period ended September 30, 2021, to 301.7 million in the nine months period ended September 30, 2022.

### Revenue by Business Activity

The following table sets forth our revenue for each business activity for the nine months period ended September 30, 2021, and 2022.

Revenue by Business Activity 1/2 LQ PLOOLRQ	nine months period ended September 30,		% change
	2021	2022	
Licensed operations	94.8	82.2	-13.3%
Management contracts	34.6	35.3	2.2%
Technology and support services	173.4	184.2	6.2%
Total	302.8	301.7	-0.3%

Reported consolidated revenue for the nine-month period is lower E 1.0 million year over year. The main factors that drove top line performance per Business Activity are:

- x 12.6m (-13.3%) from our Licensed Operations (B2C) activity line with the variance driven by: Lower revenue L Q 0 D 2022 or 36.5% y-o-y) due to the license expiration early July 2022 and higher revenue in Argentina 1/2 P R U -o-y), driven by local market growth. In local currency, current year results posted a +88.4% y-o-y increase.
- x 1/2 P R U IURP RXU 0DQDJH RCHQMS activity line with the variance driven by: +LJKHU UHYHQXH LQ 0RURFFR 1/2 P KLJKHU UHYHQXH IURP RXU 86.6% : DVKLQJWRQ ' & 1/2 P DQG VWHDG\ SHUIRUPDQFH LQ (85 WHUPV IURP
- x 1/2 m (+6.2%) from our Technology and Support Services (B2B/ B2G) activity line, with the variance driven by: HLJKHU UHYHQXH LQ \$XVWUDQD, 1/2 P R U \



## Reorganization expenses

Reorganization expenses were \$6.9 million in the nine months period ended September 30, 2022, compared to \$1.1 million in the nine months period ended September 30, 2021. The reorganization expenses were primarily related to the reorganization of the company's operations that took place in 2021.

## Other Operating Expenses

Other operating expenses decreased by 2.4 million, from \$3.0 million in the nine months period ended September 30, 2021, to \$0.6 million in the nine months period ended September 30, 2022 (with the net positive impact arising from a reversal in provisions).

## EBITDA

EBITDA was \$50.1 million in 2022, compared to \$46.6 million in 2021, while EBITDA margin on sales increased by 1.9 percentage points, from 11.5% in 2021 to 13.4% in 2022.

















## Pro-Forma Cash Flow <sup>2</sup> Shareholders of the Parent View (2/2)

The following chart portrays the Shareholders of the Parent View of the Cash Flow Movement (ProForma) for the last twelve months ended September 30, 2022, as well as the historical values of LTM2Q22 and LTM 1Q22.

