

2021 First Quarter Consolidated Results

Ended March 31, 2021

Gamma Bidco S.p.A.



May 25, 2021

LOTTOMatica

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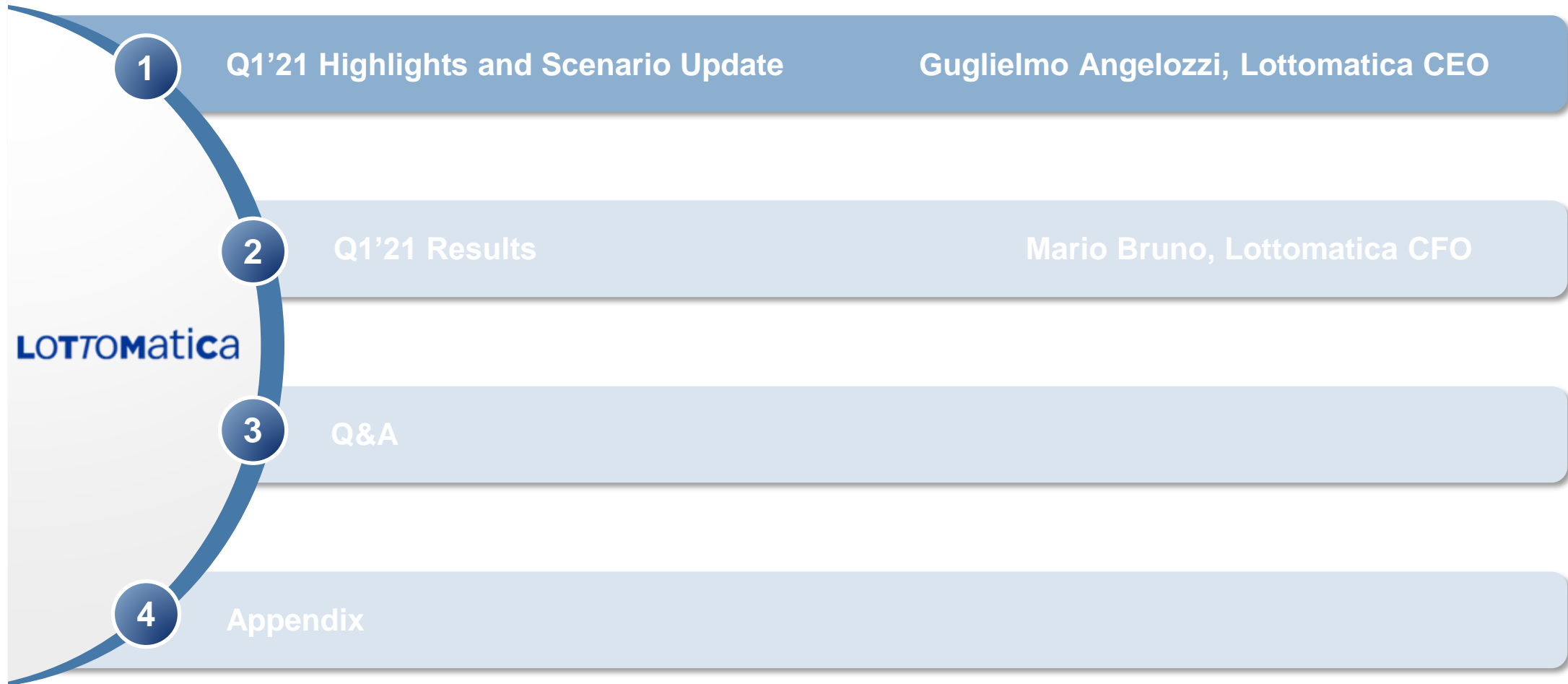
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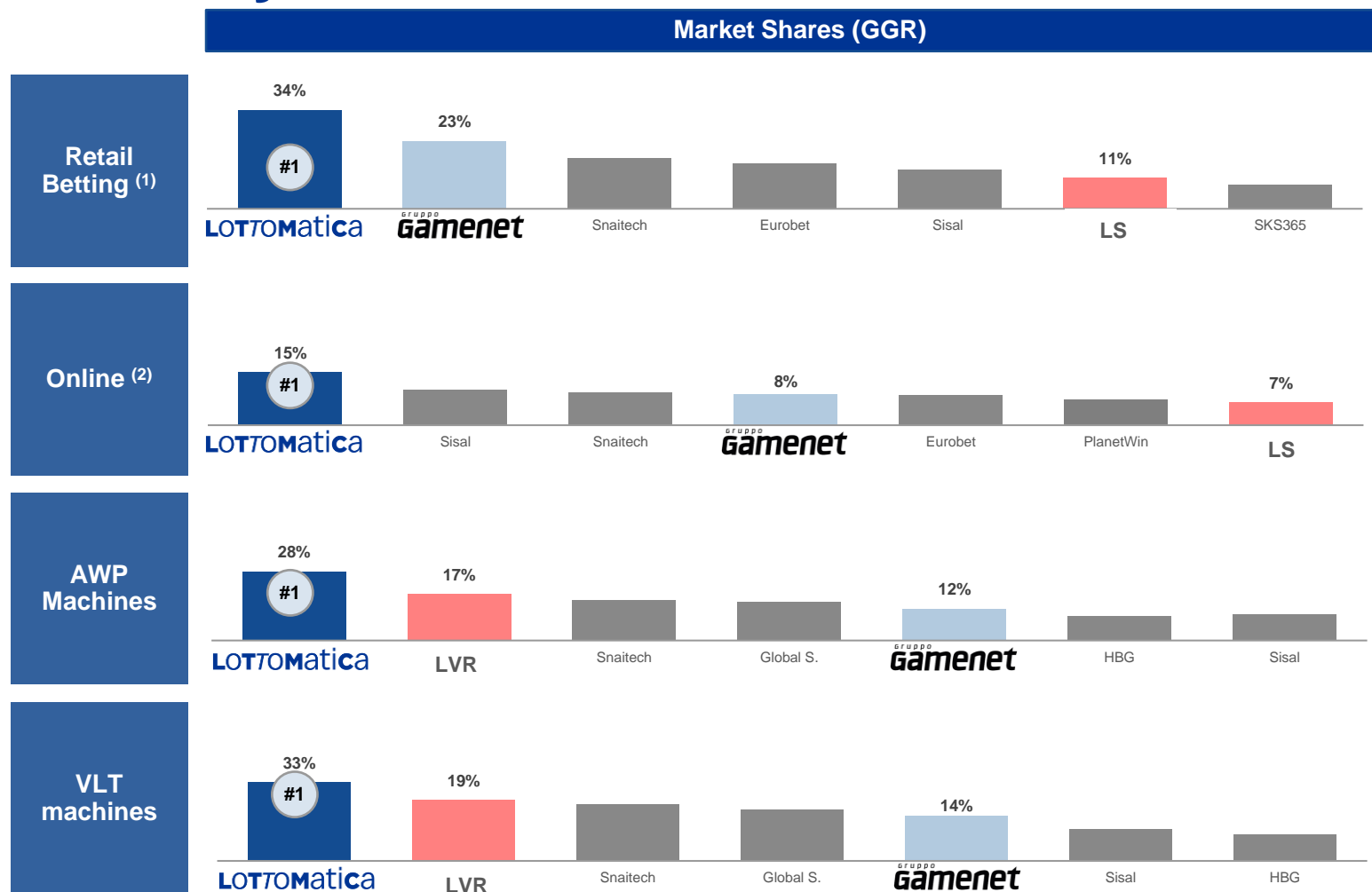
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Highlights - Acquisition of the B2C gaming (non lottery) business of IGT plc in Italy completed on May 10

- The transaction **allows Gamenet to further strengthen its business profile**, by:
 - Creating an **undisputed leader**:
 - **Clear #1 position in the Italian market across all verticals** – i.e. online, sports betting and gaming machines
 - **One of the largest players in Europe**, with **aggregated pro forma revenues of c.€1.6bn** ⁽¹⁾ and **EBITDA of c.€383m** in 2019
 - Increasing scale across all segments whilst also **deleveraging** the combined group
 - Improving **diversification** and **consolidating its online** presence
 - Enhancing **brand value** through the ownership of the Lottomatica brand, one of the strongest and most recognised brands in Italy
- Concurrent with the closing of the acquisition, **the group has been renamed Lottomatica**

The new Lottomatica is the market leader across all segments of operation in Italy



Integration activities started seamlessly



- **Day 1 readiness:**

- Activities closed on track in a seamless way



- **Integration plan:**

- Fully designed and in execution



- **Rebranding:**

- Corporate: rebranding to the Lottomatica name, most iconic brand in the market, started
- Product: Lottomatica.it will be used as umbrella brand also for the online, GoldBet and Better will be used for betting/online



- **Synergies:**

- Initial forecast confirmed (target run-rate cost synergies of €50m ⁽¹⁾ per year)
- Implementation on-track



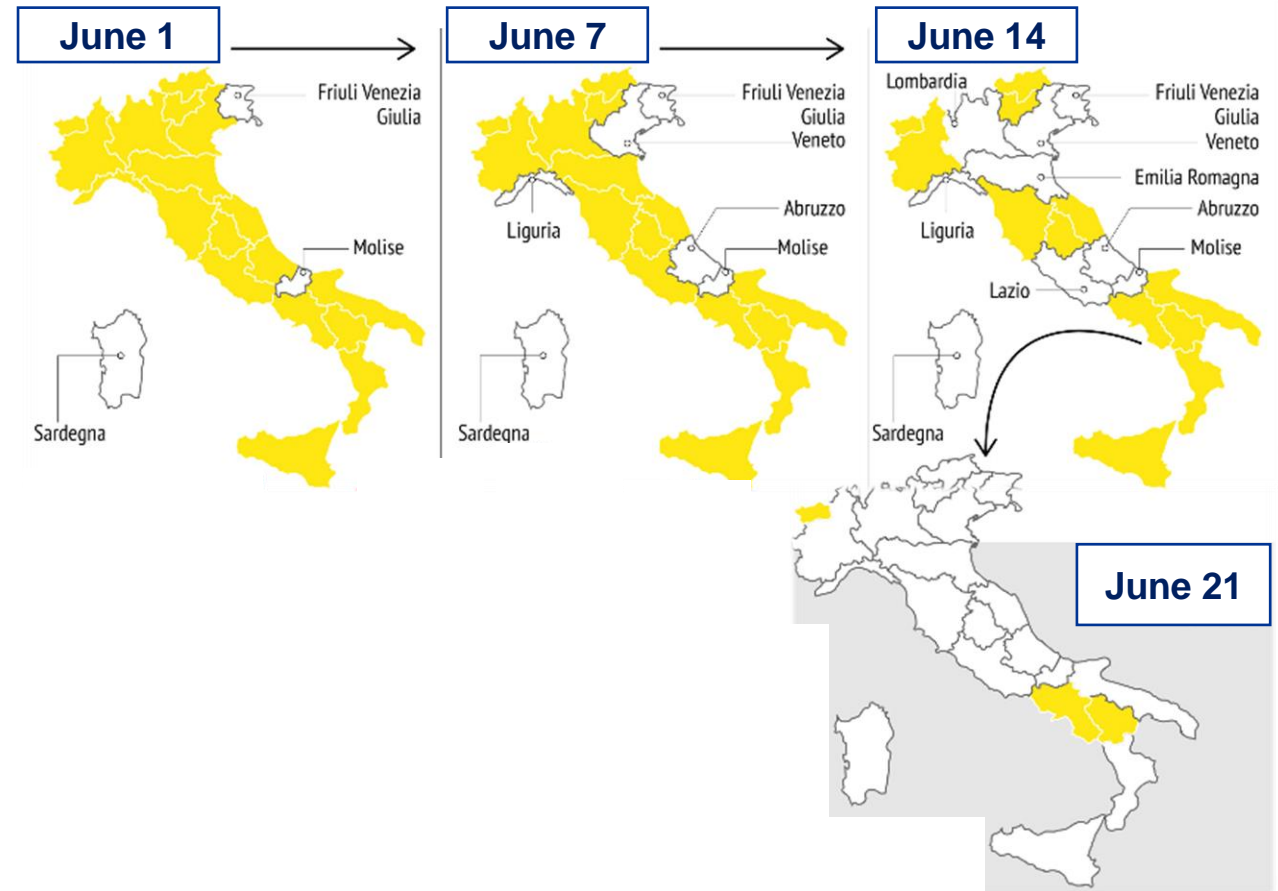
- **HQ integration:**

- To be completed by end of July

Scenario update - Government support on PREU and retail re-opening

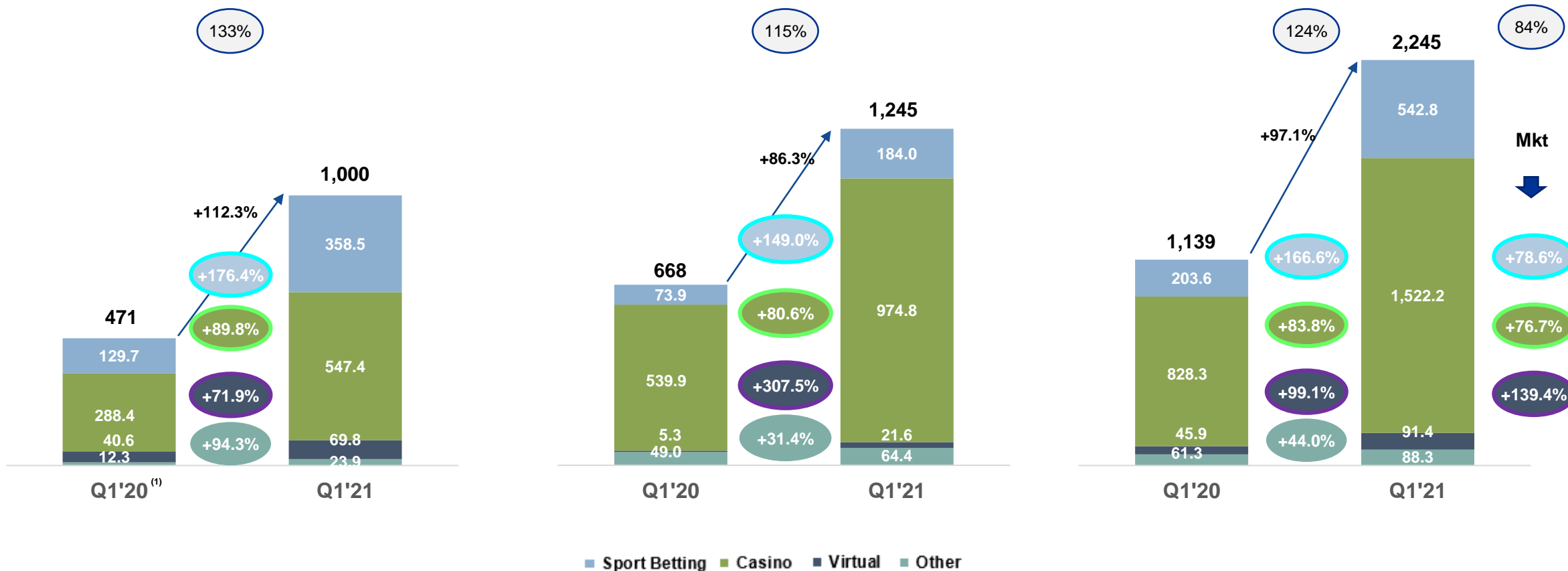
- Law Decree “**Sostegni 1**”:
 - **Postponed year 2021 PREU instalments** due in May/June 2021 to November/December 2021
- On May 18th the Government issued a **new Law Decree**:
 - It allows, **from July 1st, re-opening of all gaming activities in yellow zones** (all Italian regions, as of May 24th, are in yellow zone)
- **White zones potentially allow for reopening before that date** (unless specific decrees are issued by the regions to prevent this)
- **Company ready to restart its operations for all retail businesses** in full safety and with full flexibility both in terms of distribution channels and of regional situations

Possible evolution of Covid-19 risk areas in Italy*



Scenario update – Online business constantly outperforming the market, also in Q1

(Bet - € Million)

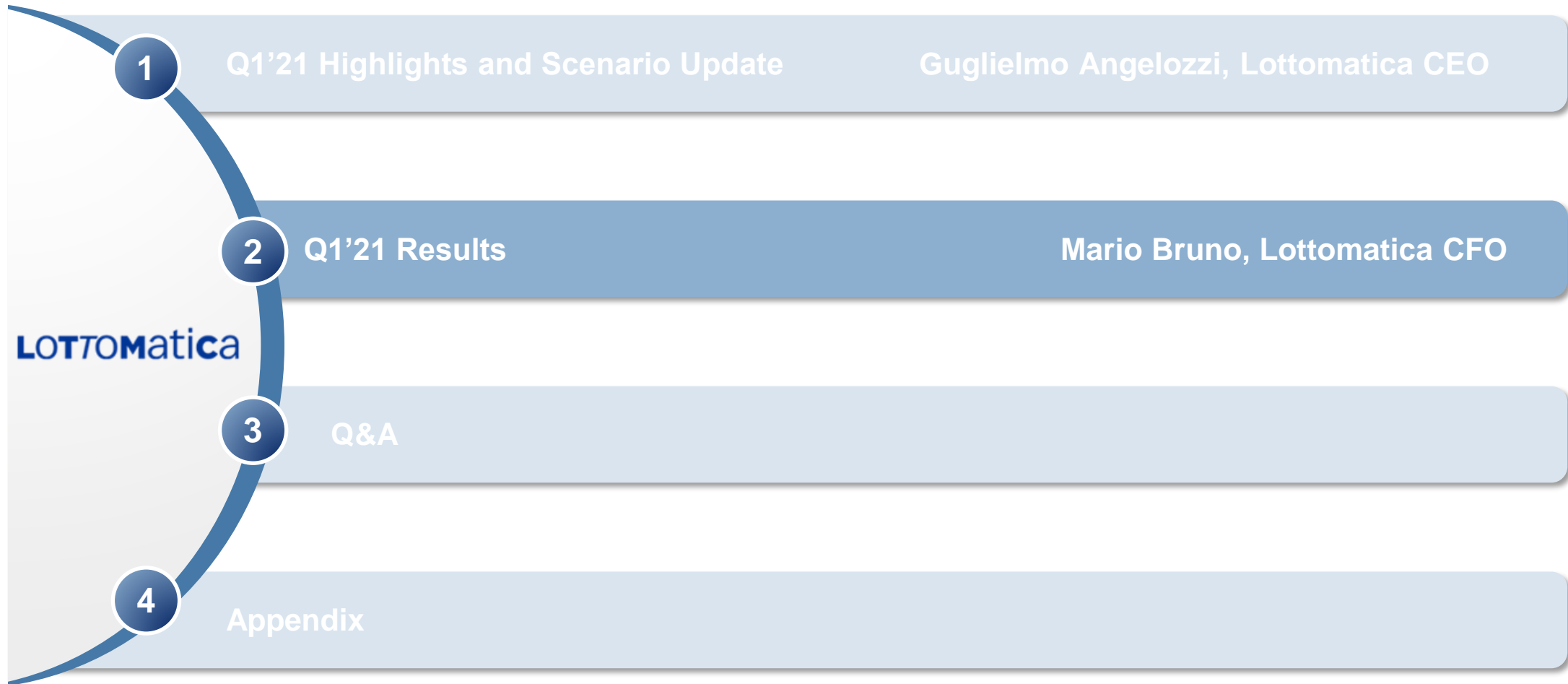


Source: Management information.
 (1) Data for Q1 2020 refers to the former Gamenet Group SpA (renamed Lottomatica) whilst Q1 2021 relates to Gamma Bidco S.p.A.



YOY Change in GGR (%)

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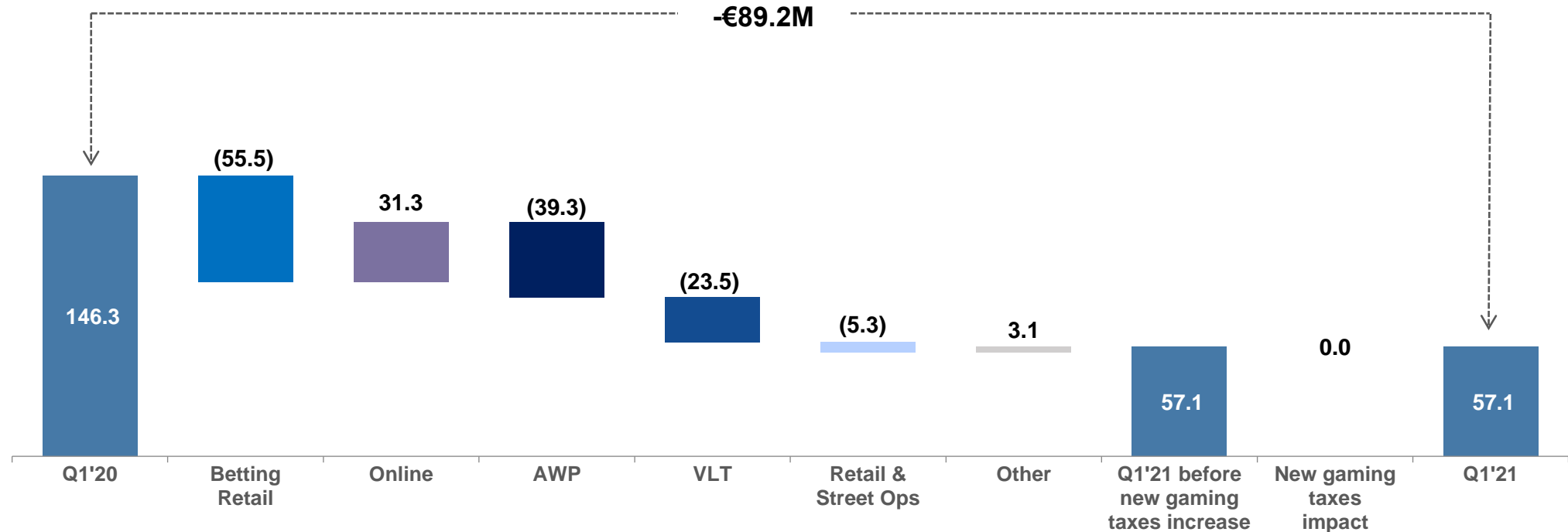


Q1 2021 Results – Key Highlights

- **EBITDA:**
 - **€11.3M in Q1'21**, -73.9% vs PY entirely driven by lockdown;
 - **Online EBITDA continues to register strong growth:** +65.2% vs PY, reaching €21.2m (vs €12.8m of Q1'20)
 - **New Lottomatica Online EBITDA at €45.1m** (vs €19.0M of Q1'20) ⁽¹⁾
 - LTM EBITDA €77.8m
- **REVENUES:** €57.1M in Q1'21, -61% vs PY entirely due to lockdown
- **NFP:** €591.4M vs FY'19 NFP at €547.2M
- **CASH FLOW:** €7.2M from operating activities before changes in net working capital

Revenues - Q1'21 vs Q1'20

(€ Million)



Betting Retail

Decrease driven by lockdown

AWP

Decrease driven by lockdown

Online

Increase attributable to the strong traction of the business, continuous improvements in the customer portfolio (including promotional activities of retention / reactivation) as well as the constant improvement of offer

VLT

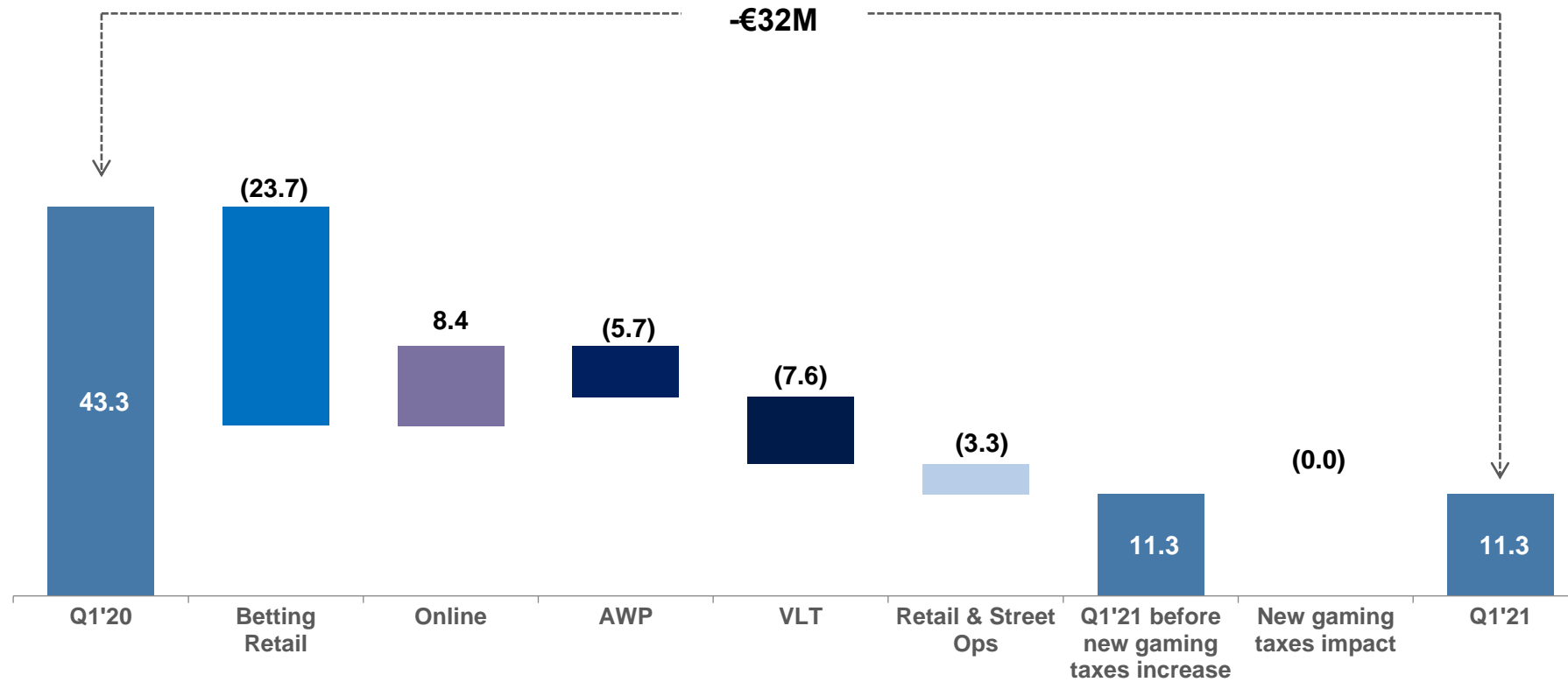
Decrease driven by lockdown

Retail & Street Operations

Please refer to the AWP and VLT segments

EBITDA - Q1'21 vs Q1'20

(€ Million)



Betting Retail

Please refer to revenue evolution commented on the previous page

Online

Please refer to revenue evolution commented on the previous page

AWP

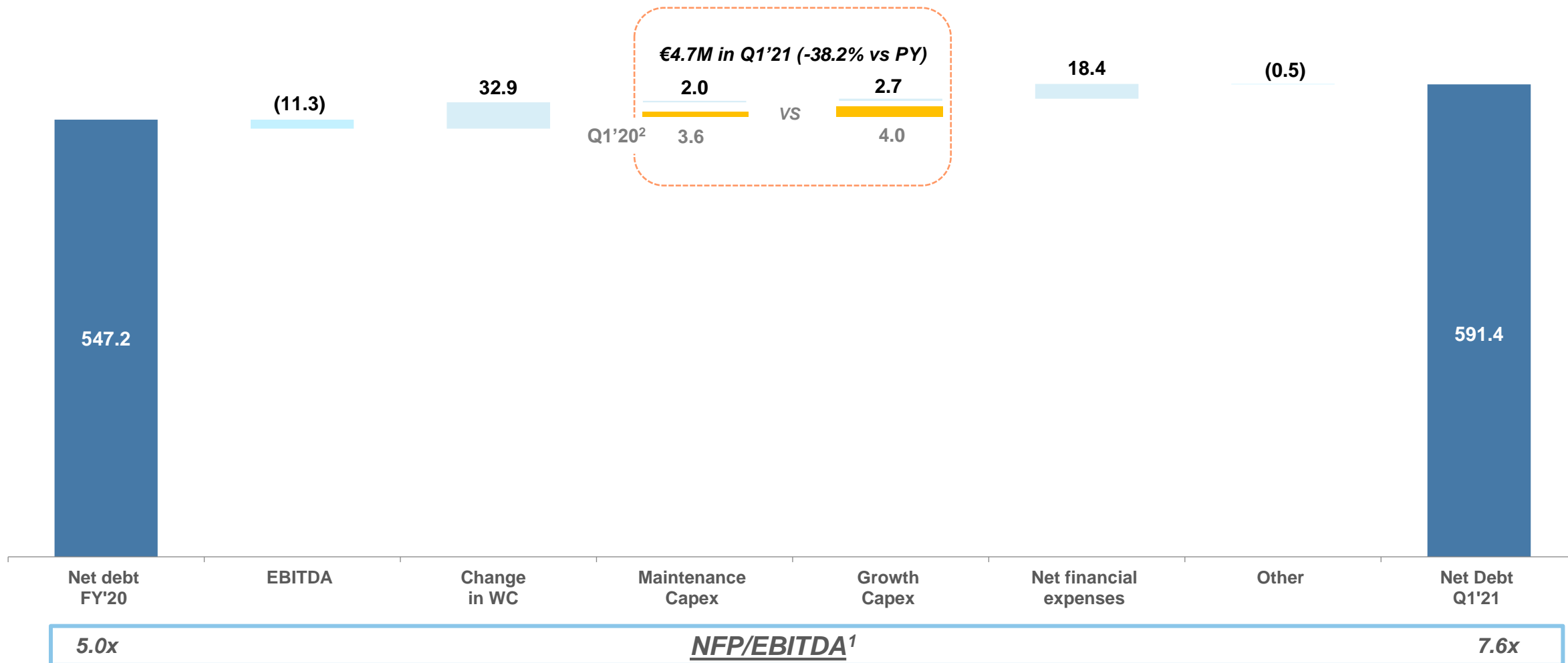
Please refer to revenue evolution commented on the previous page

VLT

Please refer to revenue evolution commented on the previous page

Debt and Leverage Profile

(€ Million)



Reflects Q1'21 total lockdown and lack of EBITDA contribution from retail network

(1) Calculated as NFP/LTM EBITDA
 (2) Data for Q1 2020 refers to the former Gamenet Group SpA (renamed Lottomatica) whilst FY 20 and Q1 2021 relates to Gamma Bidco S.p.A.

Cash flow

(€ Million)

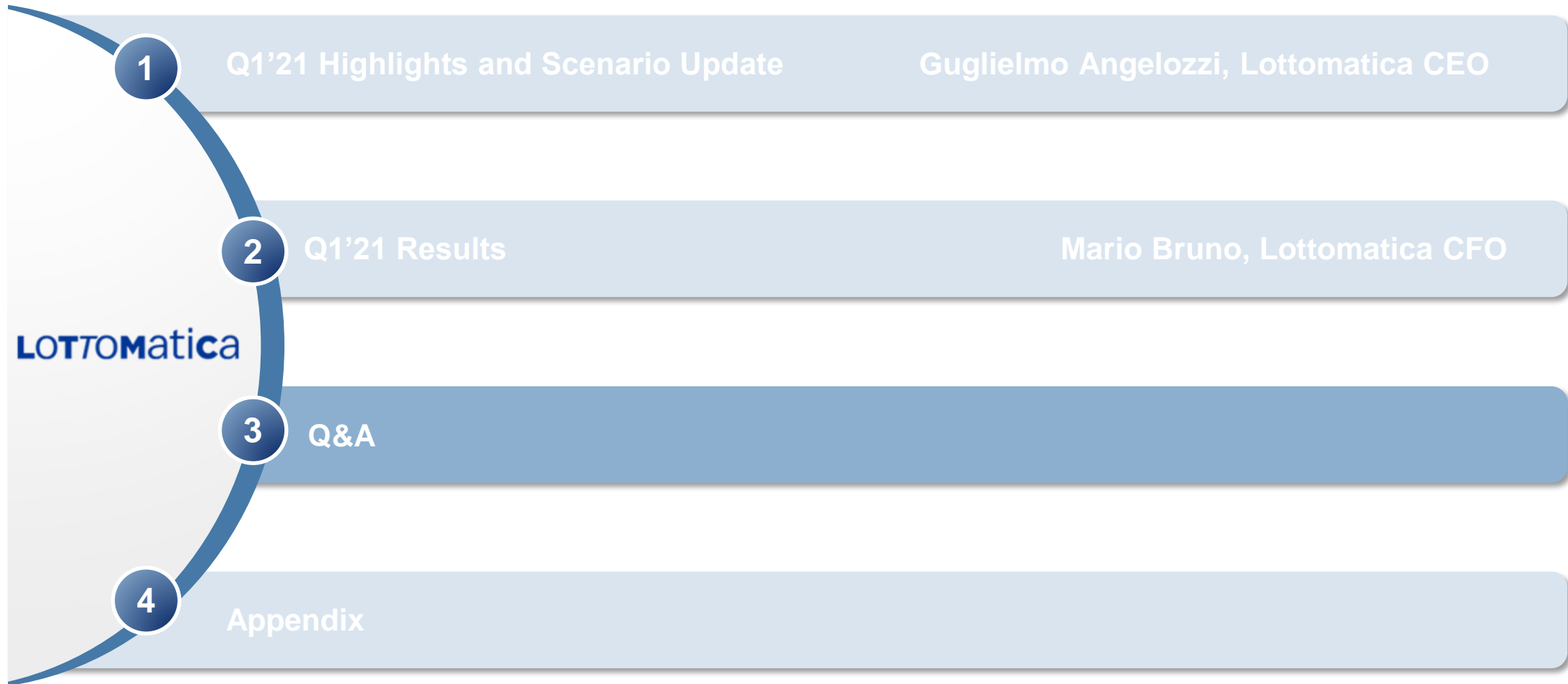
	Q1'20	Q1'21
Total EBITDA	43.3	11.3
Other costs not included in EBITDA	(0.9)	(6.2)
Taxes	-	-
Delta NWC & Other Assets/ Liabilities	26.1	(31.4)
Cash flow from operating activities	68.4	(26.3)
Capex	(7.6)	(4.6)
Acquisitions net of cash and cash equivalents	(0.6)	(1.7)
Betting licenses renewal	(12.4)	-
Cash flow from investing activities	(20.6)	(6.3)
Net Financial income/expenses	(6.2)	(16.9)
Lease payment	(1.2)	(1.6)
Financial assets/liabilities (increase/(decrease))	40.6	(1.7)
Bank loans	40.0	0.1
Financial assets & liabilities	0.6	(1.7)
Cash flow from financing	33.2	(20.1)
FCFE	80.9	(52.7)
Dividends, treasury shares (purchase and assignment) and Shareholders contribution	8.4	-
Net Cash flow	89.3	(52.7)

Net Financial Position evolution

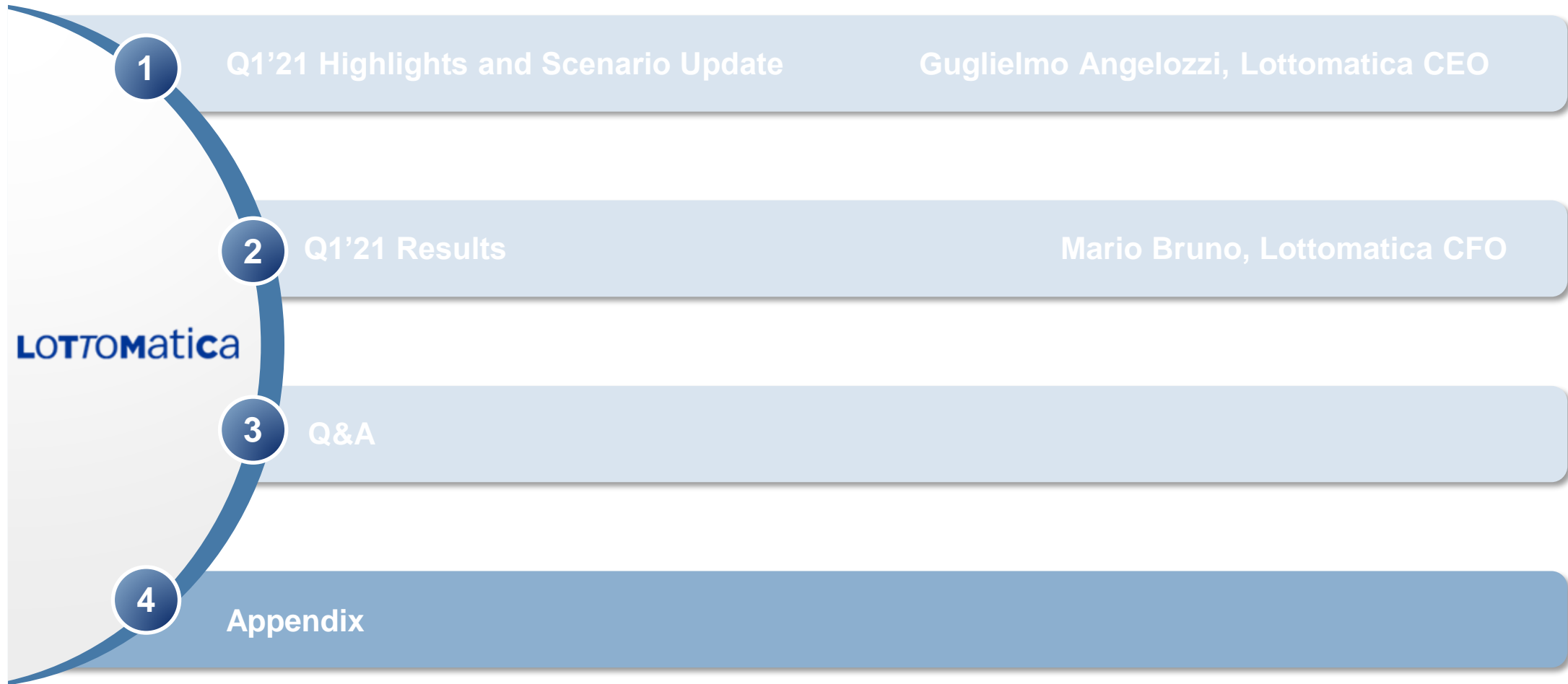
(€ Million)

	Q1'20	FY'20	Q1'21
Financial Debt	531.7	707.7	700.4
Shareholders' loan	-	-	-
Bank loans	40.9	0.8	0.9
Other financial liabilities	62.4	60.6	58.0
Bond	424.4	633.1	633.3
Interests	4.0	13.1	8.2
Cash	(166.0)	(145.8)	(93.1)
Other financial assets	(16.8)	(14.7)	(15.9)
Other current financial assets	(7.5)	(8.0)	(9.8)
Other non current assets	(1.2)	(1.5)	(1.0)
Non current financial assets	(8.1)	(5.2)	(5.1)
NFP	348.8	547.2	591.4

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P&L - Q1'21 vs Q1'20

(€ Million)

	Q1'20	Q1'21
Revenues	146.3	57.1
Other Income	0.9	1.3
Total Revenues and Other Income	147.3	58.4
Contribution Margin	56.1	26.2
EBITDA	43.3	11.3
D&A (exc . PPA)	-16.3	-12.1
EBIT (excl. PPA)	24.0	-6.9
Financial Charges, Net (excl. PPA)	-7.0	-18.2
Income (Loss) Before Tax (excl. PPA)	17.0	-25.2
Income tax expense (excl. PPA)	-1.9	2.9
Net Profit (Loss) for the period (excl. PPA)	15.1	-22.3
D&A related to PPA	-5.2	-7.5
Taxes related to PPA	1.5	2.2
Net Profit (Loss) for the period	11.4	-27.6