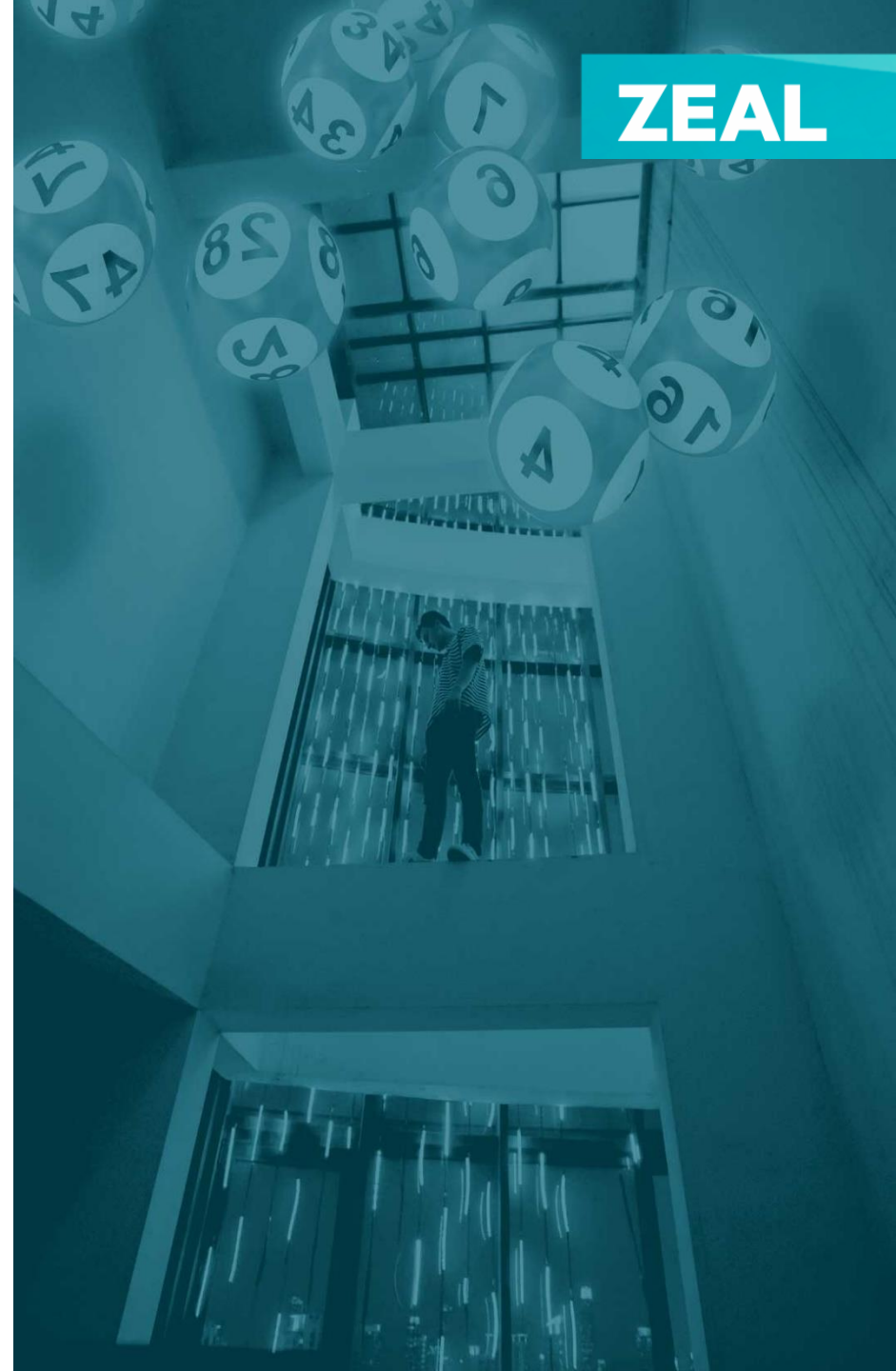


# Earnings Call

Quarterly Statement Q1  
as of 31 March 2022

12 May 2022



# Content

**SUMMARY**

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**FINANCIAL UPDATE**

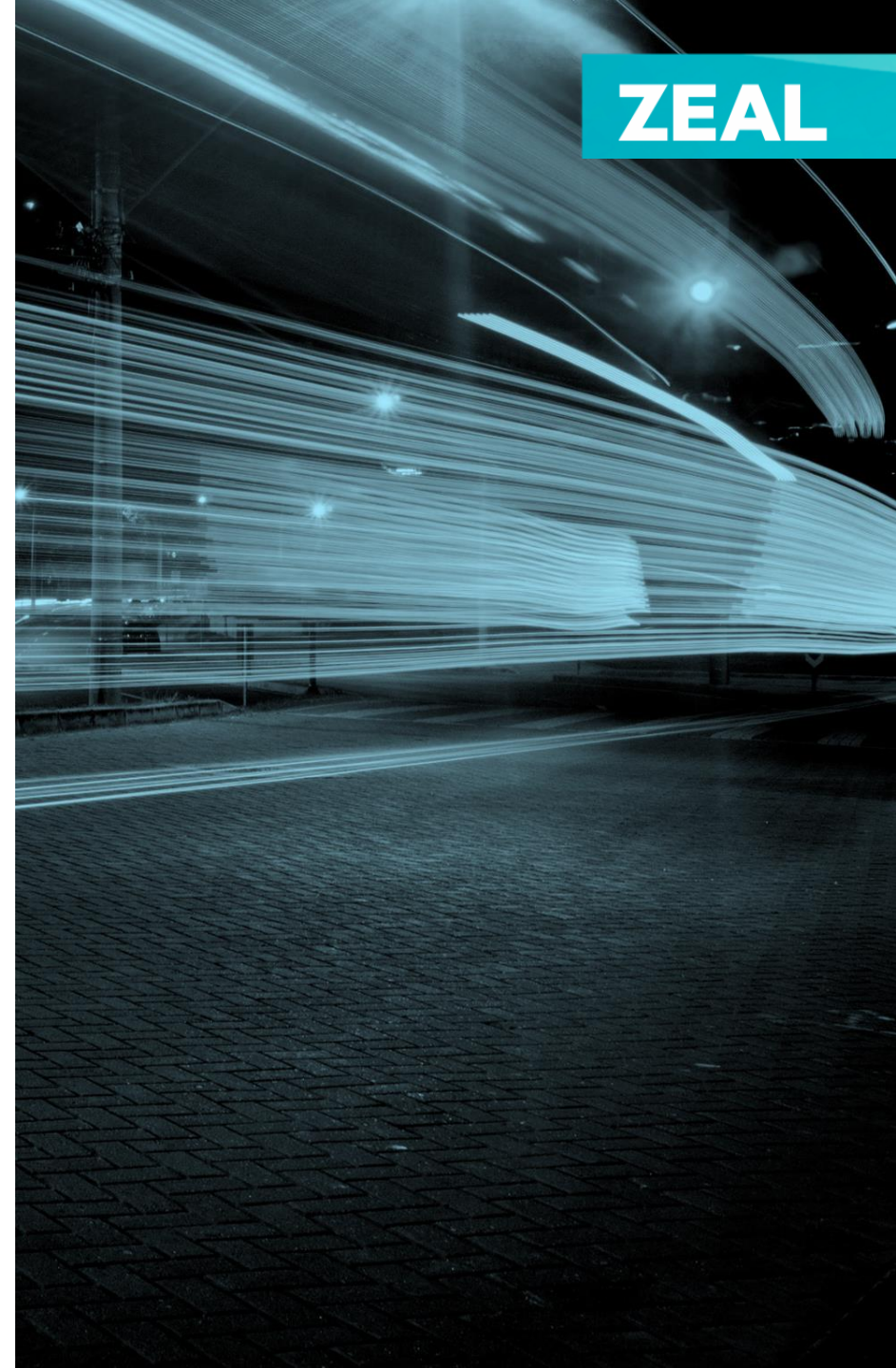
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**GUIDANCE**

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**KEY TAKE-AWAYS**

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## Summary 3M 2022

# 3M

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# 2022

- Growth in business volume
- Profitability continues to rise strongly
- Launch of the 'Deutsche Traumhauslotterie'

# Current regulation - Licensing procedure

## New GlüStV 2021

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- No expiry date (can't be terminated before 2028)
- Opportunities: Games, Sports Betting

## Games License

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- All documents submitted
- All requirements fulfilled
- Licence expected in Q2/2022

## Broker License

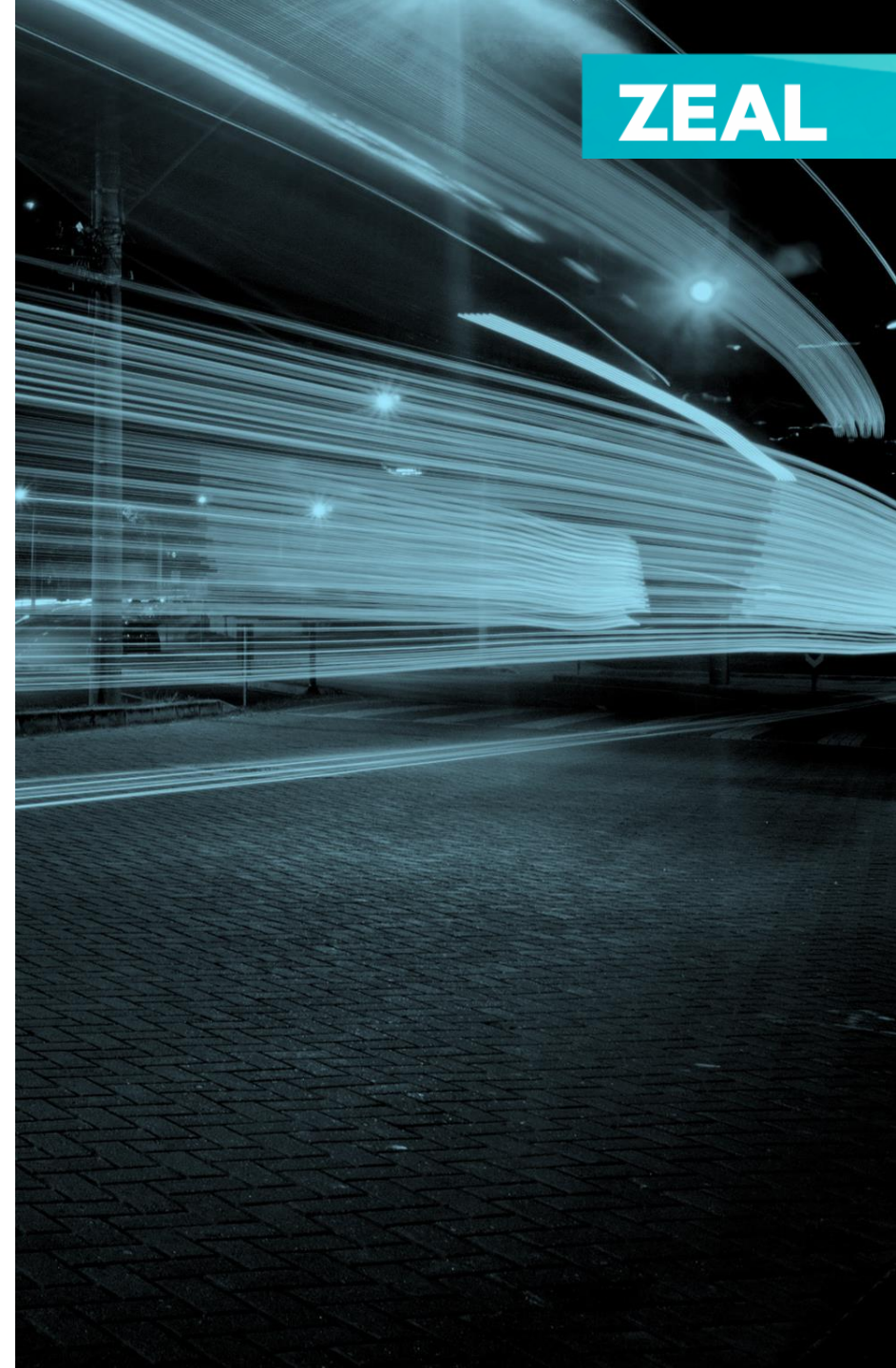
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- Lotto24 broker permit valid until June 2022
- All documents submitted
- All requirements fulfilled
- Licence expected in Q2/2022

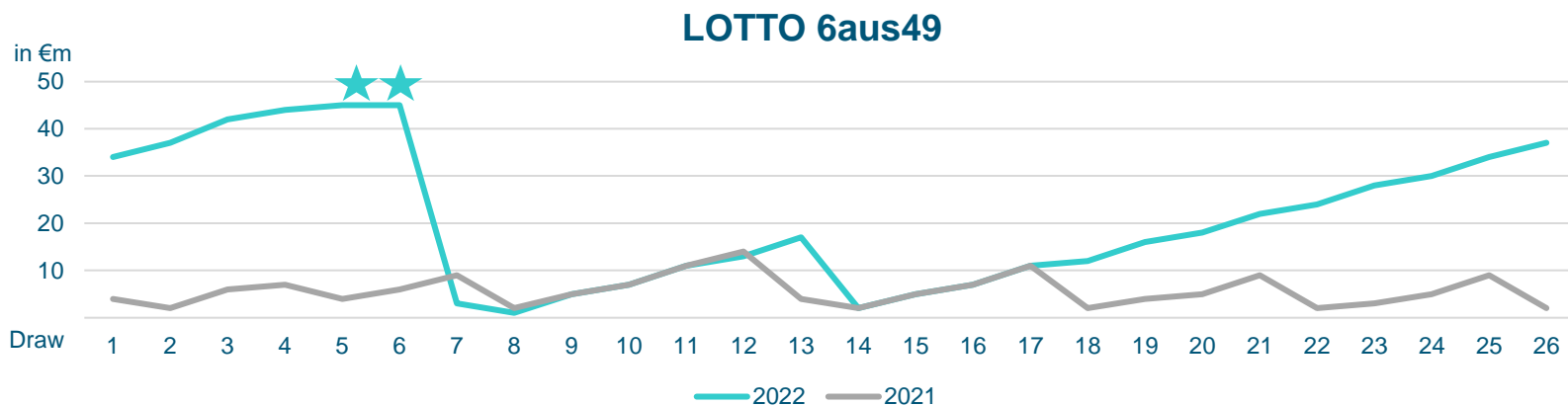




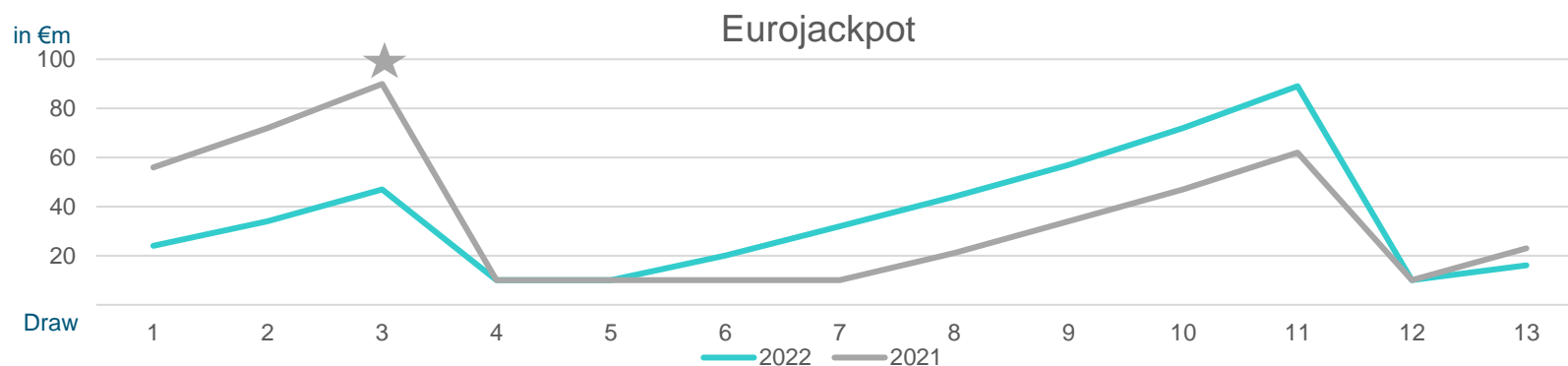
# Financial Update



# Jackpot development - 2 peaks in 2022 vs. 1 in 2021



in €m	Average	Peak
YTD 2022	21	2
YTD 2021	6	0

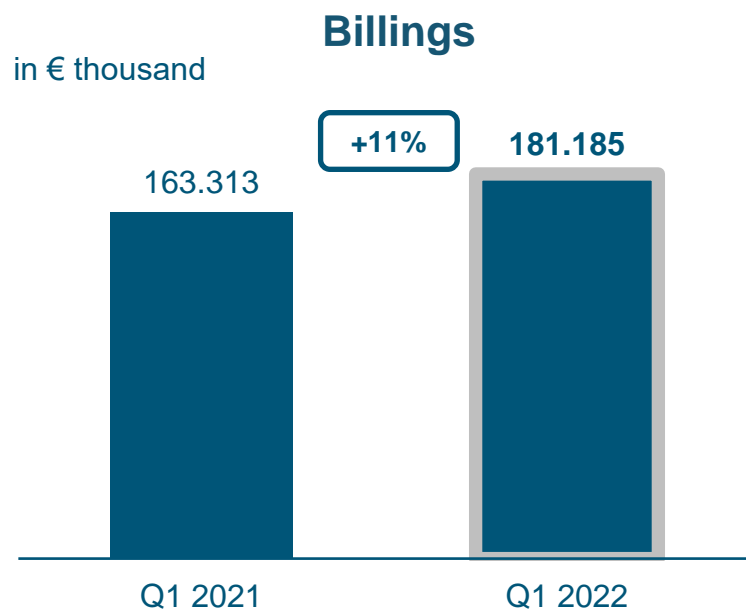


in €m	Average	Peak
YTD 2022	36	0
YTD 2021	35	1

# ZEAL Income Statement 3M 2022 - condensed

in € thousand		3M 2022	3M 2021	Change in %	Comments
Income Statement	<b>Revenue + Income from jackpot insurance</b>	<b>25,114</b>	<b>22,620</b>	<b>+10.9</b>	<ul style="list-style-type: none"> <li>➤ <b>Revenue:</b> <ul style="list-style-type: none"> <li>• Revenue and Income from jackpot insurance increased due to higher billings which resulted from a better jackpot development in 2022</li> </ul> </li> <li>➤ <b>Total costs of operations:</b> <ul style="list-style-type: none"> <li>• Total costs of operations decreased by 10% compared to previous year                             <ul style="list-style-type: none"> <li>➤ <b>Personnel expenses:</b> <ul style="list-style-type: none"> <li>• The 20% decrease in costs is mainly due to the revaluation of the long-term incentives to match the current share price in Q1 and fewer employees (164 vs 156 FTE's)</li> </ul> </li> <li>➤ <b>Marketing expenses:</b> <ul style="list-style-type: none"> <li>• Slightly increase in Marketing expenses</li> </ul> </li> <li>➤ <b>Direct operating expenses:</b> <ul style="list-style-type: none"> <li>• Reduction of 11% due to significantly improved receivables management with lower credit losses as a result of our new payment system</li> </ul> </li> <li>➤ <b>Indirect operating expenses:</b> <ul style="list-style-type: none"> <li>• Decline in indirect operating expenses of 15%, mainly due to reduction in purchased services and external staff</li> </ul> </li> </ul> </li> </ul> </li> <li>➤ <b>Adjusted EBITDA:</b> <ul style="list-style-type: none"> <li>• EBITDA increased by 96% driven by increased revenue and lower total costs of operations</li> </ul> </li> </ul>
	Personnel expenses	-4,116	-5,161	-20.2	
	Other operating expenses	-12,354	-12,882	-4,1	
	Marketing expenses	-7,284	-7,053	+3,3	
	Direct operating expenses	-2,479	-2,774	-10.6	
	Indirect operating expenses	-2,591	-3,055	-15.2	
	<b>EBITDA</b>	<b>8,932</b>	<b>4,567</b>	<b>+95.6</b>	
	Amortisation and depreciation	-2,140	-2,205	-2.9	
	<b>EBIT</b>	<b>6,792</b>	<b>2,362</b>	<b>+187.6</b>	
	<b>Net profit after taxes</b>	<b>5,007</b>	<b>2,484</b>	<b>+101.6</b>	

# Other performance indicators I



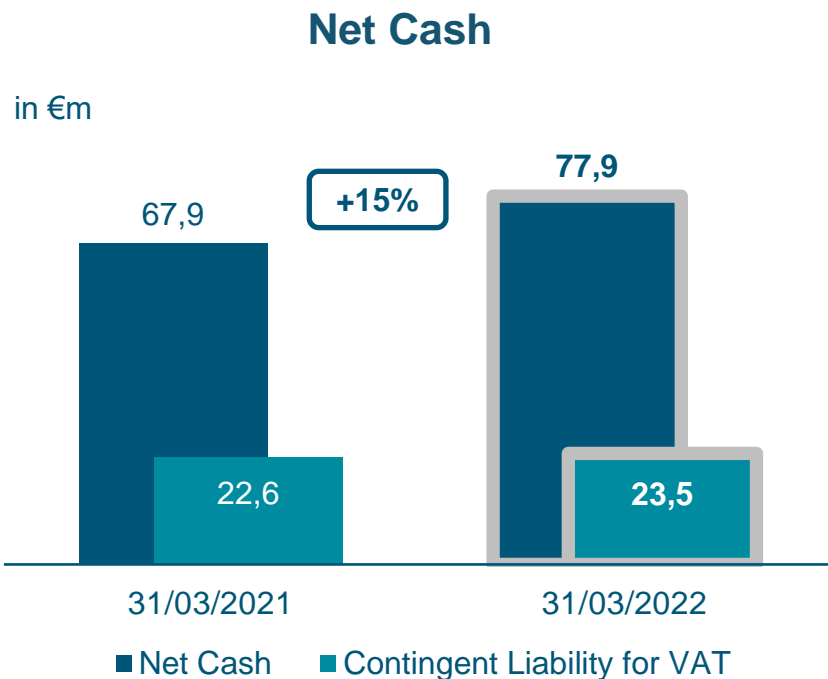
**Increase due to better jackpot development and a further growth in the customer base**



**Gross margin increased due to a more favourable product mix**



# Other performance indicators II



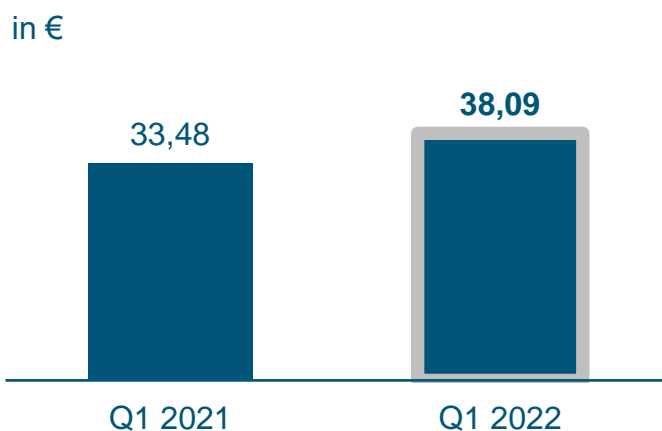
**Strong net cash generation mainly driven by operating profitability**



**Customer acquisition at previous year's level**

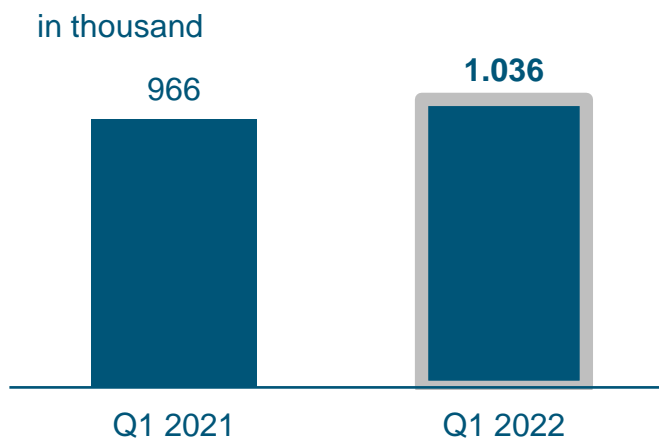
# Other performance indicators III

**Cost per Lead, CPL  
(Germany Segment)**



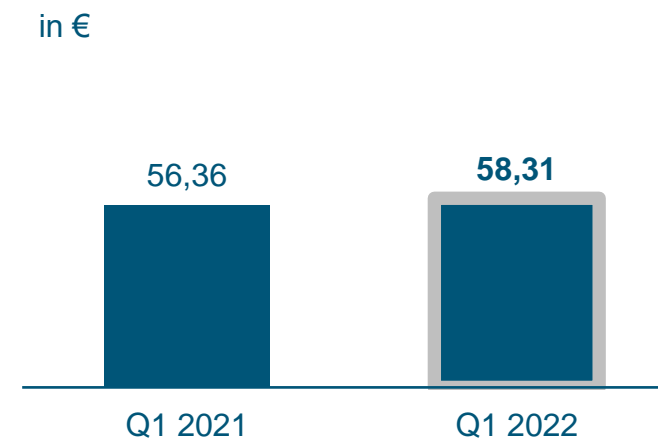
**A special campaign for freiheit+ led to this temporary increase. Without this special effect, CPL at previous year's level**

**Monthly Active Users (MAU)  
(Germany Segment)**



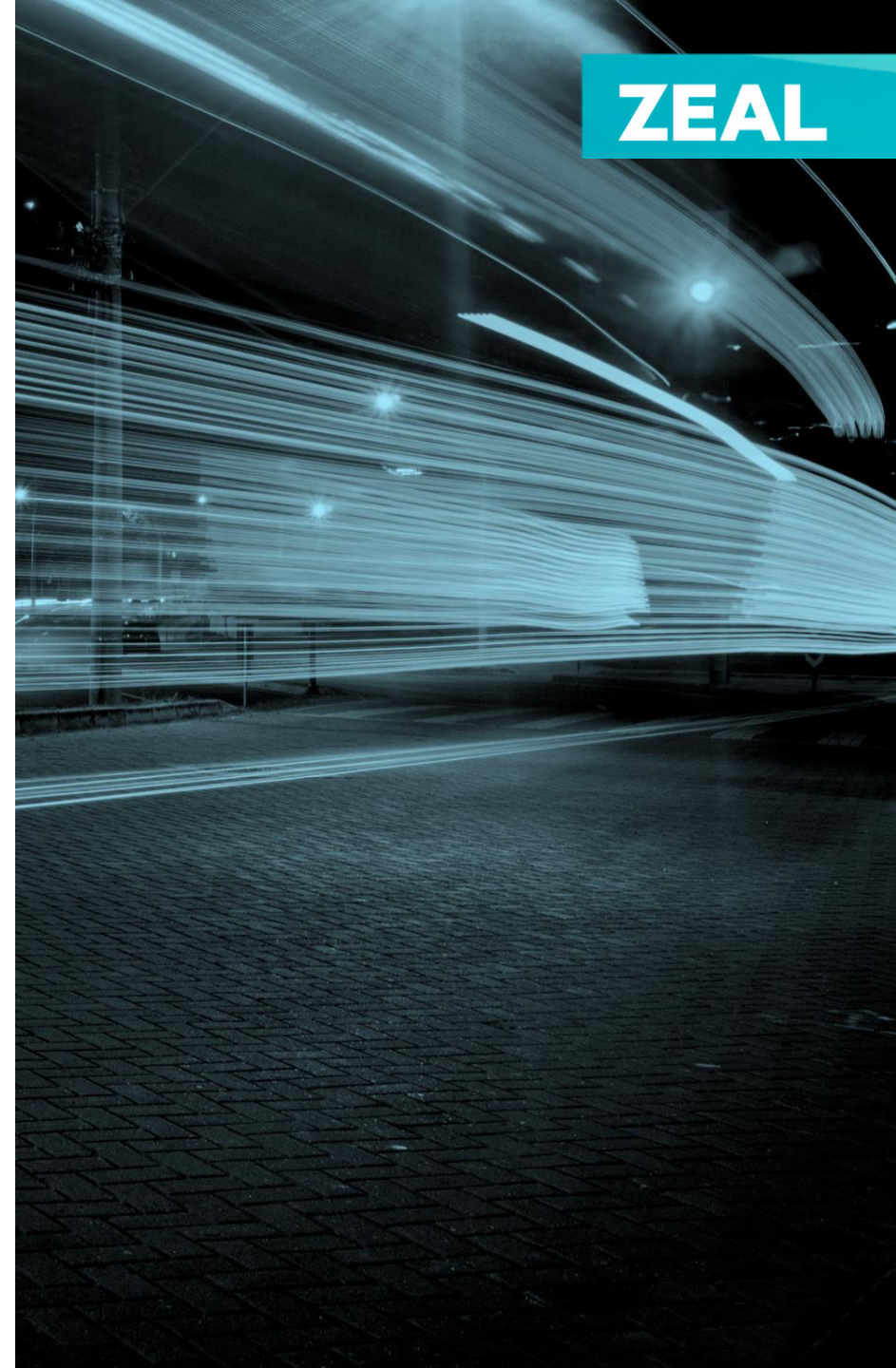
**Better Jackpot development results in an increase of active customers per month**

**Average Billings per User, ABPU  
(Germany Segment)**



**Stabilized at a high level**

# Dividend 2022



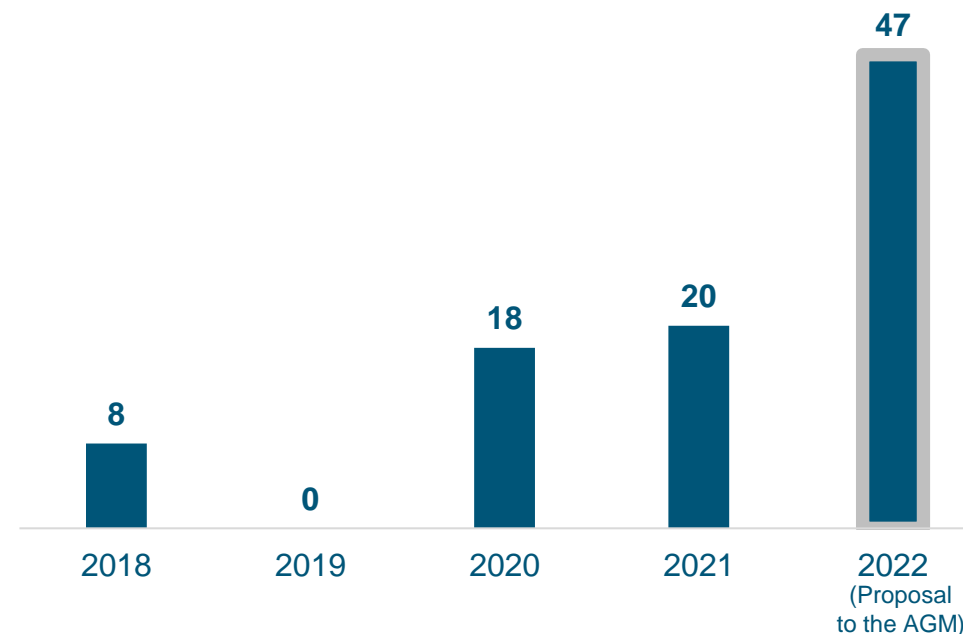
# Dividend Proposal

ZEAL will propose to the Annual General Meeting on 30 June 2022 the payment of a **dividend of € 2.10** (2020: € 0.90 per share), which means a **distribution to the shareholders of approximately € 47 million**.

This will consist of a basic dividend of € 1.00 and a special dividend of € 1.10.

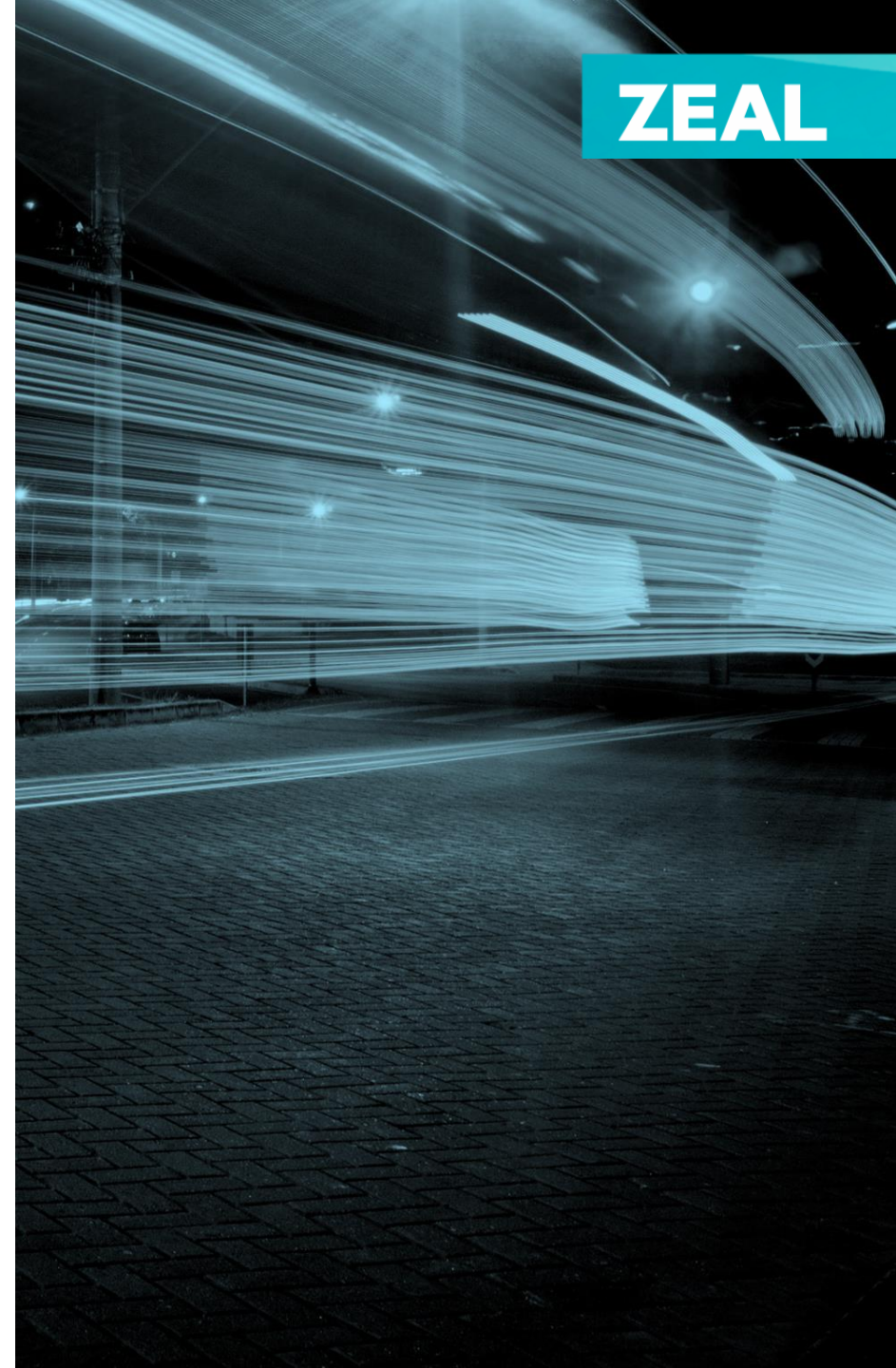
Management undertakes to constantly review its dividend policy in line with the performance of the company.

## Total pay-out p.a. in € million



**The payment of the special dividend in 2022 is a further step towards optimising the company's capital structure.**

# Guidance 2022





## Consolidated Guidance 2022

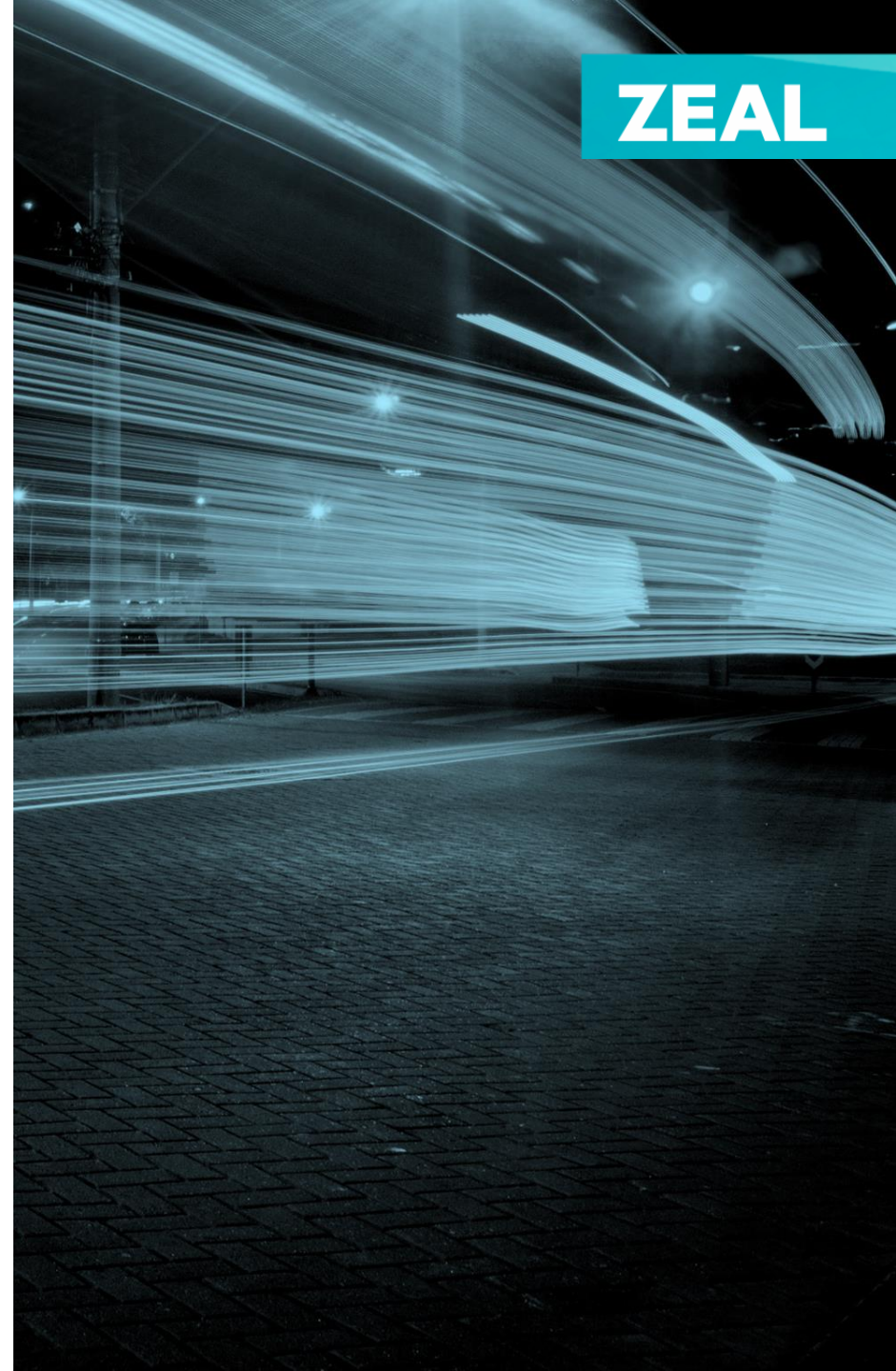
in €m	2022 Guidance	2021 Actual	Growth rates
<b>Billings (Germany segment)</b>	at least 750	656.5	> +14%
<b>Revenue<sup>1)</sup></b>	at least 105	86.8	> +21%
<b>EBITDA</b>	at least 30	27.7	> +8% > +60% <sup>2)</sup>

<sup>1)</sup> Including income from jackpot insurance

<sup>2)</sup> Adjusted for one-off effects and marketing savings in 2021

In our fiscal year 2022, we plan to maintain our position as the leading online provider of lottery products. Depending on the general conditions – and an average jackpot development – we anticipate billings of at least €750 million for the Germany segment. Moreover, we expect revenue to be at least €105 million in fiscal year 2022. Adjusted EBITDA is expected to reach at least €30 million. Compared to the previous year, we plan to invest significantly more in the acquisition of new customers and expect marketing expenses of around €30 million.

# Key Take-Aways



# KEY TAKE AWAYS

**Profitability continues to rise strongly**

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**Repayment of €47m to shareholders**

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**Launch of the 'Deutsche Traumhauslotterie'**

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**Tipp24**

**ZEAL**  
VENTURES



A man and a woman are laughing together. The man is on the left, looking towards the woman on the right. The woman is holding a smartphone and laughing heartily. The entire image is overlaid with a teal color. Two speech bubbles are present: one white with a teal outline containing the word 'Questions' and one solid teal containing the word 'Answers'.

**Questions**

**Answers**

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# Appendix

# Consolidated Income Statement and Balance Sheet in €k

Income Statement		3M 2022	3M 2021	Change in %
	Revenue + Income from jackpot insurance		25,114	22,620
Total costs of operations		-16,452	-18,230	-9.8
EBITDA		8,932	4,567	+95.6
EBIT		6,792	2,362	+187.6
Profit before taxes		6,591	2,879	+128.9
<b>Net Profit</b>		<b>5,007</b>	<b>2,484</b>	<b>+101.6</b>

Balance Sheet		31/03/22	31/12/21	Change in %
	Current assets		167,916	176,331
Non-current assets		323,788	327,067	-1.0
<b>ASSETS</b>		<b>491,703</b>	<b>503,398</b>	<b>-2.3</b>
Current liabilities		34,188	48,660	-42.3
Non-current liabilities		67,310	69,796	-3.7
Equity		390,204	384,942	+1.4
<b>EQUITY &amp; LIABILITIES</b>		<b>491,703</b>	<b>503,398</b>	<b>-2.3</b>

# Business Unit Segment Reporting as of 31/03/22 in €k

	Germany	Other	Total
Revenue	24,038	1,076	25,114
Other operating income	270	1	270
<b>EBITDA</b>	<b>8,734</b>	<b>197</b>	<b>8,932</b>
Depreciation/amortisation	–	–	-2,140
<b>EBIT</b>	–	–	<b>6,792</b>
Financial result	–	–	-158
Share of loss from associates	–	–	-43
<b>EBT</b>	–	–	<b>6,591</b>
Income tax	–	–	-1,584
<b>Net Profit/loss</b>	–	–	<b>5,007</b>

# KPIs

Billings (in €m)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
	140.0	174.4	157.3	181.0	163.3	169.5	160.4	163.3	181.2

ABPU (in €)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
	49.5	54.5	54.9	61.3	56.3	58.3	54.4	58.0	58.3

MAU (in k)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
	942	1,065	954	984	966	968	982	938	1,036

CPL (in €)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
	26.00	27.77	28,96	28.79	33.48	32.12	17.65	29.61	38.10

## Financial calendar 2022

Publication of Annual Report 2021	24 March 2022
Publication of Q1 Quarterly Statement	12 May 2022
Annual General Meeting	30 June 2022
Publication of Half-Year Report	11 August 2022
Publication of Q3 Quarterly Statement	10 November 2022



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