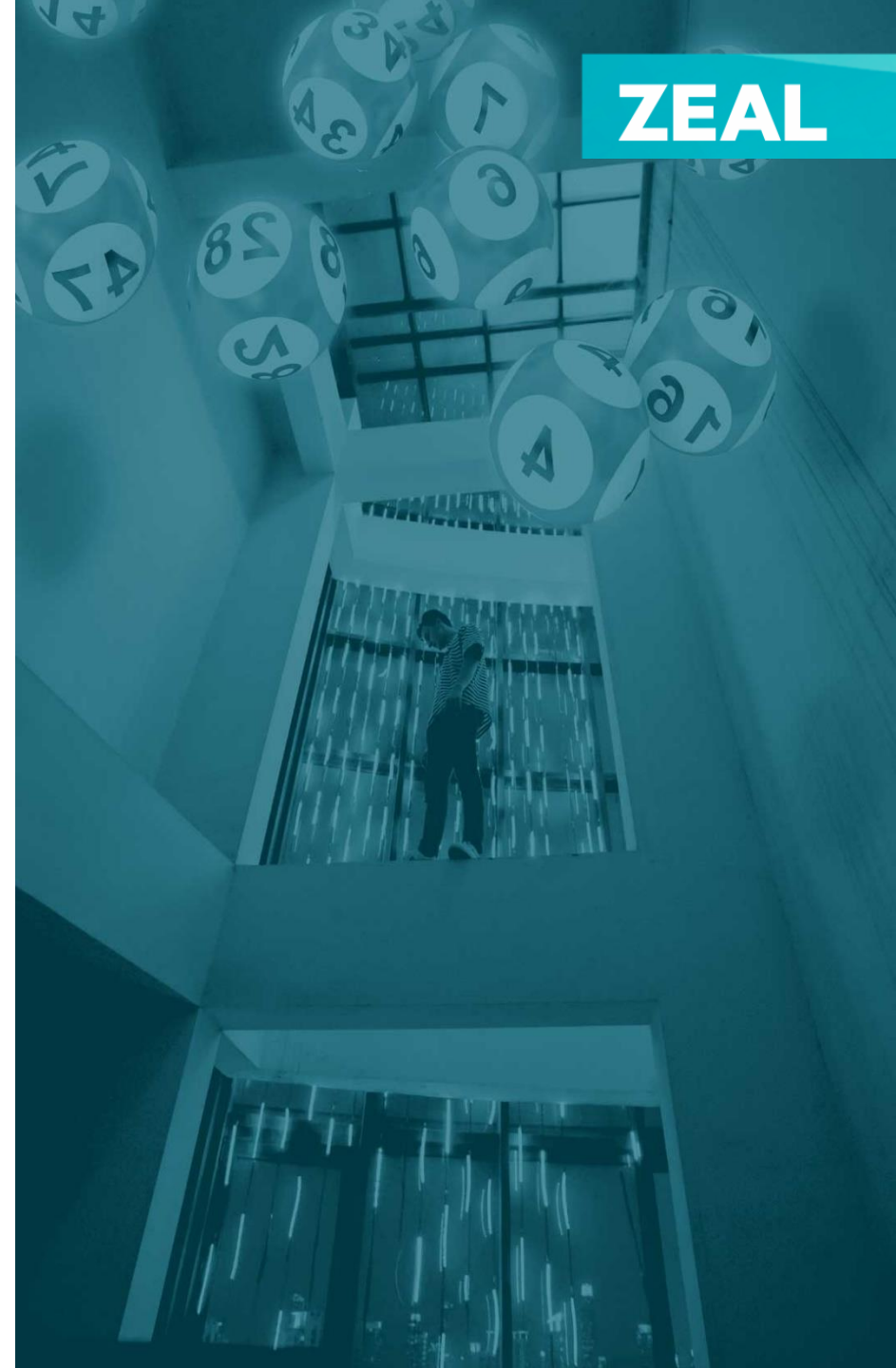


Earnings Call

Half-Yearly Report H1
as of 30 June 2022

11 August 2022



Content

SUMMARY

FINANCIAL UPDATE

GUIDANCE

KEY TAKE-AWAYS

Summary 6M 2022

6M

2022

- **Permission to broker lotteries in Germany renewed until 2029**
- **Growth in business volume**
- **Profitability continues to rise significantly**
- **Significantly strengthening our player protection**

Current regulation - Licensing procedure

New GlüStV 2021

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

Broker Licence

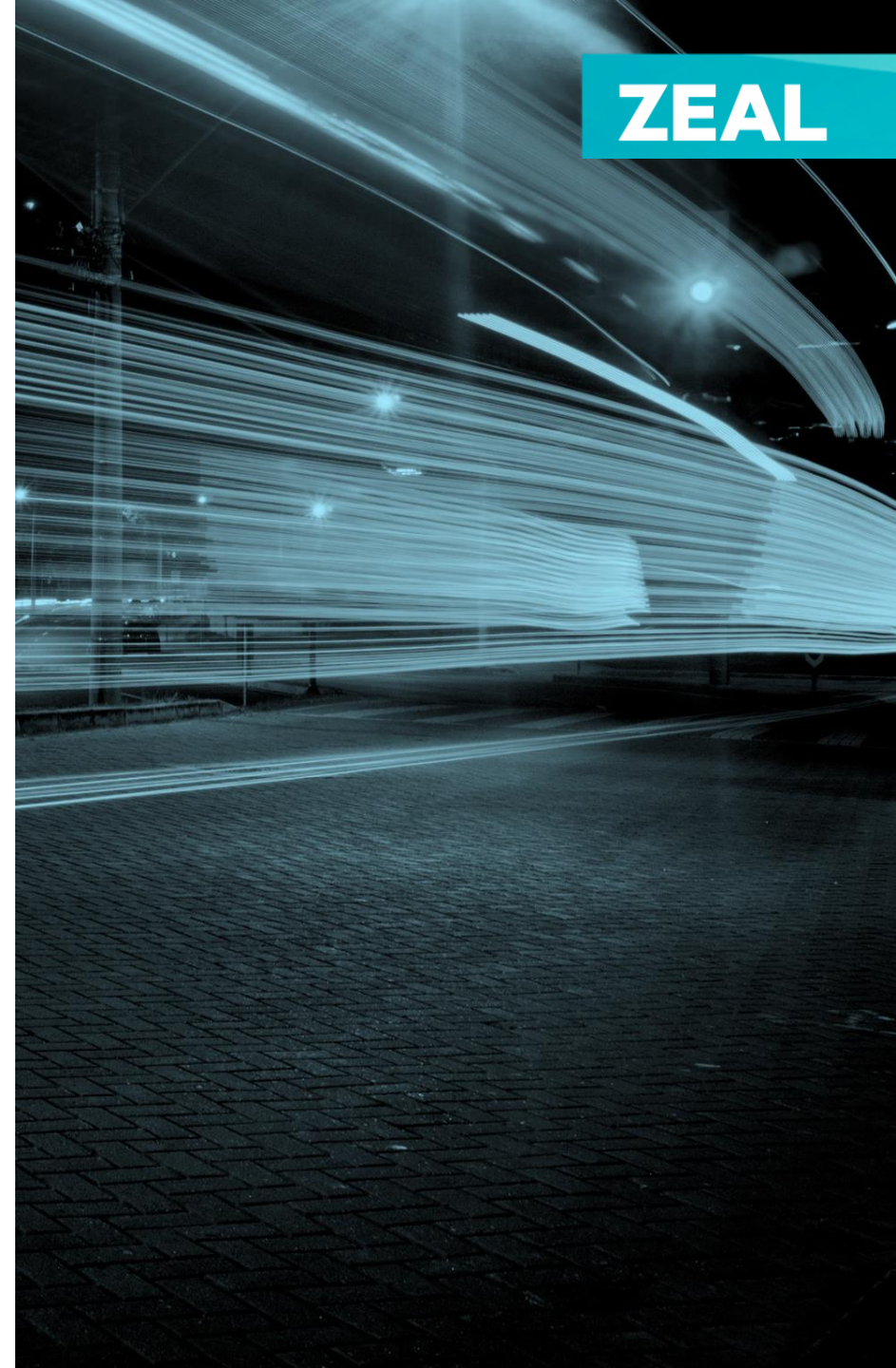
- Lotto24 broker permit valid until 30 June 2029

Games Licence

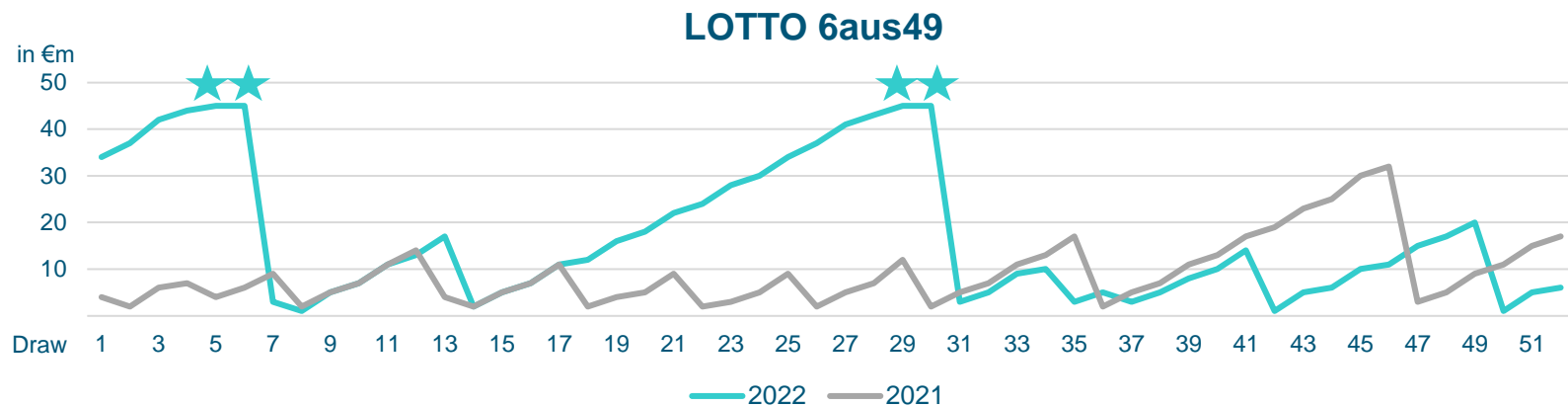
- All documents submitted, all requirements fulfilled
- Acc. to our information, the regulator is currently assessing how to treat state lotteries which apply for a games licence, due to their specific role as monopolists. This is slowing down the process for private lottery companies like us as well.
- We assume the issues will be resolved by the gambling supervision authority within the next few months and that the corresponding permits could be issued



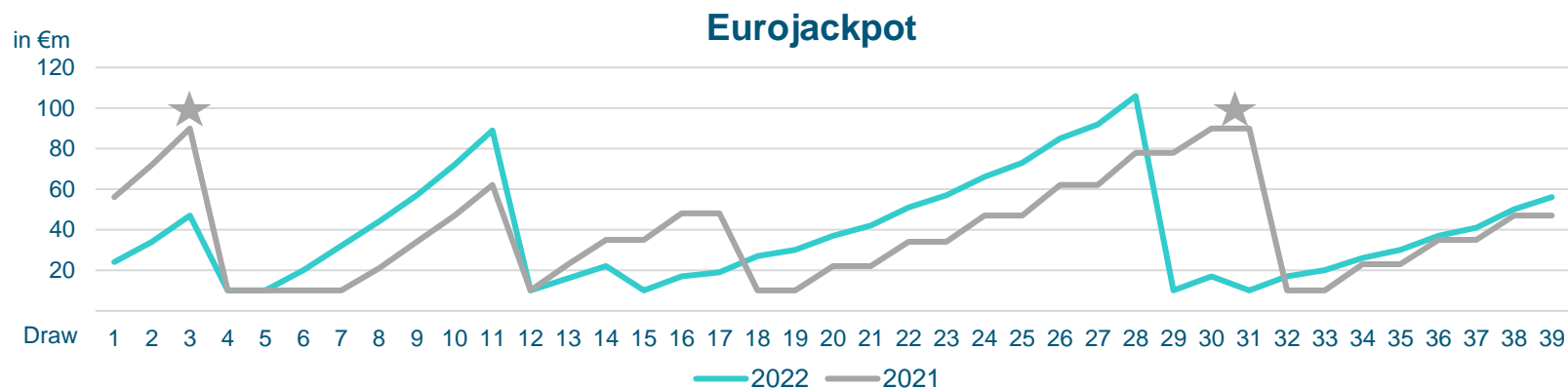
Financial Update



Jackpot development - 4 peaks in 2022 vs. 2 peaks in 2021



in €m	Average	Peak
YTD 2022	17	4
YTD 2021	9	0

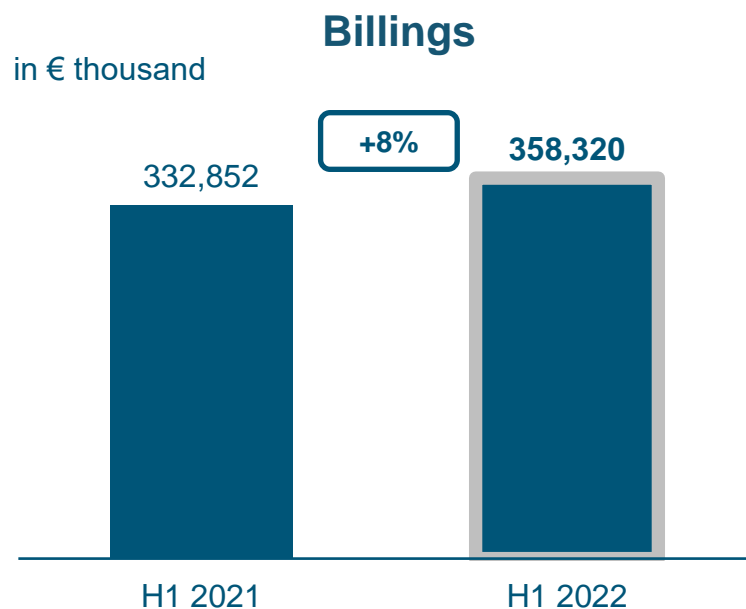


in €m	Average	Peak
YTD 2022	39	0
YTD 2021	38	2

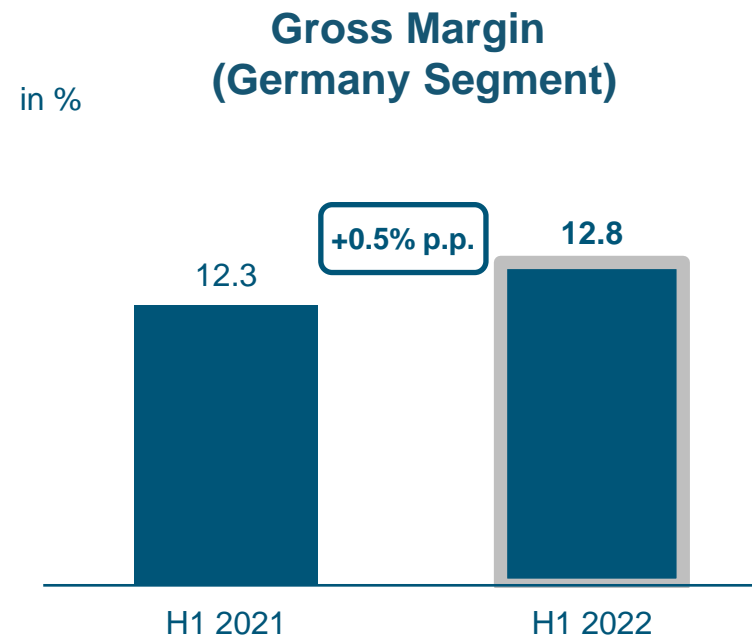
ZEAL Income Statement 6M 2022 - condensed

in € thousand		6M 2022	6M 2021	Change in %	Comments
Income Statement	Revenue + Income from jackpot insurance	49,376	44,517	+10.9	<ul style="list-style-type: none"> ➤ Revenue: <ul style="list-style-type: none"> • Revenue and Income from jackpot insurance increased by 11% due to the higher activity plus better performance of our high margin products • Total costs of operations: <ul style="list-style-type: none"> • Total costs of operations increased by 8% compared to previous year ➤ Personnel expenses: <ul style="list-style-type: none"> • Personnel expenses almost unchanged (158 vs 158 average FTE's). The increase in Q2 vs Q1 is mainly due to LTI provisions in the quarter ➤ Marketing expenses: <ul style="list-style-type: none"> • In line with previous year ➤ Direct operating expenses: <ul style="list-style-type: none"> • Reduction of 3% due to improved receivables management as well as further efficiency measures ➤ Indirect operating expenses: <ul style="list-style-type: none"> • Increase in indirect operating expenses of 16%, mainly due to a one-off effect in the same period of the previous year (release of a provision of € 0.4m for a legal dispute) as well as an increase in insurance costs by € 0.2m ➤ Adjusted EBITDA: <ul style="list-style-type: none"> • EBITDA increased by 54% thanks to the higher revenues while cost base was kept stable
	Personnel expenses	-10,280	-10,249	+0.3	
	Other operating expenses	-24,492	-23,682	+3.4	
	Marketing expenses	-13,941	-13,761	+1.3	
	Direct operating expenses	-4,981	-5,135	-3.0	
	Indirect operating expenses	-5,570	-4,786	+16.4	
	EBITDA	16,447	10,668	+54.2	
	Amortisation and depreciation	-4,302	-4,387	-1.9	
	EBIT	12,145	6,281	+93.4	
	Net profit after taxes	9,432	5,676	+66.2	

Other performance indicators I



Increase due to better jackpot development

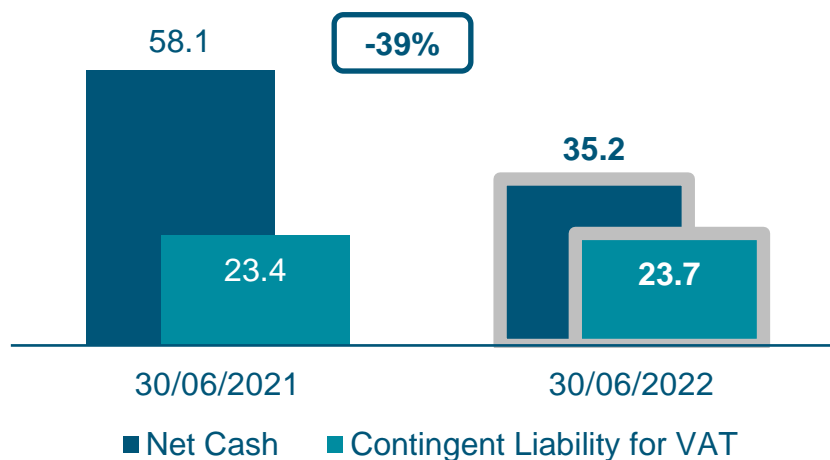


Gross margin increased due to a higher-margin product mix

Other performance indicators II

Net Cash

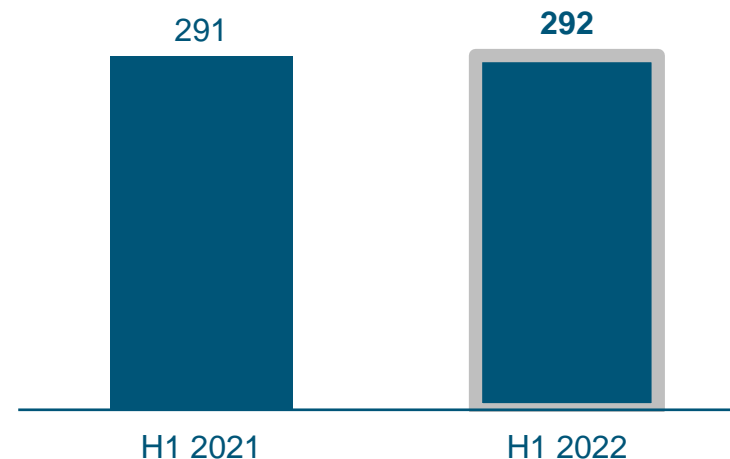
in €m



Strong net cash generation driven by operating profitability but impacted by dividend payment of €47m

New registered customers (Germany segment)

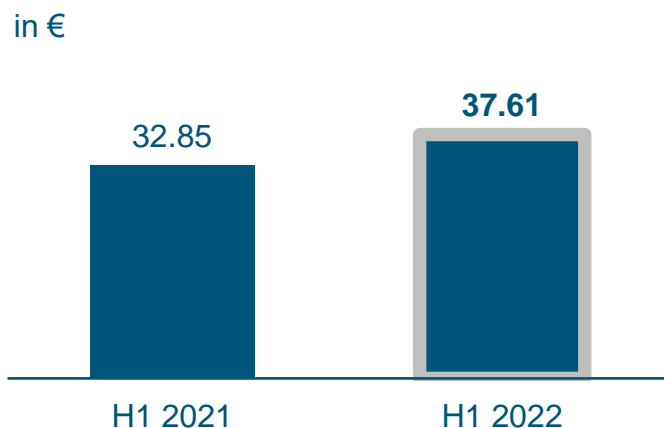
in thousand



Customer acquisition at previous year's level

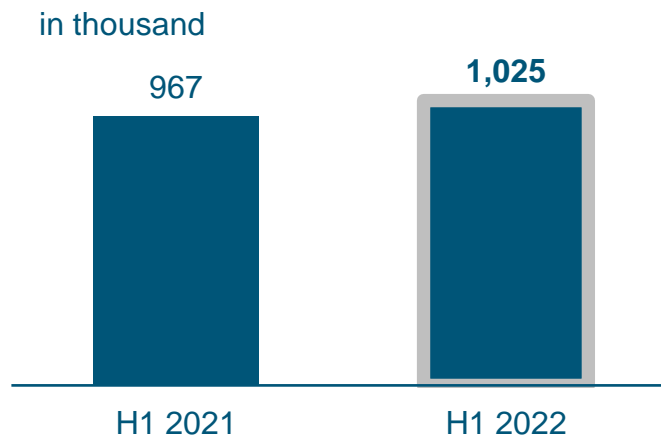
Other performance indicators III

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



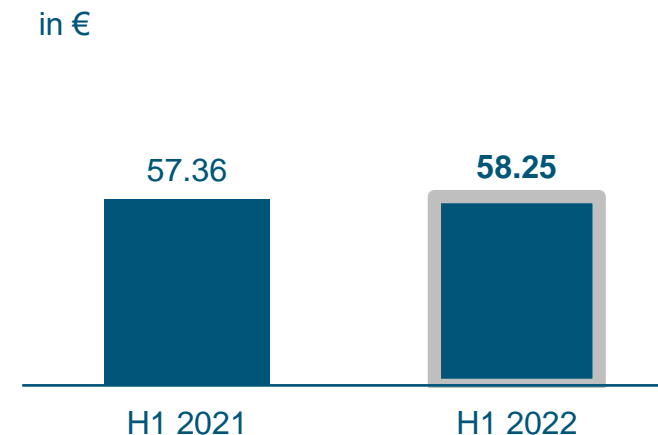
A special campaign for freiheit+ led to this temporary increase. Without this special effect, CPL was € 34.34

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



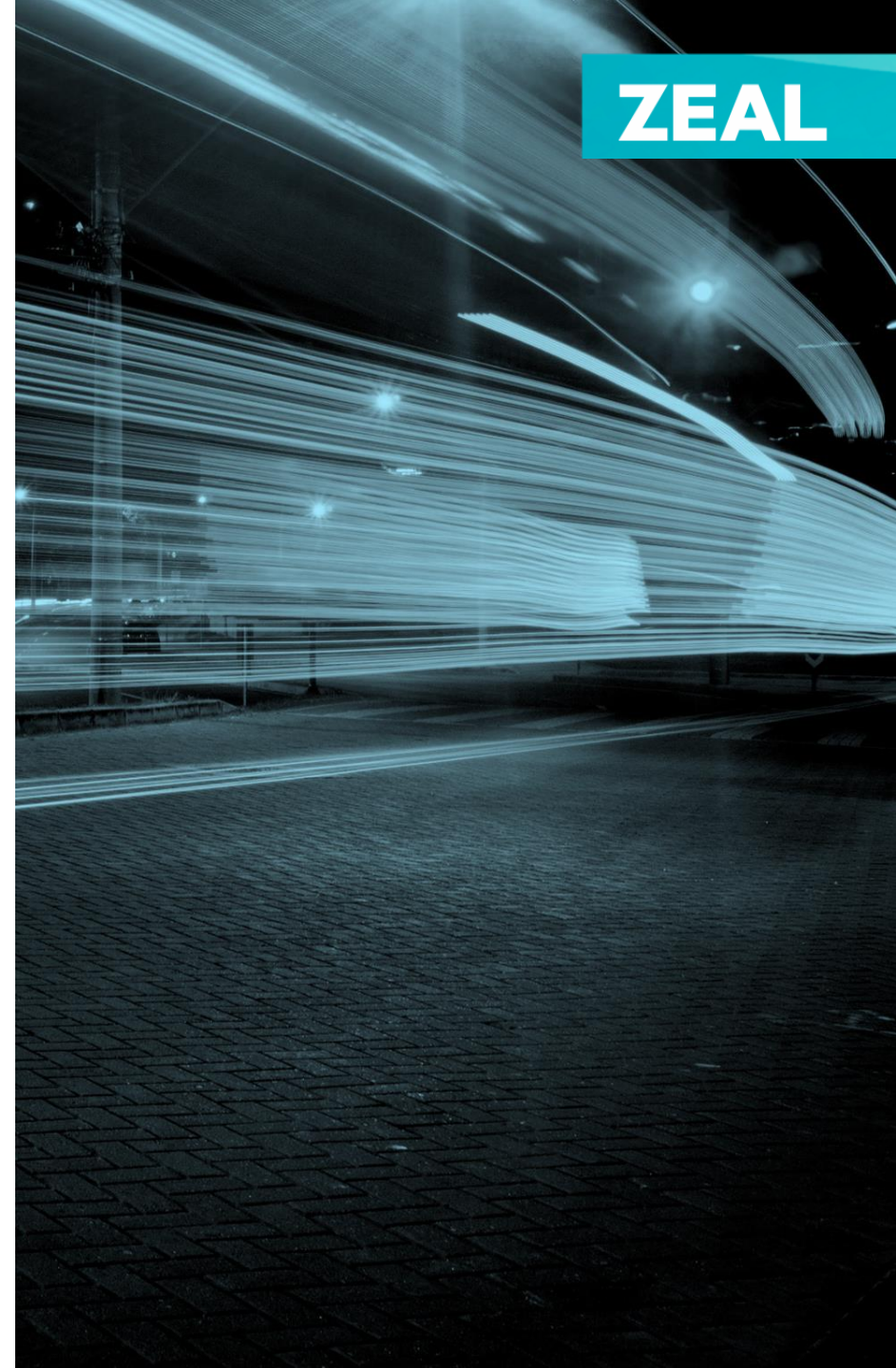
Better Jackpot development results in an increase of active customers per month

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



Stabilized at a high level

Dividend 2022



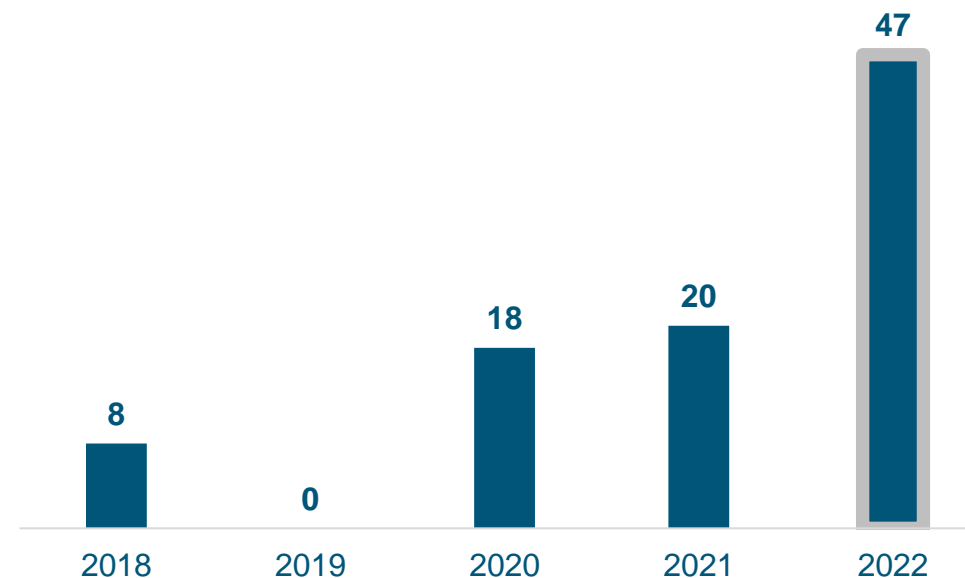
Dividend

ZEAL has proposed 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 consisted of a basic dividend of € 1.00 and a special dividend of € 1.10.

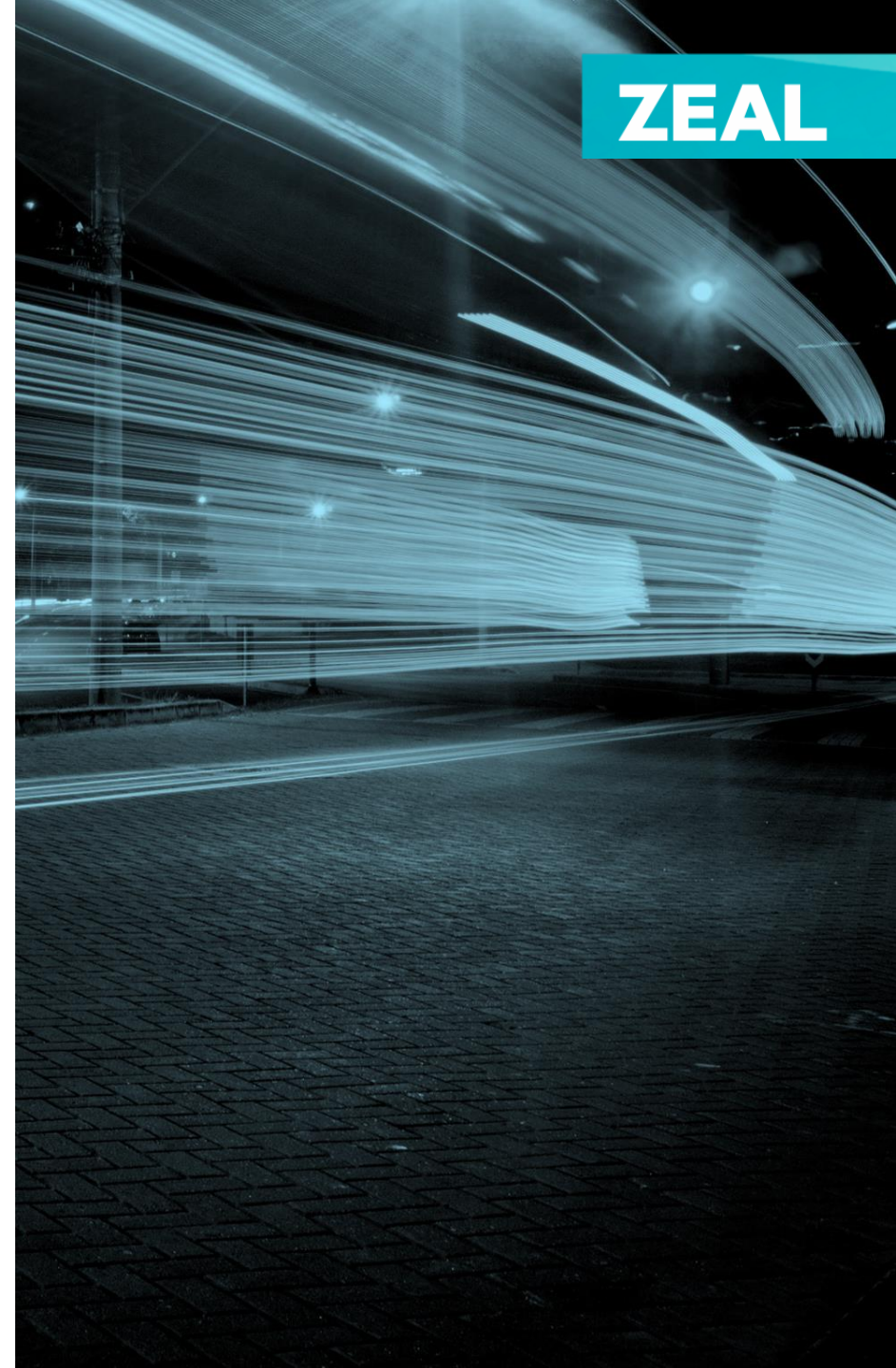
Management undertakes to constantly review its dividend policy in line with the performance of the company.

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

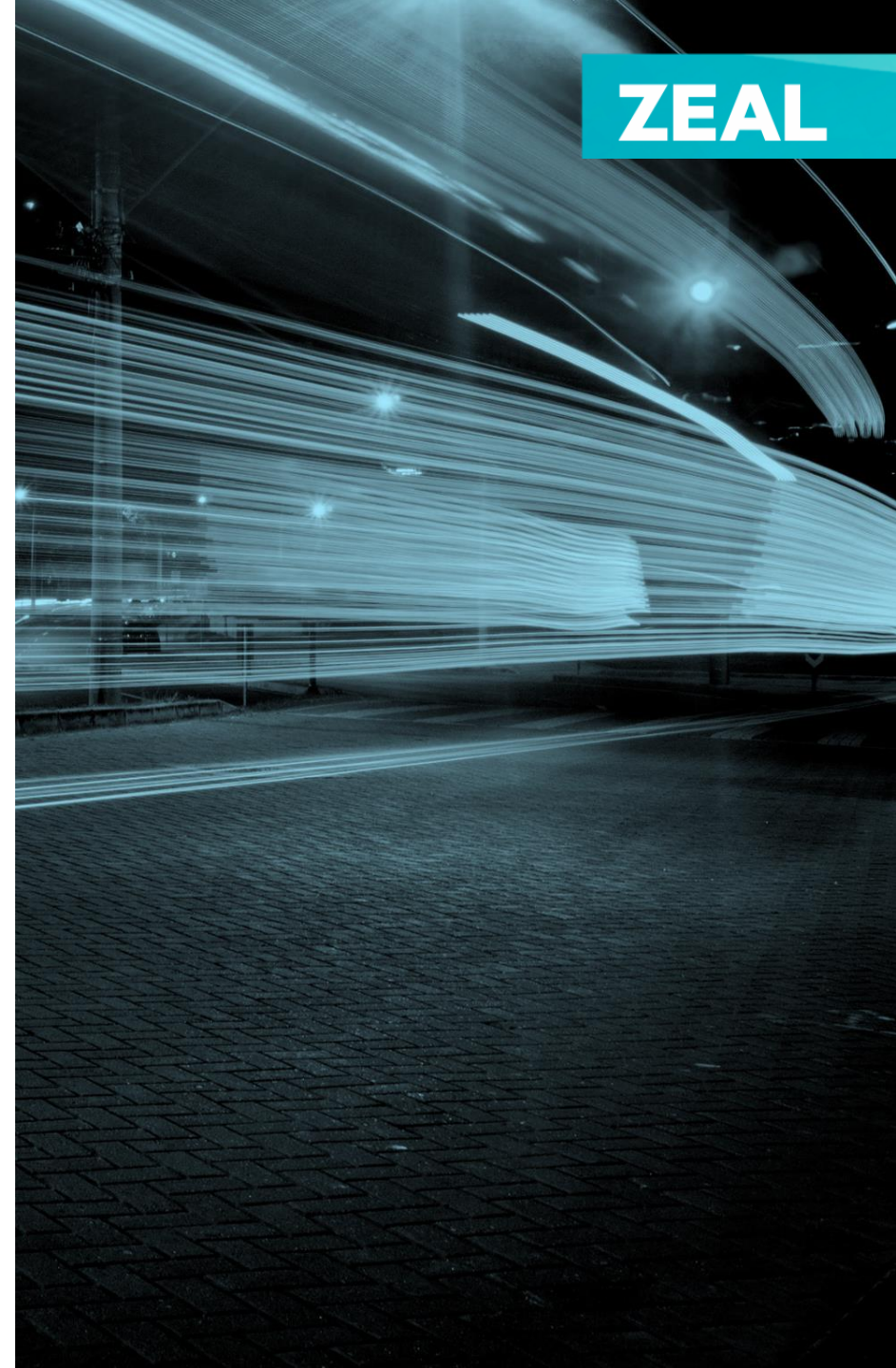
in €m	2022 Guidance	2021 Actual	Growth rates
Billings (Germany segment)	at least 750	656.5	> +14%
Revenue¹⁾	at least 105	86.8	> +21%
EBITDA	at least 30	27.7	> +8% > +60% ²⁾

¹⁾ Including income from jackpot insurance

²⁾ 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

Repayment of €47m to shareholders

ZEAL receives licence to broker lotteries in Germany until 2029

No significant business impact identifiable due to current changes in the geopolitical and economic environment



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 looking upwards. 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	6M 2022	6M 2021	Change in %
	Revenue + Income from jackpot insurance	49,376	44,517
Total costs of operations	-32,929	-30,399	+8.3
EBITDA	16,447	10,668	+54.2
EBIT	12,145	6,281	+93.4
Profit before taxes	12,247	7,385	+65.8
Net Profit	9,432	5,676	+66.2

Balance Sheet	30/06/22	31/12/21	Change in %
	Current assets	172,643	176,331
Non-current assets	322,381	327,067	-1.4
ASSETS	495,025	503,398	-1.7
Current liabilities	81,275	48,660	+67.0
Non-current liabilities	66,689	69,796	-4.5
Equity	347,061	384,942	-9.8
EQUITY & LIABILITIES	495,025	503,398	-1.7

Business Unit Segment Reporting as of 30/06/22 in €k

	Germany	Other	Total
Revenue	47,114	2,262	49,376
Other operating income	622	1,202	1,824
EBITDA	14,965	1,482	16,447
Depreciation/amortisation	–	–	-4,302
EBIT	–	–	12,145
Financial result	–	–	-199
Share of loss from associates	–	–	-97
EBT	–	–	12,247
Income tax	–	–	-2,815
Net Profit/loss	–	–	9,432

KPIs

Billings (in €m)	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
	174.4	157.3	181.0	163.3	169.5	160.4	163.3	181.2	177.1

ABPU (in €)	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
	54.5	54.9	61.3	56.3	58.3	54.4	58.0	58.3	58.2

MAU (in k)	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
	1,065	954	984	966	968	982	938	1,036	1,015

CPL (in €)	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
	27.77	28,96	28.79	33.48	32.12	17.65	29.61	38.10	37.07

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
Publication of Annual Report 2022	23 March 2023

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