

POLLARD
banknote limited



2025

ANNUAL GENERAL MEETING

FORWARD-LOOKING STATEMENTS

Certain statements in this presentation may constitute “forward-looking” statements which involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this presentation, such statements include such words as “may”, “will”, “expect”, “believe”, “plan”, and other similar terminology. This presentation reflects management’s current expectations regarding future events and operating performance and speaks only as of the date of this presentation. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

USE OF NON-GAAP FINANCIAL MEASURES

Reference to “EBITDA” is to earnings before interest, income taxes, depreciation, amortization and purchase accounting amortization. Reference to “Adjusted EBITDA” is to EBITDA before unrealized foreign exchange gains and losses, and certain non-recurring items including severance costs, acquisition costs, contingent consideration fair value adjustments and insurance proceeds (net). Adjusted EBITDA is an important metric used by many investors to compare issuers on the basis of the ability to generate cash from operations and management believes that, in addition to net income, Adjusted EBITDA is a useful supplementary measure.

Reference to “Combined sales” is to sales recognized under GAAP plus Pollard’s 50% proportionate share of NeoPollard Interactive LLC’s (“NPI”) sales, its iLottery joint venture operation. Reference to “Combined iLottery sales” is to sales recognized under GAAP for Pollard’s 50% proportionate share of its Michigan Lottery joint iLottery operation plus Pollard’s 50% proportionate share of NeoPollard Interactive LLC’s (“NPI”) sales, its iLottery joint venture operation.

EBITDA, Adjusted EBITDA, Combined sales and Combined iLottery sales are measures not recognized under GAAP and do not have a standardized meaning prescribed by GAAP. Therefore, these measures may not be comparable to similar measures presented by other entities. Investors are cautioned that EBITDA, Adjusted EBITDA, Combined sales and Combined iLottery sales should not be construed as alternatives to net income or sales as determined in accordance with GAAP as an indicator of Pollard’s performance or to cash flows from operating, investing and financing activities as measures of liquidity and cash flows.

Today's Agenda

1. Financial Highlights
2. 2024 Business Updates
3. 2024 Annual Results

Financial Highlights

(\$ Millions)	2016	2017	2018	2019	2020	2021	2022	2023	2024
COMBINED SALES ⁽¹⁾	\$246.4	\$286.0	\$332.6	\$400.3	\$426.9	\$499.2	\$538.8	\$600.6	\$665.9
SALES	\$246.4	\$285.7	\$331.9	\$397.8	\$414.1	\$459.0	\$483.7	\$520.4	\$557.1
ADJUSTED EBITDA ⁽¹⁾	\$29.7	\$44.0	\$48.8	\$60.2	\$80.6	\$84.0	\$80.5	\$91.3	\$114.5
NET DEBT	\$63.4	\$79.0	\$104.6	\$119.8	\$129.2	\$111.6	\$120.2	\$116.4	\$128.7

Adjusted EBITDA prior to 2019 does not include the impact of IFRS16

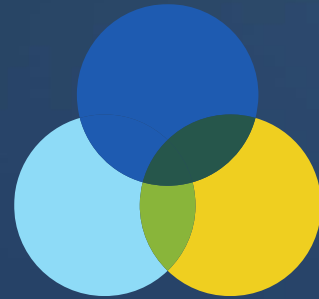
Source: Pollard Banknote financial statements and MD&A

(1) See Non-GAAP measures for explanation

Financial Highlights

- Ongoing resilient demand for all retail printed products and growing demand for digital solutions – including both iLottery and eTabs.
- A majority of our instant ticket contracts have been repriced to offset Covid input cost increases. Impact of negotiated higher average selling prices are completely reflected by end of 2024.
- Significant investments in our Catalyst™ iLottery platform and internal eInstant game portfolio.
- iLottery revenue attained record levels due to strong growth in eInstant sales.

POLLARD
banknote limited



Outstanding Games.
Retail Excellence.
Digital Innovation.



Worldwide Instant Sales



**includes pull tab sales*

Instant Tickets – Margin Recovery

- Strategy to reprice our instant ticket contracts continues to be successful.
- Gross margins have improved during 2024.
- A majority of our contracts have now been repriced.
- By the end of 2024 all of the contracts that have been repriced are now live and are positively reflected in our revenue.
- Small decreases in the cost of our inputs achieved in 2024.

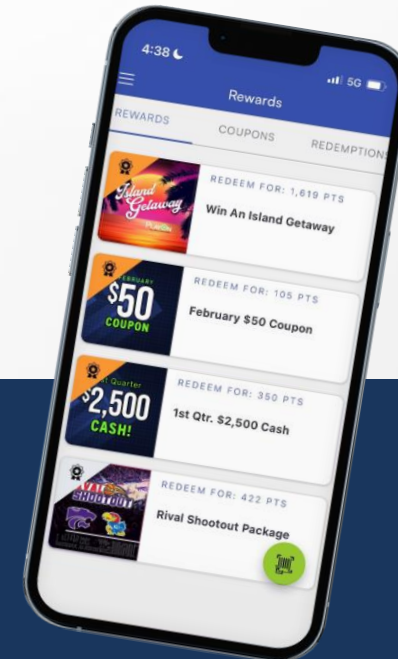
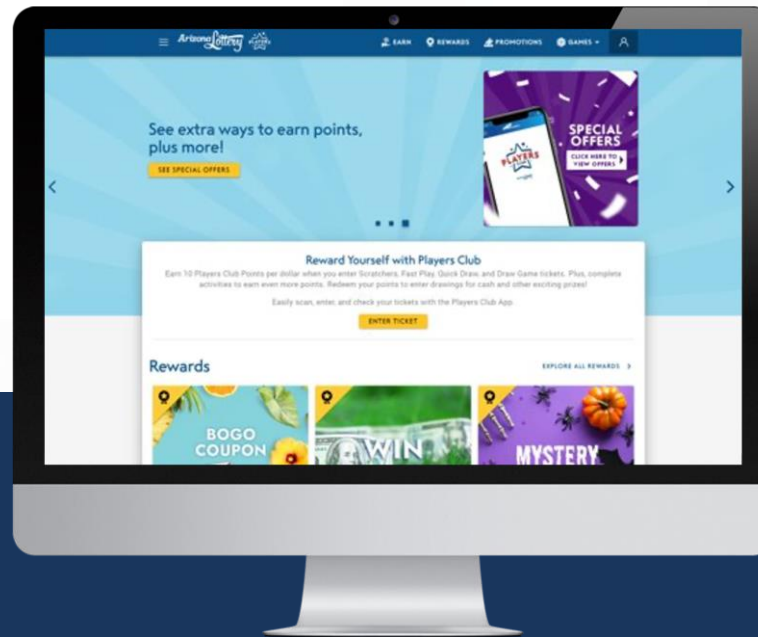
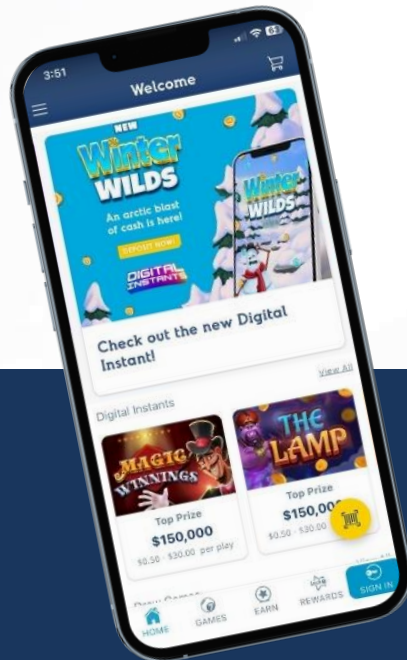


Retail Excellence



PLAYON™

gameON™



TRANSFORMING
LOTTERY / ACCELERATING
GROWTH

POLLARD
CATALYSTTM
GAMING PLATFORM

Frictionless Player Experience
Personalized Player Relationships
Optimized for Integration
Built for your Future

The **fastest** full iLottery
implementation in the U.S.

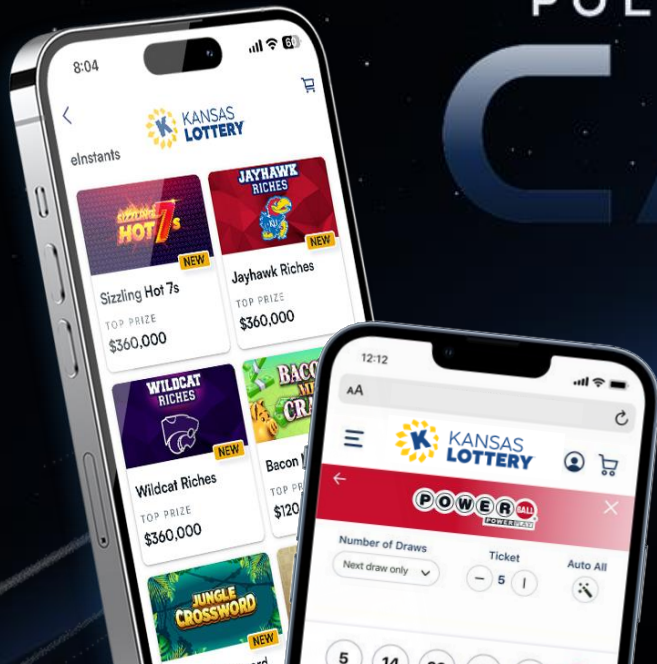


KANSAS LOTTERY™

POLLARD

CATALYST™

GAMING PLATFORM



POLLARD
banknote limited

eINSTANTS

NOW LIVE IN





International*Gāmco*



**POLLARD
CHARITABLE
GAMES GROUP**

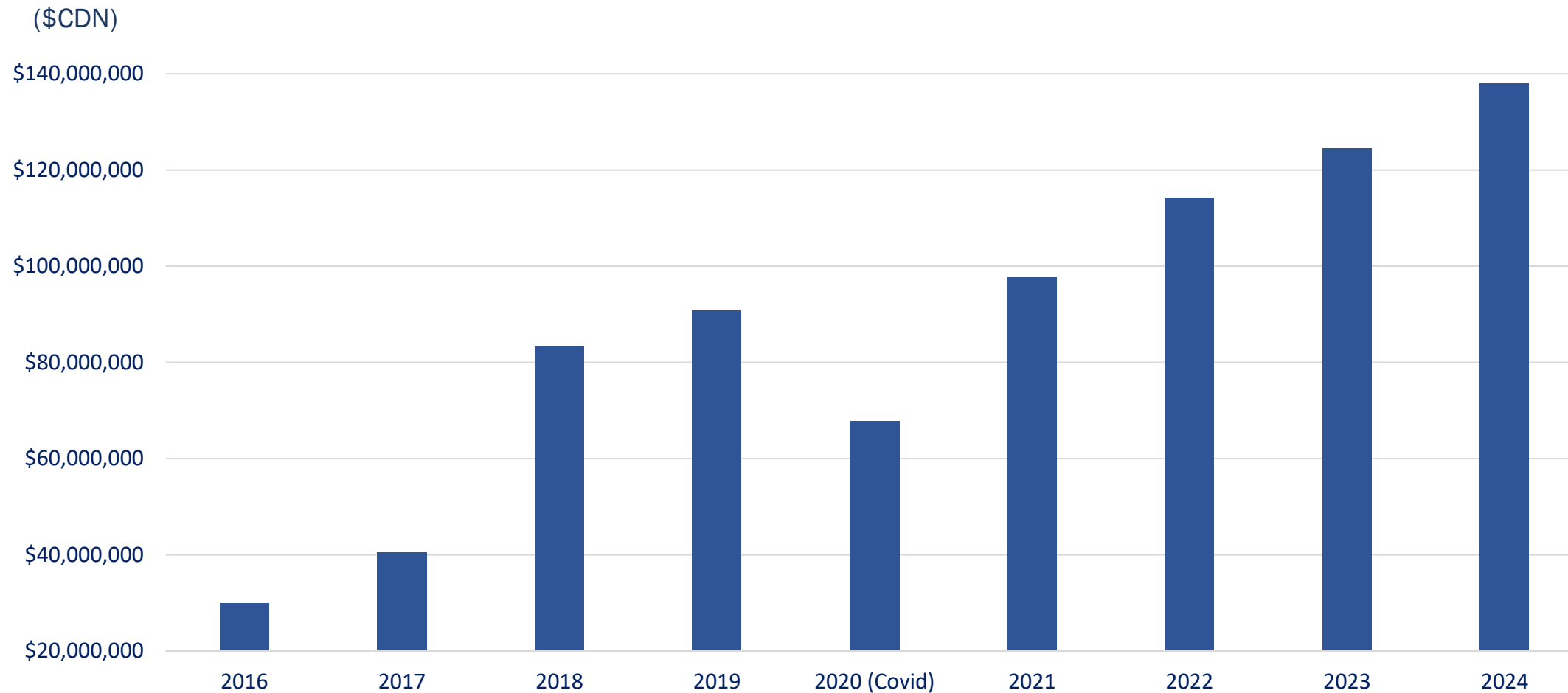


DiamondGame



Pollard Charitable Gaming Group

Sales Trend 2016-2024



NEOPOLLARD
INTERACTIVE

68%

**U.S. GROSS WAGER
MARKET SHARE**

Source: Eilers & Krejcik Gaming U.S. Lottery Tracker Q4 2024



2024 NPi iLottery Results

	2019	2020	2021	2022	2023	2024
Revenue - Pollard Share						
Michigan iLottery	\$16.4	\$33.5	\$26.7	\$26.5	\$28.0	\$25.6
NeoPollard JV	\$2.5	\$12.6	\$40.1	\$55.1	\$80.3	\$108.8
Combined Revenue ⁽¹⁾	\$18.9	\$46.1	\$66.8	\$81.6	\$108.3	\$134.4
Income before Profit Share & Income Taxes – Pollard Share						
Michigan iLottery	\$7.4	\$18.5	\$10.6	\$9.5	\$10.0	\$6.8
NeoPollard JV	(\$4.0)	\$1.6	\$12.3	\$22.3	\$39.1	\$52.5
Combined Income	\$3.4	\$20.1	\$22.9	\$31.8	\$49.1	\$59.3

(1) See Non-GAAP measures for explanation

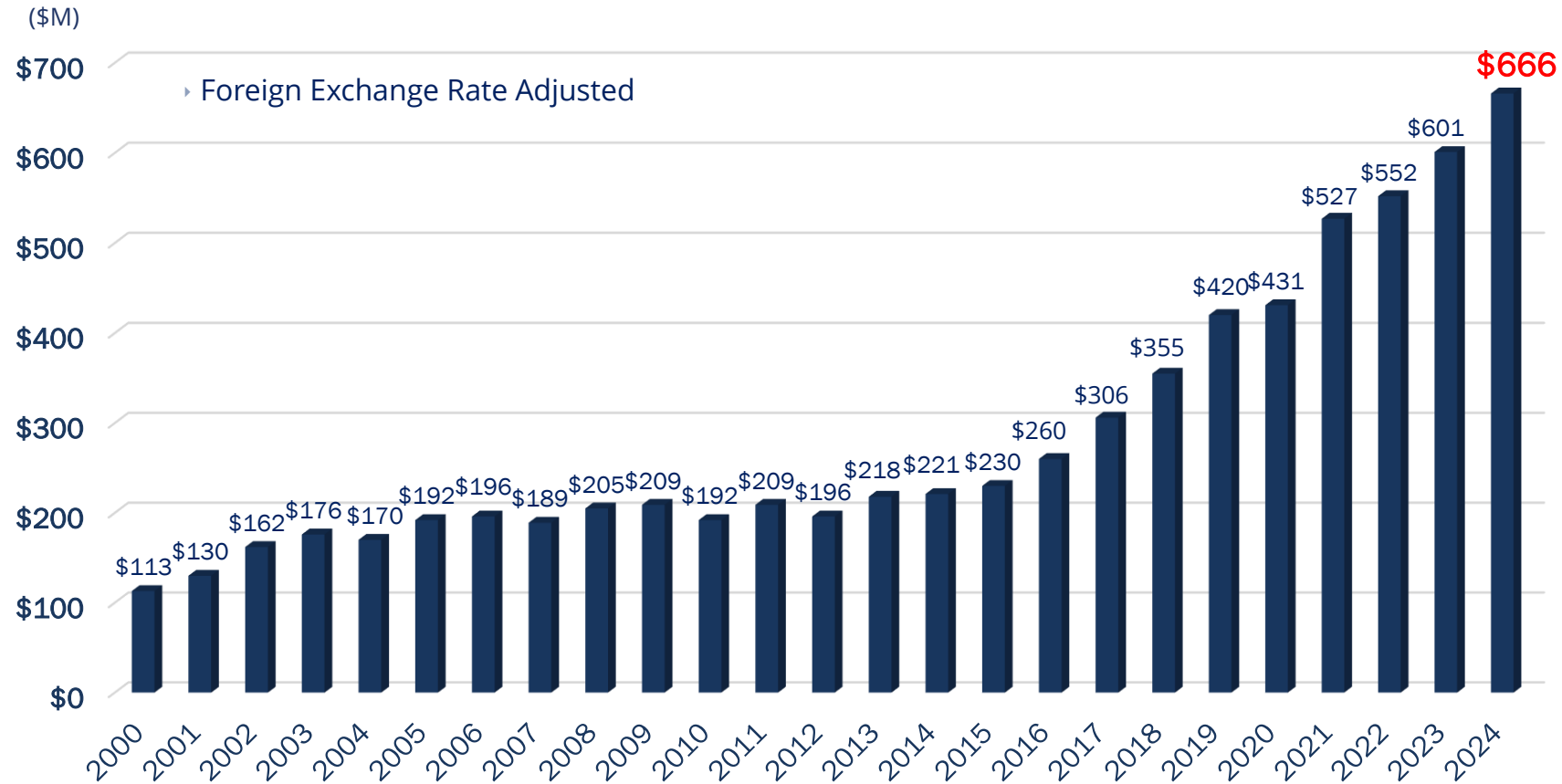
2024 ANNUAL RESULTS

2024 Highlights

(\$M)	2019	2020	2021	2022	2023	2024
Combined sales ⁽¹⁾	\$400.3	\$426.9	\$499.2	\$538.8	\$600.6	\$665.9
Sales	\$397.8	\$414.3	\$459.0	\$483.7	\$520.4	\$557.1
Gross Margin	\$91.1	\$91.0	\$90.7	\$83.4	\$86.6	\$104.7
SG + A	\$56.5	\$54.9	\$64.4	\$67.3	\$79.3	\$87.3
NPi JV Income (Loss)	(\$3.9)	\$1.6	\$12.3	\$23.7	\$39.1	\$52.6
Other Income (Expense)	\$2.0	\$12.4	(\$5.2)	(\$4.1)	\$0.1	-
Adjusted EBITDA ⁽¹⁾	\$60.2	\$80.6	\$84.0	\$80.5	\$91.3	\$114.5
Net Income	\$22.0	\$33.3	\$19.7	\$19.3	\$31.4	\$35.2

(1) See Non-GAAP measures for explanation

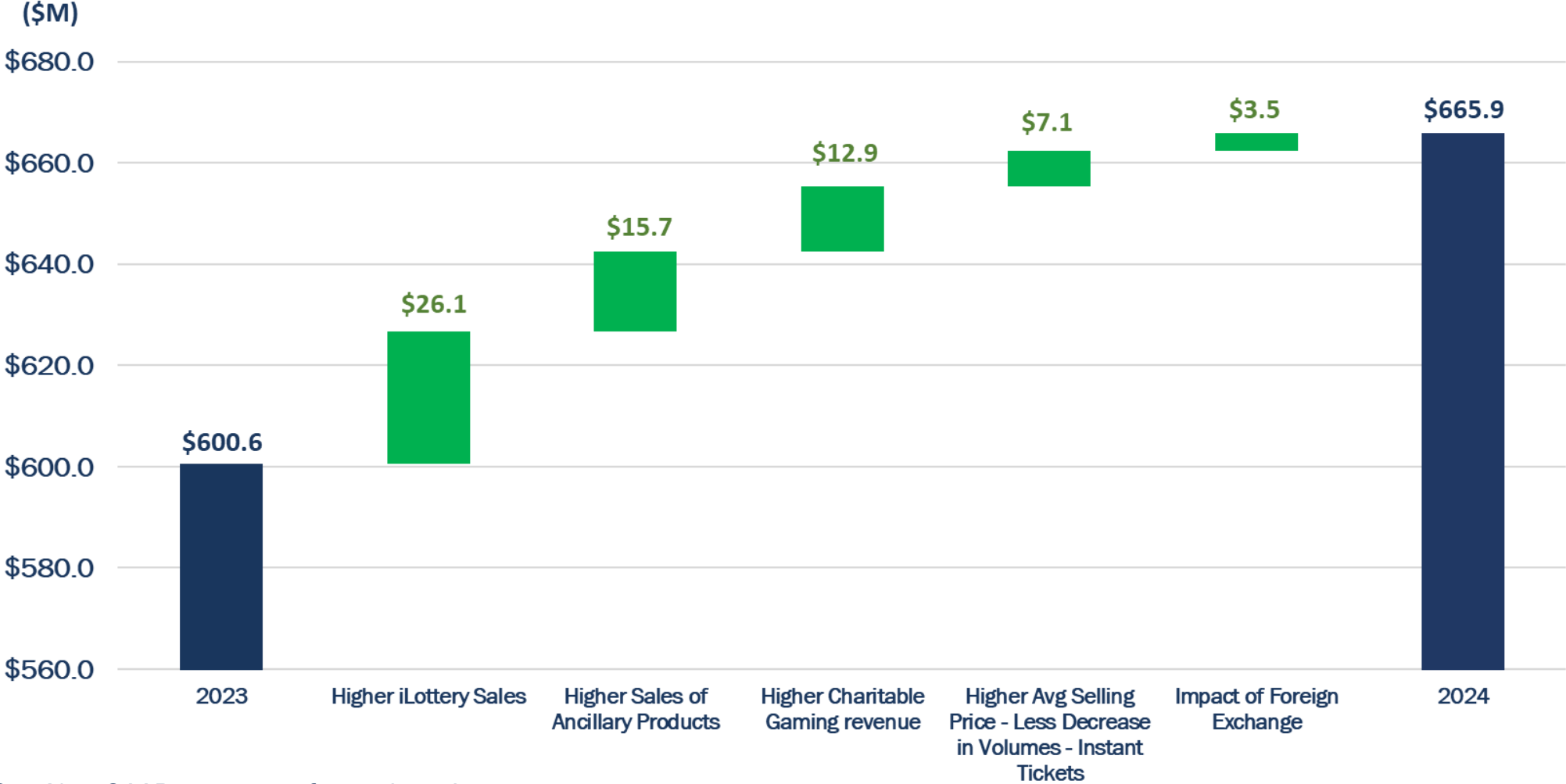
Fiscal Combined Sales⁽¹⁾



Annual sales adjusted to 2024 average rate of \$1.36 CDN per USD

(1) See Non-GAAP measures for explanation

Fiscal 2024 Combined Sales⁽¹⁾



(1) See Non-GAAP measures for explanation

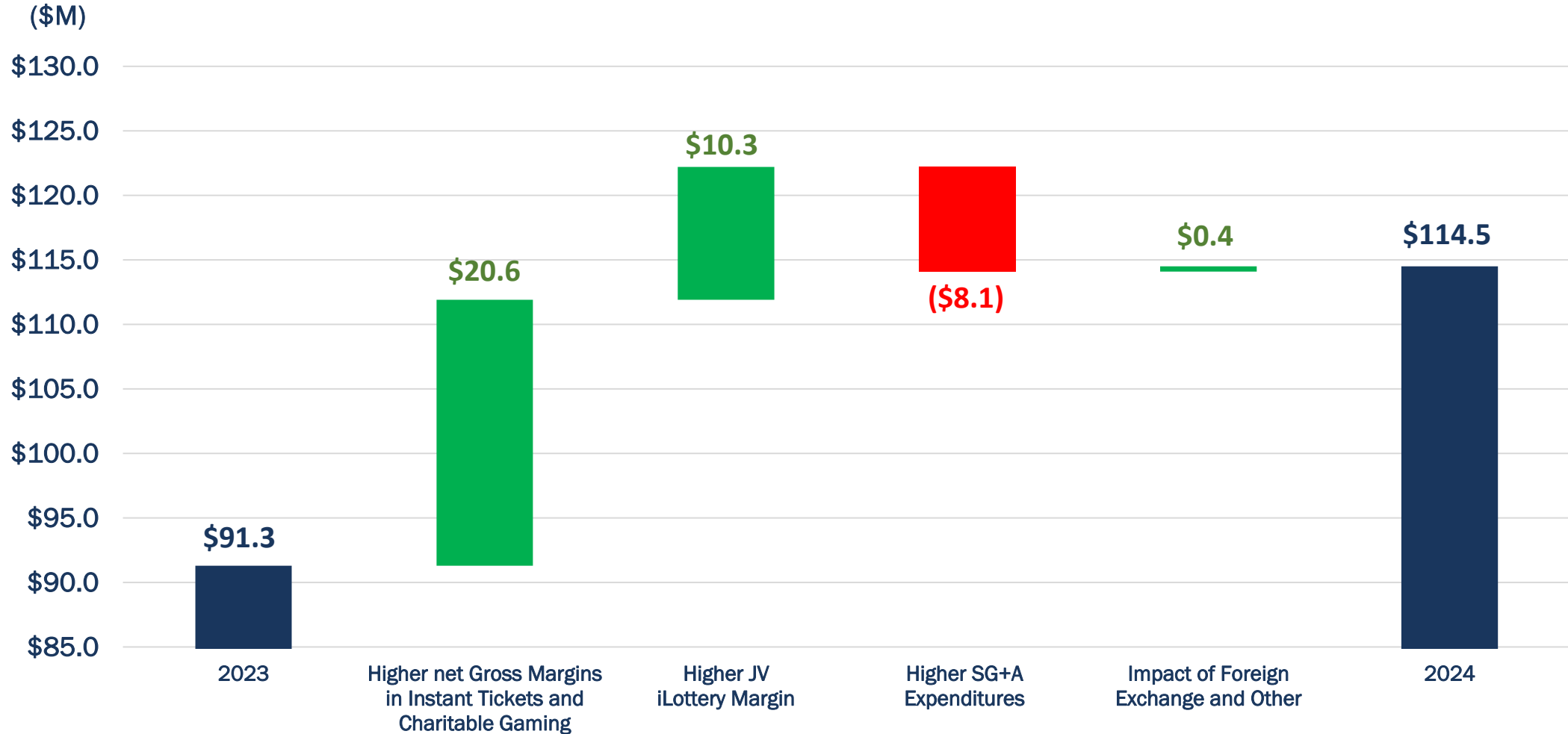
Adjusted EBITDA⁽¹⁾



*Adjusted EBITDA prior to 2019 not including impact of IFRS 16

(1) See Non-GAAP measures for explanation

2024 Adjusted EBITDA⁽¹⁾



(1) See Non-GAAP measures for explanation

Strong Cashflow

(\$M)	2019	2020	2021	2022	2023	2024
Cash Flow before CAPEX & W/C	\$47.8	\$72.5	\$59.9	\$69.6	\$55.0	\$72.2
Change in Working Capital	(\$22.5)	(\$11.0)	\$9.2	(\$15.4)	\$9.7	\$1.7
Net Cash Flow before CAPEX (subtotal)	\$25.3	\$61.5	\$69.1	\$54.2	\$64.7	\$73.9
CAPEX	(\$25.8)	(\$18.9)	(\$34.8)	(\$33.2)	(\$38.1)	(\$54.1)
Net Operating Cash Flow less CAPEX (b4 dividend, debt repayment & acquisitions)*	(\$0.5)	\$42.6	\$34.3	\$21.0	\$26.6	\$19.8

*Source: 2024 PBL Statement of Cash Flow



Thank you for your time and
your attention today.

FOR MORE INFORMATION CONTACT:

Doug Pollard

Co-Chief Executive Officer

Telephone: (204) 474-2323

E-mail: dpollard@pbl.ca

John Pollard

Co-Chief Executive Officer

Telephone: (204) 474-2323

E-mail: jpollard@pbl.ca

Rob Rose

Chief Financial Officer

Telephone: (204) 474-2323

E-mail: rrose@pbl.ca

APPENDIX

Adjusted EBITDA⁽¹⁾ Reconciliation

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net income	\$1.8	\$3.1	\$6.5	\$5.4	\$8.7	\$7.5	\$12.3	\$16.8	\$14.9	\$22.0	\$33.3	\$19.7	\$19.3	\$31.4	\$35.2
Adjustments:															
Amortization & depreciation	\$8.6	\$8.4	\$7.8	\$8.6	\$7.9	\$8.4	\$10.6	\$13.1	\$18.0	\$27.1	\$31.5	\$39.5	\$41.0	\$45.0	\$44.3
Interest	\$5.2	\$4.4	\$3.4	\$3.4	\$2.9	\$2.9	\$3.6	\$3.9	\$4.2	\$6.4	\$4.8	\$5.0	\$8.3	\$10.5	\$10.3
Income taxes	\$1.9	\$1.7	\$2.3	\$3.9	\$3.7	\$4.7	\$4.8	\$7.2	\$5.9	\$7.0	\$12.8	\$7.4	\$2.9	\$6.1	\$16.9
EBITDA	\$17.5	\$17.6	\$20.0	\$21.3	\$23.2	\$23.5	\$31.3	\$41.0	\$43.0	\$62.5	\$82.4	\$71.6	\$71.5	\$93.0	\$106.7
Unrealized foreign exchange	(\$1.2)	\$3.8	(\$0.1)	\$1.0	\$1.7	\$3.8	(\$1.6)	(\$1.4)	\$4.6	(\$3.3)	(\$1.9)	\$0.3	\$4.4	\$2.0	\$6.7
Acquisition costs								\$2.7	\$0.8	\$1.2	\$2.2	\$1.0			\$0.3
Severance costs								\$1.7	\$0.4						\$1.3
Contingent consideration fair value adjustments											(2.1)	\$9.6			(0.5)
Other	\$1.9	\$1.2		\$0.4	\$0.7	(\$0.5)				(\$0.2)		\$1.5	\$4.6	\$0.3	
Adjusted EBITDA	\$18.2	\$22.6	\$19.9	\$22.7	\$25.6	\$26.8	\$29.7	\$44.0	\$48.8	\$60.2	\$80.6	\$84.0	\$80.5	\$91.3	\$114.5

Note: pre-2019 EBITDA and Adjusted EBITDA does not include the impact of IFRS 16

(1) See Non-GAAP measure for explanation