

DEFINING THE FUTURE OF LOTTERY

QUARTERLY STATEMENT
1 JANUARY – 31 MARCH 2026

ZEAL



Q 1 2026 AT A GLANCE

€ **54.3** m

Revenue, total

(Q 1 2025: €51.1m) + 6%

€ **15.5** m

EBITDA, total

(Q 1 2025: €17.7m) - 13%

1,575 k

Active lottery customers per month

(Q 1 2025: 1,507k) + 5%

17.8 %

Gross margin, lotteries

(Q 1 2025: 17.1%) + 0.8pp

CONTINUED GROWTH IN A CHALLENGING JACKPOT ENVIRONMENT

- ☆ Further increases in revenue and customer base
- ☆ Gross margin improved once again
- ☆ EBITDA impacted by measures to boost growth
- ☆ Targeted expansion of charity lottery offerings with 'Traumautoverlosung'

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BUSINESS REVIEW AND ECONOMIC POSITION

Summary of the Interim Consolidated Income Statement

IN € THOUSAND	Q 1 2026	Q 1 2025	Change
Revenue	54,294	51,131	6%
Other operating income	233	327	-29%
Personnel expenses	-10,149	-8,360	21%
Other operating expenses	-28,871	-25,358	14%
Marketing expenses	-17,611	-15,548	13%
Direct operating expenses	-5,795	-4,868	19%
Indirect operating expenses	-5,465	-4,942	11%
Exchange rate differences	-23	-9	154%
EBITDA	15,485	17,732	-13%
Amortisation and depreciation	-2,370	-2,131	11%
EBIT	13,115	15,601	-16%
Financial result	-671	-1,345	-50%
Share of loss from associates	-274	-272	1%
Net profit before taxes	12,170	13,984	-13%
Income taxes	-3,866	-4,151	-7%
Net profit	8,304	9,833	-16%
Earnings per share for profit attributable to shareholders of the parent company			
Basic and diluted earnings per share (in €/share)	0.39	0.47	-17%
Other KPIs			
Number of new registered customers (thousand), Germany segment	274	247	11%
CPL (€), Germany segment	53.80	48.50	11%

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QUARTERLY STATEMENT
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Q 1 2026
AT A GLANCE

**BUSINESS REVIEW AND
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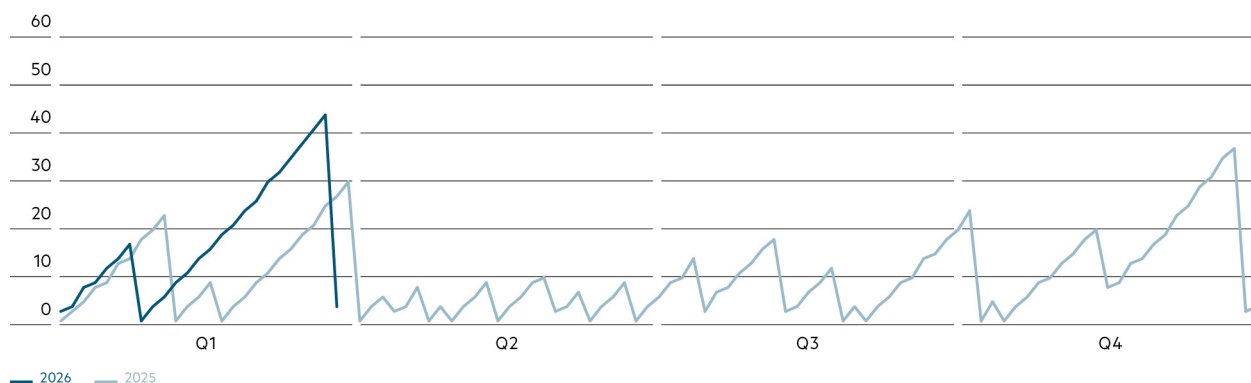
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WEAK JACKPOT DEVELOPMENT IN FIRST QUARTER

As in the previous year, neither the 'LOTTO 6aus49' lottery nor the 'Eurojackpot' lottery reached its respective maximum level during the first three months of 2026. All in all, the jackpot environment at the beginning of the year was more subdued than in the same period last year. In the case of the 'Eurojackpot' lottery, the average jackpot level of €34.1 million was far below the corresponding prior-year figure of €49.2 million, while the highest jackpot of €73.0 million fell well short of the maximum jackpot amount of €120 million. In the case of the 'LOTTO 6aus49' lottery, the jackpot rose to €44.0 million, while the average jackpot level of €17.7 million was above the prior-year figure of €12.2 million.

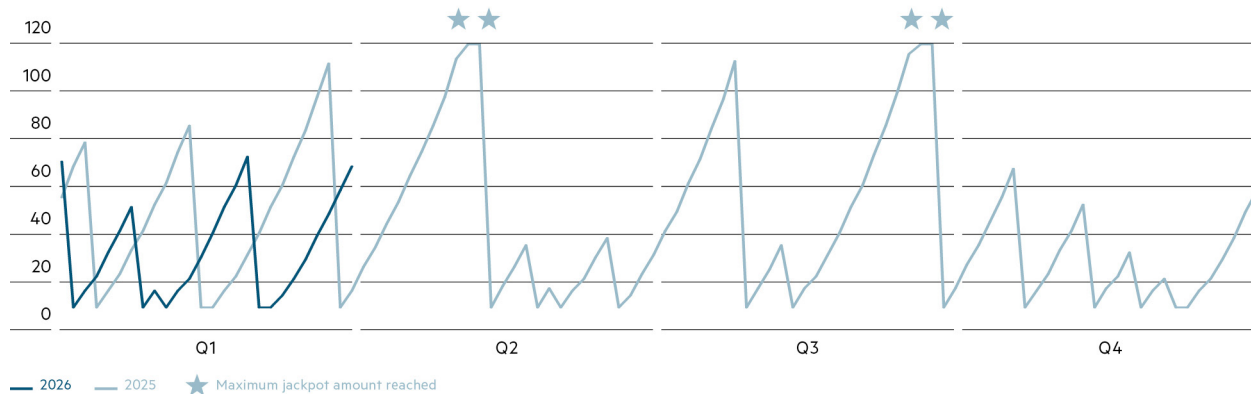
Jackpot development: 'Lotto 6aus49'

IN € MILLION



Jackpot development: 'Eurojackpot'

IN € MILLION



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GROUP'S EARNINGS POSITION

In the first quarter of 2026, revenue rose by 6% (€3,162 thousand) to €54,294 thousand. The main driver of this growth was the Lotteries segment, where revenue rose by €2,483 thousand. This was primarily attributable to the continued growth of our lottery business (5%), aided by an improved gross margin. This development reflects, in particular, the growing impact of the diversification of our product portfolio, as well as further positive momentum from the price adjustment in June 2024 following the renewal of subscriptions. Despite a more subdued jackpot environment, customer activity also increased compared to the first quarter of 2025. Moreover, we continued to grow our Games business: revenue rose by 14% (€485 thousand) to €3,888 thousand. This was primarily driven by the increased average number of our monthly active users (MAU), which rose by 34% year-on-year to 35 thousand.

Compared to the same period last year, personnel expenses increased by 21% (€1,789 thousand). This trend was primarily attributable to the growth in average headcount (FTEs, excluding students and temporary staff) from 240 to 305 (+27%), especially in connection with the expansion of new business fields. In the same quarter last year, there were also one-off effects in connection with the departure of executives.

In the first quarter of 2026, other operating expenses rose by 14% (€3,513 thousand):

- › Marketing expenses increased by 13% (€2,063 thousand). Despite a weaker jackpot environment compared with the first quarter of 2025, we deliberately stepped up our marketing activities and succeeded in attracting 274 thousand new customers, an increase of 11% on the previous year (2025: 247 thousand). As a result, our cost per lead (CPL) rose by 11% to €53.80.
- › Direct operating expenses rose by 19% (€927 thousand) and thus more strongly than customer payments (year-on-year growth of 2%). The rise was mainly attributable to a 24% rise (€457 thousand) in payment processing costs resulting from increased use of PayPal, as well as to a 79% increase (€208 thousand) in customer identification expenses due to the growth of our customer base and more rigorous verification measures. In addition, the growth of our Games business led to a 25% increase (€132 thousand) in commission expenses for external developers.
- › Indirect operating expenses rose by 11% (€523 thousand), mainly driven by an increase of €268 thousand in travel, training and entertainment costs, as well as an increase of €208 thousand in expenses for the acquisition of houses, including fixtures and fittings, to be raffled off as prizes for our charity lottery 'Traumhausverlosung'.

In the first quarter of 2026, our EBITDA margin declined from 34.7% to 28.5%, while EBITDA fell by 13% to €15,485 thousand. This development is mainly attributable to the targeted expansion of headcount in line with the diversification of our offerings, as well as to intensified marketing activities aimed at broadening our customer base.

The financial result improved by €674 thousand to €-671 thousand. This was primarily due to lower interest expenses on loan agreements totalling €100 million, resulting from reduced outstanding debt and lower interest rates, as well as positive effects from the valuation of interest rate hedges.

The tax expense of €3,866 thousand in the first quarter of 2026 resulted mainly from the taxation of our German operations, based on an unchanged average tax rate of 32.28%.

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Due to the targeted expansion and diversification of our offerings, as well as measures to gain new customers, net profit amounted to €8,304 thousand and was thus €1,529 thousand below the prior-year figure.

DEVELOPMENT OF THE LOTTERIES SEGMENT

Lotteries segment

IN € THOUSAND	Q 1 2026	Q 1 2025	Change
Condensed income statement			
Revenue	48,740	46,257	5%
thereof from lotteries	47,804	45,238	6%
thereof from other	936	1,019	-8%
Personnel expenses	-8,771	-7,407	18%
Other operating expenses	-26,749	-23,567	14%
thereof marketing expenses	-16,943	-14,996	13%
EBITDA	13,427	15,561	-14%
Financial and other KPIs			
Billings (€ thousand)	267,986	264,732	1%
Gross margin (%)	17.8%	17.1%	+0.8pp
MAU (thousand)	1,575	1,507	5%
ABPU (€)	56.72	58.57	-3%
ARPU (€)	10.12	10.01	1%

Revenue from lotteries grew by 6% to €47,804 thousand in the reporting period. The increase is mainly attributable to the following factors:

- › An increase in the gross margin from 17.1% to 17.8%: this was mainly due to the growing impact of the diversification of our product portfolio, as well as continued positive effects from the price adjustment in June 2024.
- › A 5% increase in MAU: despite a weaker jackpot situation compared with the first quarter of 2025, we were able to increase customer activity.

There was an opposing effect from a 3% decline in average monthly billings per user (ABPU), due mainly to the weaker jackpot situation compared to the previous year.

The decline in EBITDA for the Lotteries segment of 14% to €13,427 thousand resulted mainly from an increase in headcount in connection with the addition of new lottery products: since the first quarter of 2025, we have continued our strategy of supplementing our traditional brokerage business with our own products – significantly expanding ‘Traumhausverlosung’ (‘Dream House Draw’) and preparing for the launch of our new charity lottery ‘Traumautoverlosung’ (‘Dream Car Draw’). Moreover, we have stepped up our marketing activities in the Lotteries segment, which had a short-term negative impact on EBITDA.

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DEVELOPMENT OF THE GAMES SEGMENT

Games segment

IN € THOUSAND	Q 1 2026	Q 1 2025	Change
Condensed income statement			
Revenue	3,888	3,402	14%
Personnel expenses	-791	-573	38%
Other operating expenses	-1,540	-1,313	17%
thereof marketing expenses	-133	-161	-17%
EBITDA	1,561	1,557	0%
Financial and other KPIs			
Billings (€ thousand)	51,330	45,480	13%
Gross margin (%)	7.6%	7.5%	+0.1pp
MAU (thousand)	35	26	34%
ABPU (€)	493.96	586.70	-16%
ARPU (€)	37.41	43.89	-15%

In the first quarter of 2026, revenue from our Games business rose by €485 thousand, corresponding to growth of 14%. We have now expanded our games portfolio in the B2C sector to more than 740 titles and significantly increased our MAU by 34% to 35 thousand. By contrast, average revenue per user (ARPU) fell by 15% to €37.41.

EBITDA remained stable compared to the first quarter of 2025. The positive impact on earnings from the growth of our Games business offset the 38% increase in personnel expenses caused by the hiring of new staff.

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DEVELOPMENT OF ALL OTHER SEGMENTS

Other segment

IN € THOUSAND	Q 1 2026	Q 1 2025	Change
Revenue	1,666	1,472	13%
Personnel expenses	-587	-380	55%
Other operating expenses	-582	-479	22%
thereof marketing expenses	-535	-391	37%
EBITDA	497	613	-19%

In the Other segment, revenue rose by 13% to €1,666 thousand. At the same time, personnel expenses and other operating expenses increased, primarily due to higher marketing expenses. As a result, EBITDA fell by 19% to €497 thousand.

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FINANCIAL AND ASSET POSITION

The following table presents a condensed interim consolidated statement of cash flows:

IN € THOUSAND	Q 1 2026	Q 1 2025
Main cash flows		
Cash inflow from operating activities	-962	-415
Cash inflow/outflow from investing activities	-111	-185
Cash outflow from financing activities	-2,516	-1,800
Other changes in available funds	-	-4
Total change in available funds	-3,589	-2,404
Available funds at the beginning of the period	118,608	114,916
Available funds at the end of the period	115,019	112,512

In the first quarter of 2026, cash and cash equivalents declined by €3,589 thousand. Cash outflow from operating activities amounted to €962 thousand in the reporting period (2025: €415 thousand). Based on EBITDA of €15,485 thousand (down €2,247 thousand on the prior-year figure), operating cash flow was negatively impacted in particular by the following factors:

- › Decrease in trade payables of €8,259 thousand.
- › Decrease in liabilities from gaming operations of €4,178 thousand.
- › Payment of variable remuneration of €3,013 thousand, for which a provision was formed in the previous year.
- › Income tax payments of €2,190 thousand.
- › Interest payments of €910 thousand.

These effects were partially offset by a decrease in other financial assets of €4,578 thousand.

Cash outflow from investing activities amounted to €111 thousand in the first quarter of 2026 (2025: €185 thousand). This was primarily attributable to payments for the acquisition of property, plant and equipment amounting to €181 thousand (2025: €288 thousand), which were partially offset by dividends received from investments of €70 thousand (2025: €103 thousand).

Cash outflow from financing activities amounted to €2,516 thousand (2025: €1,800 thousand) and resulted mainly from the redemption of long-term bank loans of €2,632 thousand (2025: €1,316 thousand).

As of 31 March 2026, equity capital amounted to €239.3 million (end of 2025: €230.5 million), corresponding to an equity ratio of 53.8%. There were no other significant changes in our financial position and performance.

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FORECAST, RISK AND OPPORTUNITY REPORT

There have been no changes in our assessment of the expected development with its material risks and opportunities compared to the Group Management Report 2025.



SELECTED FINANCIAL INFORMATION

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS IN € THOUSAND	31 March 2026	31 December 2025
Property, plant and equipment	1,780	1,718
Right of use assets	1,169	1,349
Goodwill	158,585	158,585
Intangible assets	103,829	105,847
Other investments	16,930	16,800
Shares in associated companies	1,623	1,898
Other financial assets	365	102
Total non-current assets	284,282	286,298
Income tax receivables	168	168
Trade receivables	3,408	3,722
Inventories	6,712	6,752
Prepaid expenses	4,152	3,813
Other financial assets	29,769	34,347
Other assets	1,107	551
Cash and cash equivalents	115,019	118,608
Total current assets	160,335	167,960
ASSETS	444,617	454,259

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EQUITY & LIABILITIES IN € THOUSAND	31 March 2026	31 December 2025
Deferred tax liabilities	25,718	26,166
Interest-bearing loans	73,417	76,020
Other financial liabilities	5,292	5,392
Provisions	3,532	4,949
Lease liabilities	551	745
Total non-current liabilities	108,510	113,273
Trade payables	9,320	17,579
Interest-bearing loans	10,526	10,526
Other financial liabilities	46,311	51,352
Other liabilities	12,764	14,337
Income tax liabilities	15,176	12,891
Provisions	1,972	3,008
Lease liabilities	781	786
Total current liabilities	96,850	110,479
Subscribed capital	21,682	21,682
Capital reserves	174,842	174,808
Treasury shares	-25,310	-25,592
Other reserves	11,693	11,563
Retained earnings	56,350	48,046
Equity attributable to shareholders of the parent company	239,257	230,508
Total equity	239,257	230,508
EQUITY & LIABILITIES	444,617	454,259

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INTERIM CONSOLIDATED CASH FLOW STATEMENT

IN € THOUSAND	Q 1 2026	Q 1 2025
Net profit before taxes	12,170	13,984
Adjustments for		
Amortisation/depreciation	2,190	1,974
Depreciation of right-of-use assets	180	157
Share of loss from associates	274	272
Other income from financial activities	-74	-41
Expenses from financial activities – from lease liabilities	13	19
Other expenses from financial activities	996	1,410
Adjustment of fair values of financial instruments	-263	63
Translation differences	2	9
Other non-cash income/expenses	42	-156
Changes in		
Trade receivables	313	2,062
Prepaid expenses	-339	-1,920
Inventories	40	-1,830
Other financial assets	4,578	-584
Other assets	-555	-214
Trade payables	-8,259	-4,624
Other financial liabilities	-5,142	-3,943
Other liabilities	-1,573	-2,620
Provisions	-2,453	-1,753
Interest received	–	4
Interest paid	-910	-574
Income taxes paid	-2,190	-2,108
Cash inflow from operating activities	-962	-415

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IN € THOUSAND	Q 1 2026	Q 1 2025
Payments for the acquisition of property, plant and equipment	-181	-288
Dividends received	70	103
Cash inflow/outflow from investing activities	-111	-185
Payments for the repayment portion of lease liabilities	-199	-484
Receipts from the sale of treasury shares	315	-
Payments for the redemption of loans	-2,632	-1,316
Net cash inflow/outflow from financing activities	-2,516	-1,800
Net increase/decrease in cash and cash equivalents	-3,589	-2,400
Exchange rate-related changes in cash and cash equivalents	-	-4
Available funds at the beginning of the period	118,608	114,916
Available funds at the end of the period	115,019	112,512

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NOTES

Definitions of the financial measurements and indicators disclosed in this Quarterly Statement can be found in the ‘Management System’ section of the Group Management Report on pages 23 to 24 of the Annual Report 2025.

In the fourth quarter of the fiscal year 2025, internal reporting was adjusted. The previous Germany segment was divided into the Lotteries and Games segments, which are based on ZEAL’s products and services. Due to its development and growing importance for ZEAL, the ‘Games’ segment is now reported as a separate segment. Business activities which do not require separate reporting continue to be pooled in the Other segment. The comparative prior-year figures have been adjusted accordingly.

Unless otherwise stated, the term ‘2025’ or ‘Q 1 2025’ used throughout this Quarterly Statement refers to the same period of the previous year (in other words, the first three months of 2025).

Quarterly statements under section 53 of the Frankfurt Stock Exchange Regulations (BörsO) are not subject to an audit review, nor are they audited in accordance with section 317 of the German Commercial Code (HGB).

This Quarterly Statement contains forward-looking statements based on current plans, estimates and forecasts. Forward-looking statements are subject to risks and uncertainties. Actual results, events and developments may differ materially and adversely from those expressed in the forward-looking statements. ZEAL undertakes no obligation and does not intend to update any forward-looking statements after the publication of this Quarterly Statement.

FINANCIAL CALENDAR

20 May 2026	Annual General Meeting
5 August 2026	Publication of Half-Yearly Report
4 November 2026	Publication of Quarterly Statement Q 1-3 2026

PICTURE CREDITS

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