

Solid performance in H1 2024 2024 targets confirmed

- **Revenue of €1,428 million, up 11% compared with the first half of 2023 and up 5% on a like-for-like basis¹**
 - Revenue of gaming activities in France² up 7% to €1,299 million
 - Lottery revenue up 5% to €1,005 million, thanks to a good performance from instant games and draw games
 - Sharp rise in sports betting and online gaming open to competition, up 15% to €294 million, boosted by sports results exceptionally favourable for FDJ
 - Very sharp rise in digital revenue to €201 million, up 40% when including the acquisitions of PLI and ZEturf, and up 25% on a like-for-like basis. This performance is still largely attributable to the increase in the number of players and takes the digital share of revenue to 15%. Point-of-sale revenue up 8% and up 3% in France
- **Recurring EBITDA of €370 million, up 23%, giving a margin of 25.9%** which benefits from the exceptional effect of high sports betting margin
- **Adjusted net profit³ up 28% to €235 million:** Continued high level of net financial income
- **2024 targets confirmed:** Revenue growth of around 8% for the Group and around 5% for gaming activities in France. Recurring EBITDA margin of around 24.5%.

Boulogne-Billancourt (France), 25 July 2024 (5:45 p.m.) - La Française des Jeux (FDJ), France's leading gaming operator, announces its revenue and results for the first half of 2024.

Stéphane Pallez, Chairwoman and CEO of the FDJ Group, said: "The second quarter confirmed the positive trend seen since the beginning of the year thanks to our network of points of sale and to a very strong momentum from digital games, which now account for 15% of Group revenue. This solid performance confirms our annual targets. In addition, we hope to finalise the acquisition project of Kindred in the near future, thereby marking a major new step in the Group's development, both internationally and in our online sports betting and gaming activity, to the benefit of all our stakeholders."

¹ Excluding the contribution of PLI and ZEturf over 2024, and Sporting's B2C over 2023.

² Lottery and sports betting under exclusive rights and online betting and gaming open to competition.

³ See note** on next page.

Key figures (in € millions)

	H1 2024	H1 2023	Change
Revenue*	1,428	1,289	+10.8%
Recurring operating profit	285	240	+19.0%
Net profit	213	181	+17.5%
Adjusted net profit**	235	183	+28.3%
Recurring EBITDA***	370	300	+23.5%
Recurring EBITDA margin / revenue	25.9%	23.3%	

* Revenue: net gaming revenue and revenue from other activities

** Adjusted net profit: With effect from the publication of the 2024 half-yearly financial statements, FDJ is introducing a new indicator to reflect the Group's actual economic performance and enable it to be monitored and compared with its competitors. The Group has decided to adjust consolidated net profit to eliminate the following items:

- depreciation and amortisation of intangible and tangible assets, recognised or revalued when allocating the purchase price of business combinations
- the non-cash impact of the currency hedge relating to acquisitions, which is recognised under other non-recurring operating expenses
- and changes in deferred tax resulting from these items

*** Recurring EBITDA: recurring operating profit/(loss) adjusted for depreciation and amortisation expense

Highlights of the first half

✓ **Renewal of Stéphane Pallez's term of office as Chairwoman and CEO**

The Board of Directors of the FDJ Group has approved the reappointment of Stéphane Pallez as Chairwoman and CEO for a four-year term. This reappointment is part of the renewal of Stéphane Pallez's term of office as director, which was put to the vote of FDJ shareholders at the Annual General Meeting on 25 April and approved by 94.2% of the votes cast.

✓ **Public tender offer for Kindred**

On 20 February 2024, the tender offer for Kindred was opened for a maximum period of 39 weeks. The completion of the takeover is subject in particular to obtaining regulatory authorisations and the acquisition by FDJ of at least 90% of Kindred's share capital.

At this stage, the authorisation decision of the French Competition Authority (ADLC) is the last regulatory condition necessary to finalise this offer.

On 14 May, FDJ notified the ADLC of its acquisition project of the Kindred group by means of a tender offer. Following comments from third parties and questions from the market, FDJ proposed adjustments to the commitments it made in 2023 in connection with the acquisition of ZEturf, relating to the separation of activities under exclusive rights from those open to competition.

The Group estimates⁴ that it would have recorded combined revenue of around €3.5 billion and combined recurring EBITDA of around €840 million for the full 2023 financial year if Kindred had been acquired on 1 January 2023, and combined revenue of €1.9 billion and

⁴ FDJ has estimated the combined revenue and EBITDA for the 2023 financial year and for the first half of 2024 in order to illustrate the significant effects that the Kindred acquisition would have had on the FDJ Group if it had occurred on 1 January 2023 and 1 January 2024, respectively, and on the basis of the scope that would effectively be retained by FDJ. This scope was announced on 22 January 2024, with the planned exit of Norway and other .com sites, unless there is a clear opportunity for a local licence (for example, in Finland, where a draft bill aims to introduce a licensing system for online betting, online slot machines and casino games by early 2027). Kindred has also announced its gradual exit from the US market, to be completed by the end of the first half of 2024. As Kindred has not published any financial information on those markets in the scope of consolidation that the Group has announced it will not retain, FDJ has estimated Kindred's revenue and EBITDA in this consolidation scope for the 2023 financial year and for the first half of 2024 without taking into account potential synergies and exit costs and using a consistent presentation of revenue. The average EUR/GBP rate used is 0,865675 for 2023 and 0,854647 for the 1st half of 2024.

combined recurring EBITDA of around €490 million for the first half of 2024 if Kindred had been acquired on 1 January 2024.

✓ **Cancellation of 3% of FDJ's share capital following the French Court of Cassation's ruling in favour of the FDJ Group in its dispute with Soficoma**

This decision by the Court of Cassation results in the cancellation of 5,730,000 FDJ shares and the corresponding reduction in FDJ's share capital, which now stands at 185,270,000 shares.

✓ **Payment & Services: launch of Nirio Premio and a free-flow motorway toll payment service**

- At the end of April, Nirio, FDJ Services' payment solution, launched Nirio Premio, an offer combining an account domiciled in France and a payment card, as well as budget management tools.
- Since the end of June, Nirio can also be used for free-flow motorway toll payments, in cash or by card, in the network of approved bars, tobacconists and newsagents. This payment is now available to customers on the A14 and A79 motorways.

✓ **Sustained social commitment in favour of responsible gaming, inclusion and the environment**

- Initiatives to prevent underage and excessive gambling have been stepped up, with convincing results
 - The proportion of gross gaming revenue from online lottery generated by high-risk players is 1.6%⁵, compared with 1.8% at the end of December 2023, which is below the 2025 target of less than 2%.
 - The Group, which devotes 10% of its annual advertising spend to preventing underage and excessive gambling, runs campaigns reminding people that gambling is prohibited for minors and that it is important to set limits to ensure that this practice remains recreational.
 - As with every major sporting event, FDJ stepped up its prevention activities for the UEFA European Football Championship, notably by increasing dedicated TV campaigns. In addition, almost 1,500 awareness-raising calls were made to sports betting players before and during the Euro.
- "Héritage 2024": the FDJ Foundation supports two inclusion and education projects for a total of €3 million
 - The FDJ Corporate Foundation is supporting two new projects as part of its "Héritage 2024" call for major projects, for a total of €3 million. The first, "ETRE et devenir", trains young people who have dropped out of school for careers in the ecological transition. The second, "La récré sportive 100% inclusion", develops sporting activities for vulnerable children.
- A recognised commitment to reducing its carbon footprint
 - For the third consecutive year, FDJ obtained an "A" carbon score for the Vérité40 index established by the investment consultancy Axylia, comprised of the 40 best carbon scores of SBF 120 companies.
- Continuation of the Group's sponsorship of Office français de la biodiversité (OFB)
 - The FDJ Group has renewed its commitment to the French Office for Biodiversity with the signing of a new sponsorship agreement providing for support of €700,000 over two years. FDJ is keen to continue its commitment as a "Major Sponsor" of the OFB by supporting three new biodiversity conservation projects in France and the French Overseas Territories.

⁵ At the end of June 2024, over a rolling 12-month period.

First-half activity and results

Gross gaming revenue (GGR) for the first half of 2024 was €3,660 million, an increase of 11.1%. After €2,304 million in public levies, net gaming revenue (NGR) rose by 11.3% to €1,356 million.

After taking account of €72 million in revenue from other activities, the Group's first half revenue came to €1,428 million, an increase of 10.8%, or +4.7% on a like-for-like basis.

Revenue (€m)	H1 2024	H1 2023	Change €m	Change %	of which on a like-for- like basis
Lottery	1,005	958	+48	+5.0%	+5.0%
Sports betting and online gaming open to competition	294	257	+37	+14.5%	+6.7%
International and Payment & Services	129	75	+54	+72.9%	-5.8%
Group total	1,428	1,289	+139	+10.8%	+4.7%

Revenue of €1,428 million, up 10.8% and up 4.7% on a like-for-like basis

- Gaming revenue in France rose by 7.0% to €1,299 million.
 - Lottery revenue was €1,005 million, a rise of 5.0% and 7.8% excluding Amigo. Digital momentum remains very strong, up 24.4% in the first half, taking the lottery's digital penetration to 13.8% compared with 11.6% in H1 2023.

Revenue from instant games rose by 6.7%, buoyed by the success of events in the games portfolio such as the launch of Ticket d'Or (€5) in early January and the phygital game Maxi Black Jack (€5) in May.

Revenue from draw games was up by 2.1%, and by 9.8% excluding Amigo. This performance was driven in particular by EuroDreams and more attractive Euromillions jackpots than in H1 2023, while Amigo returned to growth at the beginning of June.
 - Revenue from sports betting and online gaming open to competition was €294 million, up 14.5% from H1 2023, and up 6.7% on a like-for-like basis .

The first quarter performance had been affected by the high comparison basis of the first quarter of 2023, which had benefited in particular from the very positive impact of the football World Cup at the end of 2022. In the second quarter, betting on the Euro football championship fell short of expectations, but revenue was boosted by results that defied the odds and therefore played in the operator's favour. Online business continued to enjoy sustained growth, up 28.3% on a like-for-like basis. This performance reflects the intrinsic dynamism of ParionsSport en ligne, which is also benefiting from the attractiveness of poker, with a high level of cross-selling. Horse-race betting was stable, in line with the performance of the market and on a par with the end of 2023.
- Revenue from other activities (International and Payment & Services) came to €129 million, compared with €75 million in the first half of 2023, an increase attributable to the integration of PLI, which performed well, driven in particular by EuroDreams and instant games.

- By distribution channel:
 - Digital revenue has risen sharply, by 39.8% when including the acquisitions of PLI and ZEturf, and by 25.1% on a like-for-like basis. This growth was driven both by sports betting and online gaming open to competition and by online lottery, which benefited from EuroDreams' very high level of digitalisation, as well as the attractiveness of instant games and the exclusive online offer. Digital revenue now accounts for 14.8% of total revenue compared with 11.8% in H1 2023. This performance is still largely attributable to the increase in the number of players.
 - Point-of-sale (PoS) revenue rose by 7.5%, mainly due to the integration of PLI. In France, point-of-sale revenue has risen by 2.6%.

- **Contribution margin by activity**

The Group's organisation is based on three operating segments: two Business Units (BUs), Lottery and Sports betting and online gaming open to competition, and the other activities, which bring together developing businesses (International, and Payment & Services), with cross-cutting support functions (notably customer, distribution and information systems), and the holding company, which mainly groups together central costs.

The contribution margin is one of the key performance indicators for these segments. It is the difference between the revenue of the operating segments and their cost of sales (including PoS commissions) and marketing and communication expenses (excluding depreciation/amortisation).

- **Lottery**

Lottery revenue was €1,005 million, a rise of 5.0%.

Cost of sales came to €536 million, up 1.8% (€9 million) compared with H1 2023. It mainly comprises PoS commissions of €397 million, an increase of 1.0% in line with the network's activity over the period. Marketing and communication expenses rose by 5.7% to €86 million.

The Lottery BU's contribution margin came to €383 million, representing a margin on revenue of 38.1%, compared with 36.4% in H1 2023.

- **Sports betting and online gaming open to competition**

Revenue from sports betting and online gaming open to competition was €294 million, up 14.5% from H1 2023 and up 6.7% on a like-for-like basis.

Cost of sales came to €125 million, up 1.5% (€2 million) compared with H1 2023. This mainly corresponds to PoS commissions, which are in line with the network's stakes. Other sales costs rose slightly due to the integration of ZEturf. Marketing and communication expenses were €78 million. More than half of this 32.0% increase (€19 million) on the first half of 2023 is due to changes in consolidation scope.

The contribution margin of the Sports betting and online gaming open to competition BU was €91 million, representing a margin on revenue of 30.8% compared with 28.9% in H1 2023.

- **Other activities**

Other activities (International and Payment & Services) recorded revenue of €129 million, an increase attributable to PLI, for a contribution margin of €25 million.

- **Holding company**

Central costs came to €128 million, virtually unchanged from H1 2023.

Recurring operating profit of €285 million and recurring EBITDA of €370 million, giving a recurring EBITDA margin of 25.9%

Cost of sales came to €736 million, including €517 million in PoS commissions (+4.9%), based on an increase in offline stakes, driven in particular by the integration of PLI. The 5.4% rise in other sales costs to €219 million was due solely to changes in consolidation scope, mainly PLI.

Marketing and communication expenses include costs related to the development of the gaming and services offer, particularly digital offers and services, as well as advertising and communication costs. They totalled €270 million, up 21.3% and 5.3% on a like-for-like basis.

General and administrative expenses mainly include personnel expenses and operating costs for central corporate functions, as well as building and IT infrastructure costs. They totalled €115 million, down 2.8% compared with H1 2023.

Other operating income and expenses amounted to a €22 million net expense, mainly comprising the amortisation charge for exclusive operating rights to games in France and Ireland.

The Group's recurring operating profit accordingly amounted to €285 million, up 19.0% compared with H1 2023.

Recurring EBITDA corresponds to recurring operating profit adjusted for depreciation and amortisation. It came to €370 million, up 23.5% compared with H1 2023. Net depreciation and amortisation of tangible and intangible assets increased by €25 million to €85 million in H1 2024, mainly as a result of the €24 million depreciation of intangible assets recognised in connection with the acquisitions of PLI and ZEBet / ZEturf in 2023.

As such, the recurring EBITDA margin was 25.9% in H1 2024, compared with 23.3% in H1 2023.

Other non-recurring operating income and expenses amounted to a €21 million net expense, compared with a €14 million expense in H1 2023. They mainly include costs related to acquisitions and the impact of the revaluation of Sporting Group's B2B assets, which are in the process of being sold.

Operating profit for H1 2024 was €265 million, up 17.4% compared with H1 2023.

The high level of net financial income (€23 million in H1 2024 compared with €19 million in H1 2023) reflects the continuing high level of interest rates.

The Group's tax expense was €78 million, representing an effective tax rate of 26.9% for H1 2024 stable compared with H1 2023.

As such, consolidated net profit for H1 2024 amounted to €213 million, up 17.5% compared with H1 2023.

Adjusted net profit of €235 million, up 28.3% compared with €183 million for the first half of 2023

With effect from the publication of the 2024 half-yearly financial statements, FDJ is introducing a new indicator to reflect the Group's actual economic performance and enable it to be monitored and compared with its competitors.

The Group has decided to adjust consolidated net profit to eliminate the following items:

- Depreciation and amortisation of intangible and tangible assets, recognised or revalued when allocating the purchase price of business combinations;
- The non-cash impact of the currency hedge relating to the acquisition of Kindred Group, which is recognised under other non-recurring operating expenses;
- And changes in deferred tax resulting from these items.

As such, adjusted net profit for H1 2024 was €235 million, up 28.3% compared with €183 million for H1 2023.

Net cash surplus of €616 million at end June 2024

The net cash surplus is one of the indicators that represent the Group's net cash position⁶.

At 30 June 2024, the Group's net cash position amounted to €616 million. The change from €671 million at 31 December 2023 is mainly due to:

- Free cash flow of €346 million, after taking into account a working capital surplus of €60 million and investments in property, plant and equipment, intangibles and financial assets of €76 million;
- Partly offset by €329 million in dividends in respect of 2023 and €59 million in tax.

For information, the level of the net cash surplus at the end of June cannot be extrapolated to the end of December, as there are significant calendar effects on the payment of public levies, with, in particular, an advance payment on public levies in December.

2024 Outlook

In light of the performance of the first half and taking into account the integration of the ZEturf group and PLI at the end of 2023, respectively from 29 September and 3 November, FDJ is reiterating its 2024 objectives of around 8% growth in total Group revenue, and around 5% growth in revenue from gaming activities in France, with a recurring EBITDA margin of around 24.5%.

The Board of Directors of FDJ met on 25 July 2024 and examined the consolidated financial statements for the six months ended 30 June 2024, which were prepared under its responsibility.

The limited review procedures for the interim financial statements have been performed. The statutory auditors' limited review report is currently being issued.

The condensed interim consolidated financial statements and a financial presentation are available on the FDJ Group website:

<https://www.groupefdj.com/en/publications-and-results/>

Next financial communication

FDJ will publish its revenue for the nine months to the end of September on Thursday 17 October 2024 after close of trading.

About FDJ Group

France's leading gaming operator and one of the industry leaders worldwide, FDJ offers responsible gaming to the general public in the form of lottery games (draws and instant games), sports betting (through its ParionsSport point de vente et ParionsSport en ligne brands), horse-race betting and poker. FDJ's performance is driven by a large portfolio of iconic brands, the leading local sales network in France, a growing market, and recurring investments. The Group implements an innovative strategy to increase the attractiveness of its gaming and service offering across all distribution channels, by offering a responsible customer experience. FDJ Group is listed on the regulated market of Euronext Paris (Compartment A – FDJ.PA) and is part of the SBF 120, Euronext 100, Euronext Vigeo 20, EN EZ ESG L 80, STOXX Europe 600, MSCI Europe and FTSE Euro indices.

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⁶ This corresponds to non-current financial assets, current financial assets and cash and cash equivalents, net of non-current financial liabilities and current financial liabilities, less: current and non-current deposits and guarantees given; cash subject to restrictions; amounts allocated exclusively to Euromillions winners; non-consolidated securities, mainly comprised of units in venture capital funds (FDJ Ventures).

Consolidated income statement

In € million	30 June 2024	30 June 2023
Gross gaming revenue	3 660,2	3 295,0
Public levies	-2 304,2	-2 082,4
Structural allocations to counterparty funds	0,0	0,0
Produits - Spread Betting	0,0	5,0
Spread Betting - MTM	0,0	0,1
Other revenue from sports betting	0,0	5,1
Net gaming revenue	1 356,0	1 217,8
Revenue from other activities	72,3	71,2
Revenue	1 428,3	1 289,0
Cost of sales	-736,1	-700,8
Marketing and communication expenses	-270,2	-222,8
General and administrative expenses	-115,0	-118,4
Other recurring operating income	0,3	0,4
Other recurring operating expenses	-22,2	-7,7
Recurring operating profit	285,1	239,6
Other non recurring operating income	0,0	2,3
Other non recurring operating expenses	-20,6	-16,6
Operating profit	264,5	225,4
Cost of debt	-6,1	-7,5
Other financial income	36,6	35,2
Other financial expenses	-7,0	-9,0
Net financial income/(expense)	23,5	18,7
Share of net income for joint ventures	2,3	2,4
Profit before tax	290,3	246,5
Income tax expense	-77,6	-65,4
Net profit for the period	212,7	181,0
Attributable to :		
Owners of the parent	212,7	181,0
Non -controlling interests	0,0	0,0
Basic earnings per share (in €)	1,15	0,95
Diluted earnings per share (in €)	1,15	0,95

Segment reporting

In € million	30 June 2024						Total Group
	Lottery BU	Sports Betting & online gaming BU	Other segments	Holding company	Total before depreciation and amortisation	Depreciation and amortisation	
Gross gaming revenue	2 866	611	183	0	3 660		3 660
Net gaming revenue	1 002	290	64	0	1 356		1 356
Revenue	1 005	294	129	0	1 428		1 428
Contribution margin	383	91	25	-19	479	-57	422
General and administration expenses				-109	-109	-28	-137
Recurring EBITDA					370		
Depreciation and amortisation						-85	
Recurring operating profit							285

In € million	30 June 2023						Total Group
	Lottery BU	Sports Betting & online gaming BU	Other segments	Holding company	Total before depreciation and amortisation	Depreciation and amortisation	
Gross gaming revenue	2 759	536	1	0	3 295		3 295
Net gaming revenue	955	257	6	0	1 218		1 218
Revenue	958	257	74	0	1 289		1 289
Contribution margin	349	74	3	-16	409	-44	365
General and administration expenses				-110	-110	-16	-126
Recurring EBITDA					300		
Depreciation and amortisation						-60	
Recurring operating profit							240