



First Half-Year: solid income and financial structure New growth investments

- **Turnover: € 215.6 M (+15.2%)**
- **EBITDA : € 42.7 M compared to € 34.2 M at 1st HY 2022**
- **Net Income : € 18.8 M compared to € 24.6 M at 1st HY 2022**
- **Healthy financial situation : gearing 0.1x and leverage 0.5x**

Paris, 27th June 2023, 06:00 p.m. During its meeting held on the 27th June 2023 and after having reviewed the management report of Groupe Partouche Executive Board, the Supervisory Board examined the 1st Half-Year audited accounts 2022-2023 (November 2022 to April 2023).

Solid operational performance driven by the gradual return to normalization of the activity

Over the 1st HY of the financial year, Groupe Partouche continued to record good commercial and operational performance, confirming the return to normal activity since the lifting of the latest health measures in February (Switzerland) and March (France) 2022 according to the areas of implantation¹ which penalized the occupancy of the casinos. This trend thus confirms the momentum already recorded in the second half of the previous financial year.

Therefore, after taking into account several scope effects² over the period, Gross Gaming Revenue (GGR) came out with an increase of +17.6% to € 341.0 M and **turnover increased by +15.2% to € 215.6 M**.

The Group's EBITDA was up by + 24.6% at € 42.7 M (i.e. 19.8% of turnover) compared to € 34.2 M (18.3% of turnover) at 1st HY 2022.

The current operating income (COI) doubles at € 19.3 M, compared to € 9.7 M a year earlier, driven by the renewed dynamism in the casino sector whose COI reached € 27.0 M, compared to € 16.0 M at 1st HY 2022 (+ 69.2%) and especially due to:

- **the improvement in COI at the Casino of Aix-en-Provence**, which experienced its first normal half-year of activity since the end of the renovation works carried on in April 2019 (COI up to + € 2.1 M),
- **the excellent performance of online gaming in Switzerland**, whose COI is now close to equilibrium barely two years after its deployment (COI at - € 0.05 M in 2023 compared to - € 3.5 M in 2022).

These trends make **the Group confident in the strategy of ramping up the Middelkerke casino integrated in July 2022** (COI loss of € 2.5 M at this stage) from which the Group will launch, subject to the official obtaining of the required license, an online gaming activity in Belgium in partnership with the Betsson AB Group³.

At the same time, the COI of the hotels sector is in deficit by - € 2.3 M in the 1st HY 2023, against - € 1.8 m in 1st HY 2022, as well as the sector "Other" at - € 5.4 M, against - € 4.6 M.

Purchases & external expenses increase by € 10.0 M (+16.5%) reaching € 70.7 M, with particularly:

- an increase of € 4.4 M (+ 24.4%) of the purchase of materials, nearly half of which (€ 1.9 M) is mainly due to the rise in energy prices;
- an increase in advertising/marketing expenses of € 2.7 M (+23.8%) and fees of € 0.9 M (+8.4%) correlated with the dynamism of the activity and the marketing operations for the 50th anniversary of Groupe Partouche (in particular through the operations of free allocation of gaming "promotion credits", increasing by € 2.3 M);

¹ Lifting of the health measures on 13th March 2022 in France and on 16th February 2022 in Switzerland

² Addition of the Middelkerke casino (Belgium) on 1st July 2022, opened on 8th July 2022 after some works, sale of the stake in the Crans-Montana casino on 31st January 2022 and end of the Le Laurent restaurant concession as of 7th March 2022.

³ CF press release released on 15th June 2023 and available on www.groupepartouche.com/finance to read in parallel with that of Betsson <https://www.betssonab.com/en/press/betsson-acquires-sports-betting-and-gaming-operator-betfirst-belgium-and-enters-partnership>.

- a decrease of € 2.0 M (-32.0%) in advertising and marketing fees expenses related to the online gaming activity of the Meyrin casino.

Employees expenses reached € 87.4 M, up by € 5.5 M due to the increase in activity and employees (+ 2.8%)

Net income is a profit of € 18.8M compared to € 24.6 M at 30th April 2022. As a reminder, the latter benefited from a non-current operating income of € 17.5 M linked to the sale of the stake in the Swiss Crans-Montana casino for € 14.1 M and the resolution of old disputes against the Belgian State for € 3.4 M.

The net income at 1st HY 2023 takes into account the following items:

- a non-current operating income of € 0.7 M composed of the progress margin on the property development contract in La Grande Motte for € 0.2 M and the income from the disposal of two non-operational property assets in Contrexéville for € 0.5 M,
- a financial income of - € 1.5 M (compared to - € 1.3 M in 1HY 2022). The cost of financial debt is up despite the decline in the Group's gross debt, which is offset by the rapid rise in interest rates. In addition, the loan interest expenses includes IFRS 16 rents from Middelkerke for € 0.6 M. Conversely, the Group benefited from an increase in income from financial investments (+ € 0.5 M), greater than the increase in the debt's cost,
- a tax income (CVAE included) of + € 0.3 M (compared to - € 1.2 M in 1st HY 2022). This item takes into account the activation of the balance of the tax loss carryforwards of the tax consolidation group, given the good performance achieved and the business outlook, which generated deferred tax income of € 3.6 M over the period.

The financial structure of the Group is extremely healthy and solid considering the cashflow after levies of € 127.8 M, equity of € 369.0 M and a net debt of € 38.6 M (constructed in accordance with the terms of the syndicated loan agreement, according to the old IAS 17 standard, excluding IFRS 16)

New growth investments

The Group's financial situation allows it to pursue the restructuring of its establishments.

Thus, the casino at DIVONNE has undertaken its renovation in order to regain its former splendor with magnified volumes and significant heights. The works began with a major cleaning, now completed, which made it possible to update the semicircular arches and to reopen a multitude of interior bays that will make this casino a fluid, modern and completely renewed space: new gaming rooms, new bar, new restaurant, new atmosphere while preserving the spirit of the place.

The casino at VICHY has also initiated in June 2023, a restructuring, with an enlarged gaming room by the creation of a floor allocated to games and a complete renovation of the restaurant, bar and entrance hall areas.

Upcoming events:

- 3rd quarter financial information: Tuesday 12th September 2023, following Paris stock market closure.
- 4th quarter turnover: Tuesday 12th December 2023, following Paris stock market closure.

Groupe Partouche was established in 1973 and has grown to become one of the market leaders in Europe in its business sector. Listed on the stock exchange, it operates casinos, a gaming club, hotels, restaurants, spas and golf courses. The Group operates 41 casinos and employs nearly 3,900 people. It is well known for innovating and testing the games of tomorrow, which allows it to be confident about its future, while aiming to strengthen its leading position and continue to enhance its profitability. Groupe Partouche was floated on the stock exchange in 1995, and is listed on Euronext Paris, Compartment B. ISIN: FR0012612646 - Reuters: PARP.PA - Bloomberg: PARP:FP

FINANCIAL INFORMATION

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Annex

Consolidated income

In €M – At 30 th April (6 months)	2023	2022	Difference	Var.
TURNOVER	215.6	187.2	28.4	+15.2%
Purchases & external ex penses	(70.7)	(60.7)	(10.0)	+16.5%
Tax & Duties	(9.6)	(10.2)	0.5	-5.8%
Employees expenses	(87.4)	(81.9)	(5.5)	+6.7%
Depreciation, amortization & impairment of fixed assets	(24.5)	(26.2)	1.7	-6.5%
Other current income & current operating expenses	(4.2)	1.4	(5.6)	-
Current Operating Income	19.3	9.7	9.7	x2.0
Other non-current income & operating expenses	0.7	3.4	(2.7)	-
Gain (loss) on the sale of consolidated assets	-	14.1	(14.1)	-
Impairment of non-current assets	-	-	-	-
Non-current operating income	0.7	17.5	(16.8)	-96.0%
OPERATING INCOME	20.0	27.2	(7.1)	-26.2%
Financial income	(1.5)	(1.3)	(0.2)	-
Income before tax	18.6	25.8	(-7.3)	-
Corporate Income Tax	1.0	(0.4)	1.5	-
CVAE tax	(0.7)	(0.7)	-	-
Income after tax	18.9	24.7	(5.8)	-23.5%
Shares in earning of equity-accounted associates	(0.1)	(0.1)	-	-
Total net income	18.8	24.6	(5.7)	-23.3%
<i>o/w Group's share</i>	<i>16.7</i>	<i>24.2</i>	<i>(7.5)</i>	-
EBITDA (*)	42.7	34.2	8.5	+24.6%
Margin EBITDA / Turnover	19.8%	18.3%		+1.5 pt

(*) considering the application of IFRS 16 which has the automatic effect of improving EBITDA by € 6.9 M in 1HY 2023 and by € 7.0 M in 1HY 2022.

Taxes & duties represent an expense of € 9.6 M compared to € 10.2 M at 1st Half-Year 2022, which is a more normal amount.

The change in amortization and depreciation of fixed assets, down -6.5% to € 24.5 M, reflects the various end of amortization cycles as well as the limitation of renewal investments during the health crisis.

The other operating income & expenses represent a net expense of - € 4.2 M compared to a net income of € 1.4 M at 1st HY 2022, mainly due to:

- accounting for € 4.9 M of aid obtained as governmental assistance measures due to the health crisis;
- and the increase in expenses related to casino specifications (+€ 0.7 M in expenses), correlatively to the GGR.

The operating income reached € 20.0 M compared to € 27.2 M in 1st HY 2022.

Income before tax is a profit of € 18.6 M compared to € 25.8 M in 1st HY 2022.

Share in earnings of equity-accounted associates is stable and not significant.

Consolidated net income of 1st HY is a profit of € 18.8 M compared to € 24.6 M at 30th April 2022. In this net result, the group's share is a profit of € 16.7 M compared to € 24.2 M at 30th April 2022.

Balance sheet

Total net assets as of 30th April 2023 represent € 808.4 M compared to € 798.3 M as of 31st October 2022. The noteworthy changes over the period are as follows:

- an increase in non-current assets of € 12.3 M mainly due, on the one hand, to the net increase in property, plant and equipment of € 8.2 M, essentially made up of the volume of investments and depreciation allowances, and on the other hand, the increase in stakes in companies accounted for using the equity method due to the acquisition of additional stakes in the companies of the La Pensée Sauvage division (+ € 5.1 M);
- a decrease in current assets of € 2.2 M, mainly due to consumption of cash of € 6.0 M offset by an increase in the item "customers and other debtors" of € 4.3 M in connection with the return to a normal activity.

On the liabilities side, shareholders' equity, including minority interests, went from € 354.0 M at 31st October 2022 to € 369.0 M at 30th April 2023, including a profit for the period of € 16.7 M for the Group share and € 2.1 M for minority interests.

The financial debt decreased by € 8.8 M (current and non-current shares). The following should be mainly taken into account:

- The 2 quarterly deadlines of the syndicated loan paid on 31st January 2023 and 30th April 2023 for an aggregated amount of - € 5.4 M;
- The reimbursement of other bank loans for - € 8.8 M;
- The setting up of new bank loans for + € 4.9 M;
- as well as flows related to leases treated according to IFRS 16.

Financial structure – Summary of net debt

The Group's financial structure can be assessed using the following table (constructed in accordance with the terms of the syndicated loan agreement, applying to the old IAS 17 standard, excluding IFRS 16).

In €M	30/04/23	31/10/22	30/04/22
Equity	369.0	354.0	338.8
Gross debt*	166.4	176.4	176.3
Cash less gamings levies	127.8	130.1	120.5
Net debt	38.6	46.3	55.7
Ratio net debt / Equity (« gearing »)	0.1x	0.1x	0.2x
Ratio Net debt / consolidated EBITDA (« leverage »)**	0.5x	0.7x	0.7x

(*) The gross debt includes bank borrowings, bond loans and restated financial leases (with the exception of other contracts restated according to IFRS 16), accrued interest, miscellaneous loans and financial debts, bank loans and financial instruments.

(**) The consolidated EBITDA used to determine the "leverage" is calculated over a rolling 12-months period, according to the old IAS 17 standard (that is to say before application of IFRS 16), at namely € 72.4 M at 30/04/2023, € 63.9 M at 31/10/2022 and € 76.8 M at 30/04/2022.

Glossary

The "Gross Gaming Revenue" (GGR) corresponds to the sum of the various operated games, after deduction of the payment of the winnings to the players. This amount is debited of the "levies" (i.e. tax to the State, the city halls, CSG, CRDS).

The «Gross Gaming Revenue» after deduction of the levies, becomes the "Net Gaming Revenue" (NGR), a component of the turnover.

"Current Operating Income" (COI) includes all the expenses and income directly related to the Group's activities to the extent that these elements are recurrent, usual in the operating cycle or that they result from specific events or decisions pertaining to the Group's activities.

Consolidated EBITDA (EBITDA) is made up of the balance of income and expenses of the current operating income, excluding depreciation and provisions related to the operating cycle and one-off items related to the Group's activities included in the current operating income but excluded from EBITDA due to their non-recurring nature.