FL / ENTERTAINMENT

Press Release

Paris, 2 August 2023

First-half 2023 Results

EXCELLENT FINANCIAL RESULTS THANKS TO SUSTAINED BUSINESS MOMENTUM AND INDUSTRY-LEADING PROFITABILITY

STRATEGIC EXPANSION OF ENTERTAINMENT OFFER TO LIVE EVENT PRODUCTION WITH INVESTMENTS IN BALICH WONDER STUDIO & THE INDEPENDENTS

2023 ADJUSTED EBITDA GUIDANCE INCREASED TO €750M TO REFLECT M&A TRANSACTIONS

H1 2023 FINANCIAL HIGHLIGHTS

- **Revenue up +7.9%** at constant exchange rates to €1,923m in H1 2023 (+6.8% reported) with double-digit growth in Q2 2023 (+14.2% at constant exchange rates)
- **Strong growth in Adjusted EBITDA**[1]: up +10.1% to €327m
- **Adjusted net income[1] up +23.8%** to €167m, net income at €12m (H1 2022: net loss of -€18m[2])
- **Adjusted free cash flow conversion[1] of 84%**
- **Strong liquidity position of €468m** and **leverage[3] ratio of 3.3x** at the end of June 2023 on cash payment seasonality, expected to return to 3.1x[3] at year-end, proforma acquisitions
- **Successful refinancing of Banijay debt**, 3-year extension of maturity and ~€200m of new financing
- **FY 2023 objectives** and **mid-term outlook re-confirmed,** with **2023 Adjusted EBITDA increased** to take into account the recent M&A transactions.

H1 2023 BUSINESS HIGHLIGHTS

- **Content production & distribution**
  - Expanding into Live event production with two strategic transactions – Balich Wonder Studio[4] and The Independents – to capitalize on significant growth opportunities in unconsolidated market
  - All key activities contributing to growth: continued strong demand for iconic "superbrands", powerful IP adapted for multiple geographies and increased activity with streaming platforms

- **Online sports betting & gaming**
  - Activating new strategic partnerships, enhanced features and cross-selling strategies
  - Continued growth in player numbers with +36% increase in Unique Active Players compared to H1 2022, highlights attractiveness of the platform

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[1] Adjusted EBITDA, Adjusted net income and Adjusted free cash flow conversion: figures in H1 2022 are adjusted to include holding costs of -€3.5m for comparison purposes

[2] Reported net income in H1 2022

[3] Leverage of 3.1x taking into account: 1/ Adj. EBITDA with full consolidation of Balich Wonder Studio as if the transaction was closed on 1 January 2023; 2/ net debt including the acquisition of Balich Wonder Studio, net of cash acquired

[4] The acquisition remains subject to customary closing conditions and is anticipated to close in H2 2023

For definition, refer to the Appendix

François Riahi, CEO of FL Entertainment, said:

"We delivered excellent first half results that demonstrate the strength of our differentiated and complementary business model, as well as the creativity and agility of our teams. We saw double-digit growth in Q2 that contributed to our earnings and profitability.

Our unrivalled multi-format, geographic and IP offer in Content production and distribution continues to ensure we are the leading and premier partner for both linear broadcasters as well as new and established streaming platforms which represent a rapidly increasing part of our business. Our unique de-risked business model and approach are strong levers that have, once again, allowed Banijay to outperform its market.

Our Online sports betting & gaming business maintained its double-digit revenue growth across all activities thanks to an increased number of Unique Active Players and our geographic and product diversity.

As part of our wider strategy to become an integrated global entertainment leader, we expanded our Content production & distribution business into live events, making strategic investments in two profitable, growing businesses that are established leaders in their markets. This is a largely unconsolidated segment of the global entertainment industry with significant growth potential and synergies with our existing business.

We are well positioned to build on our leadership positions and capture compelling opportunities in the structurally growing segments of the entertainment industry, delivering sustained profitable growth in the second half of 2023 and beyond."

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FL Entertainment invites you to its H1 2023 results conference call on:
Wednesday, 2 August 2023, at 6:00pm CET

Webcast live:
You can watch the presentation on the following link:
https://edge.media-server.com/mmc/p/4kwjcvz6

Dial-in access telephone numbers:
You need to register to the following link:
https://register.vevent.com/register/BI5db5922b92184422ad30140c0245391a

Slides related to H1 2023 results are available on the Group's website, in the "Investor relations" section: https://www.flentertainment.com/

KEY FINANCIALS IN H1 2023

€m	H1 2022	H1 2023	% change	% constant currency
Group revenue	**1 800.8**	**1 923.3**	**6.8%**	**7.9%**
Adjusted EBITDA	297.3	327.3	10.1%	
Adjusted EBITDA margin	16.5%	17.0%		
Net income	(21.7)	11.6		
Adjusted net income*	135.3	167.4	23.8%	
Adjusted free cash-flow	**245.8**	**274.1**	**11.6%**	
Free cash flow conversion rate	83%	84%		

For the twelve-month period ended	31 Dec. 2022	30 June 2023	% change
Net financial debt (reported)	2 091	2,277	8.9%
Net financial debt / Adjusted EBITDA	**3.1x**	**3.3x**	

* Refer to the Appendix for definition
H1 2022 figures are adjusted to include holding costs of -€3.5m for comparison purposes

H1 2023 KEY EVENTS

Strategic growth initiatives: expanding into live events production

FL Entertainment has a proven ability to execute and create value through acquisitions, with a focus on opportunities in fast-growing segments of the global entertainment industry. With strict financial discipline, the Group seeks out profitable businesses with leadership positions in structurally growing markets that offer consolidation opportunities.

FL Entertainment is expanding its Content production & distribution business into live event production with the proposed acquisition of Balich Wonder Studio and the investment in The Independents. Both businesses are leaders in their respective markets with an operating model similar to that of the Group's Content production & distribution activities. These businesses complement the Group's existing activities while supporting FL Entertainment's ambition to become an integrated global entertainment leader.

"Banijay Events", will be led by current Banijay France Chief Executive Officer, François de Brugada. François de Brugada has served as CEO of Banijay France since 2015 and brings a track record of creating synergies, building an ecosystem of the best talents, labels and IP, and business performance.

Balich Wonder Studio

Founded in 2013, Balich Wonder Studio is a leading global live entertainment group that specializes in creating, producing, and delivering live shows and experiences. It is a major sporting and institutional events specialist, and has conceived, produced and delivered the most Olympic Opening and Closing Ceremonies of any of its competitors to date.

Headquartered in Milan, Balich has 200 employees located in 20 markets and operates across three business units: Ceremonies, Exhibits & Brand Experiences, and Immersive Shows & Destination experiences.

Balich has demonstrated a ten-year track record of impressive organic growth and generated sales of €315m in 2022. The company operates on a cost-plus pricing model (asset light, variable costs) and generates solid cash flow.

Banijay will acquire a 52% stake of Balich Wonder Studio alongside the company founder and has the option to progressively increase its stake. The transaction remains subject to customary closing conditions and is anticipated to close in H2 2023.

The Independents

FL Entertainment has acquired a minority stake in The Independents, a leading experiential marketing and communications group for luxury brands, with the option to progressively become the majority shareholder by 2026. The transaction closed in Q2 2023.

Founded in 2017 by Isabelle Chouvet, Olivier Chouvet and Alexandre Monteux, the company is recognized as a one-stop-shop for luxury brands, servicing its established, blue-chip customer base of more than 500 clients including LVMH, Kering, L'Oréal, Richemont and Chanel, thanks to its unparalleled reputation and high-quality of execution.

With its seven[5] best-in-class agencies, a global footprint and local market expertise, The Independents offers marketing and communication services including experiential content events production.

The company operates in the resilient and growing luxury market that benefits from high barriers to entry, the increased role of social media influencers and a greater focus on experiences amongst Gen Z and Millennial consumers.

The Independents generated sales of ~€353m in 2022 and has strong cash flow thanks to its cost-plus business model.

The company shares a strong corporate DNA with Banijay: operating under a decentralized organizational structure well-suited to developing creative talent, with an entrepreneurial culture and experienced management.

With a proven track record in M&A, The Independents will continue to play a leading consolidator role in a fragmented and growing sector.

OUTLOOK

Thanks to FL Entertainment's solid H1 2023 performance, combined with continued positive momentum across both businesses and the strength of its unique model, the Group re-confirms all financial objectives for 2023, increases its Adjusted EBITDA to take into account the announced M&A transaction, and re-confirms its mid-term outlook despite wider macroeconomic conditions.

For the financial year 2023, FL Entertainment anticipates the following:

Revenue:

- Mid-single digit organic growth for Content production & distribution
- Double-digit organic growth for Online sports betting & gaming

Increased Adjusted EBITDA: the Group now anticipates ~€750m proforma for Balich Wonder Studio as if the transaction was closed on 1 January 2023. This compares with the previous objective of ~€710m Adjusted EBITDA pre-acquisitions.

~80% free cash flow conversion

Dividend payout ratio: at least 33.3% of the Group's Adjusted net income

Leverage ratio of 3.1x taking into account: 1/ Adjusted EBITDA with full consolidation of Balich Wonder Studio as if the transaction was closed on 1 January 2023; 2/ net debt including the acquisition of Balich Wonder Studio, net of cash acquired.

As previously communicated, FL Entertainment aims to expand its free float and stock liquidity in the short to medium term. In this respect, it continues to review its options and monitor capital markets.

[5] Of which Ctzar has been recently acquired in France

PROFIT & LOSS – H1 2023

H1 2022 figures are adjusted to include holding costs of -€3.5m for comparison purposes.

In € million	H1 2022	H1 2023	% change
Revenue	**1 800.8**	**1 923.3**	**6.8%**
External expenses	(864.8)	(993.5)	14.9%
Personnel expenses excluding LTIP & employment-related earn-out & option expenses	(628.6)	(590.9)	-6.0%
Other operating income & expenses excl. restructuring costs & other non-recurring items	(8.9)	(11.5)	29.5%
Depreciation and amortization expenses related to D&A fiction	(1.2)	0.0	
Adjusted EBITDA	**297.3**	**327.3**	**10.1%**
Adjusted EBITDA margin	*16.5%*	*17.0%*	
Restructuring costs and other non-recurring items	5.4	(9.5)	
LTIP expenses	(66.1)	(79.1)	
Employment-related earn-out and option expenses	(10.5)	(9.0)	
Depreciation and amortization (excl. D&A fiction)	(59.0)	(60.3)	
Operating profit/(loss)	**167.0**	**169.4**	**1.4%**
Cost of net debt	(73.6)	(88.8)	
Other finance income/(costs)	(85.7)	(58.2)	
Net financial income/(expense)	**(159.3)**	**(147.0)**	**-7.7%**
Share of net income from associates & joint ventures	(1.5)	(1.3)	
Earnings before provision for income taxes	**6.2**	**21.1**	**242.0%**
Income tax expenses	(27.8)	(9.5)	
Profit/(loss) from continuing operations	**(21.7)**	**11.6**	
Net income/(loss) for the period	**(21.7)**	**11.6**	
Attributable to:			
Non-controlling interests	**2.1**	**5.3**	
Shareholders	(23.7)	6.3	
Restructuring costs and other non-recurring items	(5.4)	9.5	
LTIP and employment-related earn-out and option expenses	76.6	88.1	
Other finance income/(costs)	85.7	58.2	
Adjusted net income	**135.3**	**167.4**	**23.8%**

CONSOLIDATED REVENUE IN H1 2023

In H1 2023, Group's revenue increased by +7.9% at constant currency to €1,923m and +6.8% in absolute terms.

This is reflected as follows by business:

€m	H1 2022	H1 2023	% change	% constant currency
Production	1 168.3	1 179.3	0.9%	
Distribution	159.6	184.3	15.5%	
Other	76.3	70.4	-7.7%	
Content production & distribution	**1 404.2**	**1 434.0**	**2.1%**	**3.5%**
Sportsbook	322.3	389.2	20.8%	
Casino	46.5	65.4	40.5%	
Poker	23.2	28.6	23.6%	
Other	4.6	6.1	31.0%	
Online sports betting & gaming	**396.6**	**489.3**	**23.4%**	**23.3%**
TOTAL REVENUE	**1 800.8**	**1 923.3**	**6.8%**	**7.9%**

FL Entertainment recorded accelerated growth in Q2 2023 where revenues were up +14.2% at constant exchange rates, following a +1.6% increase in Q1 2023.

Content production & distribution:

In H1 2023, revenue totaled €1,434.0m, up +3.5% at constant currency (+2.1% in absolute terms) compared to H1 2022. In Q2 2023, revenue stood at €777.6m, up +9.1% at constant currency and +7.0% in absolute terms.

H1 2023 activity was driven by a combination of original content production (unscripted and scripted), the global growth of iconic and proven "superbrands" in new territories, which demonstrates the durability and continued evolution of these titles, and general series renewals and territory extensions. This performance continues to demonstrate a well-adapted offering with strong creative IP and distribution capabilities catering to demand from both linear TV and streaming platforms for key non-scripted and scripted content.

Content production revenue was up +0.9% to €1,179.3m in H1 2023, factoring in the return to normal seasonality. Q2 2023 revenue increased by +7.6% having been down -5.7% in Q1 2023.

The Group's iconic "superbrands" continue to be in firm demand from both broadcasters and audiences. Deal or No Deal is returning to Spain after a 12-year hiatus, while Big Brother, is recording its 67th adaptation with a new version in Chile and is also returning to UK screens. Survivor is returning to Argentinian screens after a 22-year break, and Lego Masters reached its the 20th and 21st territories in Hungary and Japan.

The group continues to monetize its powerful IP thanks to its ability to adapt, distribute and commercially and digitally exploit its successful formats across multiple markets. Banijay Italia's game show 100% will be adapted for the first time by Banijay Production Media for France 2, and Star Academy has been picked up by Reshet 13 in Israel after its successful return to France with a second season on the way.

Good Luck Guys is a non-scripted production first created in France, where it has successfully aired for five seasons on W9. Banijay has now also produced local versions for Amazon Prime Video in Norway, Denmark and Sweden, which have all been picked up for a second season, while a first season in The Netherlands is under production.

Content distribution revenue increased by +15.5% to €184.3m in H1 2023, reflecting a strong demand from both linear TV and streaming platforms for key non-scripted and scripted content.

In Q2 2022, Content distribution revenue increased by +13.6% after +18.9% in Q1 2023.

One notable example in H1 2023 was scripted production Marie Antoinette, which will return for a second season on Canal+, has now been picked up in over 70 territories, including by Disney+ in Germany.

Popstars, which was the world's first music reality competition, is returning to screens in France on Amazon Prime video after a 20-year break, while the Group is seeing strong demand for non-English language shows like Time Zone for HBO Max Spain, and Culpa Mia for Prime Video.

Overall, the number of content hours at the end of June 2023 increased further by +8% compared to December 2023 to ~172,000 hours and +29% compared to H1 2022.

Online sports betting & gaming:

In H1 2023, revenue rose by a solid +23.3% at constant currency to €489.5m compared to H1 2022 (+23.4% on a reported basis[6] in H1 2023), with accelerated growth in Q2 2023 of +33.3%.

The performance reflected the successful execution of the Group's growth strategy, capitalizing on continued strong player momentum with new Unique Active Players up by +44% and total Unique Active Players by +36% in H1 2023 compared to H1 2022. The implementation of new innovative features such as instant payment, and cross-selling strategies across all other product lines, also drove performance. On the business operations, Betclic signed two strategic football partnerships with Liga Portugal, until the end of the 2026-27 season and the Ruch Chorzów SA football club in Poland, the most successful club in Poland's history.

All activities recorded double-digit growth in H1 2023: on a reported basis, sportsbook revenue rose by +20.8%, online casino by +40.5%, and online poker by +23.6%, with all lines benefiting from gamification and constant product improvement.

At constant exchange rates and excluding Bet-at-home operations discontinued in certain jurisdictions, revenue was up +24% in H1 2023, driven by the continued solid performance of Betclic entity (+26%). Bet-at-home recorded a -5% decline in revenue.

Betclic's remains strongly engaged in complying with responsible gaming standards. This is illustrated in particular by the proportion of revenue generated in locally regulated markets which increased to 98.5% (compared to 96.5% in H1 2022), partly due to the increase of Bet-at-home in regulated markets.

On 1 February 2023, Bet-at-home group rolled out its new betting and gaming platform, which is expected to benefit all countries from Q3 2023 onwards.

[6] Including the discontinued Bet-at-home activities

ADJUSTED EBITDA IN H1 2023

Adjusted EBITDA[7] amounted to €327.3m in H1 2023, up by +10.1% on H1 2022. This represents 17.0% of Group revenue.

Adjusted EBITDA (€m)	H1 2022	H1 2023	% change
Content production & distribution	198.3	200.7	1.2%
Online sports betting & gaming	103.2	130.2	26.1%
Holding	(4.2)	(3.5)	-17.0%
Adjusted EBITDA	**297.3**	**327.3**	**10.1%**
Content production & distribution	14.1%	14.0%	
Online sports betting & gaming	26.0%	26.6%	
Adjusted EBITDA margin	**16.5%**	**17.0%**	

At a Group level, external expenses rose by +14.9% to €993.5m mainly reflecting higher betting taxes for Online sports betting & gaming but also a change in the allocation of free-lancers' costs at Content production & distribution between personnel costs and external expenses. Consequently, this also had an impact on personnel expenses (excluding LTIP and employment-related earn-out & option expenses) which declined by -6% to €590.9m.

FROM ADJUSTED EBITDA TO ADJUSTED NET INCOME

Restructuring and other non-recurring items: -€9.5m in H1 2023 compared to +€5.4m in H1 2022.

LTIP expenses totaled -€79m in H1 2023 compared to -€66.1m in H1 2022. LTIPs charges reflect the accelerated phase of the vesting at the start of the incentive plan. This is in line with Group's trajectory to record on average 10% of annual Adjusted EBITDA as LTIPs expenses.

Employment-related earn-out and option expenses: -€9.0m in H1 2023 (-€10.5m in H1 2022).

Net financial result

Net financial result amounted to -€147.0m in H1 2023 compared to -€159.3m in H1 2022. Of this amount:

- **Cost of net debt** totaled -€88.8m in H1 2023 compared to -€73.6m for the first six months of 2022. The increase by -€15m is mostly explained by the cancellation of the old financing fees of Content production and distribution business Term Loans B not fully amortized at the time of the refinancing.

- **Other financial income and expenses** amounted to -€58.2m in H1 2023, compared to -€85.7m in H1 2022, mainly explained by the change in fair value of the Put/Earn-out debt, hedging instruments and foreign exchange losses.

[7] Figures in H1 2022 are adjusted to take into account holding costs of -€3.5m for comparison purposes

Income tax expenses

The tax charge amounted to -€9.5m in H1 2023 compared to -€27.8m in H1 2022.

Adjusted net income rose by +23.8% to €167.4m in H1 2023.

FREE CASH FLOW AND NET FINANCIAL DEBT

The Group's Adjusted free cash flow (after lease payments) reached €274m in H1 2023, up +11.5% compared to H1 2022, driven by the business performance and a continued disciplined control of cash expenses and capital expenditures.

The change in working capital in H1 2023 is due to the return to a normal seasonality for Content production & distribution, following high show deliveries in H1 2022.

Adjusted free cash flow conversion after capex and leases payment amounted to 84%.

The rise in income taxes paid was mainly attributable to advanced tax payment on higher 2022 performance.

Adjusted operating free cash flow stood at €151m in H1 2023.

€m	H1 2022	H1 2023	% change
Adjusted EBITDA	**297.3**	**327.3**	**10.1%**
Capex	(28.6)	(31.0)	
Disposals of property, plant & equipment & intangible assets	-	0.2	
Total cash outflows for leases that are not recognized as rental expenses	(22.8)	(22.4)	
Adjusted free cash flow	**245.8**	**274.1**	**11.5%**
Change in working capital*	(84.3)	(69.3)	
Income tax paid	(33.0)	(53.5)	
Adjusted operating free cash flow	**128.5**	**151.3**	**17.7%**

*Excludes LTIP paid, exceptional items cash-out, trade receivables on providers and players' liabilities

The Group's net financial debt totaled €2,277m as of 30 June 2023 compared to €2,091m as of 31 December 2022. The increase in net financial debt mainly reflected the seasonality of cash payments of which the dividend payment for €148m, acquisitions and change in financial assets for €33m, LTIP paid & exceptional items for €26m, €89m interests recognized during H1 2023 and €42m of others.

As a result, the financial leverage ratio stood at 3.3x as of 30 June 2023, compared to 3.1x at 31 December 2022.

FL/ENTERTAINMENT

Agenda

Q3 2023 results: 9 November 2023

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About FL Entertainment

Founded by Stéphane Courbit, a 30-year entertainment industry pioneer and entrepreneur, FL Entertainment Group is a global leader in multimedia content and gaming, combining the strengths of Banijay, the world's largest independent producer distributor, with Betclic Everest Group, the fastest-growing online sports betting platform in Europe. In 2022, FL Entertainment recorded through Banijay and Betclic Everest Group, a combined revenue, and Adjusted EBITDA, of €4,047m and €670m respectively. FL Entertainment listed on Euronext Amsterdam in July 2022.
ISIN: NL0015000X07 - Bloomberg: FLE NA - Reuters: FLE.AS

Forward-looking statements

This communication contains information that qualifies as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Forward Looking Statements

Some statements in this press release may be considered "forward-looking statements". By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are outside of our control and impossible to predict and may cause actual results to differ materially from any future results expressed or implied. These forward-looking statements are based on current expectations, estimates, forecasts, analyses and projections about the industry in which we operate and management's beliefs and assumptions about possible future events. You are cautioned not to put undue reliance on these forward-looking statements, which only express views as at the date of this press release and are neither predictions nor guarantees of possible future events or circumstances.
We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events, except as may be required under applicable securities law.

Alternative performance measures

The financial information in this release includes non-IFRS financial measures and ratios (e.g. non-IFRS metrics, such as adjusted EBITDA) that are not recognized as measures of financial performance or liquidity under IFRS. The non-IFRS financial measures presented are measures used by management to monitor the underlying performance of the business and operations and, have therefore not been audited or reviewed. Furthermore, they may not be indicative of the historical operating results, nor are they meant to be predictive of future results. These non-IFRS measures are presented because they are considered important supplementary measurements of FL Entertainment N.V.'s (the "Company") performance, and we believe that these and similar measures are widely used in the industry in which the Company operates as a way to evaluate a company's operating performance and liquidity. Not all companies calculate non-IFRS financial measures in the same manner or on a consistent basis. As a result, these measures and ratios may not be comparable to measures used by other companies under the same or similar names.

Regulated information related to this press release is available on the website:

https://www.flentertainment.com/results-center/

https://www.flentertainment.com/

APPENDIX

Glossary

Adjusted EBITDA: for a period is defined as the operating profit for that period excluding restructuring costs and other non-core items, costs associated with the long-term incentive plan within the Group (the "LTIP") and employment related earn-out and option expenses, and depreciation and amortization (excluding D&A fiction). D&A fiction are costs related to the amortization of fiction production, which the Group considers to be operating costs. As a result of the D&A fiction, the depreciation and amortization line item in the Group's combined statement of income deviates from the depreciation and amortization costs in this line item.

Adjusted net income: defined as net income (loss) adjusted for restructuring costs and other non-core items, costs associated with the LTIP and employment related earn-out and option expenses and other financial income.

Adjusted free cash flow: defined as Adjusted EBITDA adjusted for purchase and disposal of property plant and equipment and of intangible assets and cash outflows for leases that are not recognized as rental expenses.

Adjusted operating free cash flow: defined as adjusted EBITDA adjusted for purchase and disposal of property plant and equipment and of intangible assets, cash outflows for leases that are not recognized as rental expenses, change in working capital requirements, and income tax paid.

Net financial debt: defined as the sum of bonds, bank borrowings, bank overdrafts, vendor loans, accrued interests on bonds and bank borrowings minus cash and cash equivalents, trade receivables on providers, cash in trusts, plus players liabilities and escrow accounts plus (or minus) the fair value of net derivatives liabilities (or assets) for that period. Net financial debt is pre-IFRS 16.

Leverage: Adjusted net financial debt / Adjusted EBITDA.

Number of Unique Active Players: average number of unique players playing at least once a month in a defined period.

Table 1: Revenue breakdown by activity

€m	Q1 2022	Q1 2023	% change	% constant currency	Q2 2022	Q2 2023	% change	% constant currency	H1 2022	H1 2023	% change	% constant currency
Production	586.4	553.0	-5.7%		581.9	626.3	7.6%		1 168.3	1 179.3	0.9%	
Distribution	57.1	67.9	18.9%		102.5	116.5	13.6%		159.6	184.3	15.5%	
Other	34.0	35.5	4.5%		42.3	34.9	-17.5%		76.3	70.4	-7.7%	
Content production & distribution	**677.5**	**656.4**	**-3.1%**	**-2.5%**	**726.7**	**777.6**	**7.0%**	**9.1%**	**1 404.2**	**1 434.0**	**2.1%**	**3.5%**
Sportsbook	175.0	194.8	11.3%		147.3	194.4	32.0%		322.3	389.2	20.8%	
Casino	23.3	30.6	31.6%		23.2	34.7	49.4%		46.5	65.4	40.5%	
Poker	12.3	15.2	23.8%		10.9	13.5	23.3%		23.2	28.6	23.6%	
Other	2.4	3.1	32.8%		2.3	2.9	29.2%		4.6	6.1	31.0%	
Online sports betting & gaming	**212.9**	**243.8**	**14.5%**	**14.6%**	**183.7**	**245.5**	**33.6%**	**33.3%**	**396.6**	**489.3**	**23.4%**	**23.3%**
TOTAL REVENUE	**890.4**	**900.2**	**1.1%**	**1.6%**	**910.4**	**1 023.1**	**12.4%**	**14.2%**	**1 800.8**	**1 923.3**	**6.8%**	**7.9%**

Table 2: Adjusted operating free cash flow by activity

Content production & distribution - €m	H1 2022	H1 2023	% change
Adjusted EBITDA	**198.3**	**200.7**	**1.2%**
Adjusted EBITDA margin (%)	14.1%	14.0%	
Capex	(24.5)	(27.0)	
Total cash outflows for leases that are not recognised as rental expenses	(21.2)	(20.9)	
Adjusted Free-cash flow	**152.6**	**152.7**	**0.1%**
Change in WC(1)	(64.6)	(64.2)	
Income tax paid	(15.6)	(18.6)	
Adjusted Operating free cash flow	**72.3**	**70.0**	**-3.1%**

Online sports betting & gaming - €m	H1 2022	H1 2023	% change
Adjusted EBITDA	**103.2**	**130.2**	**26.1%**
Adjusted EBITDA margin (%)	26.0%	26.6%	
Capex	(4.1)	(3.8)	
Total cash outflows for leases that are not recognised as rental expenses	(1.7)	(1.5)	
Adjusted free-cash flow	**97.4**	**124.9**	28.2%
Change in WC(2)	(20.6)	(5.1)	
Income tax paid	(17.4)	(34.3)	
Adjusted Operating free cash flow	**59.4**	**85.4**	**43.8%**

(1) Excluding LTIP payment and exceptional items for Content production & distribution

(2) Excluding LTIP payment, exceptional items, trade receivables on providers and players' liabilities for Online sports betting & gaming

Table 3: Consolidated statement of cash flows

In € million	30 June 2022	30 June 2023
Profit/(loss)	(18.2)	11.6
Adjustments:	**311.8**	**309.0**
Share of profit/(loss) of associates and joint ventures	1.5	1.3
Amortization, depreciation, impairment losses and provisions, net of reversals	59.8	60.6
Employee benefits LTIP & employment-related earn-out and option expenses	76.6	88.1
Change in fair value of financial instruments	89.7	31.0
Income tax expenses	27.8	9.5
Other adjustments (1)	(18.7)	26.6
Cost of financial debt and current accounts	75.0	91.9
Gross cash provided by operating activities	**293.6**	**320.6**
Changes in working capital	(84.2)	(108.4)
Income tax paid	(33.0)	(53.5)
Net cash flows provided by operating activities	**176.4**	**158.7**
Purchase of property, plant and equipment and intangible assets	(28.6)	(31.0)
Purchases of consolidated companies, net of acquired cash	(13.9)	(18.1)
Increase in financial assets	(2.5)	(95.4)
Disposals of property, plant and equipment and intangible assets		0.2
Proceeds from sales of consolidated companies, after divested cash	2.2	0.0
Decrease in financial assets	0.4	6.6
Dividends received	0.3	0.1
Net cash provided by/(used for) investing activities	**(42.2)**	**(137.6)**
Dividends paid	0.0	(148.1)
Dividends paid by consolidated companies to their non-controlling interests	(1.5)	(17.3)
Proceeds from borrowings and other financial liabilities	11.1	362.4
Repayment of borrowings and other financial liabilities	(47.9)	(114.6)
Interest paid	(65.3)	(91.2)
Net cash flows from/(used in) financing activities	**(103.6)**	**(8.8)**
Impact of changes in foreign exchange rates	25.2	(28.2)
Net increase/(decrease) of cash and cash equivalents	**55.7**	**(15.9)**
Net cash and cash equivalents at the beginning of the period	**432.4**	**479.4**
Net cash and cash equivalents at the end of the period	**488.0**	**463.5**

(1) Other adjustments include notably unrealized foreign exchange gains on disposal and liquidation of subsidiaries

Table 4: Consolidated balance sheet

In € million	31 December 2022	30 June 2023
ASSETS		
Goodwill	2 570.2	2 599.2
Intangible assets	194.8	205.7
Right-of-use assets	160.8	174.9
Property, plant and equipment	59.2	62.7
Investments in associates and joint ventures	14.0	26.4
Non-current financial assets	161.7	216.7
Other non-current assets	35.9	31.1
Deferred tax assets	51.9	64.3
Non-current assets	**3 248.6**	**3 381.1**
Inventories and work in progress	705.2	819.4
Trade receivables	496.5	505.9
Other current assets	288.3	319.1
Current financial assets	24.7	29.4
Cash and cash equivalents	479.4	468.3
Current assets	**1 994.1**	**2 142.0**
TOTAL ASSETS	**5 242.6**	**5 523.0**
EQUITY AND LIABILITIES		
Share capital	8.0	8.0
Share premiums	91.6	(142.1)
Net income/(loss) - attributable to shareholders	(88.0)	6.3
Shareholders' equity	**11.7**	**(127.9)**
Non-controlling interests	6.3	4.9
Total equity	**18.0**	**(122.9)**
Other securities	130.5	130.5
Long-term borrowings and other financial liabilities	2 290.3	2 600.0
Long-term lease liabilities	131.2	147.0
Non-current provisions	27.7	30.4
Other non-current liabilities	441.3	365.7
Deferred tax liabilities	7.4	9.0
Non-current liabilities	**3 028.4**	**3 282.6**
Short-term borrowings and bank overdrafts	349.4	301.7
Short-term lease liabilities	40.4	39.6
Trade payables	663.6	607.3
Current provisions	23.0	14.7
Customer contract liabilities	693.3	841.6
Other current liabilities	426.6	558.5
Current liabilities	**2 196.2**	**2 363.3**
TOTAL EQUITY AND LIABILITIES	**5 242.6**	**5 523.0**

Table 5: IFRS consolidated net financial debt

In € million	31 December 2022	30 June 2023
Bonds	1 330.8	1 277.9
Bank borrowings	1 140.0	1 445.3
Bank overdrafts	0.0	4.7
Accrued interests on bonds and bank borrowings	29.6	30.4
Vendor loans	138.4	140.8
Total bank indebtedness	**2 638.9**	**2 899.1**
Cash and cash equivalents	(479.4)	(468.3)
Financial Assets		(77.0)
Trade receivables on providers	(13.1)	(26.7)
Players' liabilities	50.6	44.5
Cash in trusts	(31.6)	(28.5)
Net cash and cash equivalents	**(473.6)**	**(556.0)**
Net debt before intercompany loan and derivatives effects	**2 165.3**	**2 343.1**
Net debt before derivatives effects	**2 165.3**	**2 343.1**
Derivatives - liabilities	-	2.7
Derivatives - assets	(74.5)	(68.6)
Net debt	**2 090.8**	**2 277.2**

Table 6: Cash flow statement

In € million	Content production & distribution	Online sports betting & gaming	Holding	Total Group
	30 June 2023			
Net cash flow from operating activities	96.7	71.2	(9.2)	**158.7**
Cash flow (used in)/from investing activities	(50.4)	(0.8)	(86.4)	**(137.6)**
Cash flow (used in)/from financing activities	(27.5)	(74.8)	93.5	**(8.8)**
Other	(28.2)	-	-	**(28.2)**
Net increase/(decrease) in cash and cash equivalents	**(9.3)**	**(4.5)**	**(2.1)**	**(15.9)**
Cash and cash equivalents as of 1 January	*396.8*	*72.1*	*10.5*	*479.4*
Cash and cash equivalents as of 30 June	*387.6*	*67.6*	*8.4*	*463.5*

In € million	Content production & distribution	Online sports betting & gaming	Holding	Total Group
	30 June 2022			
Net cash flow from operating activities	102.6	73.5	0.3	**176.4**
Cash flow (used in)/from investing activities	(36.9)	(5.4)	-	**(42.2)**
Cash flow (used in)/from financing activities	(79.7)	(24.0)	0.0	**(103.6)**
Other	25.2	-	-	**25.2**
Net increase/(decrease) in cash and cash equivalents	**11.2**	**44.2**	**0.3**	**55.7**
Cash and cash equivalents as of 1 January	*343.1*	*87.9*	*1.5*	*432.4*
Cash and cash equivalents as of 30 June	*354.3*	*132.1*	*1.8*	*488.2*

Table 7: Content production & distribution: Net financial debt as of 30 June 2023

At Banijay level:		
In € million	**31-Dec-2022**	**30 June 2023**
Total Secured Debt (OM definition)	**1 847**	**1 984.0**
Other debt	339	325.3
SUN	409	408.7
Total Debt	**2 595**	**2 718.0**
Net Cash	(396)	(386)
Total net financial debt (excl. earn-out & PUT)	**2 199**	**2 332**
EO & PUT	124	159
Total net financial debt (incl. earn-out & PUT)	**2 323**	**2 491**
Ratios at Banijay level:		
Leverage ratio	4.46	4.70
Adjusted Leverage ratio	4.71	5.02
Senior secured net leverage ratio	3.20	3.54
Cash conversion rate – Banijay definition*	75%	73%

Banijay contribution at FL Entertainment level:		
In € million	**31-Dec-2022**	**30 June 2023**
Total net financial debt (excl. earn-out & PUT)	**2 199**	**2 332**
Transaction costs amortization and others	(74)	(63)
Lease debt (IFRS 16)	(160)	(172)
Total Net financial debt at FL Entertainment level	**1 965**	**2 097**
Derivatives	(69)	(61)
Total Net financial debt at FL Entertainment level	**1 896**	**2 035**

Leverage ratio: total Net financial debt / (Adj EBITDA + shareholder fees + proforma impact from acquisitions)

Adjusted leverage ratio: total Net financial debt including earn-out and PUTS / (Adjusted EBITDA + shareholder fees + proforma impact from acquisitions)

Senior secured net leverage ratio: total Senior Secure Notes + earn-out – Cash / (Adjusted EBITDA + shareholder fees + proforma impact from acquisitions)

* Based on free cash flow as defined as follows: Adjusted EBITDA + change in working capital – income tax paid – capex with LTIP paid