FL/ENTERTAINMENT

Press Release

Paris, 9 November 2023

First nine-month 2023 Results

SOLID TOP-LINE GROWTH & PROFITABILITY IN 9M 2023

M&A ACTIVITY IN CONTENT PRODUCTION & DISTRIBUTION

SUCCESSFUL REFINANCING OF BANIJAY DEBT - MATURITY EXTENDED TO 2028-2029

9M 2023 FINANCIAL HIGHLIGHTS

- **Revenue up +7.5%** at constant currencies to €2,866m in 9 months of 2023 (+5.6% reported) with +6.6% in Q3 2023 (+3.4% reported)
- **Adjusted EBITDA**[1] **up +8.1%** at constant currencies to €473m (+6.9% reported)
- **Adjusted net income**[1] **up +5.6%** to €217m, net income at €21m (9M 2022: net loss of -€80m[2])
- **Adjusted free cash flow conversion**[1] **of 83%**
- **Strong liquidity position of €419m** and **leverage ratio of 3.2x** at the end of September 2023 (end of December 2022: 3.1x)
- **Successful Banijay debt refinancing:** ~85% of debt maturity extended until 2028-2029

9M 2023 BUSINESS HIGHLIGHTS

- **Content production & distribution**
  - Sustained demand from broadcasters and streaming platforms
  - Investment in Hyphenate Media Group, led by Eva Longoria and Cris Abrego, to develop and produce premium scripted and unscripted content in the Americas
  - Expansion into live event production with two strategic transactions – Balich Wonder Studio and The Independents

- **Online sports betting & gaming**
  - Strong performance across all segments
  - Continued strong momentum in Unique Active Players, with +34% increase versus 9M 2022
  - International Safer Gambling certification awarded by GamCare
  - Enhanced products and user experience with the launch of the new Betclic app

François Riahi, CEO of FL Entertainment, said:
"We delivered solid results in the first nine months of 2023, with top line growth and profitability reflecting the strengths of our entertainment businesses.

In Content production & distribution, we saw sustained demand from both linear broadcasters and streaming platforms, where the strength of our iconic 'superbrands' and our ability to produce

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[1] Adjusted EBITDA, Adjusted net income and Adjusted free cash flow conversion: figures in 9M 2022 are adjusted to include holding costs of -€4.1m for comparison purposes

[2] Reported net income over 9M 2022

successful formats in multiple countries is driving repeat and recurring revenues, while also enriching our content catalogue.

In October, we invested in Hyphenate Media Group to support the production of premium, inclusive content for the Americas and most recently acquired a majority stake in The Forge, one of the UK's most highly-regarded drama producers.

In Online sports betting & gaming, we maintained strong, double-digit growth across all activities. Our continued focus on growing and retaining Unique Active Players, was supported by the successful launch of a highly rated new App that enhances our product offer and user experience. Betclic has also become the first player to achieve the GamCare Safer Gambling certification outside the UK, demonstrating our total commitment to responsible gaming.

Looking ahead, we are focused on growing our leadership positions in the entertainment space to deliver sustained profitable growth."

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FL Entertainment invites you to its 9M 2023 results conference call on:
Thursday, 9 November 2023, at 6:00pm CET

Webcast live:
You can watch the presentation on the following link:
https://edge.media-server.com/mmc/p/pykjp2jt/

Dial-in access telephone numbers:
You need to register to the following link:
https://register.vevent.com/register/BI8924489f27a742b39975710dde0728b7

Slides related to 9M 2023 results are available on the Group's website, in the "Investor relations" section: https://www.flentertainment.com/

KEY FINANCIALS IN 9M 2023

€m	9M 2022	9M 2023	% change	% constant currency
Revenue	**2 712.9**	**2 866.2**	5.6%	**7.5%**
Adjusted EBITDA	442.3	472.9	6.9%	**8.1%**
Adjusted EBITDA margin	16.3%	16.5%		
Net income/(loss) for the period	(79.5)	20.9		
Adjusted net income*	205.7	217.1	5.6%	
Adjusted free cash-flow	**368.9**	**391.8**	6.2%	
Free cash flow conversion rate	83.4%	82.9%		
For the twelve-month period ended	**31 Dec. 2022**	**30 Sept. 2023**		
Net financial debt (reported)	2 090.8	2 384.3		
Net financial debt / Adjusted EBITDA	**3.1x**	**3.2x**		

* Refer to the Appendix for definition
9M 2022 figures are adjusted to include proforma holding costs of -€4.1m for comparison purposes

FL / ENTERTAINMENT

9M 2023 KEY EVENTS

Strategic M&A deals

FL Entertainment has a proven M&A strategy with a focus on profitable, leading businesses in structurally growing markets that offer opportunities for consolidation.

New Venture partnership: Hyphenate Media Group

Banijay has acquired a minority stake in Hyphenate Media Group, a new multi-platform media company led by Eva Longoria, actress, producer, director, and founder of production company UnbeliEVAble, and Cris Abrego, Chairman of Banijay America Group. Banijay has the option to increase its investment gradually over the coming years.

Hyphenate Media Group will produce content through its own brand and grow through the acquisition of independent creator-led studios. Self-produced scripted and unscripted content will target linear broadcasters and streaming platforms, with strong development opportunities in Americas.

Live Events

Content production & distribution has expanded into live events with investments in two businesses that offer multiple synergies with Banijay and support FL Entertainment's ambition to become an integrated global entertainment leader.

Balich Wonder Studio

Banijay has acquired a 52% stake in Balich Wonder Studio alongside its founder and has the option to progressively increase its stake. The transaction closed in September 2023.

Founded in 2013, Balich Wonder Studio is a global live entertainment group that specializes in creating, producing, and delivering live shows and experiences and has executed the most Olympic opening and closing ceremonies. Balich operates across three business units: Ceremonies, Exhibits & Brand Experiences, and Immersive Shows & Destination Experiences, and has a ten-year track record of impressive organic growth along with sales of €315m in 2022.

The Independents

FL Entertainment has acquired a minority stake in The Independents with the option to progressively become the majority shareholder by 2026. The transaction closed in June 2023.

The Independents is a leading experiential marketing and communications group for luxury brands. Founded in 2017 and with seven best-in-class agencies, the company works with clients such as LVMH, Kering, L'Oréal, Richemont and Chanel. The Independents generated sales of ~€353m in 2022 and shares a strong corporate DNA with Banijay, with a decentralized organizational structure well-suited to developing creative talent, an entrepreneurial culture and experienced management.

Banijay debt: successful refinancing and maturity extension until 2028-29

Banijay successfully refinanced around 85% of its debt, extending its Term Loan B by three years to March 2028 and its Senior Secured Notes by four years until May 2029. In all, Banijay has refinanced and raised a total amount close to €2.0bn.

POST-PERIOD EVENTS

The Forge

In November, Banijay acquired a majority stake in The Forge, a leading scripted production company in the UK. Well-established through its award-winning drama productions such as *Marriage*, *Help* and *Becoming Elizabeth*, The Forge will bolster Banijay UK's scripted output as the ninth owned UK label alongside Kudos, Tiger Aspects and Wild Mercury. Building on its pool of industry-leading talents, The Forge has a series of new titles in production for both linear and SVOD platforms, including *The Buccaneers* for Apple TV+ and *Shardlake* for Disney+.

GamCare certification

In November, Betclic became the first operator to obtain the international standard for safer gambling by GamCare. This international certification recognizes Betclic's daily commitment to ensuring a responsible gaming experience for its players, now consolidated under the Betclic Protect program.

GamCare is the leading independent UK provider of free information, advice and support for anyone harmed by gambling. The "Safer Gambling Standard" is GamCare's quality standard for social responsibility for licensed gaming operators. It aims to raise standards across the industry, making gambling safer for everyone.

Q4 2023 OUTLOOK

Content production & distribution
In line with expectations, Content production & distribution will benefit from a high level of show deliveries in Q4 2023 given the natural seasonality of the business, as well as the acquisition of The Forge.

Balich Wonder Studio, which has a strong presence in Saudi Arabia, Qatar and the UAE, has experienced the postponement or cancellation of some of its live events as a consequence of the ongoing conflict in the broader Middle East region. The Group anticipates an impact of -€10m to -€15m on its 2023 Adjusted EBITDA guidance of ~€750m proforma acquisitions[3] and continues to monitor closely the situation.

Online sports betting & gaming
The Group expects the positive momentum seen in the year to date will continue in Q4 2023, driven by ongoing growth and retention of Unique Active Players and the expected impact of the new Betclic app, which offers an enriched user experience across all products. While October saw adverse sports results, which affected the wider Sportsbook sector, the impact has already started to reverse and is expected to be fully offset by the end of Q4 2023 or in Q1 2024 at the latest.

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.

[3] Proforma acquisitions as if they are consolidated on 1 January 2023

PROFIT & LOSS – 9M 2023

First 9M 2022 figures are adjusted to include proforma holding costs of -€4.1m for comparison purposes.

In € million	9M 2022	9M 2023	% change
Revenue	**2 712.9**	**2 866.2**	**5.6%**
External expenses	(1 312.7)	(1 411.2)	7.5%
Personnel expenses excluding LTIP & employment-related earn-out & option expenses	(940.4)	(965.8)	2.7%
Other operating income & expenses excl. restructuring costs & other non-recurring items	(15.7)	(17.8)	13.3%
Depreciation and amortization expenses net of reversals related to fiction and other operational provisions	(1.7)	1.5	
Adjusted EBITDA	**442.3**	**472.9**	**6.9%**
Adjusted EBITDA margin	*16.3%*	*16.5%*	
Restructuring costs and other non-recurring items	(99.5)	(19.6)	
LTIP expenses	(87.5)	(107.1)	
Employment-related earn-out and option expenses	(17.2)	(14.4)	
Depreciation and amortization (excl. D&A fiction)	(88.2)	(88.0)	
Operating profit/(loss)	**150.0**	**243.8**	**62.5%**
Cost of net debt	(106.4)	(146.8)	
Other finance income/(costs)	(81.1)	(55.1)	
Net financial income/(expense)	**(187.5)**	**(201.9)**	**7.7%**
Share of net income from associates & joint ventures	(1.7)	(2.1)	
Earnings before provision for income taxes	**(39.2)**	**39.8**	
Income tax expenses	(40.3)	(18.9)	
Profit/(loss) from continuing operations	**(79.5)**	**20.9**	
Net income/(loss) for the period	**(79.5)**	**20.9**	
Attributable to:			
Non-controlling interests	**3.9**	**6.8**	**75.3%**
Shareholders	(83.4)	14.1	
Restructuring costs and other non-recurring items	99.5	19.6	
LTIP and employment-related earn-out and option expenses	104.7	121.6	
Other finance income/(costs)	81.1	55.1	
Adjusted net income	**205.7**	**217.1**	**5.6%**

CONSOLIDATED REVENUE IN 9M 2023

Over the first 9M 2023, Group's revenue increased by +7.5% at constant currencies to €2,866m.

This is reflected as follows by business:

€m	9M 2022	9M 2023	% change	% constant currency
Production	1 744.2	1 770.4	1.5%	4.1%
Distribution	267.2	277.5	3.9%	5.3%
Other	110.4	99.7	(9.7%)	(8.7)%
Content production & distribution	**2 121.8**	**2 147.7**	**1.2%**	**3.5%**
Sportsbook	477.1	558.4	17.0%	16.7%
Casino	71.8	106.9	48.8%	48.7%
Poker	34.9	43.7	25.3%	25.3%
Other	7.2	9.5	32.2%	32.2%
Online sports betting & gaming	**591.0**	**718.5**	**21.6%**	**21.3%**
TOTAL REVENUE	**2 712.9**	**2 866.2**	**5.6%**	**7.5%**

In Q3 2023, FL Entertainment posted revenue of €943m, +6.6% at constant currencies.

Content production & distribution:

Revenue totaled €2,148m, up +3.5% at constant currencies (+1.2% in absolute terms) in 9M 2023 compared to 9M 2022, fueled by an ongoing demand from both linear TV and streaming platforms. In Q3 2023, revenue rose by +3.7% at constant currencies and -0.6% in absolute terms.

Content production revenue increased by a firm +4.1% at constant currencies over the first 9M 2023, reflecting the delivery of new shows and renewed series.

Iconic 'superbrands' continued to perform well. With 67 adaptations broadcasted across 72 countries, *Big Brother* has once again proven its popularity, returning to UK after a 5-year hiatus and with the delivery of additional episodes for its Italian format, *Grande Fratello*, produced by Endemol Shine Italy. New productions and series of *MasterChef* have been delivered in India, USA, Latam, Australia, Iberia and the Nordics.

In parallel, the period saw the delivery of new productions and recommissions of non-scripted shows for both linear broadcasters and OTT platforms such as *Love Triangle* in the UK for E4, *Blow Up* in Australia for TV3, *Survivor* season 23 in France (*Koh Lanta*) and *Dating Naked* for Paramount+ in Germany. In scripted shows, the delivery of *Sem Filtro*, *Happiness Paradox*, *Culpa Mia* and *Mixed by Erry* also contributed to revenue growth. In the production of sports-related content, Banijay signed a joint venture with LaLiga in June 2023.

Content distribution revenue increased by +5.3% to €278m at constant currencies over 9M 2023, driven by continuous demand from both linear TV and streaming platforms for key non-scripted and scripted content.

The -12.0% decline in Q3 2023 distribution revenues reflected the high number of show deliveries during the same period last year.

The Group's IP has been sold to multiple territories including the Americas, the Nordics, Iberia, Italy and France. As an example, *MasterChef* has been newly adapted in French-Canada with a co-production with Pixcom, in collaboration with Quebecor Content while *Young MasterChef* was commissioned for season two on BBC Three. *Popstars* is returning to screens in France on Amazon Prime video after a 20-year break.

Marie Antoinette has now been sold to over 70 territories, including in the US, the UK, Australia and several broadcasters across Europe and Latin America. Recently, the series has been acquired by Disney+ in Germany, while Canal+ has ordered a second season, with filming already launched this autumn.

At the end of September 2023, the content catalogue increased by a further +13% to ~180,000 hours (vs December 2022).

Online sports betting & gaming:

Revenue rose by a solid +21.3% at constant currencies to €719m over 9M 2023 compared to 9M 2022, with +17.3% in Q3 2023:

All segments contributed to this performance, recording double-digit growth: at constant exchange rates, sportsbook revenue rose by +16.7%, online casino by +48.7%, and online poker by +25.3%. Sportsbook performance was particularly solid given the comparison with a strong Q3 2022 where the UEFA Champions League started earlier than usual due to the FIFA World Cup at the end of 2022.

At current currencies and excluding Bet-at-home operations discontinued in certain jurisdictions, revenue was up +22% in 9M 2023, driven by the continued solid performance of Betclic entity (+24%). Bet-at-home recorded a -14% decline in revenue.

The company continued to record strong player momentum with new Unique Active Players up by +34% (9M 2023 vs 9M 2022).

To support its growth strategy, Betclic launched a new major version of its app in September designed to offer an even simpler and more enjoyable user experience as well as a range of new features.

The Group's commitment to comply with responsible standards is also well reflected in the nature of the business (100% of business online) and the high proportion of revenue generated in locally regulated markets. During the first 9M 2023, 98.6% of revenue were generated in locally-regulated markets (96.5% over 9M 2022).

ADJUSTED EBITDA OVER THE FIRST 9M 2023

Adjusted EBITDA[4] amounted to €472.9m in 9M 2023, up by +8.1% at constant currencies on 9M 2022 and +6.9% in absolute terms. This represents 16.5% of Group revenue, reflecting a solid level of profitability across all businesses.

Adjusted EBITDA - € million	9M 2022	9M 2023	% change	% constant currency
Content production & distribution	297.2	293.8	(1.2%)	
Online sports betting & gaming	150.8	184.8	22.6%	
Holding	(5.6)	(5.6)		
Adjusted EBITDA	**442.3**	**472.9**	**6.9%**	**8.1%**
Content production & distribution	14.0%	13.7%		
Online sports betting & gaming	25.5%	25.7%		
Adjusted EBITDA margin	**16.3%**	**16.5%**		

At a Group level, external expenses rose by +7.5% to €1,411.2m on the back of two elements that already reported in H1 2023: the change in the allocation of free-lancers' costs at Content production & distribution between personnel costs and external expenses as well as higher betting taxes for Online sports betting & gaming. Consequently, this also had an impact on personnel expenses (excluding LTIP and employment-related earn-out & option expenses) which grew by +2.7% to €965.8m.

FROM ADJUSTED EBITDA TO ADJUSTED NET INCOME

Restructuring and other non-recurring items: -€19.6m in 9M 2023 compared to -€99.5m in 9M 2022[5].

LTIP expenses totaled -€107m in 9M 2023 compared to -€87.5m in 9M 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 Adjusted EBITDA as LTIPs expenses.

Employment-related earn-out and option expenses: -€14.4m in 9M 2023 vs -€17.2m in 9M 2022.

Net financial result amounted to -€201.9m in 9M 2023 compared to -€187.5m in 9M 2022. Of this amount:

- **Cost of net debt** totaled -€146.8m in 9M 2023 compared to -€106.4m for the first nine months of 2022. The increase was mostly explained by the cancellation of the old financing fees not fully amortized at the time of the refinancing of Term Loans B and Senior Secured Notes and redemption costs of the Senior Secured Notes at Content production and distribution business.

- **Other financial income and expenses** amounted to -€55.1m in 9M 2023 vs -€81.1m in 9M 2022, mainly explained by the change in fair value of the Put/Earn-out debt, hedging instruments and currency impact.

[4] Figures in 9M 2022 are adjusted to take into account holding costs of -€4.1m for comparison purposes

[5] Restructuring in 9M 2022 were related to listing and transaction fees and costs incurred to realize the transaction

Income tax expenses

The tax charge amounted to -€18.9m in 9M 2023 compared to -€40.3m in 9M 2022. Tax in 9M 2022 was particularly high given higher taxable results due to the non-taxable listing fees in 2022.

Adjusted net income rose by +5.6% to €217.1m over the first 9M 2023.

FREE CASH FLOW AND NET FINANCIAL DEBT

The Group's Adjusted free cash flow (after lease payments) reached €391.8m in 9M 2023, up +7.4% YoY, driven by the business performance and disciplined cash expenses and capital expenditures. The strong reduction in the change in working capital requirement reflected a seasonality impact from production deliveries at Content production & distribution.

Adjusted free cash flow conversion after capex and leases payment amounted to 83%.

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

Adjusted operating free cash flow stood at €307.5m in 9M 2023.

€m	9M 2022	9M 2023	% change
Adjusted EBITDA	**442.3**	**472.9**	**6.9%**
Capex	(43.2)	(48.1)	
Disposals of property, plant and equipment and intangible assets	-	0.3	
Total cash outflows for leases that are not recognised as rental expenses	(34.4)	(33.3)	
Adjusted Free-cash flow	**364.8**	**391.8**	**7.4%**
Change in working capital*	(108.4)	(14.4)	
Income tax paid	(48.6)	(69.9)	
Adjusted operating free cash flow	**207.7**	**307.5**	**48.1%**

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

The Group's net financial debt totaled €2,384m as of 30 September 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 €198m, LTIP paid & exceptional items for €58m, €147m interests recognized during the first 9M 2023 and €49m of others.

As a result, the financial leverage ratio stood at 3.2x as of 30 September 2023, compared to 3.1x at 31 December 2022.

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Agenda: FY 2023 results: 7 March 2024

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About FL Entertainment

FL Entertainment Group is a global entertainment leader founded by Stéphane Courbit, a 30-year entrepreneur and entertainment industry pioneer. Our mission is to inspire passion by providing audiences with engaging and innovative entertainment experiences. The Group's activities include content production & distribution (through Banijay, the world's largest independent producer distributor) and online sports betting & gaming (through Betclic, Europe's fastest-growing online sports betting platform). In 2022, FL Entertainment recorded revenue and Adjusted EBITDA of €4,047m and €670m respectively.
FL Entertainment is listed on Euronext Amsterdam (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	Q3 2022	Q3 2023	% change	% constant currency	9M 2022	9M 2023	% change	% constant currency
Production	575.9	591.1	2.7%	7.7%	1 744.2	1 770.4	1.5%	4.1%
Distribution	107.6	93.2	(13.4%)	(12.0%)	267.2	277.5	3.9%	5.3%
Other	34.1	29.3	(14.3%)	(13.0)%	110.4	99.7	(9.7%)	(8.7%)
Content production & distribution	**717.6**	**713.6**	**(0.6%)**	**3.7%**	**2 121.8**	**2 147.7**	**1.2%**	**3.5%**
Sportsbook	154.9	169.2	9.2%	8.6%	477.1	558.4	17.0%	16.7%
Casino	25.3	41.6	64.1%	63.8%	71.8	106.9	48.8%	48.7%
Poker	11.7	15.1	28.7%	28.7%	34.9	43.7	25.3%	25.3%
Other	2.6	3.4	34.3%	34.3%	7.2	9.5	32.2%	32.2%
Online sports betting & gaming	**194.5**	**229.3**	**17.9%**	**17.3%**	**591.0**	**718.5**	**21.6%**	**21.3%**
TOTAL REVENUE	**912.1**	**942.9**	**3.4%**	**6.6%**	**2 712.9**	**2 866.2**	**5.6%**	**7.5%**

Table 2: Adjusted operating free cash flow by activity

Content production & distribution - €m	9M 2022	9M 2023	% change
Adjusted EBITDA	**297.2**	**293.8**	**(1.2%)**
Adjusted EBITDA margin (%)	14.0%	13.7%	
Capex	(36.8)	(42.0)	
Total cash outflows for leases that are not recognised as rental expenses	(31.8)	(31.2)	
Adjusted Free-cash flow	**228.7**	**220.6**	**(3.6%)**
Change in WC(1)	(103.8)	(21.8)	
Income tax paid	(27.8)	(24.8)	
Adjusted Operating free cash flow	**97.0**	**174.1**	**79.5%**

Online Sports betting & gaming	9M 2022	9M 2023	% change
Adjusted EBITDA	**150.8**	**184.8**	**22.6%**
Adjusted EBITDA margin (%)	25.5%	25.7%	
Capex	(6.4)	(5.8)	
Total cash outflows for leases that are not recognised as rental expenses	(2.6)	(2.2)	
Adjusted free-cash flow	**141.7**	**176.9**	**24.8%**
Change in WC(2)	(10.3)	9.7	
Income tax paid	(21.0)	(45.1)	
Adjusted Operating free cash flow	**110.4**	**141.6**	**28.2%**

(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-Sep-22	30-Sep-23
Profit/(loss)	(75.4)	20.9
Adjustments:	**487.3**	**436.8**
Share of profit/(loss) of associates and joint ventures	1.7	2.1
Amortization, depreciation, impairment losses and provisions, net of reversals	91.3	89.8
Employee benefits LTIP & employment-related earn-out and option expenses	104.7	121.6
Change in fair value of financial instruments	76.9	14.1
Income tax expenses	40.3	18.9
Other adjustments (1)	64.0	38.7
Cost of financial debt and current accounts	108.3	151.6
Gross cash provided by operating activities	**411.9**	**457.7**
Changes in working capital	(205.5)	(85.8)
Income tax paid	(48.6)	(69.9)
Net cash flows provided by operating activities	**157.8**	**302.0**
Purchase of property, plant and equipment and intangible assets	(43.2)	(48.1)
Purchases of consolidated companies, net of acquired cash and other liabilities related to business combination	(27.7)	(77.3)
Investing in associates and Joint ventures	(2.1)	(18.4)
Increase in financial assets	(2.9)	(97.7)
Disposals of property, plant and equipment and intangible assets	-	0.3
Proceeds from sales of consolidated companies, after divested cash	3.8	(0.0)
Decrease in financial assets	163.5	11.4
Dividends received	0.3	0.2
Net cash provided by/(used for) investing activities	**91.8**	**(229.6)**
Change in capital	364.8	-
Change in other securities	114.4	-
Dividends paid	(0.2)	(148.2)
Dividends paid by consolidated companies to their non-controlling interests	(3.6)	(17.8)
Transactions with non-controlling interests	(400.5)	(28.1)
Proceeds from borrowings and other financial liabilities	15.6	1 293.6
Repayment of borrowings and other financial liabilities	(365.7)	(1 038.7)
Net variation of group current accounts	(0.1)	0.1
Interest paid	(111.1)	(165.1)
Net cash flows from/(used in) financing activities	**(386.4)**	**(104.2)**
Impact of changes in foreign exchange rates	36.7	(29.7)
Net increase/(decrease) of cash and cash equivalents	**(100.0)**	**(61.5)**
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	**332.4**	**418.1**

(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 September 2023
ASSETS		
Goodwill	2 570.2	2 773.5
Intangible assets	194.8	205.5
Right-of-use assets	160.8	155.8
Property, plant and equipment	59.2	66.1
Investments in associates and joint ventures	14.0	31.4
Non-current financial assets	161.7	217.6
Other non-current assets	35.9	32.4
Deferred tax assets	51.9	59.0
Non-current assets	**3 248.6**	**3 541.3**
Inventories and work in progress	705.2	947.9
Trade receivables	496.5	614.0
Other current assets	288.3	340.1
Current financial assets	24.7	40.6
Cash and cash equivalents	479.4	419.1
Current assets	**1 994.1**	**2 361.7**
TOTAL ASSETS	**5 242.6**	**5 903.0**
EQUITY AND LIABILITIES		
Share capital	8.0	8.1
Share premiums	91.7	(43.2)
Net income/(loss) - attributable to shareholders	(88.0)	14.1
Shareholders' equity	**11.7**	**(21.1)**
Non-controlling interests	6.3	19.3
Total equity	**18.0**	**(1.7)**
Other securities	130.5	130.5
Long-term borrowings and other financial liabilities	2 290.3	2 622.3
Long-term lease liabilities	131.2	128.4
Non-current provisions	27.7	36.8
Other non-current liabilities	441.3	342.9
Deferred tax liabilities	7.4	10.3
Non-current liabilities	**3 028.4**	**3 271.3**
Short-term borrowings and bank overdrafts	349.4	359.4
Short-term lease liabilities	40.4	40.6
Trade payables	663.6	621.9
Current provisions	23.0	19.2
Customer contract liabilities	693.3	1 024.7
Other current liabilities	426.6	567.8
Current liabilities	**2 196.2**	**2 633.5**
TOTAL EQUITY AND LIABILITIES	**5 242.6**	**5 903.0**

Table 5: IFRS consolidated net financial debt

In € million	31 December 2022	30 September 2023
Bonds	1 330.8	1 300.5
Bank borrowings and other	1 140.1	1 467.4
Bank overdrafts	0.0	1.0
Accrued interests on bonds and bank borrowings	29.6	13.9
Vendor loans	138.4	198.9
Total bank indebtedness	**2 638.9**	**2 981.7**
Cash and cash equivalents	(479.4)	(419.1)
Funding of Gardenia	-	(78.3)
Trade receivables on providers	(13.1)	(43.1)
Players' liabilities	50.6	51.8
Cash in trusts and restricted cash	(31.6)	(28.5)
Net cash and cash equivalents	**(473.6)**	**(517.2)**
Net debt before intercompany loan and derivatives effects	**2 165.3**	**2 464.5**
Net debt before derivatives effects	**2 165.3**	**2 464.5**
Derivatives - liabilities	0.0	-
Derivatives - assets	(74.5)	(80.3)
Net debt	**2 090.8**	**2 384.3**

Table 6: Cash flow statement

In € million	Content production & distribution	Online sports betting & gaming	Holding	Total Group
	30 September 2023			
Net cash flow from operating activities	196.3	121.0	(15.3)	**302.0**
Cash flow (used in)/from investing activities	(140.0)	(2.7)	(86.9)	**(229.6)**
Cash flow (used in)/from financing activities	(85.6)	(112.6)	94.0	**(104.2)**
Other	(29.7)	-	-	**(29.7)**
Net increase/(decrease) in cash and cash equivalents	**(59.0)**	**5.7**	**(8.2)**	**(61.5)**
Cash and cash equivalents as of 1 January	*396.2*	*72.1*	*11.2*	*479.4*
Cash and cash equivalents as of 30 September	*337.2*	*77.8*	*3.0*	*418.1*

In € million	Content production & distribution	Sports Betting & Online Gaming	Holding	Total Group
	30 September 2022			
Net cash flow from operating activities	141.3	42.0	(25.5)	**157.8**
Cash flow (used in)/from investing activities	(65.0)	(5.8)	162.6	**91.8**
Cash flow (used in)/from financing activities	(225.0)	(38.1)	(123.3)	**(386.4)**
Other	36.7	-	-	**36.7**
Net increase/(decrease) in cash and cash equivalents	**(111.9)**	**(1.9)**	**13.8**	**(100.0)**
Cash and cash equivalents as of 1 January	*342.4*	*87.9*	*2.2*	*432.4*
Cash and cash equivalents as of 30 September	*230.5*	*86.0*	*15.9*	*332.4*

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

At Banijay level:		
In € million	**31 Dec. 2022**	**30 Sept. 2023**
Total Secured Debt (OM definition)	**1 847**	**2 009**
Other debt	339	323
SUN	409	402
Total Debt	**2 595**	**2 734**
Net Cash	(396)	(337)
Total net financial debt (excl. Earn-out & PUT)	**2 199**	**2 397**
EO & PUT	124	150
Total net financial debt (incl earn-out & PUT)	**2 323**	**2 547**
Ratios at Banijay level:		
Leverage Ratio, as presented	4.46	4.57
Adjusted Leverage Ratio, as presented	4.71	4.85
Senior secured net leverage ratio	3.20	3.50
Cash conversion rate - Banijay definition*	75%	72%

Banijay contribution at FL Entertainment level:		
In € million	**31 Dec. 2022**	**30 Sept. 2023**
Total net financial debt (excl. Earn-out & PUT)	**2 199**	**2 397**
Transaction costs amortization and other	(74)	(34)
Vendor loan	-	58
Lease debt (IFRS 16)	(160)	(155)
Total net financial debt at FL Entertainment level	**1 965**	**2 265**
Derivatives	(69)	(76)
Total net financial debt at FL Entertainment level after derivatives	**1 896**	**2 189**

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 Secured 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