



Annual Income 2022/2023

Income driven by the strong growth in the activity

- **Turnover:** € 423.8 M (+9.0%)
- **EBITDA:** € 76.1 M (+0.7%)
- **Current operation income:** € 27.4 M (+18.3%)
- **Net income:** € 23.4 M¹
- **Solid financial situation** *Gearing of 0.1x and leverage of 0.8x*

- **Continuation of the investment programme and confidence in the prospects**

Paris, 30th January 2024, 06:00 p.m.

During its meeting held on the 30th January 2024 and after having reviewed the management report of Groupe Partouche Executive Board, the Supervisory Board examined the annual accounts at 31st October 2023, that are being audited.

Strong growth in the annual turnover

The Gross Gaming Revenue (GGR) records a strong growth over the financial year reaching € 701.5 M, compared to € 636.7 M in 2022 (+10.2%), a financial year which was still penalized by health restrictions until mid-March 2022. This good performance is fuelled by the growth in the slot machines GGR (+7.6%), the GGR of electronic forms of traditional games in France (+20.3%) and the online games in Switzerland (+41.6%).

The Net Gaming Revenue (NGR) increases to € 332.9 M over the whole year by +9.0%, benefiting from a favourable effect over the first part of the year.

Turnover excluding NGR improves by +9.6% to € 94.3 M.

Globally, the 2023 consolidated turnover increases by +9.0% reaching € 423.8 M.

Goof financial performance

EBITDA appears generally stable at € 76.1 M (compared to € 75.6 M a year earlier) and represents 18.0% of turnover. However, restated for additional "closure" aids received in the previous financial year in the amount of € 4.9 M, 2023 **the EBITDA increases by +€ 5.4 M, demonstrating a significant improvement in operational performance.**

Current Operating Income (COI) increases reaching € 27.4 M (+18.3%), thanks to the return to normal activity over the entire financial year, and mainly under the influence of the casino sector.

Purchases & external expenses increases by +€ 20.6 M (+16.9%), mainly impacted by:

- Purchases of materials up by +€ 7.4 M (+19.5%) resulting both from the surge in energy prices of +€ 4.8 M (+43.1%) and the increase in purchases of solids and liquids for +€ 2.0 M (+11.5%) thus reflecting the dynamics of the activity;

¹ To be compared to a net income of 37.1 €M in 2021/2022 that included 17.6 €M of non-current operating income, mainly linked with the disposal of the shares in the casino de Crans-Montana.

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- Advertising & marketing costs and fees up respectively by +€ 8.0 M (+38.2%) and +€ 2.0 M (+9.9%) directly linked with the return to a normal activity and marketing operations related to the 50 year anniversary of Groupe Partouche (particularly through the free allocation of "promo credits" for games, an increase of +€ 4.7 M).
- In opposition, the Meyrin casino, whose concession renewal was obtained for a period of 20 years until 2045, reduces advertising expenses and communication fees related to its online activity (-€ 0.8 M, or -9.0%).

Taxes and duties decrease from € 17.3 M in 2022 to € 16.9 M in 2023, i.e. -2.1%.

Employees expenses reach € 177.2 M, up by +€ 9.3 M (+5.5%) mainly due to the effects of the increase in the legal minimum wage as at 1st January & 1st May 2023, the revaluation of 2023 salary scales and the end of the use of the partial activity regime from which the Group had benefited in the previous financial year.

The change in amortization and depreciation of fixed assets, down by -4.9% to € 48.9 M, reflects the various ends of depreciation cycles as well as the limitation of renewal investments during the health crisis.

The item "Other current operating income and expenses" represents a net expense of -€ 10.8 M, compared to +€ 6.9 M over the previous financial year. This is due to the fact that the Group no longer benefits from the Government additional "closure" aid amounting to € 4.9 M over the financial year in order to fight the consequences of the health crisis. Moreover, the expenses related to the casinos' concessions specifications increase (+€ 0.5M), correlatively to GGR. Conversely, we note a favourable trend in changes in the provisions.

The 2023 Operating Income reaches € 27.4 M, after considering a non-current operating income (NCOI) almost at zero (+€ 0.04 M). **It is to be compared to the 2022 operating income of € 40.7 M which took into account a NCOI of +€ 17.6M**, principally composed of a result on the disposal of consolidated shares of +€ 14.1 M relating to the sale of 57% of the shares of the Crans-Montana casino.

The financial income totalled -€ 2.9 M (compared to -€ 2.3 M in 2022). This increase is mainly due to the financial expenses linked to IFRS 16 rental debts (€ 1.2 M, including € 0.8 M for the Middelkerke casino alone). Furthermore, in the context of rising interest rates, the group's annual average cost of debt increases slightly (+€ 1.2 M) despite the further reduction in the Group's gross debt. This increase is, however, largely offset by investment income which is up by +€ 1.4 M.

Tax expenses (CVAE included) is globally stable (-€ 1.1 M compared to € 1.2 M in 2022).

Ultimately, **Groupe Partouche generates a profit of € 23.4 M** (of which the Group's share amounts to € 18.9 M) compared to € 37.1 M in 2022.

Healthy and solid financial structure

We can note **an increase in the non-current assets of the consolidated balance sheet** by +€ 20.5 M due to:

- The increase in "tangible fixed assets" (+€ 16.7 M) resulting, among other things, from ongoing investments in various establishment renovation projects, more particularly, an increase in the item fixed assets in progress of +€ 18.7 M (including mainly the works at the casinos of the Lyon Vert for € 9.1 M, Annemasse for € 4.5 M and Middelkerke for € 1.8 M) as well as the item advances and deposits on fixed assets for +€ 10.1 M (including, essentially, the works at the casinos of Saint-Amand for € 7.4 M and Divonne for € 1.6 M);
- The increase in shareholdings in equity-accounted companies due in particular to the acquisition of an additional 34% stake in the companies of the La Pensée Sauvage division (+€ 2.3 M).

Conversely, we note a **decrease in the current assets** of -€ 14.4 M principally due to active cash consumption of -€ 17.5 M explained by investments during the period, mainly financed by issuing new bank loans and through the payment of dividends to the Group's shareholders, as well as to minority shareholders, amounting to € 6.7 M in total.

On the liabilities side, the Group's Equity, minority shareholders included, **increases by +€ 12.8 M** reaching € 366.9 M following the beneficiary income of the financial year that amounted to € 18.9 M (Group's share).

The financial debt decreases by -€ 8.4 M (current and non-current share) after taking into account:

- the settlement of the four quarterly instalments of the syndicated loan in the amount of -€ 10.8 M;

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- the reimbursement of other bank loans for -€ 17.2 M;
- the setting up of new credits for +€ 21.5 M;
- as well as the net impact of lease contracts treatment according to IFRS 16 for -€ 1.2 M (notably up, the subscriptions of new real estate contracts found in an increase in non-current assets, and down, the payment of deadlines of the financial year).

The financial debt amounts to € 53.9 M, up by € 7.6 M.

The financial structure of the Group remains healthy with the ratios of leverage (Net Debt / EBITDA) and gearing (Net Debt/Equity) respectively of 0.8x and 0.1x (compared to 0.7x and 0.1x in 2022).

Outlook

Middelkerke (Belgium)

Since the partnership signed last June, between Groupe Partouche and Betsson, the Middelkerke casino has been granted the necessary license authorising the operation of attractive online casino games adapted to the Belgian regulated market, starting from the end of January 2024.

Furthermore, the Middelkerke casino that was temporarily operated in an outlying hotel since its entry into the Group in July 2022, is to be transferred at the end of March, to the seafront, a privileged location.

Dividends under financial year 2022/2023

After the resumption last year of the distribution policy, Groupe Partouche plans to distribute a dividend again for the 2022/2023 financial year, the amount and payment terms of which will soon be specified and submitted to a shareholders' vote during the General Meeting to be held on 20th March 2024.

Continuation of the investments in the existing sites

Constantly aiming in its establishments for excellence in the customer experience, the Group continues to enrich its offering and renovates its casino fleet in order to improve its performance, in that respect:

- The Le Lyon Vert casino in La Tour-de-Salvagny is undergoing a major restructuring of its existing spaces with the creation of an important extension on two levels (ground floor and 1st floor). The project should end in May 2024;
- Extensive works continue at the Annemasse casino. The left wing and a first outdoor smoking room were opened at the end of December 2023. The second phase of work, which will be completed in the summer of 2024, will notably make it possible to create an extension to the front and a second outdoor room;
- The Divonne casino is undergoing a total renovation in order to regain its initial grandeur. This should be completed in September 2024;
- The Contrexéville casino will benefit from a reorganization: the games main room will be transferred under the theater decor and the restaurant will also be positioned on the park side with an adjoining kitchen. Initiated in November 2023, the project should be completed in December 2024;
- The Vichy casino is undergoing a complete renovation, which aims to increase the gaming areas, modernize and enhance the services offered by this emblematic establishment. Works are scheduled to end in June 2025;
- Other sites' renovations will be initiated in the 2024 financial year, in particular for the Saint-Amand-les-Eaux casino.

Upcoming events:

- Turnover 1st quarter (Nov. 2023-Jan. 2024): Tuesday 12th March 2024 (after stock market closure)
- General Meeting: Wednesday 20th March 2024

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 . ISIN : FR0012612646 - Reuters : PARP.PA - Bloomberg : PARP:FP

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Annex

1- Consolidated income

(In €M) at 31 st October	2023	2022	ÉCART	Var.
Turnover	423.8	388.8	+35.0	+9.0%
Purchases & External Expenses	(142.6)	(122.0)	(20.6)	+16.9%
Taxes & Duties	(16.9)	(17.3)	+0.4	-2.1%
Employees Expenses	(177.2)	(168.0)	(9.3)	+5.5%
Depreciation, amortisation & impairment of fixed assets	(48.9)	(51.5)	+2.5	(4.9%)
Other current income & current operating expenses	(10.8)	(6.9)	(3.9)	+56.1%
Current Operating Income	27.4	23.1	+4.2	+18.3%
Other non-current income & operating expenses	-	3.5	(3.5)	-
Gain (loss) on the sale of consolidated expenses	-	14.1	(14.1)	-
Impairment of non-current assets	-	-	-	-
Non-current Operating Income	-	17.6	(17.5)	-
Operating Income	27.4	40.7	(13.3)	(32.7%)
Financial Income	(2.9)	(2.3)	(0.6)	-
Income before Tax	24.5	38.4	(13.9)	-
Corporate Income & CVAE Taxes	(1.1)	(1.2)	+0.1	-
Income after tax	23.5	37.3	(13.8)	-
Shares in earnings of equity-accounted associates	(0.1)	(0.1)	-	-
Total Net Income	23.4	37.1	(13.7)	(37.0%)
<i>o/w Group's Share</i>	<i>18.9</i>	<i>34.2</i>	<i>(15.3)</i>	<i>-</i>
EBITDA (IFRS 16)	76.1	75.6	+0.5	+0.7%
Margin EBITDA / Turnover	18.0%	19.4%		-140 bps

2- Analysis of the net operating income by division

For a better readability of its division performance, Groupe Partouche has presented the division contribution before intra-group elimination (ELIM.).

(In €M) at 31 st October	TOTAL GROUP		CASINOS		HOTELS		OTHER		ELIM.	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Turnover	423.8	388.8	384.8	352.4	31.2	27.9	43.9	43.4	(36.2)	(34.9)
Purchases & External Expenses	(142.6)	(122.0)	(128.1)	(110.4)	(13.9)	(12.5)	(25.1)	(22.7)	24.6	23.6
Taxes & Duties	(16.9)	(17.3)	(24.7)	(23.7)	(1.8)	(1.6)	(1.6)	(2.5)	11.1	10.6
Employees Expenses	(177.2)	(168.0)	(146.1)	(139.2)	(12.6)	(11.5)	(17.9)	(16.8)	(0.6)	(0.5)
Amort. deprec. on fixed assets	(48.9)	(51.5)	(38.0)	(40.3)	(3.0)	(3.1)	(7.9)	(8.1)	0.0	0.0
Other current operating income & expenses	(10.8)	(6.9)	(11.0)	(8.9)	(0.3)	1.1	(0.5)	(0.2)	1.0	1.2
Current Operating Income	27.4	23.1	36.9	29.8	(0.3)	0.3	(9.2)	(6.9)	0.0	0.0

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The current operating income (COI) of the casino sector reaches € 36.9 M, an increase of +€ 7.1 M (+23.8%), driven by the good momentum of the Group's casinos. Activity in this sector is increasing with a change in turnover of +€ 32.4 M (+9.2%). All operating expenses increase by € 25.4 M, they include in particular an increase in purchases and external expenses (+€ 18.1 M, or +16.4%). Conversely, depreciation and amortization on fixed assets fell by € 2.3 M, reflecting the slowdown in the casinos renovation program during previous financial years due to the health crisis, as well as the end of investment cycles, more particularly the depreciation of electronic game equipment.

It should be noted that **online games in Switzerland have reached the profitability threshold:** the COI amounts to € 0.5 M over the financial year and this for the first time since their deployment at the end of 2020.

The COI of the hotel sector returns to deficit despite the increase in turnover of +12.0%. It has been penalized by the increase in operational expenses (notably raw materials, energy and salaries) and by the presence in 2022 of the latest non-recurring aid measures linked to the health crisis.

Finally, the COI of the "Other" sector deteriorates to -€ 9.2 M over the financial year, compared to -€ 6.9 M in 2022.

3- Summary of Net Debt

(In €M) at 31 st October	2023	2022
Equity	366.9	354.0
Consolidated EBITDA (*)	64.3	63.9
Gross debt (**)	167.6	176.4
Cash less gaming levies	113.8	130.1
Net debt	53.9	46.3
Ratio net debt / Equity (« gearing »)	0.1x	0.1x
Ratio net debt / EBITDA (« leverage »)	0.8x	0.7x

(*) 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)

(**) The gross debt includes bank borrowings, bond loans and restated leases, accrued interest, miscellaneous loans and financial debts, bank loans and financial instruments.

4- Glossary

The "Gross Gaming Revenue" 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", a component of the turnover.

Turnover excluding NGR, includes all non-gaming activities i.e. catering, hotels, shows ticketing, spas, etc.

"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.

The "Non-Current Operating Income" (NCOI) includes all non-current and unusual events of the operating cycle: it therefore includes the depreciation of fixed assets (Impairments), the result from the sale of consolidated investments, the result from the sale of asset, other miscellaneous non-current operating income and expenses not related to the usual operating cycle.

Consolidated EBITDA is made up of the balance of income and expenses of the current operating income, excluding depreciation (allocations and reversals) and provisions (allocations and reversals) linked to the Group' business activity included in the current operating income but excluded from Ebitda due to their non-recurring nature.

The Gearing is the ratio between the Net Debt and the Equity.

The leverage is the ratio between the Net Debt and the EBITDA.

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