

## Revenue to end-September up 12%, and 6% on a like-for-like basis

### Upward adjustment of the 2024 outlook

### Successful tender offer for Kindred

- **Revenue to end-September up 12% to €2,097m, up 6% on a like-for-like basis<sup>1</sup>**
  - Gaming revenue in France<sup>2</sup> up 8% to €1,907m
    - Lottery revenue up 7% to €1.5bn, thanks to a strong performance across all game ranges
    - 13% revenue growth in sports betting and online gaming open to competition to €407m
  - Point-of-sale revenue rose by 3% in France and by 9% including Ireland. Digital revenue came to €302m, up 39% or 25% on a like-for-like basis, representing 15% of total revenue
- **2024 outlook revised upward**
  - In the FDJ scope, the Group now expects revenue growth of close to 9% and above 5% for its gaming activities in France, along with a recurring EBITDA margin of around 25%
  - Including Kindred from 11 October and based on the activities retained by FDJ, growth in reported 2024 revenue would be around 16%, with a recurring EBITDA margin of around 25%
- **Success of FDJ's tender offer for Kindred**
  - FDJ owns a 91.77% stake in Kindred since 11 October, which will be increased to 100% in the coming weeks following the extension of the tender offer period to 18 October and the squeeze-out
  - This acquisition creates a European champion with a diversified and balanced profile
- **Moody's confirms the very good ESG score of the FDJ Group**, number 1 in the Hotel, Leisure Goods and Services sector

**Boulogne-Billancourt (France), 17 October 2024 (6:00 p.m.)** – La Française des Jeux (FDJ) announces its revenue to end-September 2024.

**Stéphane Pallez**, Chairwoman and CEO of the FDJ Group, said: "FDJ continues to deliver a solid financial and non-financial performance, which allows us to confirm our growth and profitability trend for the year as a whole. This performance was driven both by the lottery and by sports betting and online gaming open to competition, and by all our distribution channels, with a network of points of sale in progression and strong momentum from digital games. The Group also reached a major milestone in the implementation of its strategy with the completion of the Kindred acquisition in early October, creating a European champion with a diversified and balanced profile for the benefit of all our stakeholders."

<sup>1</sup> Excluding the contribution of PLI and ZEturf over 2024, and Sporting's B2C over 2023

<sup>2</sup> Lottery and sports betting under exclusive rights and betting and online gaming open to competition.

## ✓ **Success of FDJ's tender offer for Kindred and creation of a European gaming champion**

At the end of the tender offer period on 2 October, 195,659,291 Kindred Group plc Swedish Depositary Receipts (SDRs), representing 90.66% of the share capital<sup>3</sup>, had been tendered. FDJ had also acquired 2,400,000 Kindred SDRs directly from Veralda, representing 1.11% of the Group's capital<sup>3</sup>.

FDJ has completed this acquisition and, following the settlement-delivery of the shares on 11 October, holds 91.77% of Kindred's capital.

In addition, to enable Kindred shareholders who have not tendered their shares to do so on unchanged terms, i.e. SEK 130 per SDR, FDJ has extended its offer until 18 October 2024 at 5 p.m. CEST. Settlement and delivery of these shares will take place from 29 October. At the same time, FDJ will implement a squeeze-out procedure.

Kindred is one of the top five online betting and gaming players in Western Europe, present in seven of the top ten European markets, including the Netherlands, the UK, France, Sweden and Belgium. It offers a comprehensive online offering (sports and horse-race betting, poker and casino), operating brands such as Unibet and 32Red.

This transaction, amounting to €2.5 billion for all shares, creates a European champion with a diversified and balanced profile, based on monopoly activities, primarily lotteries, in France and Ireland, and on online sports betting and gaming activities open to competition in Europe.

The new combined group resulting from this offer will generate around 26% of its revenue internationally, and its online gaming range open to competition will account for around 27% of its revenue.

The FDJ group estimates<sup>4</sup> that it would have recorded:

- If Kindred had been acquired on 1 January 2023, combined revenue of around €3.5 billion and combined recurring EBITDA of around €840 million for the full year 2023;
- If Kindred had been acquired on 1 January 2024:
  - Combined revenue of €1.9 billion and combined recurring EBITDA of around €490 million for the first half of 2024;
  - Combined revenue of €2.8 billion at end-September 2024.

On 14 October, in accordance with the commitment made by FDJ when the acquisition was announced, Kindred's Board of Directors decided to cease operating, by the end of the year, Kindred's activities in markets that are not locally regulated (Norway and other .com sites).

## ✓ **Moody's confirms FDJ's very good ESG score**

Moody's, a provider of environmental, social and governance (ESG) ratings and data, has given FDJ a score of 71/100 in 2024. FDJ thus retains first place among companies in the Hotel, Leisure Goods and Services sector. The Group also ranks 31st out of over 4,500 companies worldwide rated by Moody's.

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<sup>3</sup> Excluding treasury stock

<sup>4</sup> FDJ has estimated the combined revenue and recurring EBITDA for the 2023 financial year, for the first half and the first nine months of 2024 in order to illustrate the significant effects that the Kindred acquisition would have had on the FDJ Group if it had occurred on 1 January 2023 and 1 January 2024, respectively, and on the basis of the scope that would effectively be retained by FDJ. This scope was announced on 22 January 2024, with the planned exit of Norway and other .com sites, unless there is a clear opportunity for a local licence (for example, in Finland, where a draft bill aims to introduce a licensing system for online betting, online slot machines and casino games by early 2027). Kindred has also announced its gradual exit from the US market, completed by the end of the first half of 2024. As Kindred has not published any financial information on those markets in the scope of consolidation that the Group has announced it will not retain, FDJ has estimated Kindred's revenue and recurring EBITDA in this consolidation scope without taking into account potential synergies and exit costs. The information has been prepared based on the financial statements published by Kindred under IFRS and by harmonising the presentation of revenue with that of the FDJ Group (i.e. the sum of net gaming income and income from other activities). The average EUR/GBP rate used is 0.865675 for 2023, 0.854647 for the first half of 2024 and 0.851351 for data to the end of September 2024.

## ✓ Activity to end-September

At the end of September 2024, gross gaming revenue (GGR) amounted to €5.393 billion, up 12.2%. After €3,403 million in public levies, gross gaming revenue (GGR) rose by 12.3% to €1,990 million.

After taking into account income from other activities of €107 million, the FDJ Group's revenue at end-September amounted to €2,097 million, up 11.9% and 5.8% on a like-for-like basis.

### Revenue\* (in € millions)

€m	9m 2024	9m 2023	Change in %	O/w on a like-for-like basis	Q3 2024	Q3 2023	Change in %	O/w on a like-for-like basis
Lottery	1,500	1,407	+6.6%	+6.6%	495	449	+10.0%	+10.0%
Sports betting and online gaming open to competition	407	360	+13.3%	+5.0%	113	103	+10.3%	+0.6%
International and Payment & Services	190	108	N/A	-3.4%	61	33	N/A	+2.1%
<b>Group total</b>	<b>2,097</b>	<b>1,875</b>	<b>+11.9%</b>	<b>+5.8%</b>	<b>669</b>	<b>586</b>	<b>+14.2%</b>	<b>+8.0%</b>

\* Revenue: net gaming income and income from other activities

### Revenue of €2.097 billion, up 11.9% and 5.8% on a like-for-like basis

- Gaming revenue in France rose by 8.0% to €1,907 million.
  - Lottery revenue totalled €1,500 million, up 6.6%. The digital momentum remains very strong, up 23.9%, taking the lottery's digital penetration to 14.0% versus 12.0% at end-September 2023.
 

Revenue from instant games rose 7.8%, driven by the success of the games portfolio, including the launch of Ticket d'Or (€5) in early January and the phygital game Maxi Black Jack (€5) in May.

Revenue from draw games rose by 4.7%, and by 9.9% excluding Amigo. This performance was driven in particular by EuroDreams and more attractive Euromillions jackpots than in 2023, while Amigo returned to growth at the start of June.
  - Revenue from sports betting and online gaming open to competition came to €407 million, up 13.3% and up 5.0% on a like-for-like basis.
 

After the Euro football championship, sports betting also benefited from the Paris 2024 Olympic Games which, although a smaller event in terms of sports betting, nonetheless stimulated the offering.

Online business continues to enjoy sustained growth, up 28.4% on a like-for-like basis. This performance reflects the intrinsic strength of ParionsSport en ligne, which is also benefiting from the attractiveness of poker, with a high level of cross-selling.
- Revenue from other activities (International and Payment & Services) came to €190 million, compared with €108 million at end-September 2023, an increase attributable to the integration of PLI, which performed well, driven in particular thanks to EuroDreams and instant games.
- By distribution channel:
  - Digital revenue rose sharply, by 39.3% including the acquisitions of PLI and ZEturf, and by 24.8% on a like-for-like basis. This growth was driven both by sports betting and online gaming open to competition and by the online lottery, which benefited from EuroDreams' very high rate of digitalisation, as well as the attractiveness of instant games and the exclusive online offer. As a result, digital

accounts for 15.2% of total revenue, compared with 12.2% at end-September 2023. This performance is still largely attributable to the increase in the number of players.

- Point-of-sale revenue rose by 8.6%, mainly due to the integration of PLI. In France, point-of-sale revenue advanced 2.7%.

In the third quarter of 2024, revenue totalled €669 million, up 14.2% and 8.0% on a like-for-like basis. Over the quarter, there were more high Euromillions jackpot draws than in Q3 2023, and the Amigo game fully returned to a homogeneous basis of comparison, while the operator's sports betting margin was, as expected, lower than in the first half of the year.

### **Available cash of €908 million and net cash surplus of €636 million at end-September**

To finance the acquisition of the Kindred shares for nearly €2.5 billion, FDJ used a bridging loan, arranged on 7 October for €2 billion, which it hopes to refinance on attractive terms, in particular through a bond issue, aiming for an investment grade rating<sup>5</sup>.

At the end of September, the Group had available cash<sup>6</sup> of €908 million and a net cash surplus (NCS)<sup>7</sup> of €636 million.

### ✓ **Outlook**

In light of the Group's performance at end-September and taking into account a basis for comparison which includes the consolidation of the ZEturf group and PLI at the end of 2023, from 29 September and 3 November respectively, FDJ is adjusting upwards its revenue and recurring EBITDA margin targets for 2024. The Group expects revenue growth of nearly 9%, and above 5% for gaming activities in France, with a recurring EBITDA margin of around 25%. Initially, the 2024 targets communicated by the Group were +8%, +5% and 24.5% respectively.

Including Kindred from 11 October and based on the activities retained by FDJ, the FDJ Group's growth in 2024 revenue would be around 16%, with a recurring EBITDA margin of around 25%.

### **Next financial communication**

FDJ will publish its 2024 results on Thursday 6 March 2025 before trading.

### **About La Française des Jeux (FDJ Group)**

FDJ Group is one of Europe's leading betting and gaming operators, with a vast portfolio of iconic brands and a reputation for technological excellence. With almost 6,000 employees and a presence in around fifteen regulated markets in Europe, the Group offers a diversified, responsible range of games, both under exclusive rights and open to competition: lottery games in France and Ireland, via an extensive point-of-sale network and online; sports betting at points of sale in France; and online games open to competition (sports and horse-race betting, poker and online casino games, in markets where these activities are authorised). FDJ Group has placed responsibility at the heart of its strategy and promotes recreational betting. FDJ Group is listed on the Euronext Paris regulated market (Compartment A – FDJ.PA) and is a member of indices including the SBF 120, Euronext 100, Euronext Vigeo 20, EN EZ ESG L 80, STOXX Europe 600, MSCI Europe and FTSE Euro.

For more information, visit [www.groupefdj.com](http://www.groupefdj.com)



#### **Media Relations**

+33 (0)1 41 10 33 82 | [servicedepresse@lfdj.com](mailto:servicedepresse@lfdj.com)

#### **Investor Relations**

+33 (0)1 41 04 19 74 | [invest@lfdj.com](mailto:invest@lfdj.com)

<sup>5</sup> Based on an outlook that takes into account the stability of the legislative environment (particularly fiscal and social) and the regulatory environment of the gambling and betting market in the countries where the Group operates, which could otherwise adversely affect its economic and financial performance.

<sup>6</sup> Cash available = cash & cash equivalents net of Euromillions funds, and deposits available within 32 days

<sup>7</sup> It corresponds to non-current financial assets, current financial assets and cash and cash equivalents, net of non-current financial liabilities and current financial liabilities, less: current and non-current deposits and guarantees given; cash subject to restrictions; sums allocated exclusively to the winners of the Euromillions game; non-consolidated securities, mainly composed of units in venture capital funds (FDJ Ventures).