Consolidated financial statements

for the year ended 31 December

2024

FDJ UNITED

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1. Consolidated income statement

The financial statements are presented in millions of euros, rounded to the nearest hundred thousand. The various financial statements may therefore contain rounding differences.

In millions of euros	Note	31.12.2024	31.12.2023*
Gross gaming revenue	**4.1**	**7,647.0**	**6,710.4**
Public levies	*4.1*	*-4,740.9*	*-4,237.1*
Other revenue from sports betting	*4.1*	*0.0*	*8.2*
Net gaming revenue	**4.1**	**2,906.1**	**2,481.4**
Revenue from other activities	**4.1**	159.0	**140.0**
REVENUE	**4.1**	**3,065.1**	**2,621.4**
Cost of sales	4.2	-1,367.1	-1,233.5
Marketing expenses	4.2	-222.6	-163.0
IT services	4.2	-116.7	-108.5
Personnel expenses	4.2	-442.8	-369.3
General and administrative expenses	4.2	-123.6	-90.2
Net depreciation and amortisation		-224.5	-125.1
RECURRING OPERATING PROFIT	**4.2**	**567.7**	**531.8**
Other non-recurring operating income	4.2	0.0	13.4
Other non-recurring operating expenses	4.2	-39.2	-24.0
OPERATING PROFIT		**528.6**	**521.1**
Cost of debt		-37.7	-13.8
Other financial income		53.6	67.7
Other financial expenses		-10.5	-11.1
NET FINANCIAL INCOME	**10.4**	**5.3**	**42.7**
Share of net income from joint ventures	11	2.9	2.1
PROFIT BEFORE TAX		**536.8**	**566.0**
Income tax expense	13	-137.9	-141.0
NET PROFIT FOR THE PERIOD		**398.9**	**425.1**
– attributable to owners of the parent		398.8	425.1
– attributable to non-controlling interests		0.1	0.0
BASIC EARNINGS PER SHARE *(in euros)*	**14**	**2.16**	**2.23**
DILUTED EARNINGS PER SHARE *(in euros)*	**14**	**2.16**	**2.23**

* The presentation of the income statement has been revised as from 2024 - See Note 2.2.2 New presentation of the income statement in 2024.

2. Consolidated statement of comprehensive income

In millions of euros	31.12.2024	31.12.2023
NET PROFIT FOR THE PERIOD	**398.9**	**425.1**
Cash flow hedging (before tax)	-19.7	-8.7
Net investment hedging on foreign activities (before tax)	-0.9	0.7
Net change in currency translation differences (before tax)	2.1	-2.8
Tax on items subsequently transferable to profit or loss	5.4	2.1
ITEMS SUBSEQUENTLY TRANSFERRED OR TRANSFERABLE TO PROFIT OR LOSS	**-13.1**	**-8.8**
Cash flow hedging and fair value hedging of equity instruments	1.2	0.0
Actuarial gains and losses	2.0	-9.6
Tax on items that may not subsequently be transferable to profit or loss	-0.5	2.5
ITEMS THAT MAY NOT SUBSEQUENTLY BE TRANSFERABLE TO PROFIT OR LOSS	**2.7**	**-7.1**
OTHER COMPREHENSIVE INCOME	**-10.4**	**-15.8**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**388.5**	**409.2**
– attributable to owners of the parent	388.5	409.2
– attributable to non-controlling interests	0.1	0.0

3. Consolidated statement of financial position

In millions of euros	Note	31.12.2024	31.12.2023
ASSETS			
Goodwill	6	1,200.7	190.8
Exclusive operating rights	7.1	617.0	581.6
Other intangible assets	7.1	2,116.7	346.0
Property, plant and equipment	7.2	433.7	366.2
Non-current financial assets	10.1	122.1	559.9
Investments in joint ventures	11	23.5	19.1
NON-CURRENT ASSETS		**4,513.7**	**2,063.5**
Inventories		19.9	22.7
Trade and distribution network receivables	4.5	729.3	559.5
Other current assets	4.5	379.3	272.3
Current tax assets	13.2	69.3	14.1
Current financial assets	10.1	161.5	265.4
Cash and cash equivalents	10.2	683.6	538.6
CURRENT ASSETS		**2,043.0**	**1,672.6**
Assets held for sale	12	0.0	24.6
TOTAL ASSETS		**6,556.7**	**3,760.8**
LIABILITIES			
Share capital		74.1	76.4
Retained earnings (including profit for the period)		1,109.8	978.8
Reserves of other comprehensive income		5.5	15.9
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	**15**	**1,189.4**	**1,071.1**
Non-controlling interests		0.0	0.0
SHAREHOLDERS' EQUITY		**1,189.5**	**1,071.1**
Provisions for retirement benefits and similar commitments	4.7.3	61.2	58.0
Non-current provisions	8	22.6	1.4
Deferred tax liabilities	13.3	257.0	84.2
Non-current financial liabilities	10.1	2,206.4	397.5
NON-CURRENT LIABILITIES		**2,547.1**	**541.0**
Current provisions	8	35.3	14.9
Trade and distribution network payables	4.6.1	624.4	478.5
Current tax liabilities	13.2	97.8	7.4
Current player funds	4.6.2	350.3	339.9
Public levies liabilities	4.6.3	506.1	606.5
Winnings payable/Player balances	4.6.4	642.3	343.1
Other current liabilities	4.6.5	275.1	258.0
Liabilities to the French State in relation to exclusive operating rights		97.0	0.0
Current financial liabilities	10.1	191.9	90.8
CURRENT LIABILITIES		**2,820.1**	**2,139.0**
Liabilities held for sale	12	0.0	9.6
TOTAL LIABILITIES		**6,556.7**	**3,760.8**

4. Consolidated statement of cash flows

In millions of euros	Note	31.12.2024	31.12.2023
OPERATING ACTIVITIES			
Consolidated net profit for the period		**398.9**	**425.1**
Change in asset depreciation, amortisation and impairment of non-current assets		228.0	125.6
Change in provisions		9.2	6.2
Capital gains or losses on disposal		1.0	4.8
Income tax expense		137.9	141.0
Other non-cash items included in the consolidated income statement		-7.6	1.0
Net financial income	10.4	-5.3	-42.7
Share of net income from joint ventures		-2.9	-2.1
Non-cash items		**360.2**	**233.6**
Utilisation of provisions – payments		**-19.3**	**-10.8**
Interest received		**39.4**	**56.8**
Income taxes paid		**-112.8**	**-134.8**
Change in trade receivables and other current assets		-144.8	-68.1
Change in inventories		2.7	-3.3
Change in trade payables and other current liabilities		59.0	129.6
Change in other components of working capital		-6.3	0.7
Change in operating working capital		**-89.4**	**58.9**
NET CASH FLOW FROM OPERATING ACTIVITIES	**10.3**	**577.0**	**628.9**
INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment and intangible assets	7.1	-149.9	-124.7
Acquisitions of shares		-2,177.3	-211.9
Disposals of property, plant and equipment and intangible assets		0.1	0.1
Disposals of shares		1.2	9.8
Change in current and non-current financial assets	10.1	588.6	303.5
Change in loans and advances granted		-24.7	-3.9
Dividends received from joint ventures and shareholdings		1.1	1.2
Other		-1.3	4.2
NET CASH FLOW USED IN INVESTING ACTIVITIES	**10.3**	**-1,762.3**	**-21.7**
FINANCING ACTIVITIES			
Issue of long-term debt	10.1	3,890.8	0.0
Repayment of the current portion of long-term debt	10.1	-2,164.8	-297.8
Payment of lease liabilities	10.1	-10.2	-8.2
Dividends paid to ordinary shareholders of the parent company		-328.7	-253.4
Interest paid		-31.9	-14.7
Other		-20.4	-6.3
NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES	**10.3**	**1,334.7**	**-580.5**
Impact of changes in foreign exchange rates		-5.9	1.0
NET INCREASE/DECREASE IN NET CASH		**143.5**	**27.7**
Current bank overdrafts at 1 January		0.0	-2.5
Current bank overdrafts at 31 December		-1.5	0.0
Cash and cash equivalents at 1 January		538.6	513.4
Cash and cash equivalents at 31 December		683.6	538.6

5. Consolidated statement of changes in equity

In millions of euros	Share capital	Retained earnings (incl. profit for the period)	Cash flow hedges	Currency translation differences (incl. net investment hedging)	Actuarial gains and losses	Reserves of other compre-hensive income	Equity attribu-table to owners of the parent	Non-controlling interests	Total equity
EQUITY AT 31.12.2022	**76.4**	**817.3**	**13.9**	**6.7**	**11.1**	**31.7**	**925.4**	**0.0**	**925.4**
Net profit 31 December 2023		***425.1***					***425.1***		***425.1***
Other comprehensive income			-6.5	-2.3	-7.1	-15.8	-15.8		-15.8
Total comprehensive income for the period	**0.0**	**425.1**	**-6.5**	**-2.3**	-7.1	**-15.8**	**409.2**	**0.0**	**409.2**
2022 dividends paid		-261.3					-261.3		-261.3
Other		-2.3					-2.3		-2.3
EQUITY AT 31.12.2023	**76.4**	**978.8**	**7.4**	**4.5**	**4.0**	**15.9**	**1,071.1**	**0.0**	**1,071.1**
Net profit 31 December 2024		***398.9***					***398.9***	***0.1***	***398.9***
Other comprehensive income			-13.4	1.5	1.5	-10.4	-10.4		-10.4
Total comprehensive income for the period	**0.0**	**398.9**	**-13.4**	**1.5**	**1.5**	**-10.4**	**388.5**	**0.1**	**388.5**
2023 dividends paid		-340.0					-340.0		-340.0
Other*	-2.3	72.1					69.8	0.0	69.9
EQUITY AT 31.12.2024	**74.1**	**1,109.8**	**-6.0**	**5.9**	**5.5**	**5.5**	**1,189.4**	**0.0**	**1,189.5**

* Includes €70.7 million in relation to the Soficoma dispute (see Note 15 Shareholders' equity).

Income and expenses recognised in other comprehensive income mainly consist of actuarial gains and losses on retirement benefit obligations. The other changes relate mainly to treasury shares held in relation to a liquidity agreement or the performance share scheme, which are treated as deductions from equity.

6. Notes to the consolidated financial statements

NOTE 1 Overview of the Group

1.1 General information

La Française des Jeux is a public limited company (société anonyme) governed by French law, subject to all regulations on commercial companies in France, and in particular the provisions of the French Commercial Code, in accordance with the provisions of the legal framework as described in Note 1.2. Its registered office is located at 3/7, Quai du Point du Jour 92100 Boulogne-Billancourt. It has been admitted to trading on the Euronext Paris market since 21 November 2019. As at 31 December 2024, its share ownership structure can be broken down as follows: the French State (21.2%), veterans' associations[1] (15.6%), employee share investment funds (3.5%), Predica (3.1%) and other holdings of less than 3%, including French and international institutional investors and private shareholders. The State exerts strict control over the Company. As a result, the appointment of the Chairman, Chief Executive Officer and Deputy Chief Executive Officers, as well as any threshold-crossing of 10% or a multiple of 10% of the share capital, are subject to approval by the Ministers for the Budget and the Economy.

As at 31 December 2024, FDJ UNITED runs a gaming operation and distribution business, primarily in France (metropolitan and overseas departments), four French overseas territories and Monaco. It also operates internationally, mainly through its equity investments in the following companies:

- Kindred, a major European player in online gaming and betting. Acquired by FDJ UNITED in 2024, Kindred operates in several key European markets, notably the Netherlands, the United Kingdom, France, Sweden and Belgium. It offers a full range of online sports betting, horse-race betting, poker and casino gaming under well-known brands such as Unibet and 32Red;
- Premier Lotteries Ireland, the operator holding the exclusive rights to run the Irish National Lottery at points of sale and online;
- ZEturf group, an online horse-race and sports betting operator with offices in Spain, Belgium, the Netherlands, Mauritius and Malta, operating mainly in France;
- Beijing Zhongcai Printing (BZP), a Chinese company that prints lottery tickets.

The consolidated financial statements reflect the financial position and results of La Française des Jeux and its subsidiaries ("the Group" or "FDJ UNITED") as well as the investments held by La Française des Jeux in joint ventures. They are prepared in euros, the functional currency of the parent company.

1.2 Regulatory environment of FDJ UNITED

The Group operates in the gaming sector, a highly regulated industry under strict State control. Gaming in France is generally prohibited, subject to restricted exemptions.

The online sports betting and online poker businesses, which are open to competition, are governed notably by Law no. 2010-476 of 12 May 2010 and conducted within the framework of a five-year agreement. The sports betting licence held by La Française des Jeux was last renewed by the ANJ in 2020, while its licence for online poker was granted by the ANJ in October 2022. ZEturf, acquired in 2023, also holds licences for online horse-race and sports betting. Through its subsidiary SPS Betting France Limited, the Kindred acquisition in 2024 also enables the Group to run online sports betting, horse-race betting and poker offerings under the Unibet brand under licences issued by the ANJ.

The Pacte Law of 23 May 2019 confirmed the exclusive rights of La Française des Jeux to operate online and point-of-sale lottery games (draw games and instant games) and point-of-sale sports betting activities for a period of 25 years. It also defines the basis, rates and territorial scope of the public levies on all lottery games and sports betting, regulates the payout ratios for lottery games and sets upper limits on payouts for online and point-of-sale sports betting.

These texts and the regulatory measures taken in order to apply them impose strict State control on the operation of the exclusive rights, which is exercised in practice through specific prerogatives, such as ministerial approval of the corporate directors before their appointment, ministerial approval of any draft amendments to the company's articles of association, and the presence of a Government commissioner with the right to veto decisions taken by the Board of Directors.

Following the PLI and Kindred acquisitions in 2023 and 2024 respectively, FDJ UNITED now operates in other European jurisdictions and is subject to the regulations in those countries.The main jurisdictions are listed below.

- **Ireland**: The Irish market is governed by the National Lottery Act 2013 and the Gambling Regulation Act 2024. Lottery games are subject to a State monopoly, with a licensing regime for sports betting and horse-race betting. Premier Lotteries Ireland (PLI) holds exclusive rights to operate the Irish National Lottery for a twenty-year period from 2014 to 2034, under the terms of an exclusive licence issued by the regulator. In 2024, strict rules were introduced, notably a fund to combat excessive gambling and a register of banned players.
- **Netherlands**: The online gaming market was liberalised in 2021 by the Kansspelen op Afstand law. In 2024, tax increases and strict limits on player deposits were put in place in order to improve consumer protection and regulate operators.
- **United Kingdom**: In the UK, lottery games are run as a monopoly by the National Lottery (Allwyn), while betting, casinos and slot machines are open to competition. The market is regulated by the Gambling Act 2005, amended in 2014, the National Lottery Act 2006 and the white paper High Stakes: Gambling Reform for the Digital Age, published in 2023, which, although not legally binding, has enabled the introduction of new reforms in the country..
- **Sweden**: The Swedish market is dominated by monopolies over lottery games and horse-race betting, but open to competition online under local licences. New regulations in 2024 introduced stricter requirements in relation to responsible gaming and advertising.
- **Belgium**: The Belgian market is governed by several key laws, notably the Laws of 1999 and 2002 and a Royal Decree of 2023. Lottery games are subject to a State monopoly, whereas sports betting, horse-race betting, casinos and slot machines are open to competition under a local licensing regime. In 2024, significant amendments were made to strengthen the regulation and supervision of the gambling sector and to limit cumulative licenses.

(1) Union des blessés de la face et de la tête (UBFT) and Fédération nationale André Maginot (FNAM).

1.3 Highlights

1.3.1 Highlights of the financial year

Success of the public tender offer for Kindred

The acquisition of the Kindred group is a key step in the construction of a European leader in gaming. Kindred offers new growth opportunities to FDJ UNITED, expanding its sports betting and online gaming offering and giving it a presence in major European markets.The full schedule of the operation is presented in Note 3.1).

- The public tender offer for Kindred was launched on 20 February 2024 for a maximum period of 39 weeks. The offer valued Kindred's equity at just under €2.6 billion.
- After the required regulatory permissions were obtained on 18 September, the closing date for the bid was brought forward to 2 October. The offer was a great success, with 91.8% of Kindred's capital being tendered within the offer period. Upon expiry of an extension to the offer on 18 October, La Française des Jeux had acquired a shareholding of 98.6%. A squeeze-out procedure was then begun, which will enable La Française des Jeux to increase its shareholding to 100% in early 2025.
- To refinance this acquisition, La Française des Jeux launched and completed a first-ever €1.5 billion bond issue in November 2024. The issue was a great success with strong demand from investors, testifying to their confidence in FDJ UNITED's strategy and outlook. La Française des Jeux also took out a five-year €400 million amortising loan with a syndicate of leading French and international banks. Both the bond issue and the loan serve to repay the €2 billion bridging facility, which was paid off from the company's funds (see Note 10 - Cash and financial instruments).

Conclusion of the European Commission inquiry

On 31 October 2024, the European Commission issued its final decision on the inquiry opened on 26 July 2021 against the French State into the adequacy of the €380 million paid by La Française des Jeux to secure its 25-year exclusive rights to the lottery and point-of-sale sports betting.

The Commission concluded that La Française des Jeux did not receive State aid at the time of its privatisation, but also that the amount of the equalisation payment should be raised by €97 million, from €380 million to €477 million. This decision confirms, in line with the French Council of State's decision of 14 April 2023, the robust nature of the legal framework put in place when the company was privatised. The increase in the payment has been recognised as a short-term liability to the French State in respect of the exclusive operating rights, with additional catch-up amortisation of €18 million being charged in 2024 (see Note 7 - Property, plant and equipment and intangible assets).

Cancellation of 3% of the share capital of La Française des Jeux

After the Court of Cassation ruled in favour of the Group in its dispute with Soficoma, La Française des Jeux cancelled 5,730,000 shares representing 3% of its share capital. The share capital now comprises 185,270,000 shares.

Sale of the subsidiary Sporting Solutions Services

The subsidiary Sporting Solutions Services was sold to the Betsson group in 2 December 2024, concluding the Group's efforts to refocus on its strategic activities.

Governance

- ***Reappointment of Stéphane Pallez, Chairwoman and CEO***

The Board of Directors of La Française des Jeux reappointed Stéphane Pallez for a four-year term, with the approval of 94.2% of shareholders at the General Meeting of Shareholders on 25 April 2024.

- ***Stakeholder Committee***

Agnès Audier, a “France 2030 Health” ambassador and adviser to the government on the funding and regulation of healthcare products, was appointed chair of the Group Stakeholder Committee. The committee's role is to increase dialogue on key aspects of the Group's business between the Group and other parties in its ecosystem, and more specifically to implement the commitments defined following the adoption of its purpose.

1.3.2 Significant post-closing events

Squeeze-out of non-controlling interests in Kindred Group

The squeeze-out of the remaining non-controlling interests (1.4%) in the Kindred Group was completed in early 2025.

New French tax rules

Following the recent legislative changes introduced in the Social Security Financing Law for 2025, several material changes will affect the French gaming sector with effect from 1 July 2025. While these changes do not impact the current half-year, they are likely to have a significant effect on the Group's future financial performance.

- **Increase in public levies and social charges:**
  - **Point-of-sale and online lottery games:**
    - *Loto and Euromillions games*: the rate of public levies will increase from 68% to 69% of gross gaming revenue (GGR), while the *Contribution sociale généralisée* (CSG) will rise from 6.2% to 7.2% of GGR.
    - *Other draw games and instant games*: the rate of public levies will increase from 55.5% to 56.5% of GGR, while the CSG will rise from 6.2% to 7.2% of GGR.
  - **Sports betting:**
    - *At points of sale*: The rate of public levies will be raised from 41.1% to 42.1% of GGR, with the CSG going up from 6.6% to 7.6% of GGR.
    - *Online*: Public levies will rise significantly from 54.9% to 59.3% of GGR, with the CSG rising from 10.6% to 15% of GGR.
  - **Online poker:**
    - The rate of public levies will be substantially increased, from 0.2% of stakes to 10% of GGR.
  - **Online horse-race betting:**

    Although the social charges remain unchanged, the levy paid to the racing societies will go up in accordance with an annual adjustment set by decree. The rate of public levies will thus rise from 52.3% to 52.9% of GGR.

- **Imposition of a tax on advertising and promotional expenses**:
  - The new legislation also introduces a tax of 15% on the advertising and promotional expenses incurred by gaming operators. This measure is intended as an additional constraint on marketing activities in the gaming sector.

- **Expected impact on the Group**:

Based on the legislation as adopted by Parliament, the Group estimates that the increase in gaming levies in France applicable as from 1 July 2025 will have an immediate effect of around €45 million on its revenue and recurring EBITDA for the period, i.e. a full-year impact of €90 million. FDJ UNITED has begun implementing measures whose gradual impact will reach at least 100 million euros in the 2027 financial year.

NOTE 2 Accounting standards and policies

2.1 Basis for preparation of the financial statements

The consolidated financial statements of La Française des Jeux and its subsidiaries ("the Group" or "FDJ UNITED"), published for the 2024 financial year, were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union at 31 December 2024.

The Board of Directors approved the consolidated financial statements for the year ended 31 December 2024 on 5 March 2025.

The notes to the consolidated financial statements describe the accounting policies in the same sections as the comments on the figures themselves, to make them easier to understand for the reader.

The consolidated financial statements for the financial year ended 31 December 2024 are available on the website groupefdj.com (under Finance/Financial Publications).

2.1.1 New standards, interpretations and amendments applicable in 2024

The amendments and interpretations approved by the European Union whose application was mandatory as of 1 January 2024 are as follows:

- IAS 7 and IFRS 7: amendments relating to supplier finance arrangements;
- IAS 1: amendments concerning the classification of liabilities as current or non-current & non-current liabilities with covenants;
- IFRS 16: amendments relating to the lease liability in a sale-and-leaseback.

The application of these amendments had no material impact on the Group's financial statements.

2.1.2 Standards, interpretations and amendments not yet adopted by the European Union

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Group is closely following progress towards the European Union's adoption of these standards and will evaluate their impact on the financial statements once adoption has occurred.

2.1.3 Standards, interpretations and amendments adopted by the European Union and applicable from 1 January 2025

Amendments to IAS 21 – Lack of exchangeability. The Group does not expect any material future impact.

2.1.4 Standards, interpretations and amendments adopted by the European Union and not early-applied by the Group

The Group has not applied any standards or interpretations early as at 31 December 2024. The Group does not anticipate any material future impact.

2.2 Accounting policies

The main accounting policies applied in preparing the consolidated financial statements are set out below. Unless otherwise noted, these policies have been applied consistently to all periods presented.

The consolidated financial statements have been prepared on a going concern basis in accordance with the independence of financial periods. They have been prepared on a historical cost basis, except that certain financial assets and liabilities, including derivatives, equity securities and assets held for sale, are measured at the lower of the carrying amount and fair value less costs to sell (see Notes 4.5, 4.6, 10.1 and 10.2 below).

Assets and liabilities are presented in the statement of financial position, broken down between current and non-current items.

In accordance with IAS 1, an asset is classified as current if it meets one of the following criteria:

- the entity expects to realise the asset in its normal operating cycle (inventories, trade receivables) or in the 12 months following the reporting date;
- the entity holds the asset primarily for the purpose of trading (financial assets at fair value through profit or loss); or
- the asset is cash or a cash equivalent.

All other assets are classified as non-current.

A liability is classified as current if it meets one of the following criteria:

- the entity expects to settle the liability within the current operating cycle (trade payables) or in the 12 months following the reporting date;
- the entity holds the liability primarily for the purpose of trading (financial liabilities at fair value through profit or loss).

All other liabilities are classified as non-current.

2.2.1 Change of accounting policy

The Group decided to apply IFRS 9 for the measurement of hedging instruments for the first time its 2024 financial statements. The impact of the change in accounting method is not material for the Group.

2.2.2 New presentation of the income statement in 2024

FDJ UNITED has revised the presentation of its income statement in the wake of the Kindred acquisition, moving to a simplified structure that facilitates a comparison between segments. The Group has made several reclassifications, notably involving the creation of new specific line items, such as "IT services", "Personnel expenses", and "Net depreciation, amortization, and provisions", which were previously presented by function under "Cost of sales", "Marketing & communication costs", and "General & administrative costs". From now on, the "Cost of sales", "Marketing & communication costs", and "General & administrative costs" lines exclude "IT services", "Personnel expenses", and "Net depreciation, amortization, and provisions". Additionally, "Other operating income" and "Other operating expenses" are now grouped under "General & administrative costs". These reclassifications, while affecting the recurring EBITDA of the business units, with approximately 50% of holding company costs now reallocated to them, have no impact on recurring operating profit (see Note 4.2.1).

2.2.3 Consolidation

The consolidated financial statements for the year ended 31 December 2024 include the financial statements of the parent company, La Française des Jeux, controlled subsidiaries (see Note 20) and joint ventures (see Note 11).

Control is determined by the practical ability to exercise a right to direct key activities (activities that significantly affect returns), exposure to variable returns (dividends, changes in fair value, tax savings), and the ability to affect those returns.

Subsidiaries, which are entities in which the Group holds an equity interest representing more than half of the voting rights or over which it directly or indirectly exercises control, are fully consolidated.

Joint ventures, where the Group exercises joint control and has direct or indirect rights to the net assets of the arrangement, are accounted for using the equity method.

All companies prepare their accounts as at 31 December.

Transactions between consolidated companies and intra-group profits are eliminated.

2.2.4 Foreign currency translation

The consolidated financial statements are presented in millions of euros, unless otherwise stated.

Transactions denominated in foreign currency are translated at the exchange rate applicable at the time of the transaction. Cash, receivables and payables denominated in foreign currency are translated at the exchange rate applicable at the reporting date. Translation differences are taken to the income statement.

The financial statements of foreign entities with a different functional currency to La Française des Jeux are translated into euros at the exchange rates applicable at the reporting date for assets and liabilities, and at the average exchange rate over the period for income and expense items.

Currency translation differences are recognised directly in other comprehensive income under "currency translation differences" and are recognised in the income statement at the date on which the business is sold.

2.2.5 Use of judgements and estimates

The preparation of financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, assess positive and negative risks, and measure income and expenses at the reporting date.

In response to changes in the economic and financial environment, the Group has enhanced its risk management procedures. The Group has incorporated these factors into the estimates used in the business plans drawn up for impairment testing and the calculation of provisions.

Due to the uncertainties inherent in any valuation process, the Group reviews its estimates at each period-end based on regularly updated information. The future results of the transactions concerned may differ from these estimates.

Material estimates and the main assumptions and key data mainly cover the following items:

- employee benefits: discount rate (Note 4.7.3.);
- useful lives and recoverable amounts for the purpose of measuring the recoverable amount of intangible assets and property, plant & equipment. The amortisation period and amortisation method for customer base and brand assets recognised in the course of acquisitions were revised to take account of churn rates (Note 7);
- goodwill: discount rate and business plan assumptions for the purpose of measuring the recoverable amount of goodwill (Note 6);
- fair value of financial assets not listed on active markets (Note 10);
- performance shares: measurement assumptions used to value performance shares (recurring EBITDA, profit per share, probability of achieving targets, risk-free rate, share price) (Note 4.7.4).

In addition to estimates, the Group makes judgements to determine the most appropriate accounting treatment for certain activities and transactions, particularly when current IFRS standards and interpretations do not specifically address the accounting issues encountered:

- assessment and quantification of legal risks to determine provisions for risks and litigations (Note 8);
- assessment of the risk associated with non-recovery of past-due payments for the purpose of measuring the recoverable value of receivables from the distribution network (Note 4.5);
- identification (or not) of leases in certain agreements (Note 2.2.4).

NOTE 3 Main changes in consolidation scope

3.1 Main changes in the consolidation scope in 2024

On 22 January 2024, La Française des Jeux announced the launch of a public tender offer for Kindred, one of Europe's leading online betting and gaming companies, in the context of its ambition to become an international gaming operator, thus reinforcing its position as a European champion.

The offer price of SEK 130 for each Kindred share listed on the Nasdaq Stockholm exchange translated into an enterprise value of €2.6 billion, excluding non-retained activities. The bid was launched on 20 February 2024 for a maximum period of nine months, subject to obtaining regulatory permissions, notably from the French Competition Authority (ADLC), and to the acquisition by La Française des Jeux of at least 90% of Kindred's share capital.

La Française des Jeux notified the planned takeover of Kindred to the ADLC on 14 May 2024. In response to comments from third parties and after consulting the market, La Française des Jeux adjusted the undertakings it gave in 2023 during the ZEturf group acquisition in relation to separating activities under exclusive rights from those open to competition. The ADLC approved the transaction on 18 September 2024, enabling La Française des Jeux to announce the shortening of the acceptance period for the offer to two weeks.

Upon the expiry of that period on 2 October 2024, 195,659,291 Swedish depositary receipts (SDRs) representing 90.66% of Kindred's share capital had been tendered. La Française des Jeux had also purchased 2,400,000 SDRs, representing 1.11% of Kindred's share capital, directly from Veralda. Having satisfied the requirement, La Française des Jeux completed the acquisition of Kindred on 11 October 2024 with the settlement and delivery of the tendered SDRs. A further 14,734,917 SDRs, representing 6.83% of the share capital, were tendered following an extension of the offer until 18 October 2024. As it now held over 90% of the share capital, La Française des Jeux began a squeeze-out procedure to acquire the remaining shares and delist the SDRs from Nasdaq Stockholm; Kindred has been fully consolidated in the Group accounts since 11 October 2024.

The Group financed the acquisition using its own cash together with a €2 billion bridging facility obtained from leading French banks. (See Note 5 to the Consolidated Financial Statements at 31 December 2024).

The bridging loan was refinanced by:

- a first-ever bond issue of €1.5 billion with six, nine and 12-year maturities, as follows:
  - €500 million of bonds maturing 21 November 2030 with an annual coupon of 3.000%;
  - €500 million of bonds maturing 21 November 2033 with an annual coupon of 3.375%;
  - €500 million of bonds maturing 21 November 2036 with an annual coupon of 3.625%;
- a €400 million variable-rate loan repayable over five years, obtained from a syndicate of leading French and international banks.

Kindred earned revenue of €918 million in 2024, excluding activities not retained by the Group (excluding .com activities and the U.S. market).

Since its acquisition on October 11, 2024, Kindred contributed €194 million to the Group's 2024 revenue, excluding activities not retained by the Group (excluding .com activities and the U.S. market).

The Group's revenue, including Kindred's activity based on the scope effectively retained by the Group for the full year 2024, would have amounted to €3,788 million.

3.2 Main changes in the consolidation scope in 2023

On 29 September 2023, following the conditional approval of the transaction by the French Competition Authority, La Française des Jeux completed the acquisition of ZEturf group, which has been controlled and fully consolidated by FDJ since that date. ZEturf is France's second-biggest operator of online horse-race betting, with a market share of around 20%. The acquisition makes the Group the fourth-biggest operator in the French market for games of chance open to competition (i.e. sports betting, horse-race betting and poker) with a market share of over 10%.

The acquisition price of €143 million (including acquired net debt) is subject to a price uplift mechanism based on 2023 recurring EBITDA. Mutual buy and sell undertakings were signed with the vendor in respect of a past award of free shares which remain in the lock-up period. Of the purchase price, €138 million was allocated to intangible assets (€89 million for ZEturf and ZEbet brands, €14 million for technology and €35 million for the customer base) and the associated deferred tax liabilities (€20 million), giving rise to provisional goodwill of €72 million.

The ZEturf group earned revenue of €46 million in 2023.

On 3 November 2023, La Française des Jeux announced that it had completed the acquisition of a 100% stake in Premier Lotteries Ireland (PLI), the operator holding the exclusive rights to the Irish National Lottery until 2034. The deal marks the first time that the Group has become the operator of a foreign lottery, and forms part of La Française des Jeux's strategic aim of becoming an international B2C operator in lottery as well as in sports betting and online games.

The PLI acquisition was financed from the Group's own funds. The purchase price was €333 million, including acquired net debt. Of the total, €302 million was allocated to intangible assets (€276 million for the exclusive licence to operate the lottery and €26 million for technology) and the associated deferred tax liabilities (€35 million), giving rise to definitive goodwill of €63 million.

PLI earned revenue of €123 million in 2023.

ZEturf and PLI contributed €36 million to Group revenue in 2023. If ZEturf and PLI had been consolidated for the whole of 2023, the Group would have recorded revenue of €2,754 million.

NOTE 4 Operating data

4.1 Net Gaming Revenue (NGR) and revenue

Revenue is made up of net gaming revenue (NGR, as set out below) and revenue from other activities.

Gross gaming revenue (GGR)

GGR is the difference between stakes and player payout. For poker, the GGR takes the form of a commission levied on stakes.

Net gaming revenue (NGR)

The Group is a service provider that develops and operates lottery games and sports betting in a highly regulated environment. The revenue earned by La Française des Jeux for the organisation and placement of games is called net gaming revenue or NGR.

NGR is gross gaming revenue, less public levies. Like GGR, it can vary according to the payout ratio.(1) It thus varies according to the payout ratio for each game (margin effect) and according to the volume of stakes wagered in each game category (volume and mix effects).

NGR is recognised once the Group has met all its obligations. Performance obligations vary by type of game:

- for ***draw games***, FDJ UNITED's service is completed when it has recorded the placing of the bets, held the draw that determines the winning numbers, calculated the winnings and published the results and prizes;
- for ***instant games*** sold at points of sale, FDJ UNITED recognises stakes as income when a given number of tickets has been sold, i.e. when said tickets are placed in the gaming terminals. Accordingly, the sale is recognised before the booklet (batch of tickets), which has a value of between €150 and €300, is completely used up. Given how fast the booklets are sold, revenue recognised on a per-unit basis would be very close to the amount of revenue recorded in the financial statements. Online sales are recognised as soon as the player's stake is recorded;
- for ***sports betting***, the principles are similar to draw games. FDJ UNITED has met its obligations when, once the sporting event has taken place, the winnings have been calculated and the results and prizes have been published;
- for ***poker***, FDJ UNITED has met its obligations when the tournament or the hand ends;
- for ***horse-race betting***, the principles are similar to draw games. FDJ UNITED has met its obligations when, once the event has taken place, the winnings have been calculated and the results and prizes have been published.

NGR is thus gaming revenue net of the winnings paid or payable to players and net of the levies collected on behalf of the French State.

The processing of gaming operations, their accounting and the determination of NGR are very highly automated. They rely on an IT system, which handles all game operations from the validation of stakes at points of sale and online to the recognition of NGR.

In millions of euros	31.12.2024	31.12.2023
Draw games	818.9	790.1
Instant games	1,222.5	1,142.5
Lottery	**2,041.3**	**1,932.6**
Sports betting and online gaming open to competition	**557.7**	**515.6**
Other activities*	**307.0**	**33.2**
TOTAL NET GAMING REVENUE (NGR)	**2,906.1**	**2,481.4**
Revenue from other activities	159.0	140.0
REVENUE	**3,065.1**	**2,621.4**

* Includes net gaming revenue generated by Kindred and PLI, as well as the NGR from fixed-odds sports betting at Sporting Group prior to November 2023.

(1) The payout ratio is the percentage of stakes paid out to winners.

Net gaming revenue represents the Group's remuneration on its gaming activities. NGR for 2024 was €2,906.1 million, a rise of €424.7 million relative to 2023 (17.1%). Revenue from other activities, predominantly consisting of international services and the Payment & Services business, was €159.0 million in 2024, a rise of €19.0 million relative to 2023 (13.6%).

Total Group revenue was thus €3,065.1 million in 2024, a rise of €443.7 million relative to 2023 (16.9%).

4.2 Operating profit

4.2.1 Change in presentation of the Group income statement

FDJ UNITED has revised the presentation of its income statement in the wake of the Kindred acquisition, moving to a simplified structure that facilitates a comparison between segments. The Group has made several reclassifications, notably involving the creation of new specific line items, such as "IT services", "Personnel expenses", and "Net depreciation, amortization, and provisions", which were previously presented by function under "Cost of sales", "Marketing & communication costs", and "General & administrative costs". From now on, the "Cost of sales", "Marketing & communication costs", and "General & administrative costs" lines exclude "IT services", "Personnel expenses", and "Net depreciation, amortization, and provisions". Additionally, "Other operating income" and "Other operating expenses" are now grouped under "General & administrative costs". These reclassifications, while affecting the recurring EBITDA of the business units, with approximately 50% of holding company costs now reallocated to them, have no impact on recurring operating profit.

The table below shows the main reclassifications between the old and new presentations, indicating their impact on the line items in the income statement as at 31 December 2023. Although these reclassifications affect the recurring EBITDA of the BUs, they have no impact on recurring operating profit.

In millions of euros	31.12.2023 (old presentation)	Reclassifications	31.12.2023 (new presentation)
Gross gaming revenue	**6,710.4**		**6,710.4**
Public levies	*-4,237.1*		*-4,237.1*
Other revenue from sports betting	*8.2*		*8.2*
NET GAMING REVENUE	**2,481.4**		**2,481.4**
Revenue from other activities	**140.0**		**140.0**
REVENUE	**2,621.4**		**2,621.4**
Cost of sales	-1,392.5	159.0	-1,233.5
Marketing and communication expenses	-455.6	292.6	-163.0
IT services ***(new line)***		-108.5	-108.5
Personnel expenses ***(new line)***		-369.3	-369.3
General and administrative expenses	-229.9	139.7	-90.2
Other operating income	8.1	-8.1	
Other operating expenses	-19.7	19.7	
Net depreciation and amortisation ***(new line)***		-125.1	-125.1
RECURRING OPERATING PROFIT	**531.8**	**-**	**531.8**

4.2.2 Recurring operating profit

Cost of sales amounted to €1,367.1 million (+10.8%). This includes €1,284.6 million (+13.9%) of variable sales-related costs including €1,045.7 million of remuneration paid to retailers in France and Ireland. The 6.4% rise in this latter figure is due mainly to the full-year consolidation of PLI.

Marketing expenses include advertising costs and the cost of designing offers. They amounted to €222.6 million. The increase of 36.5% was mainly attributable to higher advertising spending, notably on corporate communications related to the partnership with the Paris 2024 Olympic and Paralympic Games.

IT services formed a total expense of €116.7 million (+7.6%). These are expenses related to the subcontracting of IT development and operation of games and services.

Personnel expenses were €442.8 million (+19.9%). They include salaries and other staff-related costs. The increase is mainly due to the inclusion of the Kindred payroll.

General and administrative expenses mainly comprise advisory fees, the operating costs of the central functions, and the costs of buildings. The 37.0% increase to €123.6 million is principally due to the changes in the consolidation scope.

Net depreciation and amortisation increased to €224.5 million from €125.1 million in 2023. The rise is mainly due to the depreciation and amortisation of intangible and tangible assets that were recognised or remeasured during the purchase price allocation for the business combinations and to the catch-up amortisation charged in 2024 on the increase to the payment for the exclusive operating rights.

The Group's **recurring operating profit** was €567.7 million, up 6.8%.

Group **recurring EBITDA** was €792.3 million, an increase of 20.6%.

4.2.3 Other non-recurring operating income and expenses

Material non-recurring items are recognised in operating profit under "Other non-recurring operating income" and "Other non-recurring operating expenses", in accordance with ANC Recommendation 2013-03 of 7 November 2013. These items mainly include restructuring costs, proceeds from disposals of fixed assets, impairment of fixed assets and other non-recurring costs.

In 2024, non-recurring income and expenses produced a net expense of €39.2 million, the main components of which were:

- costs related to acquisition operations of €27 million;
- restructuring costs of €5 million, mainly in connection with Kindred and Sporting Group.

In 2023, non-recurring income and expenses produced a net expense of €10.6 million, the main components of which were external growth costs, VAT income of €14.1 million in relation to NGR earned in the French overseas departments, following the updating and revised interpretation of the VAT rules applicable to the games we sold in 2021 and 2022, and the loss on disposal of the Sporting Group B2C business.

4.3 Information - operating segments

Segment reporting at 31 December 2024 is presented in accordance with IFRS 8 "Operating Segments". The operating segments used by the Group are those regularly reviewed by the corporate directors and primary operational decision-makers.

The operating segments used are based on internal reporting, as follows:

- Lottery, which includes activities related to instant games and draw games;
- Sports betting and online gaming open to competition, comprising online and PoS sports betting activities, online horse-race betting and online poker;
- Other activities (International including PLI, Payment & Services, and Kindred).

The "Holding" column, which combines central and brand-related costs (corporate campaigns), reconciles the data with the consolidated income statement.

Recurring EBITDA (earnings before interest, tax, depreciation and amortisation) is equal to recurring operating profit before net depreciation and amortisation. It reflects the Group's profit, excluding the capital investment cycle, financing costs and taxation.

The data below are presented in accordance with the same accounting policies as those used to prepare the Group's consolidated financial statements.

In millions of euros	2024						
	Lottery BU	Sports betting and online gaming open to competition BU	Other activities	Holding	Total before dep./ amort.	Dep./ amort.	Group total
Gross gaming revenue (GGR)	5,845	1,176	626	-	7,647		7,647
Net gaming revenue (NGR)	2,041	558	307	-	2,906		2,906
Revenue	**2,049**	**565**	**451**	-	**3,065**		**3,065**
Cost of sales	-972	-245	-150	-	-1,367		-1,367
Marketing expenses	-63	-63	-59	-38	-223		-223
IT services	-40	-15	-28	-33	-117		-117
Personnel expenses	-162	-74	-93	-114	-443		-443
General and administrative expenses	-13	-3	-17	-91	-124		-124
Recurring EBITDA	**798**	**166**	**104**	**-276**	**792**		**792**
Net depreciation and amortisation						-225	-225
RECURRING OPERATING PROFIT							**568**

In millions of euros	2023						
	Lottery BU	Sports betting and online gaming open to competition BU	Other activities	Holding	Total before dep./ amort.	Dep./ amort.	Group total
Gross gaming revenue (GGR)	5,564	1,076	70	0	6,710		6,710
Net gaming revenue (NGR)	1,933	516	33	0	2,481		2,481
Revenue	**1,938**	**518**	**165**	**0**	**2,621**		**2,621**
Cost of sales	-946	-228	-60	0	-1,234		-1,234
Marketing expenses	-64	-56	-19	-25	-163		-163
IT services	-39	-14	-25	-31	-109		-109
Personnel expenses	-155	-60	-46	-107	-369		-369
General and administrative expenses	-9	-6	-3	-72	-90		-90
Recurring EBITDA	**725**	**153**	**13**	**-235**	**657**		**657**
Net depreciation and amortisation						-125	-125
RECURRING OPERATING PROFIT							**532**

The proportion of Group revenue generated outside the Group's home country (France) was 14.7% in 2024 and 3.1% in 2023. The proportion of property, plant and equipment and intangible assets outside France is 70.2%, of which 57.4% relates to the Kindred group. 76% of tangible and intangible asset acquisitions were carried in France.

Given the nature of its business, the Group does not have key accounts.

Recurring EBITDA is an alternative performance indicator used by the Group. It is equal to recurring operating profit excluding net depreciation and amortisation.

In millions of euros	31.12.2024	31.12.2023
Recurring operating profit	567.7	531.8
Net depreciation and amortisation	-224.5	-125.1
Recurring EBITDA	**792.3**	**656.8**

4.4 Operating risk hedging

4.4.1 Management of counterparty risk on games

Counterparty risk on games is:

- for lottery games: the difference between the theoretical proportion of stakes paid out to winners and the total amount of the prizes actually awarded; and
- for sports betting: repeated winnings over extensive periods on competitions won by the favourite athletes.

The counterparty risk on lottery games is covered by an insurance policy taken out by La Française des Jeux, which takes the form of an annual policy with several insurance companies (cover for the aggregate counterparty risks for lottery games is based on a counterparty mechanism). In 2024, the policy covered the cumulative net impact on NGR of potential counterparty losses over the financial year in excess of €8 million (deductible), subject to an aggregate cap of €130 million, up to the maximum winnings payable for any one prize draw, the amount of which is set by the rules of each game or, failing that, by Article D.322-14 of the French Interior Security Code. The insurance premium, together with any claims payments, is disclosed in cost of sales. No claims were paid under this policy in relation to 2024.

4.4.2 Management of receivables risk

The Group's receivables relate mainly to its network of retailers. They reflect the stakes accepted by retailers, which are collected weekly by La Française des Jeux by direct debit. Retailers require a permit from La Française des Jeux to sell its games, granting of which is systematically subject to the provision of a deposit or a guarantee by the retailer.

The risk associated with retailer receivables is analysed by an oversight committee, whose meetings are regularly attended by the heads of the Sales, Financial, Legal, Security and Responsible Gaming Departments. The committee is in charge of ruling on special cases involving material past-due payments and deciding whether or not to litigate over certain receivables. The rules for the impairment of receivables are based on their amount and ageing, and are in line with the expected credit loss model, given the extremely short settlement times and the credit risk management systems in place. The Group considers the risk of retailer default with a material impact on its financial position and results to be limited.

Other receivables are impaired on a case-by-case basis.

The schedules of receivables not yet paid and not impaired, excluding receivables from entities accounted for using the equity method and prepaid expenses (see Note 4.5.2), are as follows:

	31.12.2024								
	Gross amount		Provisions for overdue amount	Net amount	Net amount overdue	Net amount overdue by			
In millions of euros	Non-overdue	Overdue				0-3 months	3-6 months	6-12 months	> 1 year
Trade and distribution network receivables	714.3	33.9	-18.8	729.3	15.1	8.7	4.1	1.6	0.7
Other current receivables	351.6	0.1	0.0	351.7	0.1	0.0	0.0	0.0	0.0
CURRENT RECEIVABLES	**1,065.9**	**34.0**	**-18.9**	**1,081.1**	**15.1**	**8.7**	**4.1**	**1.6**	**0.8**

	31.12.2023								
	Gross amount		Provisions for overdue amount	Net amount	Net amount overdue	Net amount overdue by			
In millions of euros	Non-overdue	Overdue				0-3 months	3-6 months	6-12 months	> 1 year
Trade and distribution network receivables	533.5	45.3	-19.3	559.5	26.0	18.9	2.5	4.4	0.3
Other current receivables	246.3	1.7	0.0	248.0	1.7	0.3	0.1	0.8	0.5
CURRENT RECEIVABLES	**779.8**	**47.1**	**-19.3**	**807.5**	**27.8**	**19.2**	**2.6**	**5.2**	**0.8**

4.4.3 Management of foreign exchange risk

In the normal course of its business, the Group is exposed to foreign exchange risk resulting from invoices from foreign suppliers denominated in foreign currencies. This risk is measured in aggregate for each currency. The general Group policy is to hedge this risk over each financial year.

The main currency to which Group has a material exposure is the US dollar, for a maximum equivalent amount of US$38.7 million in 2024 (US$36.8 million in 2023).

Given the annual volume of purchases in foreign currencies, the Group is exposed to limited foreign exchange risk on operational activities.

In 2024, an increase of $0.10 per €1 in the EUR/USD exchange rate on derivatives held and classified as hedging derivatives would have reduced the valuation of the instruments by €0.7 million. A decrease of $0.10 would have increased their valuation by €4.2 million.

In 2023, an increase of $0.10 per €1 in the EUR/USD exchange rate on derivatives held and classified as hedging derivatives would have reduced the valuation of the instruments by €2.6 million. A decrease of $0.10 would have increased their valuation by €3.7 million.

4.5 Current receivables

Upon initial recognition, current receivables are recorded at their fair value, taking payment due dates into account.

Receivables are subsequently recognised at amortised cost, which in practice is equal to their nominal value. They are tested with regard to credit risk and the probability of loss.

4.5.1 Trade and distribution network receivables

In millions of euros	31.12.2024	31.12.2023
Trade receivables (gross)	153.1	109.2
Distribution network receivables (gross)	595.0	469.6
Impairment	-18.8	-19.3
TOTAL TRADE AND DISTRIBUTION NETWORK RECEIVABLES	**729.3**	**559.5**

Trade receivables relate to the Group's business with foreign lotteries for the provision of IT services.

In France and Ireland, stakes collected from players, net of prizes paid out to players and commissions, are collected weekly from the distribution network by direct debit. Stakes are recorded as assets, while prizes and fees are taken to liabilities.

Distribution network receivables represent stakes accepted by retailers at the end of the year but not yet debited from the retailers by the Group. The year-end amount varies, depending on the day of the week on which 31 December falls. The increase in 2024 is due to a calendar effect[(1)].

4.5.2 Other current assets

In millions of euros	31.12.2024	31.12.2023
Prepaid expenses	27.6	24.3
Other current receivables	351.7	248.0
TOTAL OTHER CURRENT ASSETS	**379.3**	**272.3**

Other current receivables at 31 December 2024 include an advance payment on public levies of €222 million (2023: €194 million).

4.6 Current payables

Upon initial recognition, current payables are recorded at their fair value; this is equal to their nominal value, as adjusted to take account of the payment due dates.

Current payables are subsequently recognised at amortised cost.

4.6.1 Trade and distribution network payables

In millions of euros	31.12.2024	31.12.2023
Trade payables	271.6	190.4
Distribution network payables	352.8	288.1
TOTAL TRADE AND DISTRIBUTION NETWORK PAYABLES	**624.4**	**478.5**

Distribution network payables consist of prizes paid to players by retailers and network commissions for the year-end period. These amounts are paid weekly. The year-end amount varies, depending on the day of the week on which 31 December falls.

This calendar effect[(1)], along with an increase in stakes wagered during the final few days of the year, as well as a scope effect with the acquisition of Kindred, is the main reason for the change in 2024.

4.6.2 Player funds

Player funds include pooled top prizes and winnings on pooled sports betting and traditional pooled draw games, as well as top prizes and winnings from additional games.

Other game organisation funds (e.g. rollover funds or super jackpot funds) contain sums that are carried forward to subsequent draws if there is no prize winner for certain classes of prize, as provided for in the rules of the games concerned.

Player funds mainly comprise funds intended for the organisation of games. They amounted to €350 million at 31 December 2024 (2023: €340 million). Changes in player funds are driven by the lifecycle of draw games.

(1) Since payment is weekly, the calendar effect on distribution network receivables fluctuates between 3 and 9 days' point-of-sale stakes, depending on which weekday the reporting date falls.

4.6.3 Public levies liabilities

In millions of euros	31.12.2024	31.12.2023
Liabilities – Public levies – La Française des Jeux and ZEturf	378.2	400.4
Liabilities – Public levies – PLI	0.9	4.3
Liabilities – Public levies – Kindred	35.8	0.0
SUB-TOTAL	**414.9**	**404.7**
Unclaimed prizes (France)	91.2	201.8
PUBLIC LEVIES LIABILITIES	**506.1**	**606.5**

Unclaimed prizes fell by €110.6 million between the two year-ends, mainly due to the issue schedule for scratch card games. Public levies are paid over on a monthly basis, except in the case of unclaimed prizes, which are paid during the first half of the next financial period.

4.6.4 Winnings payable/Player balances

- Winnings payable and player balances totalled €642 million at 31 December 2024 (2023: €343 million).

They mainly comprise:

- winnings payable, i.e. unexpired, unpaid winnings owed to players (2024: €430 million; 2023: €226 million) – the increase is mainly due to large Loto and Euromillions prizes awaiting payout at 31 December 2024, together with an increase in winnings payable on scratch card games due to sales levels and the rollover of game issues;
- available funds in player accounts (2024: €153 million; 2022: €72 million);
- winnings due to online players in the course of payment (2024: €15 million; 2023: €14 million).

4.6.5 Other current liabilities

In millions of euros	31.12.2024	31.12.2023
Prepaid income	48.6	50.1
Other payables	226.5	207.9
OTHER CURRENT LIABILITIES	**275.1**	**258.0**

Prepaid income comprises stakes wagered in one year for draws or events taking place in the subsequent year. The amount at 31 December 2024 was €49 million (2023: €50 million). They are converted into stakes within a maximum of five weeks.

Other payables (2024: €226 million; 2023: €208 million) mainly comprise tax and social security payables.

4.7 Personnel expenses and employee benefits

4.7.1 Group headcount

Group weighted average headcount, covering all types of employment contracts including temporary staff, was as follows:

	31.12.2024	31.12.2023
WEIGHTED AVERAGE HEADCOUNT	**4,020**	**3,241**

Group year-end headcount, covering all types of employment contracts including temporary staff, was as follows :

	31.12.2024	31.12.2023
TOTAL YEAR-END HEADCOUNT	**5,678**	**3,520**

The increase in year-end headcount is mainly due to the Kindred acquisition (2,500 additional employees since the last quarter of 2024).

4.7.2 Personnel expenses

In addition to salaries and the corresponding social security charges, personnel expenses include the current service cost of retirement benefits and other long-term benefits, as well as temporary staff, training and other related employee-related expenses.

In millions of euros	31.12.2024	31.12.2023
Payroll and social security contributions	356.3	281.7
Employee profit-sharing and incentives	44.8	41.8
Long-term benefits	9.2	5.7
Other	32.5	40.1
TOTAL PERSONNEL EXPENSES	**442.8**	**369.3**

The rise in personnel expenses was largely due to the acquisitions, the increase in the weighted average headcount and the general collective pay rises granted in response to inflation.

4.7.3 Employee benefits

Defined benefit obligations are subject to actuarial valuations using the projected unit credit method. This method consists of determining the vested entitlements of employees for all schemes at the period-end, taking account of projected salary growth and the economic circumstances in each country.

Post-retirement benefits include lump-sum retirement benefits (defined benefit plans) which are based on end-of-career salaries and years of seniority. Amounts paid in respect of defined contribution plans are recognised as social security charges for the year. A provision is recognised for retirement benefit obligations that are administered under a defined-benefit plan. Benefits also include healthcare coverage.

Employees of La Française des Jeux continue to receive healthcare coverage when they retire (or in the event of disability/redundancy), in accordance with the requirements of the Evin Law of 31 December 1989 and the national inter-occupational collective bargaining agreement of 11 January 2008. The scheme for current and former employees is in deficit and represents a liability. Lastly, benefits also include early retirement leave, which enables staff members who wish to do so to retire up to three years early as from 1 September 2022.

Long-term benefits also include long-service awards, which consist of days of paid leave and are subject to social security charges. The annual expense is equal to the net change in the obligation.

To determine the present value of the defined benefit plan obligation, the Group uses the projected unit credit method, a retrospective method involving projections of final salaries on retirement. The obligations are measured annually, taking account of seniority, life expectancy, employee turnover by category, benefits negotiated under collective bargaining agreements, and economic assumptions such as inflation and the discount rate. The discount rate used is determined based on the iBoxx € Corporate AA 10+ index.

The expense recognised in the income statement for the year incorporates:

- additional benefits earned by employees;
- the change in the discounted value of benefits existing at the start of the year, taking account of the passage of time;
- the impact of any plan amendments or new plans over the year.

In application of the amendment to IAS 19, actuarial gains and losses are recognised directly in other comprehensive income, and the impact of any plan amendments or new plans is included in the expense recognised in the income statement.

Expenses related to defined benefit plans are recorded in the income statement as follows:

- current service cost, which reflects the increase in obligations stemming from the acquisition of an additional year of seniority, is recognised in operating profit;
- the net financial expense for the period is recognised under "financial expenses". It is determined by applying the discount rate to the amount recognised in the statement of financial position at the beginning of the period, taking into account any variation during the period resulting from contributions paid and benefit payments.

In millions of euros	31.12.2024	31.12.2023
Retirement benefits	21.1	22.7
Long-service awards	8.5	7.9
Healthcare costs	5.9	4.8
Early retirement leave	25.7	22.5
PROVISIONS FOR RETIREMENT BENEFITS AND SIMILAR COMMITMENTS	**61.2**	**58.0**

The inputs used to determine the provision for retirement benefit obligations in France are as follows:

		31.12.2024	31.12.2023
Discount rate		3.38%	3.20%
Wage growth*		3.00%	3.00%
long-term inflation included in the above		2.00%	2.10%
Employee turnover rate*	– management	1.90%	0.95%
	– non-management	0.44%	0.57%
Mortality table		INSEE TH-TF 2000-2002	INSEE TH-TF 2000-2002

* Age-adjusted.

In millions of euros	31.12.2024	31.12.2023
ACTUARIAL OBLIGATION* AT THE BEGINNING OF THE PERIOD	**58.0**	**44.1**
Current service cost	9.2	5.6
Interest on the actuarial obligation	1.8	1.0
Actuarial gains (losses)	-2.0	9.6
Benefits paid	-6.2	-3.4
Change in scope and reclassification	0.5	1.0
ACTUARIAL OBLIGATION* AT THE END OF THE PERIOD	**61.2**	**58.0**

* Actuarial obligation relating to retirement benefits, long-service awards, healthcare costs and early retirement leave.

Under IAS 19 as revised, actuarial gains or losses that result from changes in actuarial assumptions and experience adjustments are recognised in full in other comprehensive income as they occur.

Sensitivity tests indicate that a 100 bp increase or decrease in the discount rate would lead respectively to a decrease of 11% or an increase of 13% in the current provision for retirement benefits.

The average duration was 12 years at 31 December 2024 (2023: 10 years).

In April 2022, an early retirement leave agreement was signed for a three-year period starting 1 September 2022, under which staff members who wish to do so can take early retirement. This led to the recognition of a liability of €25.7 million at 31 December 2024 (2023: €22.5 million). The agreement applies to employees aged 57 or older of La Française des Jeux and the Group's French subsidiaries, provided that they have worked for the Group for at least five years and are entitled to claim their retirement benefit at the end of the plan. The plan enables them to receive between 60% and 90% of their salary for a period of up to three years. It is assumed that 25% of those eligible for early retirement leave will take up the offer.

4.7.4 Share-based payment

Awards of performance shares are recognised in accordance with IFRS 2 "Share-based Payment". An amount representative of the benefit granted to the beneficiaries is calculated as at the award date and recognised in personnel expenses over the term of the plan. The corresponding credit entry is recorded directly in equity. The fair value of the expense is calculated using Black & Scholes-type models, which take account of the features of the plan (price and exercise period) and market information as at the date of the award (risk-free rate, share price, volatility, expected dividends). The expense is spread across the vesting period of the rights and may be corrected to reflect staff departures or dismissals or changes in the estimated probability that the performance criteria will be met. Subsequent changes in the share price do not affect the amount of the expense.

Three performance-based share schemes are in operation. Shares have been allocated to the Chairwoman and CEO, the Deputy CEO and certain Group employees. In accordance with the principles set out above, rights to performance share awards are measured at fair value on the date of allocation, based on the assumption that the target level of performance will be fully achieved.

The entitlements have a vesting period of three years and are conditional on continued service.

The actual award of the shares is subject to the achievement of performance targets (recurring EBITDA, profit per share, total shareholder return, identified stakes ratio and Moody's ESG Solutions rating). If these targets are not met, the number of shares delivered and the expense will be reduced. In the event of outperformance, the number of shares delivered will be increased, up to a maximum of 145% of the entitlements awarded.

The performance targets are assessed over three financial years, starting in the year in which the shares are awarded. The shares are delivered in the year after the three-year period, i.e. shares awarded in 2022 will be delivered in 2025, shares awarded in 2023 will be delivered in 2026 and shares awarded in 2024 will be delivered in 2027.

Plan	**2022-2025**	**2023-2026**	**2024-2027**
Allocation date	26.04.2022	27.04.2023	25.04.2024
Number of shares	174,764	175,828	222,236
Share price	34.6	38.8	37.2
Fair value	28.65	31.00	26.9
Expected dividends during the vesting period	10.0%	12.3%	15.6%
Volatility of shares	34.4%	23.3%	22.2%
Weighting for non-market performance targets (base 100%)	85.0%	85.0%	85.0%
Weighting for TSR performance targets (base 100%)	15.0%	15.0%	15.0%
Valuation method	Monte Carlo	Monte Carlo	Monte Carlo

The estimated expense over the duration of the active plans is €19.2 million (including employer's social security contributions), of which €6.5 million was expensed during the period. This includes €5.3 million in expenses related to the active plans and €1.2 million in expenses related to the 2021-2024 plan, which was settled in mid-2024. During the year, 151,000 shares were purchased for a total of €5.4 million for distribution to the beneficiaries when the plans mature.

4.8 Inventories

Inventories are valued at the lower of cost (determined using the "first in, first out" method) and net realisable value (estimated selling price net of associated selling costs). They are impaired in line with their technical or commercial obsolescence.

Inventories predominantly comprise gaming materials, such as scratch cards for instant games. The total at 31 December 2024 was €20 million (2023: €23 million).

NOTE 5 Business combinations

Business combinations are accounted for using the acquisition method. Under this method, the identifiable assets acquired and liabilities assumed of companies acquired by La Française des Jeux are recognised at their fair value.

Initial recognition of the acquisition must be completed within one year of the acquisition date. The acquirer must recognise the goodwill as of the acquisition date, measured as the excess of:

- the consideration transferred, the amount of any non-controlling interests, and, in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree;
- over the fair value of the identifiable assets acquired and liabilities assumed on the acquisition date.

If the consideration transferred is less than the fair value of the identifiable assets acquired and the liabilities assumed, the acquirer performs a reassessment of whether the identifiable assets and liabilities have been correctly identified and measured. After this reassessment, the residual negative goodwill is recognised directly in profit or loss.

Non-controlling interests may be measured either at their proportionate share in the identifiable net assets of the acquiree, or at fair value.

In the event of a transaction that involves a non-controlling interest, the difference between the price paid (received) and the book value of the non-controlling interests acquired (sold) is recognised directly in equity.

At the end of December 2024, La Française des Jeux held 98.6% of the share capital of Kindred, following the tendering of shares in the course of the public tender offer and direct purchases from certain shareholders. The remaining 1.4% was acquired in January 2025 under the squeeze-out procedure, completing the incorporation of Kindred into the Group. Control was obtained following the first settlement and delivery in respect of the offer on 11 October 2024.

The acquisition was financed with €439 million in cash and a €2,000 million bridge loan. The latter was refinanced through a new €400 million bank loan, a €1,500 million bond issuance, and €100 million in cash (see Note 10.3).

The Kindred acquisition was accounted for as a business combination pursuant to IFRS 3. La Française des Jeux obtained assistance from an independent valuation expert for the valuation of the principal assets and liabilities.

The cost of the Kindred business combination is €2,477 million, comprising:

- the price paid in connection with the public offer (€2,412 million). La Française des Jeux had hedged 84% of the transaction using contingent currency derivatives, with an average hedged rate of EUR 1 = SEK 11.2831; Hedge accounting was applied to these instruments:
- the fair value on the acquisition date of the equity interest in Kindred previously held by La Française des Jeux (€27 million);
- the fair value of the non-controlling interests (€38 million).

The Group and its advisers have conducted a purchase price allocation, which remains provisional as at 31 December 2024. The definitive measurement of goodwill will be completed within twelve months of the acquisition date.

In millions of euros	11.10.2024
Intangible assets	1,795.9
Property, plant and equipment	39.8
Other non-current assets	19.6
Inventories and work in progress	0.0
Cash and cash equivalents	276.5
Other current assets	281.7
Fair value of previously held equity interests	0.0
Assets held for sale	4.4
FAIR VALUE OF ASSETS ON ACQUISITION DATE	**2,417.8**
Provisions and contingent liabilities	48.6
Deferred tax liabilities	252.9
Borrowings and financial debt	160.8
Trade payables	111.8
Other current liabilities	366.8
Liabilities held for sale	8.7
Financial debt on minority interests	38.1
FAIR VALUE OF LIABILITIES ASSUMED ON ACQUISITION DATE	**987.7**
FAIR VALUE OF KINDRED NET ASSETS ON ACQUISITION DATE	**1,430.1**
PERCENTAGE OF KINDRED NET ASSETS ACQUIRED (100%)	**1,430.1**
CONSIDERATION TRANSFERRED FOR 100% ACQUISITION OF KINDRED	**2,439.3**
PROVISIONAL GOODWILL*	**1,009.3**

* *In accordance with IFRS 3 as revised, the definitive measurement of goodwill will be completed within twelve months of the acquisition date.*

Provisions and contingent liabilities include a provision formed in relation to the non-regulated activities and in the process of becoming regulated, retained by the Group.

Trade payables include a VAT liability in relation to Kindred's French activities, which was settled at the end of 2024.

Assets and liabilities held for disposal concern the non-retained .com activities, which were terminated at the end of the year, and notably including player regulatory risks.

The financial information is based on the scope of the acquired group as retained by the Group. This scope was announced on 22 January 2024, with the plan being to exit from Norway and other .com sites unless there is a clear opportunity to obtain 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 mid-2026.

Goodwill is mainly attributable to the expected synergies and other benefits obtained from combining Kindred's assets and activities with those of the Group. Goodwill is not tax-deductible.

In millions of euros	At 31.12.2024	Weighted average useful life
Brands	900.3	19.6
Customer relationships	652.9	11.5
Licences	19.2	20.0
Development costs	223.5	4.0
TOTAL	**1,795.9**	

Brands recognised in the PPA exercise mainly comprise Unibet, 32Red and Relax Gaming. They will be amortised over a period of between 10 and 20 years.

Kindred's business is 100% online, which means that the player base is identifiable and traceable. An intangible asset was therefore recognised, which will be amortised over 10-12 years. Customer relationships similarly cover the value attached to Relax Gaming's B2B customers, and will be amortised over 9 years. Software recognised in the PPA exercise essentially comprises Kindred's sports betting platform, which was developed in-house. It will be amortised over a period of 4 years.

In accordance with IFRS 3 as revised, deferred tax liabilities were recognised on the intangible assets identified during the PPA exercise. A tax rate of 15% was applied, reflecting the areas where the majority of these assets are located.

A squeeze-out procedure is under way in respect of the non-controlling interests. Goodwill was determined in accordance with the full goodwill method, on the basis that there were no remaining non-controlling interests at 31 December 2024.

Kindred contributed €194.2 million to Group revenue and €50.9 million to recurring EBITDA in 2024. Depreciation and amortisation charges of €36 million were recognised in 2024 in relation to intangible and tangible assets that were recognised or remeasured during the Kindred purchase price allocation.

If Kindred had been consolidated for the whole of 2024, the Group's full-year revenue would have been €3,788 million and recurring EBITDA would have been €964.5 million (unaudited pro forma data) based on the retained scope.

The Kindred acquisition affected the cash flow statement as follows:

ANALYSIS OF CASH FLOWS RELATED TO THE ACQUISITION

In millions of euros	31.12.2024
Acquisition-related costs	-30.3
INCLUDED IN CASH FLOWS FROM OPERATING ACTIVITIES	**-30.3**
Cash consideration	-2,439.4
Less: Cash acquired	276.5
INCLUDED IN CASH FLOWS FROM INVESTMENT ACTIVITIES	**-2,162.9**
Issue of long-term debt	3,889.7
Repayment of bridging facility	-2,000.0
Repayment of Kindred revolving credit facility	-116.2
Interest paid	-31.7
INCLUDED IN CASH FLOWS FROM FINANCING ACTIVITIES	**1,741.8**
NET CASH FLOWS RELATED TO THE ACQUISITION	**-445.4**

NOTE 6 Goodwill

Under IFRS 3 Business Combinations as revised (see Note 5), goodwill represents the difference between:

- the sum of the items below:
  - consideration for obtaining control, at its fair value on the acquisition date,
  - the amount of non-controlling interests in the acquiree,
  - for acquisitions achieved in stages, the fair value on the acquisition date of the interest held by the acquirer in the acquiree before control was obtained;
- the net amount of the assets acquired and liabilities assumed, measured at their fair value on the acquisition date.

Goodwill is assigned to the cash-generating unit (CGU) or group of CGUs liable to benefit from the synergies of the business combination, where that CGU or group of CGUs represents the lowest operating level at which the Group monitors the return on investment for this asset. A CGU is defined as the smallest identifiable group of assets generating cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

In millions of euros	31.12.2023	Acquisitions Impairments	Foreign exchange	Disposals	31.12.2024
Goodwill (gross)	190.8	1,013.5	-	-	1,204.3
Impairments	-	-3.6	-	-	-3.6
GOODWILL (NET)	**190.8**	**1,009.9**	**-**	**-**	**1,200.7**

In millions of euros	31.12.2022	Acquisitions Impairments	Foreign exchange	Disposals	31.12.2023
Goodwill (gross)	56.6	134.1	-	-	190.8
Impairments	-	-	-	-	-
GOODWILL (NET)	**56.6**	**134.1**	**-**	**-**	**190.8**

In 2024, provisional goodwill of €1,009.3 million was recognised on the Kindred acquisition (see Note 5 Business combinations). No indications of impairment were identified at 31 December 2024.

In 2023, the finalisation of the ZEturf and PLI acquisitions led to the recognition of two new goodwill items totalling €135 million (€72 million for ZEturf and €63 million for PLI). Goodwill mainly reflects the prospects for future business growth and the value of human capital.

Impairment testing

In accordance with IAS 36, goodwill is not amortised but is tested for impairment at each year-end, or more frequently if evidence of impairment is identified. The purpose of impairment testing is to ensure that the net carrying amount does not exceed the recoverable amount.

The recoverable amount is the higher of fair value (less costs to sell) and value in use.

The value in use of a CGU is determined with reference to the value of the discounted future cash flows expected from these assets, within the framework of the economic assumptions and operating conditions expected by the Company's management.

An impairment loss is recorded when the recoverable value is less than the carrying amount of the CGU. It is allocated in priority to goodwill. Any additional amounts are then allocated to property, plant and equipment and intangible assets. Impairment losses are presented in the consolidated income statement within "Other non-recurring operating expenses".

Impairment testing is carried out as follows:

- the discount rates used are based on the weighted average cost of capital (WACC) for each asset or group of assets concerned. These are determined by geographic area and by activity. WACC is calculated after tax;
- future cash flows are based on the best available information on the closing date;
  - cash flows reflect the budget for the initial years and the business plan thereafter,
  - cash flows beyond the term of the business plan are estimated based on long-term assumptions determined separately for each country and activity.

Several variables could have a material effect on the calculations:

- changes in the discount rate;
- changes in demand or the Group's market share, as well as the attrition rate of the player bases;
- the growth rates assumed beyond the medium-term plan and the terminal values, where applicable.

As at 31 December 2024, the main assumptions used in the impairment tests were as follows:

Operating sector	Cash-generating unit (CGU) / Group of CGUs	Asset concerned	Net book value *(in millions of euros)*	Discount rate	Perpetual growth rate	Recoverable amount +0.5% of the discount rate *(in millions of euros)*
Other - Payment & Services	**Merchant Services**	Goodwill	57	12.7%	2.2%	-3.9
Sports betting and online gaming open to competition BU	**ZEbet / ZEturf + Parions Sport en Ligne (PSEL)**	Goodwill	72	9.6%	2.0%	-12.8
Other - International Lottery	**PLI**	Goodwill	59	7.75%	N/A	-7.7

The strategy behind the L'Addition and Aleda acquisitions in 2022 was to pool expertise and create synergy with a view to establishing an overall Merchant Services business. The goodwill impairment test therefore examined both CGUs together, based on the cumulative total of their updated cash flow projections.

The strategy behind the ZEbet/ZEturf acquisition was to pool expertise and create synergy with a view to establishing an overall online sports betting business. The goodwill impairment test therefore examined the ZEbet/ZEturf and Parions Sport en Ligne (PSEL) CGUs together, based on the cumulative total of their updated cash flow projections.

Testing carried out as at 31 December 2024 did not reveal any impairments in relation to these goodwill items.

NOTE 7 Property, plant and equipment and intangible assets

7.1 Exclusive operating rights and other intangible assets

Exclusive operating rights

These assets comprise:

- the exclusive rights secured by FDJ to operate lottery activities both online and in the offline distribution network, and to operate sports betting activities in the offline distribution network, for a period of 25 years. Amounting to €380 million, this asset is being amortised over this term from 23 May 2019, the date of enactment of the Pacte Law (Law no. 2019-486). In 2024, additional consideration of €97 million was recognised in order to adjust the initial amount paid to secure the exclusive rights in accordance with the legal and contractual terms. The additional amount was recognised as an increase to the cost of the corresponding intangible assets. This asset is being amortised over 25 years as from 23 May 2019, with additional catch-up amortisation of €18 million being charged in 2024.
- PLI's exclusive licence to operate the Irish National Lottery until 2034.

Research and development costs and intangible assets in progress

Research expenses incurred by the Group for proprietary activities are recognised as expenses as and when incurred.

Development costs are capitalised, provided they relate to projects with serious prospects for technical success and economic viability. These include the value of internal man-days and subcontracting. They cover internally developed projects aimed mainly at digitising and expanding the product and service range, both online and in points of sale.

Software

Software is initially recognised at acquisition cost, comprising the purchase price and incidental costs.

Brands

These assets comprise the value assigned to brands in the purchase price allocation process for each of the Group's acquisitions.

Customer bases

These assets comprise the value assigned to customer bases in the purchase price allocation process for each of the Group's acquisitions.

Intangible assets in progress and other intangible assets

Intangible assets in progress represent the development costs (see above) of assets not yet commissioned. Apart from goodwill and assets acquired in a business combination, intangible assets are measured at their acquisition cost (purchase price and incidental costs).

Amortisation

Intangible assets are amortised on a straight-line basis over their estimated useful lives, unless those lives are indefinite. Development costs are amortised on a straight-line basis over the expected useful life of the asset, starting at the commissioning date. Development expenses are amortised on a straight-line basis over a period of between three and 15 years, with an average of 5 years. Assets relating to online-only lottery games and to sports betting open to competition are amortised over three years. Software is amortised over a period of five years. Brand assets are amortised on a straight-line basis over a period of between two and 20 years, based on their estimated useful lives.

These periods are reviewed at the end of each financial year. Any change in the expected useful life or the expected rate of consumption of the future economic benefits represented by the asset is taken into account prospectively.

Impairment of intangible assets

In accordance with IAS 36, where events or changes in the market environment or internal sources of information provide evidence of impairment of intangible assets, these assets are tested for impairment.

The main indications of impairment used by the Group are achievement of five-year business plan targets, regulatory changes, market trends, game and equipment performance, tech developments liable to make certain equipment prematurely obsolete and changes in the product/service range.

An impairment loss is recognised if the net carrying amount of an asset is greater than its recoverable amount. The recoverable amount of an asset is the greater of value in use, based on the discounted future cash flows generated by the asset, and market value, determined by reference to recent transactions in similar assets or valuations performed by independent experts with a view to disposal, less costs to sell.

In millions of euros	31.12.2024			31.12.2023		
	Gross	Amortisation Impairments	Net	Gross	Amortisation Impairments	Net
Exclusive operating rights	752.9	-135.9	617.0	655.9	-74.2	581.6
Development costs	590.1	-237.2	353.0	299.6	-185.6	114.0
Software	85.0	-64.8	20.2	97.4	-70.4	27.0
Brands	990.5	-18.0	972.5	90.2	-1.6	88.7
Customer bases	697.8	-19.8	678.0	44.9	-1.9	43.0
Intangible assets in progress and other intangible assets	130.9	-37.9	93.1	102.9	-29.5	73.4
TOTAL INTANGIBLE ASSETS	**3,242.3**	**-513.6**	**2,733.7**	**1,291.0**	**-363.3**	**927.7**

In millions of euros	31.12.2023	Acquisitions Allowances	Disposals Reversals	Reclassi-fications (1)	Change in scope	Other move-ments (2)	31.12.2024
Exclusive operating rights	655.9	-	-	-	-	97.0	752.9
Development costs	299.6	32.7	-64.8	97.0	223.5	2.1	590.1
Software	97.4	1.4	-19.6	5.5	-	0.3	85.0
Brands	90.2	-	-	-	900.3	-	990.5
Customer bases	44.9	-	-	-	652.9	-	697.8
Intangible assets in progress and other intangible assets	102.9	54.8	-3.4	-43.0	19.2	0.4	131.0
GROSS AMOUNTS	**1,291.0**	**88.9**	**-87.8**	**59.5**	**1,795.9**	**99.8**	**3,247.3**
Amort. / Impairment – Exclusive operating rights	-74.2	-61.7	-	-	-	0.0	-135.9
Amort. / Impairment – Development expenses	-185.6	-64.5	60.3	-46.4	-	-0.9	-232.1
Amort. / Impairment – Software	-70.4	-7.3	18.6	-5.4	-	-0.3	-64.8
Amort. / Impairment – Brands	-1.6	-16.4	-	-	-	-	-18.0
Amort. / Impairment – Customer bases	-1.9	-17.9	-	-	-		-19.8
Amort. / Impairment – Other intangible assets	-29.5	-9.5	1.3	0.3	-0.0	-0.4	-37.9
AMORTISATION AND IMPAIRMENTS	**-363.3**	**-177.3**	**80.2**	**-51.5**	**-0.0**	**-1.6**	**-513.6**
NET INTANGIBLE ASSETS	**927.7**		**-7.6**	**-8.0**	**1,795.9**	**98.2**	**2,733.7**

(1) Reclassifications from “assets in progress” to “available for use” and reclassification of assets held for sale (IFRS 5).
(2) Recognition of the asset related to the additional payment for exclusive operating rights and currency translation differences.

The main acquisitions made in the period concerned the parent company and related to the development of production and back-office IT systems and point-of-sale terminals.

In millions of euros	31.12.2022	Acquisitions Allowances	Disposals Reversals	Reclassi-fications (1)	Change in scope	Other move-ments (2)	31.12.2023
Exclusive operating rights	380.0	-	-	-	275.9	-	655.9
Development costs	232.9	25.0	-0.0	15.4	25.8	0.6	299.6
Software	87.8	0.9	-	-5.4	14.0	0.1	97.4
Brands	1.2	-	-	-	89.0	-	90.2
Customer bases	9.7	0.0	0.0	0.0	35.2	-	44.9
Intangible assets in progress and other intangible assets	116.9	43.3	-0.8	-57.3	0.0	0.8	102.9
GROSS AMOUNTS	**828.5**	**69.2**	**-0.9**	**-47.2**	**439.9**	**1.4**	**1,291.0**
Amort. / Impairment – Exclusive operating rights	-54.9	-19.3	-	-	-	0.0	-74.2
Amort. / Impairment – Development expenses	-170.2	-40.6	0.0	25.5	-	-0.4	-185.6
Amort. / Impairment – Software	-72.2	-3.2	-	5.1	-	-0.1	-70,4
Amort. / Impairment – Brands	-0.0	-1.6	-	-	-	-	-1.6
Amort. / Impairment – Customer bases	-0.4	-1.6	0.0	0.0	-	-	-1.9
Amort. / Impairment – Other intangible assets	-23.2	-10.1	0.8	3.8	-	-0.8	-29.5
AMORTISATION AND IMPAIRMENTS	**-320.9**	**-76.3**	**0.8**	**33.9**	**-**	**-0.8**	**-363.3**
NET INTANGIBLE ASSETS	**507.6**		**-0.1**	**-13.3**	**439.9**	**0.5**	**927.7**

(1) Reclassifications from “assets in progress” to “available for use” and reclassification of assets held for sale (IFRS 5).
(2) Mainly currency translation differences.

7.2 Property, plant and equipment

Initial measurement

Property, plant and equipment are measured at acquisition cost (purchase price plus incidental costs). Where individual components of property, plant and equipment have different useful lives, they are recognised as separate assets.

Depreciation

Land is not depreciated. Other property, plant and equipment are depreciated on a straight-line basis as follows:

- buildings: between 20 and 60 years;
- fixtures and fittings: between 10 and 30 years;
- point-of-sale terminals: between 5 and 8 years;
- equipment and furniture: between 5 and 10 years.

The residual values and useful lives of the assets are reviewed, and modified if necessary, at the end of each financial year.

Borrowing costs

Borrowing costs incurred to finance major investments during the construction period are considered part of the acquisition cost. Assets are capitalised at the effective interest rate of the specific loan taken out to finance the asset.

Impairment of property, plant and equipment

See accounting policies for intangible assets, Note 7.1.

Leases

IFRS 16 "Leases" requires lessees to recognise:

- a right-of-use asset;
- a lease liability representing the present value of the future lease payments.

The Group has elected to apply the exemptions relating to short-term leases and leases of low-value items (items with an initial value of less than €5,000). The discount rate used is the incremental borrowing rate, i.e. that which the Group would be required to pay for borrowings over a similar term with similar collateral.

In millions of euros	31.12.2024			31.12.2023		
	Gross	**Depreciation Impairments**	**Net**	**Gross**	**Depreciation Impairments**	**Net**
Land	96.6	-	96.6	96.6	-	96.6
Building facilities and amenities	236.1	-90.1	146.1	242.7	-97.0	145.7
IFRS 16 right-of-use assets (property leases)	95.1	-19.3	75.8	59.3	-27.0	32.3
Furniture, technical installations & point-of-sale equipment	199.7	-166.6	33.1	234.9	-200.6	34.3
Hardware and local services equipment	99.2	-61.0	38.2	126.2	-100.5	25.7
Other property, plant and equipment	38.1	-30.3	7.8	38.8	-30.6	8.2
Property, plant and equipment in progress	35.4	-	35.4	20.7	-	20.7
Advances and payments on account	0.7	-	0.7	2.6	-	2.6
TOTAL PROPERTY, PLANT AND EQUIPMENT	**801.1**	**-367.3**	**433.7**	**821.9**	**-455.8**	**366.2**

In millions of euros	31.12.2023	Acquisitions Allowances	Disposals Reversals	Reclassi-fications (1)	Change in cons. scope	Other move-ments (2)	31.12.2024
Land	96.6	-	-	-	-	-	96.6
Building facilities and amenities	242.7	7.5	-19.2	2.1	2.7	0.3	236.1
Rights of use (IFRS 16)	59.3	-	-14.1	0.0	27.0	22.8	95.1
Furniture, technical installations & point-of-sale equipment	234.9	12.1	-47.3	0.0	-	0.0	199.7
Hardware & local services equipment	126.2	13.5	-51.7	1.0	10.2	0.1	99.2
Other property, plant and equipment	38.8	2.3	-3.0	0.0	0.0	-0.0	38.1
Property, plant and equipment in progress	20.7	16.4	-	-1.6	-	-0.0	35.4
Advances and payments on account	2.6	-	-	-	-	-1.9	0.7
GROSS AMOUNTS	**821.9**	**51.8**	**-135.3**	**1.4**	**39.9**	**21.3**	**801.1**
Dep. / Impairment – Building facilities and amenities	-97.0	-13.0	18.4	1.9	-0.0	-0.1	-90.1
Dep. / Impairment – Rights of use (IFRS 16)	-27.0	-6.5	14.1	0.0	-0.0	-0.1	-19.3
Dep. / Impairment – Furniture, technical installations & point-of-sale equipment	-200.6	-13.2	47.3	-	-	0.0	-166.6
Dep. / Impairment – Hardware & local services equipment	-84.4	-8.3	42.5	-0.4	-	-0.0	-61.0
Dep. / Impairment – Other property, plant and equipment	-30.6	-2.6	3.0	-0.0	-0.0	0.0	-30.3
Impairment – Property, plant and equipment in progress	-	-	-	-	-	-	-
DEPRECIATION AND IMPAIRMENTS	**-455.8**	**-47.6**	**134.4**	**2.0**	**-0.0**	**-0.3**	**-367.3**
NET PROPERTY, PLANT AND EQUIPMENT	**366.2**		**-0.9**	**3.4**	**39.8**	**21.0**	**433.7**

(1) Reclassifications from “assets in progress” to “available for use” and reclassification of assets held for sale (IFRS 5).
(2) Currency translation effects and new leases (IFRS 16).

In 2024, as in 2023, investments in property, plant and equipment mainly concerned betting and lottery terminals and point-of-sale equipment, together with IT equipment.

In millions of euros	31.12.2022	Acquisitions Allowances	Disposals Reversals	Reclassi-fications (1)	Change in cons. scope	Other move-ments (2)	31.12.2023
Land	96.6	-	-	-	-	-	96.6
Building facilities and amenities	242.0	9.0	-6.8	-1.6	0.1	0.1	242.7
Rights of use (IFRS 16)	50.8	-	-3.5	-	3.0	9.0	59.3
Furniture, technical installations & PoS equipment	229.0	13.7	-12.3	0.9	3.6	-0.0	234.9
Hardware & local services equipment	112.2	13.0	-0.0	-9.3	2.7	7.7	126.2
Other property, plant and equipment	36.1	2.6	-0.1	0.0	0.2	-0.0	38.8
Property, plant and equipment in progress	13.7	8.9	-	-2.9	1.1	0.0	20.7
Advances and payments on account	3.1	-	-	-	-	-0.5	2.6
GROSS AMOUNTS	**783.6**	**47.1**	**-22.8**	**-5.4**	**10.7**	**8.8**	**821.9**
Dep. / Impairment – Building facilities and amenities	-89.9	-13.5	6.8	-1.0	-	0.5	-97.0
Dep. / Impairment – Rights of use (IFRS 16)	-22.1	-8.4	3.5	0.6	-	-0.7	-27.0
Dep. / Impairment – Furniture, technical installations & PoS equipment	-197.1	-15.9	12.3	-	-	-0.0	-200.6
Dep. / Impairment – Hardware & local services equipment	-93.2	-9.2	0.0	9.4	-	-7.5	-100.5
Dep. / Impairment – Other property, plant and equipment	-28.2	-2.5	0.1	-	-	-0.0	-30.6
Impairment – Property, plant and equipment in progress	-	-	-	-	-	-	-
DEPRECIATION AND IMPAIRMENTS	**-430.5**	**-49.5**	**22.8**	**1.7**	**-**	**-0.3**	**-455.8**
NET PROPERTY, PLANT AND EQUIPMENT	**353.1**		**-0.0**	**-3.7**	**10.7**	**8.5**	**366.2**

(1) Reclassifications from "assets in progress" to "available for use" and reclassification of assets held for sale (IFRS 5).
(2) Currency translation effects and new leases (IFRS 16).

NOTE 8 Provisions

A provision is recognised if, at the close of the financial year, the Group has an obligation to a third party arising from a past event, the settlement of which is expected to result in an outflow of resources from the entity without receiving equivalent or greater resources in return, and the amount of which can be estimated reliably. This obligation may be legal, regulatory, contractual or implied. The estimated amount of provisions, determined individually, corresponds to the outflow of resources that the Group considers probable. These provisions are not discounted, with the exception of provisions for employee benefits. The amount given is the best estimate of the risk.

Provisions estimated by the Group to be settled within 12 months after the reporting date, and provisions related to the normal operating cycle, are presented as current liabilities. Other provisions are presented as non-current liabilities.

Non-current and current provisions mainly cover litigation risks, operating risks and restructuring costs.

In millions of euros	31.12.2023	Increases	Reversals		Other movements	31.12.2024
			Utilised	**Not utilised**		
Total non-current provisions	1.4	1.3	-0.1	-0.3	20.2	22.6
Total current provisions	14.9	9.0	-12.9	-1.9	26.1	35.3
TOTAL PROVISIONS	**16.3**	**10.3**	**-12.9**	**-2.9**	**46.3**	**57.8**

Other movements in current provisions mainly concern provisions for legal risks recognised in the Kindred acquisition balance sheet.

Current provisions mainly cover disputes related to operations.

NOTE 9 Climate change

The Group is engaged in measures to reduce its carbon emissions. It considers that climate change effects have no material impact on its performance, risks and obligations, or on its accounting estimates.

As part of the impact, risk and opportunity analysis carried out for the purposes of the CSRD (Corporate Sustainability Reporting Directive), and in line with the recommendations of the Task Force on Climate-related Financial Disclosure, work on mapping climate-related financial risks has begun and will be completed in 2025.

The Group has taken risk management actions to mitigate the potential impact or prevent the occurrence of the main climate change-related risks.

Risk type	Risk	Group actions
Physical risks	Disruption of the distribution network due to an extreme event	Introduction of a business continuity plan to address issues such as the impact of extreme weather events (e.g. provisions for buffer stock serving the network to overcome any disruptions).
	Interruption of IT services due to an extreme weather event	The ability to withstand extreme weather events was taken into account in the design stage for La Française des Jeux data centres. Prevention plan and IT continuity plan to address issues such as the risk of an extreme weather event.
	Supply chain breakdown due to an extreme weather event	Dialogue regarding operational risk matters (including physical risks) with the suppliers of gaming materials, and audit of their business continuity plans and CSR policies. Continuous dialogue with strategic suppliers on reducing their carbon footprint and Ecovadis assessment of their environmental performance.
Transition risks	Loss of brand appeal due to mounting consumer expectations regarding responsible engagement	Surveys to gain more insight into customer expectations regarding CSR issues.
	Taxation of greenhouse gas emissions	Reduction target of 42% in scope 1 and 2 greenhouse gas emissions by 2030 (relative to 2022; excludes Kindred, PLI and ZEturf).
	Investor expectations	New plans focusing on actions identified in environment-related non-financial ratings (Moody's, S&P Global – SAM, CDP, etc.). ESG targets are incorporated into the annual compensation packages for executive corporate directors. One specific environmental objective has been set (see above).

NOTE 10 Cash and financial instruments

10.1 Financial assets and liabilities

Financial assets include long-term investments, term deposits, security deposits paid, and derivatives. In accordance with IFRS 9, they are classified and measured according to three main categories:

- amortised cost;
- fair value through profit or loss;
- fair value through other comprehensive income.

The classification of each financial asset is determined according to the management model defined by the Group and the characteristics of its cash flows.

Financial assets maturing in more than 12 months from the reporting date are classified as non-current. Those maturing in less than 12 months from the reporting date are classified as current.

An impairment model based on expected credit losses is applied to financial assets measured at amortised cost.

Financial liabilities include financial debt, security deposits received, and derivatives.

Investment securities

On initial recognition and on subsequent measurement, securities measured at fair value through profit or loss are marked to market using prices quoted on organised markets at the reporting date. For securities not traded on an active market, fair value is determined using measurement techniques (recent arm's length transactions, reference to the current market value of an equivalent instrument, discounted cash flow method or other valuation models).

Equity investments are measured on a line-by-line basis at fair value through profit or loss or, where they are not held for trading, at fair value through other comprehensive income that will not be reclassified to profit or loss. They are classified as non-current financial assets, current financial assets or cash equivalents (see Note 10.2) based on their liquidity, maturity and risk of changes in value.

Term deposits

Term deposits are measured at amortised cost and tested with regard to their expected credit losses. They are classified as non-current financial assets, current financial assets or cash equivalents (see Note 10.2) based on their liquidity, maturity and risk of changes in value.

Security deposits

Deposits in relation to the Euromillions "My Million" games are recorded under non–current financial assets.

Current security deposits comprise cash in trust administered by PLI in connection with its activity on behalf of the Irish regulator. They are measured at amortised cost.

Financial debt

Financial debt is measured at amortised cost.

Derivative financial instruments

- The Group decided to apply IFRS 9 for the measurement of hedging instruments for the first time its 2024 financial statements (See Note 2.2.1).

It is the Group's policy to use the financial markets solely for the hedging of obligations associated with its business, never for speculative purposes. The Group therefore uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks. Derivative financial instruments are designated by the Group as hedges if the following conditions are met:

- formal documentation from the inception of the hedging relationship;
- hedge effectiveness between 80% and 125% throughout the transaction, based on testing;
- where hedging a future event, occurrence of the event must be highly probable.

Derivative instruments are measured at fair value when initially recognised, and remeasured at each reporting date until settled. Changes in fair value are recognised in other comprehensive income.

Fair value is determined using measurement techniques involving mathematical methods based on recognised financial theories and parameters whose value is determined based on the prices of instruments traded on asset markets.

In millions of euros	31.12.2024	31.12.2023
Non-current financial assets at amortised cost	0.0	200.0
Non-current financial assets at fair value through profit or loss	89.5	328.2
Non-current derivatives	7.7	11.2
Other non-current financial assets	24.8	20.4
Total non-current financial assets	**122.1**	**559.9**
Current financial assets at amortised cost	0.7	186.6
Current financial assets at fair value through profit or loss	49.2	24.4
Current derivatives	1.9	0.0
Security deposits	109.7	54.3
TOTAL CURRENT FINANCIAL ASSETS	**161.5**	**265.4**
TOTAL FINANCIAL ASSETS	**283.7**	**825.3**
Non-current financial debt	2,133.7	352.3
Non-current lease liabilities	70.7	33.7
Other non-current financial liabilities	1.3	10.7
Non-current derivatives (liabilities)	0.7	0.8
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**2,206.4**	**397.5**
Current financial debt	113.2	31.8
Current lease liabilities	14.5	11.0
Current derivatives	0.2	0.0
Bank overdrafts	1.5	0.0
Other current financial liabilities	62.6	48.0
TOTAL CURRENT FINANCIAL LIABILITIES	**191.2**	**90.8**
TOTAL FINANCIAL LIABILITIES	**2,398.3**	**488.3**

The vast majority of the Group's financial investments remain highly liquid in the very short term.

Other non-current financial assets include the Euromillions and Eurodreams guarantee deposit (2024: €8.4 million; 2023: €8 million), which is measured at fair value through profit or loss.

In millions of euros	31.12.2023	Cash flows						Non-cash flows					31.12.2024
		Issue of long-term debt	Repayment of financial debt	Change in over-drafts	Lease payments – IFRS 16	Other (1)	Total cash flows	Change in cons. scope	Currency translation differences	Reclassification current/ non-current financial debt	Other	Total non-cash flows	
Non-current financial debt	352.4	3,814.3	-2,000.0				1,814.3	0.0	-0.4	-34.6	2.0	-33.0	**2,133.7**
Non-current lease liabilities	33.7						0.0	25.3	0.0	-7.1	18.7	37.0	**70.7**
Other financial liabilities	10.6					-1.2	-1.2	0.0	0.0	-3.7	-4.5	-8.2	**1.3**
Non-current derivatives (liabilities)	0.8						0.0				0.0	0.0	**0.7**
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**397.5**	**3,814.3**	**-2,000.0**	**0.0**	**0.0**	**-1.2**	**1,813.1**	**25.3**	**-0.4**	**-45.3**	**16.1**	**-4.3**	**2,206.4**
Current financial debt	31.8	76.4	-153.1				-78.4	116.2	-1.5	34.6	8.7	158.0	**113.1**
Current lease liabilities	11.0				-10.2		-10.2	6.7		7.1		13.7	**14.5**
Current derivatives	0.0						0.0				0.2	0.2	**0.2**
Bank overdrafts	0.0			1.5			1.5					0.0	**1.5**
Other financial liabilities	48.0		-11.7			-8.7	-20.4	56.8	-0.3	3.7	-25.2	34.9	**62.6**
TOTAL CURRENT FINANCIAL LIABILITIES	***90.8***	***76.4***	***-164.8***	***1.5***	***-10.2***	***-8.7***	***-107.5***	***179.7***	***-1.8***	***45.3***	***-16.3***	***206.9***	***191.9***
TOTAL FINANCIAL LIABILITIES	**488.3**	**3,890.8**	**-2,164.8**	**1.5**	**-10.2**	**-9.9**	**1,707.4**	**205.0**	**-2.2**	**0.0**	**15.6**	**202.6**	**2,398.3**

(1) Change in deposits and sureties received.

Current and non-current financial debt of €2,247 million (2023: €384 million) essentially consisted of:

- fixed-rate bond liabilities of €1,500 million, net of €5.3 million in issue costs, divided into three tranches with a nominal value of €500 million each, repayable over six, nine and 12 years respectively. It includes an early redemption clause at bondholders' request in the event of a change of control of La Française des Jeux leading to a rating downgrade;
- a €400 million variable-rate bank loan, net of €1.3 million in issue costs, repayable over five years, of which €320 million is non-current and €80 million is current; It includes an early redemption clause (lenders' option) in the event of (i) a change of control of La Française des Jeux leading to a rating downgrade, (ii) the loss of exclusive rights for lottery games and retail sports betting, or (iii) non-compliance with a net debt/recurring EBITDA ratio, which will be assessed for the first time on December 31, 2025;
- a loan of €290 million (net of €3 million issuance costs) to fund the securing of the exclusive operating rights, of which €271 million is non-current and €19 million is current. The loan was taken out on 1 April 2020 and had a nominal value of €380 million. It is repayable over 20 years and bears interest at a variable rate linked to Euribor. Interest rate hedges have been put in place, covering €172 million until June 2026 and €57 million until June 2028. It includes a full early redemption clause in the event of (i) the loss of exclusive rights for lottery games and retail sports betting, or (ii) a change of control, unless agreed otherwise between the borrower and all lenders, occurring if (a) the State holds less than 10% of La Française des Jeux's share capital, (b) a third party holds at least 33.34% of the share capital or voting rights, or (c) the State no longer exercises close control over La Française des Jeux. Repayment is also required in the event of non-compliance with a net debt/recurring EBITDA ratio;
- a €56 million loan for the acquisition of the Group's head office, of which €48 million is non-current and €8 million is current. The nominal value of the loan was €120 million. It bears interest at a fixed rate and is repayable over the period until 24 November 2031. It includes a full early redemption clause in the event of a change of control, unless agreed otherwise between La Française des Jeux and the lender. Change of control is defined as holding more than 50% of the share capital or voting rights, or at least 40% of the voting rights without any other party holding at least 40%. A first-ranking, non-recourse mortgage pledge on the headquarters building is implemented in the event of a change of control or a breach of the net debt/recurring EBITDA ratio.

The new bank loan (€400 million) and the bond issue (€1,500 million) were both used to refinance the bridging facility taken out in relation to the Kindred acquisition. FDJ has put suitable hedging instruments in place in order to optimise its management of interest rate risk. These include the partial variabilisation of the bond debt and the purchase of caps in order to limit the impact of a rate hike while retaining a degree of financial flexibility (see note 10.5.2 – Liquidity risk).

In millions of euros	31.12.2024						
	Under one year	More than one year	More than 2 years	More than 3 years	More than 4 years	More than 5 years	Total
Financial debt	113.2	109.2	105.5	107.2	105.3	1,706.5	**2,246.8**
Payment of interest	75.5	72.9	71.1	68.4	64.3	258.8	**611.0**
Lease liabilities	14.5	14.7	12.5	10.3	7.3	25.9	**85.1**
Other financial liabilities	62.6	0.2	0.2	0.1	0.1	0.7	**63.8**
Bank overdrafts	1.5	0.0	0.0	0.0	0.0	0.0	**1.5**
Derivatives (net)	-1.6	-3.8	-1.7	-1.7	0.0	0.3	**-8.6**
TOTAL CONTRACTUAL MATURITIES	**265.5**	**193.2**	**187.6**	**184.2**	**177.0**	**1,992.2**	**2,999.7**

In millions of euros	31.12.2023						
	Under one year	More than one year	More than 2 years	More than 3 years	More than 4 years	More than 5 years	Total
Financial debt	31.8	27.0	35.7	27.0	26.8	235.8	**384.2**
Payment of interest	16.0	15.0	13.8	12.7	11.6	62.3	**131.4**
Lease liabilities	11.0	11.8	8.1	3.4	2.7	7.8	**44.7**
Other financial liabilities	48.0	5.9	0.1	0.1	0.2	4.3	**58.7**
Bank overdrafts	0.0	0.0	0.0	0.0	0.0	0.0	**0.0**
Derivatives (net)	0.0	-0.1	-8.1	-3.0	0.7	0.0	**-10.5**
TOTAL CONTRACTUAL MATURITIES	**106.9**	**59.6**	**49.6**	**40.1**	**42.0**	**310.3**	**608.5**

10.2 Cash and cash equivalents

Cash and cash equivalents consist of sight deposits and short-term money-market investments that are fully liquid, have a maturity of three months or less on the acquisition date, and have a negligible risk of change in value, in accordance with the criteria set out in IAS 7.

Term deposits are measured at amortised cost and tested with regard to their expected credit losses.

On initial recognition and on subsequent measurement, securities measured at fair value through profit or loss are marked to market using prices quoted on organised markets at the reporting date.

Overdrafts are recognised as current financial liabilities.

In millions of euros	31.12.2024	31.12.2023
Investments, cash equivalents	386.0	406.4
Bank accounts and other	297.6	132.2
CASH AND CASH EQUIVALENTS	**683.6**	**538.6**

Investments that are cash equivalents comprise UCITS units (31 December 2024: €385 million; 31 December 2023: €356 million). These include the Euromillions/Eurodreams fund (2024: €87 million; 2023: €70 million) as well as interest-bearing term or sight deposits (2024: €0 million; 2023: €50 million).

The change in cash and cash equivalents is detailed in Note 10.3.

The Group is not aware of any major restrictions that would limit its access to the assets of any of the subsidiaries it controls.

10.3 Cash flows

The settlement terms for working capital items in 2024 were comparable to 2023:

- weekly settlement of distribution network receivables and payables;
- monthly payment of public levies, except unclaimed prizes;
- annual payment of advances on public levies (in December) and unclaimed prizes (paid to the State in the first half of the next year).

In 2024, the €89 million increase in operating working capital was mainly due to the increase in net receivables from the distribution network, following an unfavourable calendar effect and a higher level of stakes at the period end.

In 2023, the €59 million decrease in operating working capital was mainly driven by an increase in public levies in connection to the good business momentum in December, and by the increase in unclaimed prizes at the year-end.

Issues of long-term debt in 2024 concern the bridging loan (€2,000 million), the new bank loan (€400 million) and the bond issue (€1,500 million), net of their respective issue costs, which were put in place for the Kindred acquisition.

Acquisitions of property, plant and equipment and intangible assets, net of corresponding payables and advances, amounted to €150 million in 2024[(1)] (2023: €125 million).[(2)] These mainly concern IT and back office developments, as well as PoS gaming terminals.

Acquisitions of shares of €2,177 million represent the price paid for Kindred (including cash). Acquisitions of €212 million in investments in 2023 represent the price paid for ZEturf and PLI (including cash).

The change in current and non-current financial assets (2024: €589 million) is due to use of these assets to fund the Kindred acquisition in 2024.

The repayment of €2,165 million of financial debt in 2024 mainly comprises the repayment of the bridging loan put in place for the Kindred acquisition, the repayment of the acquired Kindred debt, and the repayment of the current portion of existing borrowings. During 2024, the Group also made a voluntary early repayment of the final £6 million (€7 million) tranche of the borrowings taken out in connection with the Sporting Group acquisition.

The repayment of €298 million of financial debt in 2023 mainly concerns the repayment of the borrowings acquired in connection with the PLI and ZEturf acquisitions, together with the current portion of existing borrowings. During 2023, the Group also made a voluntary early repayment of £15 million (€17 million) of the borrowings taken out in connection with the Sporting Group acquisition.

Other cash flows from financing activities mainly relate to treasury shares held in connection with a liquidity agreement and the performance share scheme.

The participating Euromillions and Eurodreams[(3)] lotteries have established a trust governed by English law to cover counterparty and default risks. It is managed by a trustee, The Law Debenture Trust Corporation. La Française des Jeux deposits collateral in a fund, which is managed by the trustee (which has sole authority to execute payments). FDJ's share of these amounts, which are held exclusively for the benefit of Euromillions and Eurodreams winners, was €87 million at 31 December 2024 (2023: €70 million). This sum is presented in cash and cash equivalents.

(1) €141 million before liabilities relating to non-current assets and payments in advance.

(2) €116 million before liabilities relating to non-current assets and payments in advance.

(3) An Post (Ireland), Camelot (United Kingdom - Euromillions only), La Française des Jeux, Belgian National Lottery, Luxembourg National Lottery, Österreichische Lotterien (Austria), Santa Casa (Portugal), Swisslos (Switzerland), Loterie Romande (Switzerland).

10.4 Net financial income/expense

Includes:
- borrowing costs;
- income from financial investments;
- change in the value of derivatives;
- foreign exchange gains or losses.

In millions of euros	31.12.2024	31.12.2023
COST OF DEBT	**-37.7**	**-13.8**
Gains on disposals	26.4	25.7
Interest on investments	19.1	19.1
Financial income on securities valued at fair value through profit or loss	3.3	14.1
Foreign exchange gains	3.2	0.9
Other financial income	1.6	8.0
FINANCIAL INCOME	**53.6**	**67.7**
Derivatives (expenses)	-7.9	-0.2
Financial expenses on securities valued at fair value through profit or loss	0.0	-9.1
Foreign exchange losses	-0.0	-0.9
Other financial expenses	-2.7	-1.0
FINANCIAL EXPENSES	**-10.5**	**-11.1**
NET FINANCIAL INCOME/EXPENSE	**5.3**	**42.7**

Cost of financial debt essentially comprises the interest expense on the loans taken out in relation to the Kindred acquisition, the exclusive operating rights, and the acquisition of the head office.

FDJ UNITED is exposed to foreign exchange risks, mainly on the US dollar. Foreign exchange gains and losses result from currency translation differences on unhedged financial assets and liabilities.

10.5 Financial risk management policy

In the management of its cash surplus, the Group faces three main categories of risk:
- credit risk (related to counterparty default risk);
- liquidity risk (in the event the Group is unable to meet its payment obligations);
- interest rate risk (mainly related to rises in interest rates);

A description of these risks is provided below, along with the initiatives taken by the Group to limit their impact.

10.5.1 Credit risk from investments and derivatives

The credit risk or counterparty risk on investments and derivatives is monitored by the Treasury Committee, which includes the Finance Director and members of the Treasury and Financing Department. This risk can be defined as the loss that the Group would bear in the event that a counterparty defaults on its obligations to the Group.

For financial investments and derivatives, the Group's policy is to limit transactions to a maximum amount per authorised counterparty, weighted according to the nature of the risks. The list of authorised counterparties is established by the Treasury Committee. Their selection is based on their rating and the maturity of the transaction. It is reviewed periodically, at least once every six months. If a counterparty is downgraded below the minimum rating, the Treasury Committee decides whether to maintain the existing transactions to maturity.

The Group considers that the risk of counterparty default with a potentially material impact on its financial position and results is limited, due to the policy in place for managing counterparties and more particularly given the minimum long-term rating stipulated for these transactions.

In millions of euros	31.12.2024	31.12.2023
Non-current financial assets at amortised cost	-	200.0
Non-current assets at fair value through profit or loss (excluding FDJ Ventures)	9.4	256.5
Non-current derivatives	7.7	11.2
TOTAL NON-CURRENT FINANCIAL ASSETS (EXCLUDING FDJ VENTURES)	**17.1**	**467.7**
Current financial assets at amortised cost	0.7	186.6
Current financial assets valued at fair value through profit or loss	49.2	24.4
Current derivatives	1.9	0.0
TOTAL CURRENT INVESTMENT SECURITIES	**51.8**	**211.1**
Investments, cash equivalents	386.0	406.4
TOTAL INVESTMENTS (EXCLUDING FDJ VENTURES)	**454.9**	**1,085.2**

The decrease in investments during the year is attributable to the utilisation of the assets to fund part of the Kindred acquisition.

As at 31 December 2024, investments principally comprised:

- UCITS and similar assets of €395 million (2023: €564 million);
- investments with counterparties of €50 million (2023: €507 million);
- derivatives of €9 million (2023: €11 million);
- accrued interest of €2 million (2023: €2 million).

Credit risk on investments with counterparties may be broken down as follows:

Amounts receivable	Investments with counterparties at 31.12.2024	Number of counterparties by size of exposure			
		€0-€25 million	€25-€50 million	€50-€100 million	€100-€150 million
AA/Financial institutions	99	1	2	-	-
A/Financial institutions	-	-	-	-	-
TOTAL	**99**				

10.5.2 Liquidity risk

Liquidity risk is defined as the Group's inability to meet its financial obligations at a reasonable cost. It includes in particular counterparty risks on certain games, the amounts of which may potentially be high and must be covered by cash that can be mobilised quickly. They are also covered by insurance (see Note 4.4.1 Management of counterparty risk on games).

FDJ UNITED's exposure to liquidity risk is limited, since under the Group's cash management policy at least 20% of financial investments must be held in money market instruments and at least 80% of financial investments must be held in money market instruments and other investments maturing within three years.

The Treasury Committee, headed by the Finance Director, monitors the liquidity position on a monthly basis and ensures compliance with defined limits.

The amounts invested in short-term instruments and bonds maturing within three years are consistent with FDJ UNITED's cash management policy.

During 2024, financial investments averaged €1,216 million. Loans taken out with banks totalled €2,247 million. This comprised:

- €1,500 million in bond debt related to the Kindred acquisition; (excluding issuance costs);
- €400 million in amortisable borrowings also related to the Kindred acquisition; (excluding issuance costs);
- €290 million related to the financing for the exclusive operating rights payment; (excluding issuance costs);
- €56 million of debt related to the purchase of the Group's head office; (excluding issuance costs)

Most of the short-term instruments and bonds maturing in three years or less can be recovered, without penalty or capital risk, following a notice period of 32 calendar days.

Furthermore, unused confirmed credit lines of €150 million have been in place since February 2021, repayable variously between December 2025 and February 2027.

Given the level of financial investments at 31 December 2024, and based on business, investment and debt repayment forecasts, the Group has determined it can meet its obligations over the next 12 months as from the review date of the annual financial statements by the Board of Directors.

10.5.3 Interest rate risk

The interest rate risk of a financial asset is the risk of generating a capital loss on a security or incurring an additional cost due to changes in interest rates. The interest rate risk of a financial liability is the risk of incurring an additional cost due to changes in interest rates.

The Group's exposure to interest rate fluctuations is associated with future financial investments and floating-rate borrowings. The Group implements a dynamic interest rate risk management policy supervised by the Treasury Committee. The aim of the policy is to ensure a minimum return on financial investments over a maximum of five years, and to hedge the interest rate risk on loans at a reasonable cost.

Sensitivity to interest rate risk arises from fixed income investments (bonds and negotiable debt instruments), interest rate derivatives and floating-rate debt.

At 31 December 2024, variable-rate debt (excluding issuance costs) concerned the exclusive operating rights payment (€290 million) and the €400 million debt in relation to the refinancing of the Kindred acquisition.

Although ongoing high interest rates in 2024 led to higher financing costs, the increase in interest charges was substantially limited by the existence of hedges covering 65% of the borrowings taken out to obtain the exclusive operating rights.

La Française des Jeux issued €1,500 million in bonds in November, of which €1,000 million was hedged in advance, and completed its financing with a €400 million variable-rate term loan. To reduce its fixed-rate exposure, La Française des Jeux variabilised part of the bond issue (€200 million) through the purchase of a €100 million variable-rate payer swap in December 2024 and a second €100 million payer swap in January 2025. To hedge the interest rate risk on its variable-rate debt (the loan in relation to the exclusive operating rights payment and the term loan), FDJ purchased €200 million of caps in December 2024, thus eliminating the risk of a rate rise while benefiting from any rate fall. A second tranche of €200 million in caps was purchased in January 2025.

The impact of a 1% increase in the borrowing rate, excluding margin, would be €3.9 million.

10.5.4 Market risk

Market risk is the risk of generating a capital loss on a security or incurring an additional cost due to changes in interest rates.

The Group is exposed to market risk in connection with movements in its financial investments.

The Group is minimally exposed to market risk related to fluctuations in the value of investment vehicles used.

The implemented strategy prioritizes liquid, short-term investments with limited value fluctuations, such as UCITS funds.

At 31 December 2024, investments subject to market risk amounted to €453 million (2023: €709 million).

10.6 Fair value of financial instruments

Financial instruments consist of:

- assets: all financial investments (classified as non-current financial assets, current financial assets, and cash and cash equivalents), all business-related loans and receivables, derivatives and bank accounts;
- liabilities: all payables (business-related payables, derivatives and financial debt).

Financial assets and liabilities are recognised at fair value.

			31.12.2024	31.12.2023
In millions of euros	IFRS 9 category and valuation		Fair value	Fair value
Cash	**Fair value through profit or loss**	**Level 1**	**297.6**	**132.2**
Cash equivalents	**Fair value through profit or loss**	***Level 1***	**386.0**	**406.4**
Non-current financial assets	**-**		**122.6**	**559.9**
of which non-current financial assets at amortised cost	*Loans and receivables at amortised cost*	*Level 2*	*-*	*200.0*
of which non-current financial assets at fair value through profit or loss	*Fair value through profit or loss*	*Level 2*	*9.4*	*256.0*
of which non-consolidated securities (FDJ Ventures)	*Fair value through profit or loss*	*Level 2*	*51.3*	*49.6*
of which non-consolidated securities (FDJ Ventures)	*Fair value through profit or loss*	*Level 3*	*29.3*	*22.5*
of which other non-current financial assets	*Loans and receivables at amortised cost*	*Level 2*	*32.6*	*31.7*
Current financial assets	**-**	**Level 2**	**161.5**	**265.4**
of which current financial assets at fair value through profit or loss	*Fair value through profit or loss*	*Level 2*	*49.2*	*24.4*
of which current financial assets at amortised cost	*Loans and receivables at amortised cost*	*Level 2*	*0.7*	*186.6*
of which current derivatives	*Fair value through OCI*	*Level 2*	*1.9*	*0.0*
of which deposits and guarantees	*Loans and receivables at amortised cost*	*Level 2*	*109.7*	*54.3*
Trade and distribution network receivables (net value)			**729.3**	**559.5**
of which trade receivables	*Loans and receivables at amortised cost*	*Level 2*	*153.1*	*109.2*
of which distribution network receivables	*Loans and receivables at amortised cost*	*Level 2*	*576.2*	*450.3*
Other operating assets (excluding tax and social security receivables and prepaid expenses)		**-**	**289.6**	**193.8**
TOTAL FINANCIAL INSTRUMENTS – ASSETS			**1,986.7**	**2,117.3**
Non-current financial liabilities	**Financial liabilities at amortised cost**	**Level 2**	**2,206.4**	**397.5**
Trade and distribution network payables			**624.4**	**478.5**
of which suppliers	*Financial liabilities at amortised cost*	*Level 2*	*271.6*	*190.4*
of which distribution network payables	*Financial liabilities at amortised cost*	*Level 2*	*352.8*	*288.1*
Current player funds	**Financial liabilities at amortised cost**	**Level 2**	**350.3**	**319.7**
Winnings payable/Player balances	**Financial liabilities at amortised cost**	**Level 2**	**642.3**	**363.3**
Other operating liabilities excluding tax and social security receivables and prepaid income	**Financial liabilities at amortised cost**	**Level 2**	**-8.6**	**93.4**
Other current financial liabilities	**Financial liabilities at amortised cost**	**Level 2**	**191.9**	**90.8**
TOTAL FINANCIAL INSTRUMENTS – LIABILITIES			**4,006.6**	**1,741.7**

Level 1: Prices quoted in active markets.
Level 2: Use of directly or indirectly observable market data other than the quoted price of an identical instrument (data corroborated by the market: yield curve, swap rates, multiples method, etc.).
Level 3: Measurement techniques based on unobservable data such as projections or internal data.

NOTE 11 Investments in joint ventures

In millions of euros	Total
VALUE OF SECURITIES AT 31.12.2022	**18.3**
Change in scope	0.1
Share of net income for 2023	2.1
Dividends	-0.7
Currency translation differences	-0.8
VALUE OF SECURITIES AT 31.12.2023	**19.1**
Change in scope	2.0
Share of net income for 2024	2.9
Dividends	-1.2
Currency translation differences	0.8
VALUE OF SECURITIES AT 31.12.2024	**23.5**

The amount of current and non-current financial assets and liabilities relating to the holdings in joint ventures is not material.

11.1 Société de Gestion de l'Échappée (SGE)

As at 31 December 2024, La Française des Jeux holds a 50% interest in SGE, which manages the Groupama-FDJ cycling team.
A 50% share in SGE was sold to Groupama on 6 December 2018; since then, the company has been accounted for using the equity method. Responsibility for dealing with ethical issues, defining the sports programme and managing all activities associated with amateur cycling remains with the association L'Échappée, which is separate from SGE. An expense of €8.3 million was recorded on the sponsorship contract between La Française des Jeux and SGE in 2024 (2023: €8 million).

11.2 Lotteries Entertainment Innovation Alliance (LEIA)

La Française des Jeux holds a 20% stake in the Norwegian company Lotteries Entertainment Innovation Alliance AS, a digital gaming distribution platform located in Norway. The other shareholders are Danske Lotterie Spile, Denmark (20%), Norsk Tipping, Norway (20%), Veikkaus, Finland (20%) and Svenska Spel, Sweden (20%). La Française des Jeux's business relationship with the company generated net income of €2.9 million in 2024 (2023: around €2.4 million).

11.3 Beijing ZhongCai Printing (BZP)

La Française des Jeux holds a 46.25% stake in Beijing ZhongCai Printing Co. Ltd (BZP), a lottery ticket printing company in China. It is accounted for using the equity method. The remaining 53.75% is held by CWL (China Welfare Lottery).

The Group had no material business relations with BZP in 2024 and 2023. BZP paid dividends to FDJ Group, net of currency effects and withholding taxes, of €1.2 million in 2024 (2023: €1 million).

11.4 Services aux Loteries en Europe (SLE)

The Group holds, via La Française des Jeux and PLI, a 32.99% stake in the joint venture Services aux Lotteries en Europe (SLE), a Belgian limited cooperative company located in Brussels which was established in October 2003 to organise joint operations in connection with the Euromillions and Eurodreams games (draws, centralised combinations, calculation of winnings and organisation of funds transfers between operators for prize payouts). The Company is jointly owned by the ten participating lotteries. In 2024, the Group earned income of €3 million from its business relations with SLE.

11.5 National Lotteries Common Services (NLCS)

The Group holds a 50% stake in the joint venture National Lotteries Common Services (NLCS), a French company established in February 2013 with the aim of pooling the expertise and resources of different lotteries in relation to sports betting. The other shareholder is the Portuguese state lottery SCML (Santa Casa de la Misericordia de Lisboa). No transactions with this company had a material impact on the Group. The Group's business relationship with the company generated net income of €1 million in 2024 (2023: €1 million).

NOTE 12 Assets (and liabilities) held for sale

Assets and liabilities that qualify as "held for sale" are presented separately from other assets and liabilities in the statement of financial position. An impairment is recognised when the realisable value is lower than the net carrying amount.

The sale process for the Sporting Group B2B assets was begun by the Group in late 2023 and finalised in the fourth quarter of 2024. The transaction value was comparable to the book value of the assets sold, which was in line with initial estimations. In accordance with IFRS 5, no material adjustment was therefore recorded in the consolidated financial statements.

NOTE 13 Income tax expense

Income tax comprises the current tax expense and deferred tax expense. It is recognised in the income statement except insofar as it relates to items that are recognised in other comprehensive income, in which case it is recognised in other comprehensive income.

The tax rates used are those enacted or substantively enacted for each tax jurisdiction at the end of the reporting period.

Current tax is the amount of tax due for the period. Deferred tax arises from temporary differences between the carrying amounts of assets and liabilities and their tax bases, as well as from tax loss carryforwards. It is determined using the liability method. A deferred tax asset is only recognised insofar as it is probable that the Group will have future taxable profits against which to offset this asset in the foreseeable future or, beyond that, deferred tax liabilities of the same maturity. Deferred tax assets and liabilities are netted in the statement of financial position by tax entity.

13.1 Income tax expense

In millions of euros	31.12.2024	31.12.2023
Deferred tax	19.4	0.0
Current tax	-157.3	-141.0
TOTAL INCOME TAX EXPENSE	**-137.9**	**-141.0**

The change in the tax expense in 2024 resulted mainly from an increase in the taxable base, leading to an increase in tax payable which was partly offset by a positive deferred tax movement. The effective tax rate was thus 25.8% (2023: 25.0%).

13.2 Current tax

In millions of euros	31.12.2024	31.12.2023
Current tax assets	69.3	14.1
Current tax liabilities	97.8	7.4

Current tax assets and liabilities mainly comprise the net amount of income tax instalments paid and the income tax expense payable for the period.

13.3 Deferred tax

In millions of euros	31.12.2024		31.12.2023	
	Assets	Liabilities	Assets	Liabilities
Non-deductible provisions	13.5		12.8	
Temporarily non-deductible expenses	25.0	-1.9	10.0	
Other sources of temporary differences [(1)]	50.5	-360.0	6.5	-113.5
Tax loss carryforwards	17.2	-1.3	0.6	-0.7
TOTAL DEFERRED TAX	**106.2**	**-363.2**	**29.9**	**-114.1**
NET DEFERRED TAX		**-257.0**		**-84.2**

(1) The other sources of temporary differences primarily concern accelerated depreciation and amortisation (-€50 million) and restatements in connection with the PPAs (-€364.1 million). The latter concern brands, technology, customer relationships and the PLI exclusive rights.

In addition, loss carryforwards of €22 million are not recognised in the Group's financial statements due to uncertainty as to their future recovery.

13.4 Reconciliation of the theoretical tax rate and the effective tax rate

In millions of euros	2024	2023
Consolidated accounting profit before tax excluding income from joint ventures	533.9	563.9
Theoretical standard income tax rate	25.83%	25.8%
THEORETICAL INCOME TAX EXPENSE	**137.9**	**145.6**
Effects of items generating differences from theoretical tax expense:		
– Permanent differences	-1.2	-5.9
– Effect of tax rates (differences between countries and application of reduced rates) on current and deferred tax	1.4	-5.3
– Tax credits	-2.1	-2.5
– Taxable losses net of utilisations	-1.0	6.6
– Other items	3.0	2.4
TOTAL DIFFERENCES BETWEEN EFFECTIVE TAX AND THEORETICAL TAX	**0.1**	**-4.6**
EFFECTIVE INCOME TAX EXPENSE	**137.9**	**141.0**
Effective tax rate	25.8%	25.0%

In 2024, the difference between the theoretical and effective tax rates related mainly to application of tax breaks on software and the tax losses of foreign subsidiaries. In 2023, the difference between the theoretical and effective tax rates related mainly to application of tax breaks on software and the tax losses of foreign subsidiaries.

Tax credits relate mainly to the R&D tax credit and sponsorship activities activities.

The Group's effective tax rate for the 2024 financial year is 25.8%, compared to 25.0% for the 2023 financial year.

The "Pillar 2" international tax reform developed by the OECD, which is aimed in particular at establishing a minimum tax rate of 15%, came into force in France as of the 2024 financial year. The reform has little material impact on the Group, and has been dealt with as follows:

- the portion of the estimated top-up tax payable in relation to the Kindred group's jurisdictions for the portion of the 2024 period prior to the acquisition was taken into account in the Kindred acquisition balance sheet.
- the estimated top-up tax payable for the period for the consolidated group is included in the tax expense.

NOTE 14 Earnings per share

Earnings per share are calculated according to the rules laid down in IAS 33.

The figure is obtained from the weighted average number of shares outstanding during the year, excluding the weighted number of treasury shares deducted from the equity.

Basic earnings per share are calculated by dividing net profit attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by adjusting the net profit attributable to holders of ordinary shares and the weighted average number of ordinary shares outstanding for the impact of any dilutive potential ordinary shares.

If including deferred equity instruments in the calculation of diluted earnings per share generates an anti-dilutive effect, they are excluded from the calculation.

	31.12.2024	31.12.2023
Net profit attributable to owners of the parent *(in millions of euros)*	398.9	425.1
Weighted average number of ordinary shares* over the period	184,783,608	190,806,384
Effect of dilutive instruments (performance shares)	0	0
Weighted average number of ordinary shares (diluted) over the period	184,783,608	190,806,384
Basic earnings per share *(in euros)*	**2.16**	**2.23**
Diluted earnings per share *(in euros)*	**2.16**	**2.23**

* Net of treasury shares.

NOTE 15 Shareholders' equity

15.1 Share capital

In the proceedings between La Française des Jeux and Soficoma regarding a 3% holding in the company's share capital, the Court of Cassation, by judgment of 10 May 2024, rejected Soficoma's appeal against the judgment of 17 November 2022 of the Court of Appeal of Aix-en-Provence, which had upheld the terms of the ruling of the Commercial Court of Marseille of 23 May 2019. The Marseille Commercial Court had found that Soficoma was obliged to sell its 5,730,000 shares to the company at a price of €16 million and had lost is status as a shareholder as of 18 May 2017, and ruled that La Française des Jeux was permitted to record the transfer of those 5,730,000 shares from Soficoma to the company in its registers.

La Française des Jeux took note of this new decision, which gives rise, in accordance with the resolution passed by the General Meeting on 8 June 2018, to the cancellation of those 5,730,000 shares and a corresponding reduction in its share capital.

As a result, La Française des Jeux now has share capital of €74,108,000 (31 December 2023: €76,400,000), consisting of 185,270,000 shares with a par value of €0.40 each.

La Française des Jeux had deposited the purchase price of Soficoma's shares in escrow for the latter's benefit at the Caisse des Dépôts et Consignation on 18 May 2017. The dividends paid on the shares since that date (€44.17 million) were retained by La Française des Jeux and consequently booked to an account forming part of shareholders' equity.

A breakdown of share ownership is provided in Note 1.1.

15.2 Treasury shares

Treasury shares are recorded at their acquisition cost as a deduction from equity. Gains and losses on sales of treasury shares, net of tax, are charged directly to equity and do not contribute to the income for the period.

A share purchase and sale programme authorised by the Board of Directors at its meeting of 19 December 2019 was implemented, pursuant to the authorisation granted by the General Meeting of Shareholders of 4 November 2019, for the purpose of concluding a liquidity agreement in accordance with the rules laid down by the Autorité des marchés financiers (AMF). The maximum amount of €6 million was allocated to the liquidity agreement, which ran until 19 December 2024.

Shares are also purchased in connection with the performance share awards made on 26 April 2022, 26 April 2023 and 25 April 2024.

At 31 December 2024, there were 486,392 treasury shares, representing a deduction of €17.5 million from consolidated equity (2023: 384,810 shares representing a deduction of €13.7 million).

15.3 Payment of dividends

The dividend in respect of 2024, which will be submitted to the vote at the General Meeting of Shareholders of 22 May 2025 approving the financial statements for the year ended 31 December 2024, is €380 million, i.e. €2.05 per share.

Dividends in respect of the year ended 31 December 2023, as approved by the General Meeting of 25 April 2024, amounted to €340 million, i.e. €1.78 per share. They were paid on 7 May 2024.

NOTE 16 Related-party transactions

16.1 French State

Due to the strict regulatory control referred to above (Section 1.2), the French State is considered to be a related party of La Française des Jeux in the sense of IAS 24.

The associated amounts recorded in the income statement and the statement of financial position are as follows:

In millions of euros		31.12.2024	31.12.2023
Statement of financial position – Assets	Exclusive operating rights (gross value)	477.0	380.0
Statement of financial position – Assets	Advance payment of public levies	222.2	193.7

In millions of euros		31.12.2024	31.12.2023
Statement of financial position – Liabilities	Public levies (including unclaimed prizes)	480.7	596.8
Statement of financial position – Liabilities	Liabilities to the French State in relation to exclusive operating rights	97.0	-

In millions of euros		31.12.2024	31.12.2023
Income statement	Public levies	4,453.7	4,191.6

Transactions between FDJ UNITED and all public sector entities are carried out under normal market conditions.

16.2 Other related parties

Transactions between La Française des Jeux and its fully consolidated subsidiaries, which are related parties, are eliminated on consolidation and are not described in this note.

On 15 December 2016, the Board of Directors elected to renew the FDJ Corporate Foundation for a term of five years from 5 January 2018 until 2 January 2023. The multi-year action plan provides for €19.5 million, of which €7 million was donated in 2016, €8 million in 2017, €3 million in 2019 and €1.5 million in 2021.

On 16 December 2021, the Board of Directors elected to renew the FDJ Corporate Foundation for a term of five years from 3 January 2023, with a €25 million multi-year action plan for the period from 2023 to 2027. The amount committed by FDJ is covered by a bank guarantee.

No material transactions have been entered into with any member of the management bodies having a significant influence on the Group.

16.3 Executive compensation

The compensation of senior executives forms part of the information provided in respect of related parties.

The main executive managers sit on the Management Committee, which has 21 members.

In the consolidated income statement, executive compensation is limited to the following items:

In millions of euros	31.12.2024	31.12.2023
Short-term employee benefits	7.8	7.2
Long-term employee benefits	2.5	3.0
TOTAL	**10.3**	**10.3**

Short-term benefits include all forms of compensation. Other long-term benefits include post-employment benefits (retirement benefits and health coverage), long-service awards and performance shares.

The fair value of the free shares awarded during the period to the principal executives under the share-based payment schemes was €3.3 million.

Post-employment benefits do not apply to corporate directors (the Chairwoman & CEO and the Deputy CEO), given their status as civil servants on secondment.

NOTE 17 Ongoing legal proceedings and other disputes (see Note 8)

Legal proceedings brought by 83 agent-brokers

Members of the French gaming retailers' syndicate (UNDJ – Union nationale des diffuseurs de jeux) sued La Française des Jeux in May 2012 before the Commercial Court of Nanterre, requesting that the 2003 rider to the agent-broker contract be terminated by a court decision. By judgment dated 13 December 2023, the Nanterre Commercial Court dismissed the claims of the 83 agent-brokers and ordered them each to pay the sum of €800 to La Française des Jeux under Article 700 of the French Code of Civil Procedure. Sixty-eight brokers appealed this decision to the Versailles Appeals Court on 12 April 2024.

Soficoma proceedings

On 23 May 2017, La Française des Jeux filed a lawsuit against Soficoma, a non-trading company, requesting a finding that Soficoma had lost its status as a shareholder of La Française des Jeux. On 23 May 2019, the Commercial Court of Marseille granted the Company's application. Soficoma appealed this ruling on 20 June 2019 to the Court of Appeal of Aix-en-Provence. By a judgment dated 17 November 2022, the Court of Appeal of Aix-en-Provence upheld the ruling of the Commercial Court of Marseille in its entirety and dismissed all claims against the French Republic, represented by the Agence des participations de l'État. Soficoma filed an appeal to the Court of Cassation on 13 December 2022. By judgment of 10 May 2024, the Court of Cassation rejected Soficoma's appeal and ordered it to pay La Française des Jeux the sum of €3,000 in costs pursuant to article 700 of the French Civil Code.

This decision gives rise, in accordance with the resolution passed by the General Meeting on 8 June 2018, to the cancellation of those 5,730,000 shares and a corresponding reduction in the share capital of La Française des Jeux, which now comprises 185,270,000 shares. La Française des Jeux had deposited the purchase price of Soficoma's shares in escrow for the latter's benefit at the Caisse des Dépôts et Consignation on 18 May 2017. The dividends paid on the shares since that date (€44 million) were retained by La Française des Jeux and consequently booked to an account forming part of shareholders' equity.

Proceedings before the Council of State

In a letter dated 20 May 2021, the Council of State called on La Française des Jeux to present observations in a proceeding initiated in December 2019 by four claimants. These applicants – The Betting and Gaming Council, Betclic Enterprises Limited, the European Gaming and Betting Association and SPS Betting France Limited – have brought fourteen actions for ultra vires against Ordinance no. 1015 of 2 October 2019 reforming the regulation of games of gambling and chance, Decree no. 2019-1060 of 17 October 2019 on the terms of application of strict State control over the company La Française des Jeux, Decree no. 2019-1061 of 17 October 2019 on the framework for the gaming offer of La Française des Jeux and Pari Mutuel Urbain, Decree no. 2019-1105 of 30 October 2019 on the transfer to the private sector of the majority of the share capital of the société anonyme La Française des Jeux, the Order of 6 November 2019 setting the terms of the transfer to the private sector of the majority of the share capital of the company La Française des jeux, the Order of 20 November 2019 setting the price and terms of allocation for shares in the company La Française des Jeux, Decree no. 2019-1563 of 30 December 2019 on the approval of the articles of association of the company La Française des Jeux and Decree no. 2020-494 of 28 April 2020 on the terms of provision of the gaming offer and gaming data. The applicants seek the annulment of the statutory instruments reforming the regulation of gambling games.

In five judgments dated 14 April 2023 and one judgment dated 12 July 2023, the Council of State held that the exclusive rights granted to La Française des Jeux were justified on grounds of public order and the control of addiction risks, that the 25-year term of the exclusive rights granted to La Française des Jeux was not excessive, that the granting of exclusive rights to La Française des Jeux was compliant with European law and that there were no grounds to apply to the European Court of Justice for a preliminary ruling. With regard to the amount of the consideration paid by La Française des Jeux to the State in exchange for the exclusive rights, the Council of State stayed the proceedings and will rule after the European Commission has issued its final decision on this matter.

Proceedings before the European Commission

Following the privatisation of La Française des Jeux, two complaints were lodged with the European Commission, recorded by the Commission as State aid cases SA. 56399 and SA. 56634, for the alleged granting of State aid in the form of guarantees, preferential tax treatment, and the granting of exclusive rights for insufficient remuneration. The complainants were the Association française des jeux en ligne (AFJEL), in a complaint dated 31 January 2020, and The Betting and Gaming Council (BGC), in a complaint dated 5 March 2020.

On 26 July 2021, the European Commission announced that it would conduct a detailed investigation of France regarding the adequacy of the €380 million payment made in "remuneration of the exclusive rights awarded" for point-of-sale sports betting and for lottery. The Commission's decision to open the investigation was published on 3 December 2021 in the list of State aid cases on its website and in the Official Journal of the European Union.

The decision sets out the grounds that led it to query the arrangements from the perspective of the law on State aid. In a decision dated 31 October 2024 and published on 5 February 2025, the European Commission opined that the exclusive rights from which La Française des Jeux benefits, once adjusted, do not constitute State aid. Limited adjustments were made to the parameters of the method for calculating the remuneration, giving rise to a €97 million increase in the total remuneration which thus increases from €380 million to €477 million.

Tax audit

A tax audit is currently being performed on La Française des Jeux for the fiscal years 2020 to 2022.

The tax authority is querying the concept of revenue (net gaming revenue) that the company uses to calculate the contribution on added value (CVAE) and is thus disputing the deductibility of public levies and VAT. The amount at stake is approximately €53 million for the 2020 financial year, €29.9 million for the 2021 financial year and €32 million for the 2022 financial year, before tax and including late-payment interest.

The company and its advisors firmly reject the position adopted by the tax authority in its interim proposed adjustment and believe that there are sound arguments to support the treatment currently applied. No provision for risk was therefore recognised as at 31 December 2024.

NOTE 18 Off-balance-sheet commitments

Other commitments are detailed in the table below:

In millions of euros	31.12.2024	31.12.2023
COMMITMENTS GIVEN		
Deposits and first-demand guarantees	88.9	45.1
Sponsorship agreement	6.6	6.1
Investment funds	35.2	59.0
Performance bonds*	193.8	162.4
Image rights for cyclists and commitment to the association L'Échappée	0.5	0.2
Property rent	6.9	6.6
Mortgage on goods acquired	59.5	68.2
Pledged intangible assets	2.9	4.4
Contractual undertakings for the sale of property, plant and equipment and intangible assets	0.5	4.8
Other commitments given	0.7	0.0
TOTAL COMMITMENTS GIVEN	**395.4**	**356.8**
COMMITMENTS RECEIVED		
Performance bonds and commitments to return advance payments	135.0	200.4
Guarantees for remittance of stakes and payment of winnings	575.6	545.8
Counterparty risk insurance	130.0	130.0
Confirmed credit facilities	150.0	150.0
Online players insurance	110.0	110.0
TOTAL COMMITMENTS RECEIVED	**1,100.6**	**1,136.2**

* Includes printing contracts worth €138.2 million in 2024 (2023: €38.3 million).

18.1 Commitments given

The performance bonds given represent irrevocable purchase commitments made by the Group to its suppliers.

The mortgage allocation commitment taken out by the Group in 2016 (including the principal, interest and related amounts) concerned the purchase of its head office.

Investment funds are mainly venture capital funds geared towards supporting the development of start-ups in activities close to La Française des Jeux's core business. These funds include Partech and Raise, as well as CVC V13 (in partnership with Séréna), Level-up (specialising in e-sports), Trust e-sport, OneRagtime – ARIA, Origins and Sista Fund.

18.2 Commitments received

Guarantees received for the remittance of stakes and payment of winnings relate to the financial guarantees provided by new retailers doing business with La Française des Jeux. Newly approved retailers are required to provide a financial guarantee to cover the risk of payment defaults. Under this system, retailers provide their guarantees directly to La Française des Jeux, which is responsible for debt collection.

The commitment of €130 million comprises the aggregate insurance cover for the counterparty risk on lottery games, as from 1 January 2020, following the reform of the tax and regulatory framework applicable to La Française des Jeux, which put an end to the counterparty fund system.

The commitment of €110 million concerns a surety agreement that guarantees the repayment of all funds due to players holding online accounts. The agreement covers a maximum amount of €110 million. It is provided by three leading European insurance companies and renews automatically on an annual basis.

Unused confirmed credit lines of €150 million have been in place since February 2021, maturing at various points up to February 2027.

18.3 Reciprocal commitments

In early 2025, as part of the partnership between La Française des Jeux and Groupama via Société de Gestion de l'Échappée (50% owned by each shareholder), La Française des Jeux and Groupama signed reciprocal pledges to buy and sell the remaining SGE shares.

18.4 Schedule of lease commitments

Lease commitments at 31 December 2024 and 31 December 2023 were payable as follows:

In millions of euros	31.12.2024	31.12.2023
Less than 1 year	2.5	2.3
Less than 5 years	4.4	4.3
More than 5 years	-	-
LEASE COMMITMENTS*	**6.9**	**6.6**

* Lease commitments relate to vehicles and low-value leases that are not included in IFRS 16 lease liabilities (see Note 6.2).

IFRS 16 lease liabilities totalled €75 million at 31 December 2024 (2023: €45 million).

NOTE 19 Other post-closing events

There are no other post-closing events other than those mentioned in Note 1.3.2.

NOTE 20 Scope of consolidation

The ownership interest (the share of the consolidated entity held directly or indirectly by the Group) is identical to the percentage of control for all controlled entities. The main subsidiaries of FDJ UNITED are listed below based on their material contribution to consolidated recurring EBITDA, along with equity-accounted entities. The list also includes a selection of Kindred's most significant entities, integrated into the consolidated financial statements as of December 31, 2024:

Name of entity	Head-quarters	Consolidation method 2024 (1)	Consolidation method 2023 (1)	Percentage of interest 2024	Percentage of interest 2023
La Française des Jeux	France	FC	FC	100%	100%
FDJ Gaming Solutions France (FGS France)	France	FC	FC	100%	100%
Beijing ZhongCai Printing	China	EM	EM	46.25%	46.25%
La Française d'Images	France	FC	FC	100%	100%
Société de Gestion de l'Échappée	France	EM	EM	50%	50%
FDP	France	FC	FC	100%	100%
Services aux Loteries en Europe	Belgium	EM	EM	32.99%	32.99%
National Lotteries Common Services (NLCS)	France	EM	EM	50.00%	50.00%
Lotteries Entertainment Innovation Alliance AS (LEIA)	Norway	EM	EM	20.00%	20.00%
Sporting Group Holdings Limited (formerly Sporting Index Holdings Ltd)	United Kingdom	FC	FC	100%	100%
Sporting Solutions Services Limited (formerly SPIN Services Ltd)	United Kingdom	-	FC	-	100%
FDJ Services	France	FC	FC	100%	100%
Adstellam (L'Addition)	France	FC	FC	100%	95%
Aleda	France	FC	FC	100%	100%
ZEturf France	Malta	FC	FC	100%	100%
ZEtote System	Malta	FC	FC	100%	100%
MasseCom SAS	France	FC	FC	100%	100%
ZEbetting & Gaming Nederland NV	Netherlands	FC	FC	100%	100%
Turf Data Selection SARL	France	EM	EM	50%	50%
Premier Lotteries Ireland DAC	Ireland	FC	FC	100%	100%
Betchoice Corporation Pty Ltd	Australia	FC	-	100%	-
Kindred South Development Pty Ltd	Australia	FC	-	100%	-
Unibet Australia Pty Ltd	Australia	FC	-	100%	-
Kindred Belgium NV	Belgium	FC	-	100%	-
Kindred Denmark ApS	Denmark	FC	-	100%	-
Kindred Estonia OU	Estonia	FC	-	100%	-
32 Red Limited	Gibraltar	FC	-	100%	-
Kindred (Gibraltar) Limited	Gibraltar	FC	-	100%	-
Platinum Gaming Limited	Gibraltar	FC	-	100%	-
Firstclear Limited	United Kingdom	FC	-	100%	-

Name of entity	Head-quarters	Consolidation method 2024 (1)	Consolidation method 2023 (1)	Percentage of interest 2024	Percentage of interest 2023
Kindred (London) Limited	United Kingdom	FC	-	100%	-
Kindred Services Limited	United Kingdom	FC	-	100%	-
Kindred Individuals Private Limited	India	FC	-	100%	-
Kindred Italy SRL	Italy	FC	-	100%	-
Kindred IP Limited	Malta	FC	-	100%	-
Optdeck Service Limited	Malta	FC	-	100%	-
Relax Holding Ltd	Malta	FC	-	99.87%	-
Spooniker Ltd	Malta	FC	-	100%	-
SPS Betting France Limited	Malta	FC	-	100%	-
Trannel International Limited	Malta	FC	-	100%	-
Unibet (Belgium) Limited	Malta	FC	-	100%	-
Unibet (Denmark) Limited	Malta	FC	-	100%	-
Unibet (Germany) Limited	Malta	FC	-	100%	-
Unibet (Holding) Ltd	Malta	FC	-	100%	-
Unibet (Italia) Limited	Malta	FC	-	100%	-
Unibet Services Limited	Malta	FC	-	100%	-
Kindred Spain Tech, S.L.	Spain	FC	-	100%	-
Kindred People AB	Sweden	FC	-	100%	-
PR Entertainment (I Stockholm) AB	Sweden	FC	-	100%	-
Kindred Nederland B.V.	Netherlands	FC	-	100%	-
Unibet Interactive Inc.	USA	FC	-	100%	-

Full consolidation (FC) – Companies over which the Group has exclusive control; Equity method (EM) – Companies over which the Group has significant influence or joint control.

Changes in the consolidation scope are described in Note 3.1.

NOTE 21 Statutory auditors' fees

The Statutory Auditors' fees for 2024 and 2023 were as follows:

In thousands of euros	31.12.2024					
	Audit services		Non-audit services		Sustainability audit	
	Pricewaterhouse Coopers Audit	Deloitte & Associés	Pricewaterhouse Coopers Audit	Deloitte & Associés	Pricewaterhouse Coopers Audit	Deloitte & Associés
La Française des Jeux (issuer)(1)	659	776	269	141	182	182
Subsidiaries (controlled entities)(2)	364	312	0	95	0	0
STATUTORY AUDITORS' FEES	**1,023**	**1,088**	**269**	**236**	**182**	**182**

(1) Assignments were carried out by PwC entities other than the statutory auditor entity for €0.2 million and do not contribute to the ratio calculation.
(2) For the Kindred scope, audit fees related to the certification of Kindred entities' financial statements for the 2024 financial year amounted to £0.9 million (approximately €1.1 million). The contribution to the Group's accounts was estimated using the pro-rata temporis method at €0.3 million, in proportion to the period of ownership within the Group.

Non-audit services in 2024 mainly related to work on various certifications.

In thousands of euros	31.12.2023					
	Audit services		Non-audit services		Sustainability audit	
	Pricewaterhouse Coopers Audit	Deloitte & Associés	Pricewaterhouse Coopers Audit	Deloitte & Associés	Pricewaterhouse Coopers Audit	Deloitte & Associés
La Française des Jeux (issuer)	525	515	75	84	0	0
Subsidiaries (controlled entities)	81	194	0	23	0	0
STATUTORY AUDITORS' FEES	**606**	**709**	**75**	**107**	**0**	**0**

In addition, fees of €682 thousand were incurred in 2023 for M&A-related assignments performed by other entities in the PwC network.

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