

SOCIÉTÉ DES BAINS DE MER
ET DU CERCLE DES ÉTRANGERS À MONACO

Société anonyme monégasque au capital de 24 516 661 €.
Siège social : Monte-Carlo - Place du Casino, Principauté de Monaco.
R.C.S. : Monaco 56 S 523 - Siren : 775 751 878.

Consolidated Results 2022/2023

(1 April 2022 – 31 March 2023)

- **Revenue was €667.0 million compared with €530.5 million for the previous fiscal year, with:**
 - **gaming revenue of €215.4 million, compared with €200.8 million in 2021/2022**
 - **hotel revenue of €325.1 million compared with €213.3 million for the previous year**
 - **steady growth in rental activities, with revenue up to €124.8 million compared with €117.6 million in 2021/2022.**
- **Operating profit was €72.2 million compared with an operating profit of €35.4 million for the previous fiscal year, with growth across all business sectors.**
- **Consolidated net income was €896.2 million, compared with €76.4 million for the fiscal year 2021/2022, with:**
 - **a negative financial result of -€5.1 million**
 - **income from Betclie Everest Group stake and capital gain on the contribution / transfer of the stake for an amount of €829,2 million, compared with a positive impact of €46.2 million last year.**
- **Strong financial structure for the S.B.M. Group with positive net cash position of €276.5 million.**

At its meeting held on 31 May 2023, the Board of Directors of the Société des Bains de Mer approved the financial statements for the fiscal year 2022/2023, prepared in accordance with international accounting principles IFRS.

In millions of euros	2021/2022	2022/2023
Consolidated Revenue	530.5	667.0
Operating income	35.4	72.2
Financial result	-5.2	-5.1
BEG Equity Accounting	46.2	829.2
Net Income (Group share)	76.4	896.2

■ **Net operating profit of €72.2 compared with a profit of €35.4 million in the previous fiscal year**

Société des Bains de Mer and its subsidiaries reported consolidated revenue of €667 million for the fiscal year 2022/2023, compared with €530.5 million in 2021/2022, an improvement of 26% across the year as a whole.

This growth of €136.5 million is the result of higher revenue across all business sectors.

As a reminder, the first quarter of the previous year (April to June) was still very severely impacted by the unprecedented nature of the health crisis (with the Rolex Monte-Carlo Master's tennis tournament played behind closed doors and limited attendees at the Formula 1 Grand Prix), as well as restrictions on access to venues during part of the period (with a curfew until 25 June 2021). The 2021 summer season (July to September) then saw an upturn in activity.

The first signs of improvement observed the previous year were confirmed fully in fiscal year 2022/2023, with the complete lifting of health and operating restrictions and a return to normal conditions for all of the S.B.M. Group's establishments.

From the start of fiscal year 2022/2023, the positive health situation allowed annual events such as the Monte-Carlo Rolex Masters and the Formula 1 Grand Prix to take place as normal.

The **gaming** sector achieved revenue of €215.4 million, compared with €200.8 million in 2021/2022. This 7% growth is essentially due to improved table games revenue at the Casino de Monte-Carlo, with a year-on-year increase of €8 million. Despite an improvement in coin-in, slot machines revenue fell slightly as a result of payouts at the Casino Café de Paris, in particular. Revenues from gaming-related activities (catering, bar, entrance fees and retail) bounced back strongly, as a direct consequence of the casinos' increase in attendance compared with the previous year.

Hotel revenue was €325.1 million compared with €213.3 million in 2021/2022, a year-on-year significant increase of €111.8 million. As a reminder, the first quarter of the previous year (April to June) was still very severely impacted by the travel restrictions and health rules that were then still in place as well as restrictions on access to establishments. Over fiscal year 2022/2023, the return to a stable, more favourable health situation allowed the main springtime events to be held without any restrictions, while all of the Group's establishments were able to operate normally. The summer season was particularly positive, with some international clients returning.

The **rental** sector, which combines boutiques and office leasing together with the activities of the Monte-Carlo Bay, the Balmoral, the Villas du Sporting and the One Monte-Carlo, reported revenue of € 124.8 compared with €117.6 million for the previous year, an increase of 6%. The increase is mainly due to the rise in residential leasing activities following the gradual release of spaces in the One Monte-Carlo, and the application of contractual rent rises.

Finally, other activities accounted for annual consolidated revenue of €12.7 million, compared with €9.3 million for the previous year, an increase of €3.4 million, largely due to the fact that the Monte-Carlo Rolex Masters tennis tournament went ahead under normal operating conditions, having been played behind closed doors the year before.

The S.B.M. Group's operating profit was therefore €72.2 million, compared with a profit of €35.4 million during the previous fiscal year, an improvement of €36.8 million.

The change in operational performance was positive across all areas of activity.

■ **Stable financial result and a positive contribution from the ownership in Betclie Everest Group**

Financial result for 2022/2023 fiscal year was -€5.1 million, an improvement of €0.1 million compared with last year.

It is reminded that the S.B.M. Group has held a stake in the capital of Betclie Everest Group ("BEG"), an online gaming group, since May 2009.

The S.B.M. Group, through its subsidiary Monte-Carlo SBM International S.à.r.l. had transferred the full ownership of 47.30% it held in Betclie Everest Group (BEG) to FL Entertainment N.V., by means of a disposal and contribution of assets conducted on 30 June 2022.

The transaction valued SBM International's stake in BEG at €850 million. Half of this price was paid in cash with the other half in the form of shares in FL Entertainment, giving SBM International 4.95% of the voting rights and 10.39% of the economic interests in the company. FL Entertainment is listed on the Euronext Amsterdam regulated market since 1 July 2022.

This transaction resulted in the recognition of an exceptional profit of €813.5 million on S.B.M. Group's consolidated financial statements for the fiscal year 2022/2023. The S.B.M. Group also accounted for a positive share of income from BEG of €15.6 million in fiscal year 2022/2023, in relation with the period predating the sale, i.e. 1 April to 30 June 2022.

■ Net profit

Net consolidated income (Group share) was €896.2 million, compared with a profit of €76.4 million for the fiscal year 2021/2022, an increase of €819.9 million.

■ Financial structure and capital expenditure

In terms of financial structure, shareholder's equity (Group share) stood at €1,510 million as of 31 March 2023, compared with €653.1 million at the end of the previous fiscal year, this growth being driven by the positive net profits for the year.

Dividends distributed over the year totalled €24.5 million, i.e. 1 euro per share.

As at the end of March 2023, the S.B.M. Group's net cash position (net of financial debts) was positive at €276.5 million, as compared with €30 million on 31 March 2022.

The net cash position corresponds to the difference between year-end cash and cash equivalent plus term deposits with maturity periods of between 3 and 6 months on the subscription date and the liabilities relating to loans with credit institutions and issues of short term negotiable debt securities.

The debt relating to bank financing amounted to €72.4 million, following the repayments during the year for a total amount of €52.8 million. The last instalment is due in January 2024.

Part of the cash received from the disposal and contribution of assets of BEG on 30 June 2023 has been invested in financial assets for a total of €175.2 million euros as at 31 March 2023. These investments are not included in the definition of net cash.

The pursuit of the capital expenditure program represented a cash outflow of €95.6 million over the fiscal year, mainly for the purchase of office space in the Aigue-Marine building, the S.B.M. Group's administrative headquarter, and continuing work at the Café de Paris.

Forward-looking prospects

The S.B.M. Group's business over the first two months of the new 2023/2024 financial year continues to follow the trend observed in 2022/2023.

However, the random nature of the gaming activity means that it is not possible to make forecasts for the financial year as a whole.

Audit of accounts at the time of publication

Audit procedures of the consolidated accounts have been completed. The certification report will be issued following verification of the management report and finalization of the procedures required regarding publication of the annual financial report.

Monaco, 31 May 2023

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