

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.

**S.B.M. Group confirms strong business growth
and high operating income for fiscal year 2023/2024**

- **Revenue growth of 6% to €704 million, driven by strong summer business at the Resort, rising average rates, and a rental property occupancy rate close to 100%.**
- **Operating income up by €1.4 million to €73.6 million and largely positive net income of €103.9 million confirm the S.B.M. Group's sound financial model.**
- **Acquisition of the Palace des Neiges in Courchevel 1850 on 3 October 2023 and reopening of the Café de Paris on 14 November 2023.**

Stéphane Valeri, Chairman and Chief Executive Officer of Société des Bains de Mer, said:

"We are pleased with the Group's strong performance. These results confirm the robustness of our business model, which is based on our range of complementary activities. Every sector – from gaming to accommodations and catering, and the rental business – contributes to growth revenue, with proven synergies between them.

The new governance structure of Monte-Carlo Société des Bains de Mer, which forms part of the reorganization initiated at the start of the fiscal year, has unquestionably had positive effects on our business, taken into account the two new directions – international development and property development – which will produce a return on investment in the medium term.

This result is in line with our previous performance and demonstrate the relevance of our offering and the strength of our position in a highly competitive market."

At its meeting held on 27 and 28 May 2024, the Board of Directors of the Société des Bains de Mer, chaired by Stéphane Valeri, approved the financial statements as of 31 March 2024 for the fiscal year 2023/2024, prepared in accordance with international accounting principles IFRS.

In millions of euros	2022/2023	2023/2024
Consolidated Revenue	667.0	704.0
Operating income	72.2	73.6
Financial result	- 5.1	30.3
BEG Equity Accounting	829.2	
Net Income (Group share)	896.2	103.9

Consolidated **revenue** reported for fiscal year 2023/2024 was €704 million, up by €37 million or 6%. The figure consists mainly of:

- hotel revenue up by 6% to €345.1 million, thanks to a particularly successful summer season, marking a positive trend that continued into the second half of the year,
- gaming revenue up by 3% to €221.3 million, the increase in revenue from slot machines and associated activities of 4% and 21% respectively, offsetting a slight decline of -2% in table games revenue,
- a 9% rise in revenue from rental activities to €135.4 million, driven by an optimised occupancy rate and close to 100% and the positive impact of lease indexations.

The consolidated **operating income** amounted to €73.6 million, compared with €72.2 million for the previous fiscal year. The gaming and rental sectors saw significant progress in their operating income, of +€3.8 million and +€8.5 million respectively. These strong results more than offset the fall in operating income of the hotel sector of €5.8 million, which was impacted by non-recurring costs associated with pre-opening expenses at the Café de Paris and Amazónico, as well as an increase in salaries and wages linked to business growth and the quest for excellent quality of service.

Financial income for fiscal year 2023/2024 was a profit of €30.3 million compared with a loss of -€5.1 million for the previous year. The change can be explained mainly by an increase in income from financial assets, including dividends received from the stake in FL Entertainment of €15.3 million, income from investment activities (financial assets and cash and cash equivalents) and a reduction of €3.3 million in financial expenses associated with gross financial debt following the repayment of loans taken out in January 2017, with a final instalment repaid in January 2024.

Finally, it is reminded that the S.B.M. Group has transferred, on 30 June 2022, the full ownership of 47.30% it held in Betclic Everest Group (BEG) to FL Entertainment N.V., by means of a disposal and contribution of assets. The transaction generated an exceptional profit of €813.5 million, which was recorded in the S.B.M. Group's consolidated financial statements for fiscal year 2022/2023.

Consolidated net income (Group share) was €103.9 million, compared with a profit of €896.2 million for fiscal year 2022/2023. Excluding the impact of the stake in BEG and its disposal in fiscal year 2022/2023, the net income of €103.9 million for fiscal year 2023/2024 was an increase of €36.9 million compared with restated net income of €67 million for fiscal year 2022/2023.

Financial structure and capital expenditure

In terms of financial structure, shareholder's equity (Group share) stood at €1,567 million as of 31 March 2024, compared with €1,510 million at the end of the previous fiscal year, this growth being driven by the positive net profits for the year.

Cash generated from operations for fiscal year 2023/2024 was €152.9 million, compared with €131.6 million for the previous fiscal year. The change is explained by the improvement in operating income before amortization of €4.3 million, an increase in financial income from cash investments and a reduction in writebacks of provisions.

At the end of March 2024, the S.B.M. Group's net cash position (net of financial debts) was positive at €68.9 million, as compared with €276.5 million on 31 March 2023.

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.

Part of the cash has been invested in financial assets for a total of €316.6 million as at 31 March 2024 and €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 €193.6 million over the fiscal year, mainly for the purchase of the Palace des Neiges and the work at the Café de Paris, its shops and the Amazónico restaurant.

Forward-looking prospects

The S.B.M. Group's level of activity for the first two months of the new fiscal year 2024/2025 was entirely in line with fiscal year 2023/2024, strengthened by the opening of the Amazónico restaurant on 4 April 2024 and the full-year effect of the opening of the Café de Paris Monte-Carlo Brasserie in late 2023.

The S.B.M. Group's business model is robust and diversified. However, the gaming sector is dependent, on a short-term period, of its random nature, meaning that it is not possible to make forecasts for the fiscal year 2024/2025 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, 28 May 2024

www.montecarlosbm.com

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