VIVENDI SE

Société Européenne

42, avenue de Friedland

75008 PARIS

FRANCE

Audit report on CANAL+ GROUP'S combined financial statements

Years ended December 31, 2023, 2022 and 2021

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To the Management Board of Vivendi SE,

Opinion

In our capacity as one of the statutory auditors of Vivendi SE and in accordance with the UK version of Regulation (EU) 2017/1129 supplemented with the UK version of Commission Delegated Regulation (EU) 2019/980 (the "Prospectus Regulation") in the context of the admission of all the ordinary shares of Canal+ SA to trading on the main market of the London Stock Exchange , we have audited the combined financial statements of Canal+ Group prepared for the purpose of inclusion in the prospectus prepared for the admission (the "Prospectus"), which comprise the combined statements of financial position as at December 31, 2023, 2022 and 2021, and the combined statements of earnings, the combined statements of comprehensive income, the combined statements of changes in equity and the combined statements of cash flows for the years then ended, and notes to the combined financial statements, including a summary of significant accounting policies (thereafter the « Combined Financial Statements »).

These Combined Financial Statements were examined on October 21, 2024 by the Management Board of

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Vivendi SE, and approved on October 30, 2024 by one empowered member of the Management Board of Vivendi SE.

In our opinion, the accompanying Combined Financial Statements give a true and fair view of the combined financial position of Canal + Group as at December 31, 2023, 2022 and 2021 and of its combined financial performance and combined cash flows for the years then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and in accordance with IFRS Accounting Standards published by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Combined Financial Statements" section of our report. We are independent of Vivendi SE in accordance with the International Ethics Standard Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards*) (IESBA Code) together with the ethical requirements that are relevant to our audit of the Combined Financial Statements in France, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to the Note 1 "Basis of preparation of the Combined Financial Statements", and in particular the "Accounting conventions used when preparing the Combined Financial Statements" section. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Combined Financial Statements

Management of Vivendi SE is responsible for the preparation and fair presentation of the Combined Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and in accordance with IFRS Accounting Standards published by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Combined Financial Statements, management is responsible for assessing the Canal + Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Canal+ Group or to cease operations, or has no realistic alternative but to do so.

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Those charged with governance are responsible for overseeing the Canal+ Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the Combined Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Combined Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Combined Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Canal+ Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Canal+ Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Combined Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Canal+ Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Combined Financial Statements, including the disclosures, and whether the Combined Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Canal+ Group to express an opinion on the Combined Financial Statements. We are responsible for the direction, supervision and performance of the audit of Canal+ Group. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of Canal+ Group's audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Save for any responsibility arising under Rule 5.3.2R(2)(f) of the rules of the FCA made under section 73A of the Financial Services and Markets Act 2000 of the UK, as amended, relating to Prospectus Regulation (the "Prospectus Regulation Rules") to any person as and to the extent there provided, to the fullest extent permitted by law, we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1 item 1.3 of the UK version of the Commission Delegated Regulation (EU) 2019/980, consenting to its inclusion in the Prospectus.

Declaration

For the purposes of Rule 5.3.2R(2)(f) of Prospectus Regulation Rules, we are responsible for this report as part of the Prospectus and declare that to the best of our knowledge the information contained in this report is, in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex 1 item 1.2 of the UK version of the Commission Delegated Regulation (EU) 2019/980 and for no other purpose.

This report shall be governed by, and construed in accordance with, French law and professional standards applicable in France. The Courts of France shall have exclusive jurisdiction in relation to any claim, difference or dispute which may arise out of or in connection with our engagement letter or this report.

Paris-La Défense, October 30, 2024

One of the Statutory Auditors of Vivendi SE

Deloitte & Associés

Frédéric SOULIARD

Frédéric SOULIARD

CANAL+

GROUP

Audited Combined Financial Statements for the years ended 31 December 2023, 2022 and 2021

Combined Statement of Earnings

(in millions of euros)	Note	Year ended 31 December 2023	2022	2021
Revenues	5	**6,223**	**6,010**	**5,870**
Content costs		(3,725)	(3,547)	(3,432)
Technology, selling, general, administrative costs & others		(2,021)	(2,006)	(2,013)
Restructuring costs		(5)	(13)	(23)
Impairment losses on intangible assets acquired through business combinations		(2)		(1)
Amortization of intangible assets acquired through business combinations		(44)	(53)	(45)
Operating income (EBIT)	5	**426**	**391**	**355**
Income (loss) from equity affiliates		(104)	(9)	1
Interest expenses	6	(158)	(33)	(27)
Income from investments		-	-	22
Other financial income	6	3	7	9
Other financial expenses	6	(65)	(39)	(45)
		(220)	***(65)***	***(41)***
Earnings before income tax		**102**	**317**	**315**
Income tax	7	(118)	(133)	(157)
Earnings (losses)		**(16)**	**184**	**158**
Of which				
Earnings (losses) attributable to Canal+ Group Owner		**(61)**	**141**	**119**
Earnings attributable to non-controlling interests		45	43	39

The accompanying notes are an integral part of the Combined Financial Statements.

Combined Statement of Comprehensive Income

(in millions of euros)	Note	Year ended 31 December 2023	2022	2021
Earnings (losses)		**(16)**	**184**	**158**
Actuarial gains/(losses) related to employee defined benefit plans, net	9	-	11	-
Financial assets at fair value through other comprehensive income	9	(37)	2	(14)
Items not subsequently reclassified to profit or loss		**(37)**	**13**	**(14)**
Foreign currency translation adjustments		47	(2)	(7)

Unrealised gains/(losses), net		3	(1)	2
Comprehensive income from equity affiliates, net	12	3	45	-
Items to be subsequently reclassified to profit or loss		**53**	**42**	**(5)**
Charges and income directly recognised in equity	9	**15**	**55**	**(19)**
Total comprehensive income		**(1)**	**239**	**139**
Of which				
Total comprehensive income (loss) attributable to Canal+ Group Owner		**(66)**	**199**	**111**
Total comprehensive income attributable to non-controlling interests		65	40	28

The accompanying notes are an integral part of the Combined Financial Statements.

Combined Statement of Financial Position

(in millions of euros)	Note	31 December 2023	31 December 2022	31 December 2021	1 January 2021
ASSETS					
Goodwill	10	2 458	2 450	2 341	2 300
Non-current content assets	11	468	394	270	326
Other intangible assets	12	632	640	630	606
Property and equipment	13	675	672	611	529
Rights-of-use relating to leases	14	184	205	205	77
Investments in equity affiliates	15	1 103	903	21	26
Non-current financial assets	16	245	162	599	473
Other non-current assets		74	80	89	115
Deferred tax assets	7	134	126	112	100
Non-current assets		**5 973**	**5 632**	**4 879**	**4 551**
Inventories	17	89	107	76	73
Current tax receivable	7	29	31	23	67
Current content assets	11	979	972	861	669
Trade accounts receivable and other	17	1 394	1 458	1 550	1 444
Other current financial assets	16	21	33	21	8
Loans to Vivendi	18	94	87	76	78
Cash and cash equivalents	18	334	282	191	151
Current assets		**2 939**	**2 970**	**2 798**	**2 489**
TOTAL ASSETS		**8 912**	**8 602**	**7 676**	**7 040**
EQUITY AND LIABILITIES					
Canal + Group' owners' net investment		894	970	767	630
Canal+ Group owners' net investment		**894**	**970**	**767**	**630**
Non-controlling interests	19	246	215	197	189
Total equity		**1 140**	**1 185**	**964**	**819**
Non-current provisions	20	241	306	208	148
Long-term borrowings and other financial liabilities	23	50	63	37	38
Deferred tax liabilities	7	196	209	165	168
Long-term lease liabilities	14	182	215	196	42
Other non-current liabilities		5	17	23	11

Non-current liabilities		**674**	**810**	**629**	**406**
Current provisions	20	157	222	340	431
Short-term borrowings from Vivendi SE	23	4 143	3 560	2 925	2 897
Short-term borrowings and other financial liabilities	18	33	42	33	47
Trade accounts payable and other	17	2 702	2 743	2 733	2 358
Short-term lease liabilities	14	41	14	20	55
Current tax payables	7	22	26	32	29
Current liabilities		**7 098**	**6 607**	**6 083**	**5 816**
TOTAL LIABILITIES		**7 772**	**7 417**	**6 712**	**6 222**
TOTAL EQUITY AND LIABILITIES		**8 912**	**8 602**	**7 676**	**7 040**

The accompanying notes are an integral part of the Combined Financial Statements.

Combined Statement of Cash Flows

(in millions of euros)	Note	Year ended 31 December 2023	2022	2021
Operating activities				
Operating income (EBIT)		426	391	355
Adjustments	24.1	344	321	327
Content investments, net	11	(122)	(194)	84
Acquisition paid		*(2,015)*	*(2,026)*	*(1,576)*
Consumption		*1,893*	*1,831*	*1,660*
Gross cash provided by operating activities before income tax paid and other changes in net working capital		**648**	**518**	**766**
Other changes in net working capital	17.1	(7)	54	(20)
Net cash provided by operating activities before income tax paid		**641**	**572**	**746**
Income tax (paid)/received, net		(141)	(167)	(92)
Net cash provided by operating activities		**500**	**405**	**654**
Investing activities				
Capital expenditures	12;13	(301)	(336)	(370)
Purchases of consolidated companies, after acquired cash		(9)	(103)	(28)
Investments in equity affiliates	15	(312)	(381)	-
Increase in financial assets	16	(141)	(80)	(181)
Investments		***(763)***	***(900)***	***(579)***
Proceeds from sales of property, plant, equipment and intangible assets	12;13	7	7	3
Proceeds from sales of consolidated companies, after divested cash		-	-	1
Decrease in financial assets	16	12	37	14
Divestitures		***19***	***44***	***18***
Dividends received from equity affiliates		1	36	1
Dividends received from unconsolidated companies	16	-	1	21
Net cash used for investing activities		**(743)**	**(819)**	**(539)**
Financing activities				
Contributions by Canal+ Group Owner		2	5	17
Transactions between the Canal+ Group and owners of non-controlling interests		(45)	2	2
Dividends paid by consolidated companies to their non-controlling interests		(38)	(38)	(26)
Transactions with owners		**(81)**	**(31)**	**(7)**
Setting up of long-term borrowings and increase in other long-term financial liabilities		-	2	5
Payments on long-term borrowings and other long-term financial liabilities		(2)	(3)	(2)
Payments on short-term borrowings	23	-	(46)	(49)

Proceeds from short-term borrowings and other financial liabilities		585	661	66
Interest paid, net	6	(158)	(33)	(27)
Other cash items related to financial activities		(13)	(16)	(15)
Transactions on borrowings and other financial liabilities		**412**	**565**	**(22)**
Repayment of lease liabilities and related interest expenses	14	(32)	(29)	(46)
Net cash provided by/(used for) financing activities		**299**	**505**	**(75)**
Foreign currency translation adjustments		(5)	-	1
Change in cash and cash equivalents		**51**	**91**	**40**
Cash and cash equivalents				
At beginning of the period	18	**282**	**191**	**151**
At end of the period	18	**334**	**282**	**191**

The accompanying notes are an integral part of the Combined Financial Statements

Combined Statements of Changes in Equity

(in millions of euros)	Note	Year ended December 31, 2023 Retained earnings and other reserves	 **Canal+ Group owners' net investment**	 Non-controlling interests	 **Total equity**
BALANCE AS OF DECEMBER 31, 2022		**970**	**970**	**215**	**1,185**
Earnings (losses)		(61)	(61)	45	(16)
Charges and income directly recognized in equity	9	(5)	(5)	20	15
TOTAL COMPREHENSIVE INCOME		**(66)**	**(66)**	**65**	**(1)**
Canal+ Group owners' contributions		2	2	-	2
Dividends paid		-	-	(38)	(38)
Others		(12)	(12)	4	(8)
TOTAL CHANGES OVER THE PERIOD		**(76)**	**(76)**	**31**	**(45)**
BALANCE AS OF DECEMBER 31, 2023		**894**	**894**	**246**	**1,140**

(in millions of euros)	Year ended December 31, 2022 Retained earnings and other reserves	 **Canal+ Group owners' net investment**	 Non-controlling interests	 **Total equity**
BALANCE AS OF DECEMBER 31, 2021	**767**	**767**	**197**	**964**
Earnings (losses)	141	141	43	184
Charges and income directly recognized in equity	58	58	(3)	55
TOTAL COMPREHENSIVE INCOME	**199**	**199**	**40**	**239**
Canal+ Group owners' contributions	4	4	-	4
Dividends paid	-	-	(38)	(38)
Others	-	-	16	16
TOTAL CHANGES OVER THE PERIOD	**203**	**203**	**18**	**221**
BALANCE AS OF DECEMBER 31, 2022	**970**	**970**	**215**	**1,185**

(in millions of euros)	Year ended December 31, 2021			
	Retained earnings and other reserves	**Canal+ Group owners' net investment**	Non-controlling interests	**Total equity**
BALANCE AS OF JANUARY 1, 2021	**630**	**630**	**189**	**819**
Earnings (losses)	119	119	39	158
Charges and income directly recognized in equity	(9)	(9)	(10)	(19)
TOTAL COMPREHENSIVE INCOME	**111**	**111**	**29**	**139**
Canal+ Group owners' contributions	30	30	-	30
Dividends paid	-	-	(26)	(26)
Others	(4)	(4)	6	2
TOTAL CHANGES OVER THE PERIOD	**137**	**137**	**8**	**145**
BALANCE AS OF DECEMBER 31, 2021	**767**	**767**	**197**	**964**

The accompanying notes are an integral part of the Combined Financial Statements.

Notes to the Combined Financial Statements

Vivendi SE ("Vivendi") is a European company which, since January 7, 2020, has been subject to the provisions of French commercial company law that are applicable to it in France, including Council Regulation EC No. 2157/2001 of October 8, 2001 on the statute for a European company (SE) and the French Commercial Code (Code de commerce). Vivendi was incorporated on December 18, 1987, for a term of 99 years expiring on December 17, 2086, except in the event of an early dissolution or unless its term is extended. Its registered office is located at 42 avenue de Friedland - 75008 Paris (France). Vivendi's shares are listed on Euronext Paris (Compartment A).

Groupe Canal+ SA ("Canal+") is a major player in content creation and distribution worldwide. Currently, it has 26.8 million subscribers worldwide, with a diversified geographic presence mainly across three continents (Europe, Africa and Asia), holding strong positions and offering an attractive value proposition in both mature markets (Europe) and growth markets (Africa and Asia). With subscriptions accounting for nearly 80% of Canal+ Group's (as defined below) revenues, distribution across all broadcasting channels (satellite, ADSL, DTT and digital), and both linear and non-linear offerings, Canal+ has a resilient business model that also allows it to seize growth opportunities in its various markets.

The Combined Financial Statements present the financial and accounting situation of Canal+, Dailymotion, Group Vivendi Africa ("GVA"), Canal Olympia, Copyrights, L'Olympia and Théâtre de l'oeuvre (the "Canal+ Group"), together with interests held by members of Canal+ Group in equity affiliates and a building housing technical facility ("Cast"). Amounts are reported in euros and all values are rounded to the nearest million.

According to the Regulation (EU) 2017/1129 as supplemented by Commission Delegated Regulation (EU) 2019/980 each as they form part of United Kingdom domestic law by virtue of the EU Withdrawal Act 2018, an issuer must present audited historical financial information covering at the latest three financial years, compliant with International Financial Reporting Standards as endorsed by the European Union ("IFRS Accounting Standards"), in its prospectus prepared in connection with the contemplated admission of its securities to trading on a regulated market.

Therefore, Vivendi management board has prepared these Combined Financial Statements as of and for the years ended 31 December 2023, 2022, and 2021 and the opening Statements of Financial Position on 1 January 2021, in accordance with IFRS Accounting Standards, which reflect the legal reorganisation of share ownership in the legal entities mentioned above, which were under the control of Vivendi SE during those periods.

On 21 October 2024, the Management Board of Vivendi SE examined the Combined Financial Statements as and for the years ended 31 December 2023, 2022, and 2021, and granted power to one of its members, Mr. Maxime Saada, who also serves as Chairman of the Management Board of Canal+ and Chairman and CEO of Dailymotion, to approve such Combined Financial Statements. On 30 October 2024, Mr. Maxime Saada approved and authorised for issue the Combined Financial Statements for the years ended 31 December 2023, 2022 and 2021.

Overview of Vivendi spin-off, Partial Demerger and Reorganisation Transaction (the "Legal Reorganisation")

On 13 December 2023, Vivendi SE announced the initiation of a feasibility study in relation to the separation of several entities from the Vivendi SE Group, including the Canal+ Group, each of which would be an independent, publicly listed company, operating separately from Vivendi SE (which would remain listed on Euronext Paris).

Prior to the Vivendi Spin-Off, Dailymotion SA, l'Olympia SAS, CanalOlympia SAS, GVA as well as performance venues and licensing and production entities in France, the UK, Germany and Poland were held (directly or indirectly through subsidiaries) by Vivendi. Most of them were previously operationally managed by the Canal+ Group. In order to better align the Canal+ Group's operational and legal structure, after completion of relevant employee representatives consultation process, Vivendi and the Canal+ Group entered into share transfer agreements organising the Vivendi Transfers, as summarised below:

(i) In September 2024, the Canal+ Group acquired 100% of the shares of Dailymotion SA;

(ii) In September 2024, Vivendi and the Canal+ Group signed a share purchase agreement whereby the Canal+ Group agreed to acquire 100% of the share capital of GVA SAS, subject to certain conditions;

(iii) In July 2024 and September 2024, Studiocanal executed binding agreements for the transfer of the entire stake held by Vivendi in various production entities in France, Poland and Germany as well as in Studiocanal Kids & Family Limited (formerly Copyrights Group), a global intellectual property management agency developing, inter alia, the "Paddington" brand. Most of such transfers have been completed as of the date of the Prospectus;

(iv) In July 2024, Canal+ France acquired all of the shares held by Vivendi in l'Olympia and Théâtre de L'Oeuvre.

On 28 October 2024, after completion of the feasibility study and the information and consultation process of the relevant employee representatives bodies of the Vivendi SE Group, the Management Board and the Supervisory Board of Vivendi SE decided to implement the Vivendi Spin-Off and convened the Vivendi General Meeting to approve the Vivendi Spin-Off, including the Partial Demerger, pursuant to which all of the shares held by Vivendi SE in Groupe Canal+ S.A. would be contributed to a new legal entity ("Canal+" or "the Company"), and the Vivendi Shareholders would receive Canal+ Shares issued and allocated directly to them by the Company in consideration for such contribution on a pro rata basis. The Canal+ Shares are expected to be admitted to trading on the London Stock Exchange with the first trading day occurring in the days following the Vivendi General Meeting.

If the Vivendi Shareholders approve the Vivendi Spin-Off at the Vivendi General Meeting, each Vivendi Shareholder will receive one newly issued ordinary share of the Company for every Vivendi SE Share held by such Vivendi Shareholder.

Completion of the Vivendi Spin-Off is subject to the satisfaction of a number of conditions, including approval by a two-thirds (⅔) majority of the votes cast by the Vivendi Shareholders at the Vivendi General Meeting. In addition, Vivendi may at any time until the Vivendi General Meeting decide to abandon the Vivendi Spin-Off or modify or change the terms thereof.

The Partial Demerger will be implemented by way of a partial asset contribution subject to the French legal regime applicable to demergers, whereby Vivendi SE would contribute to the Company all of the ordinary shares it holds in the share capital of Groupe Canal+ S.A., and shares of the Company issued as consideration for such contribution would be allocated directly to the shareholders of Vivendi SE.

Note 1 Basis of preparation of the Combined Financial Statements

The Combined Financial Statements of Canal+ Group for the fiscal years ended 31 December 2023, 2022 and 2021 have been prepared by Vivendi in its capacity as the controlling shareholder of each entity within Canal+ Group, in the context of Vivendi's project to split its activities into several entities listed on the stock market.

The Combined Financial Statements have been drawn up based on the accounting data of Canal+, Dailymotion, GVA, Canal Olympia, Copyrights, L'Olympia and Théâtre de l'oeuvre and their respective subsidiaries as and for the fiscal years ended on 31 December 2023, 2022 and 2021, as approved, and compiled for the preparation of the Vivendi Group's Consolidated Financial Statements for the relevant fiscal years (refer to Accounting conventions used when preparing the combined financial statements). Canal+ Group's Combined Financial Statements for the fiscal years ended 31 December 2023, 2022 and 2021 have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union (EU) and in accordance with IFRS Accounting Standards published by the International Accounting Standards Board (IASB), with mandatory application as of 31 December 2023, with retrospective effect from 1 January 2021, which had no impact on these combined financials statements.

Since IFRS Accounting Standards provides no specific guidelines for the preparation of the Combined Financial Statements, in accordance with the requirements of Conceptual Framework and IAS 8 Accounting policies, changes in accounting estimates and errors, certain accounting conventions commonly used for the preparation of combined historical financial information have been applied.

The Combined Financial Statements presented here may not necessarily be indicative of the Canal+ Group financial position, results of operations, or cash flows the Canal+ Group may have had if it was incurred as a separate entity during the periods presented. Moreover, the capital and financing structure (as well as some support services performed by Vivendi SE) will be adapted in the context of the Legal Reorganisation.

Scope of combination

The Canal+ Group results from a combination of entities under the common control of Vivendi rather than a legal entity in its own right.

Canal+ Group's scope of combination principally comprises the entities held directly and indirectly by Canal+, Dailymotion, GVA, Canal Olympia, Copyrights, L'Olympia and Théâtre de l'oeuvre and a building housing technical facility ("Cast").

The combination scope is presented in Note 28 "List of Main Combined entities".

Core Business

Canal+ is a publisher and distributor of premium and thematic subscription TV and advertising-based television in Europe and in the Rest of World, as well as production, sales and distribution of movies and TV series:

- Europe: In France, as in other European countries, Canal+ is a major player in the production, financing and broadcasting of a wide range of exclusive content.
- Africa and Asia: Canal+ has operated in Africa for over thirty years. It operates in more than 25 countries, through 16 subsidiaries and over 300 partners and distributors, as well as through a network of over 8,000 outlets. Canal+ produces 40 channels specifically for Africa (five of which are Canal+ Sport premium channels offering an incomparable range of sports rights, such as the main European soccer leagues). Canal+ Group operates in Vietnam through K+, a package of local and international channels jointly owned with Vietnamese public television and Opal, a local shareholder.
- Content Production, Distribution and Other: Canal+ 's Studiocanal subsidiary is the European market leader in the production, acquisition, sale and distribution of feature films and TV series.

It is present in Europe's major markets (Germany, Benelux, Spain, France, Poland and the United Kingdom), as well as in Australia, New Zealand, China and the United States.

The Dailymotion ecosystem consists of a video hosting platform (dailymotion.com), a state-of-the-art video player solution (a technology that streams videos and live broadcasts), an international network of partner publishers and a video monetization program platform. The complementary nature of its activities gives Dailymotion the capacity to enable publishers, businesses, and advertisers to increase their revenues, their audience engagement and the impact of their marketing campaigns.

Under the Canalbox brand, GVA is the Fiber-to-the-Home (FTTH) market leader in the countries where it operates. Canalbox is revolutionizing internet access and usage in Africa by offering a high quality of service, fast speeds, unlimited usage and affordable prices. In 2023, following seven years of operations, GVA continued to enjoy sustained growth due to ever-increasing demand for very high-speed home broadband in its eight countries of operation (Burkina Faso, Ivory Coast, Congo-Brazzaville, Democratic Republic of the Congo, Gabon, Uganda, Rwanda and Togo).

Canal Olympia is a network of movie theatres and live performance venues in Africa.

Copyrights is mainly the Paddington brand and specialises in the acquisition and monetization of intellectual property.

L'Olympia and Théâtre de L'Œuvre are live entertainment venues in Paris.

Accounting conventions used when preparing the combined financial statements

As a first-time adopter, Combined Financial Statements were prepared for Canal+ Group for the fiscal years ended 31 December 2023, 2022 and 2021 in accordance with IFRS 1 – First-Time Adoption of International Financial Reporting Standards. In accordance with IFRS 1.D16, if a subsidiary adopts IFRS Accounting Standards later than its parent company, the assets and liabilities in the subsidiary's opening balance sheet may be measured as either:

- the carrying amounts based on the subsidiary's contribution to the parent company's historical consolidated financial statements, after restating adjustments relating to the consolidation procedures and to the accounting for the business combination in which the parent acquired the subsidiary; or
- the carrying amounts as determined in accordance with IFRS 1, applied at the date of the subsidiary's transition to IFRS Accounting Standards. In this case, the options in IFRS 1 applied by the subsidiary may differ from those applied by the parent.

Pursuant to the option provided in IFRS 1, Canal+ Group's first IFRS combined financial statements were prepared by measuring its assets and liabilities at the carrying amounts, based on the respective contributions of Canal+, Dailymotion, GVA, Canal Olympia, Copyrights, L'Olympia and Théâtre de l'oeuvre to Vivendi's historical financial statements, after eliminating adjustments relating to its consolidation by the Vivendi Group and the goodwill resulting from the business combination before 1 January 2004, pursuant to which Vivendi acquired control in Canal+ and L'Olympia and any subsequent changes. Thus, the carrying amount of Canal+ Group's goodwill as of 1 January 2021, correspond to acquisitions made after 1 January 2004.

The Cast building, acquired in 2021 by Vivendi, on behalf of Canal+, has served as Canal+ office building and has been related to Canal+'s operations since 2013. In this context, the scope of combination includes the Cast's long-lived asset at its acquisition date by Vivendi SE.

Studiocanal's German entities were already de facto controlled by Canal+ within the meaning of IFRS 10 and included in the Canal+'s contribution to Vivendi's historical financial statements for the year ended 31 December 2023, 2022 and 2021, as Copyright for the year end 31 December 2023.

Except as described above, no adjustments were made in Canal+'s contribution to Vivendi's historical financial statements within the Canal+ Group's Combined Financial Statements. Given there are no equivalent financial statements that have been published for these entities under previous generally accepted accounting principles ("GAAP"), no reconciliation with previous GAAP was required.

The Canal+ Group's business operated on a standalone basis and any shared service costs (for support functions) were recharged by Vivendi SE on an arm's length basis (see Note 25.5). The results of operations and cash flows of the Canal+ Group may differ in the future because of the internalisation of the services previously accomplished by Vivendi SE in addition to the costs that the Group will incur to operate as a listed company.

The Combined Financial Statements of Canal+ Group have been prepared on the basis of and consistent with estimates reflected in the Vivendi SE consolidated financial statements as of and for years ended 31 December 2023, 31 December 2022, 31 December 2021 and 31 December 2020, authorised for issue by the Board Management of Vivendi SE as of 7 March 2024, 6 March 2023, 7 March 2022, 3 March 2021, respectively. Subsequent developments from 7 March 2024 to 30 October 2024 did not result in adjusting events in the consolidated financial statements.

Intercompany transactions between Canal+ Group and other Vivendi Group entities

Balances pertaining to current transactions between Canal+ Group entities and other entities in the Vivendi Group have been presented on the balance sheet as third-party assets or liabilities in the Combined Financial Statements. All loans and borrowings between Canal+ Group entities and other Vivendi Group entities have been presented as financial assets or liabilities in the Combined Financial Statements.

In accordance with IAS 24 – Related Party Disclosures, transactions between Canal+ Group and other Vivendi Group's entities are presented in Note 25 "Related Parties".

Earnings per share

As Canal+ Group is not a legal entity in its own right, the number of shares outstanding is not determinable. Consequently, no earnings per share data is presented in the Combined Financial Statements.

Goodwill at the transition date

Vivendi management has allocated goodwill among segment (Europe, Africa and Asia, Content Production, Distribution and Other) based on the relative profitability of each business segment (measured on the basis of EBITDA).

To calculate EBITDA, the accounting impact of the following items is excluded from the income from Operating income (EBIT):

- Depreciation & amortization of tangible & intangible assets excluding those acquired through business combinations;
- Amortization of rights-of-use relating to leases;
- gains/(losses) on the sale of tangible and intangible assets;
- the amortization of intangible assets acquired through business combinations as well as other rights catalogs acquired;
- impairment of goodwill, other intangibles acquired through business combinations and other rights catalogs acquired;
- other income and charges related to transactions with shareowners (except when these transactions are recognised directly in equity);
- restructuring charges, and other non-recurring items.

In accordance with IFRS 1.C4.g.ii), an IAS 36 impairment test was performed on Canal+ at the date of transition to IFRS Accounting Standards, based on the conditions existing at that date, i.e., 1 January 2021. No goodwill was recognised on GVA and Canal Olympia, as it relates to organic development. Concerning Dailymotion, upon its acquisition, Vivendi implemented a five-year long-term incentive plan for the benefit of certain key executives, including executives of Universal Music Group. This plan was linked to the increase in the enterprise value of Dailymotion relative to its acquisition value. In accordance with IAS 36.80, Vivendi allocated the entire goodwill of Dailymotion to CGU Universal Music Group. Given the absence of goodwill, no impairment test was performed.

Note 2 Accounting policies and valuation methods

2.1 Compliance with accounting standards

The Combined Financial Statements have been prepared in accordance with IFRS Accounting Standards as endorsed by the EU, and in accordance with IFRS Accounting Standards published by the IASB with mandatory application as of 31 December 2023 with retroactive effect as of 1 January 2021, and as part of the basis of preparation of the Combined Financial Statements of Canal+ Group.

Canal+ Group applies the exception offered by the amendment to IAS 12 - Income Taxes, relating to the international tax reform referred to as "Pillar 2", regarding the non-recognition of deferred tax assets and liabilities related to Pillar 2 income taxes. As of 31 December 2023, Canal+ Group's assessment of the application of such international tax reform indicates that no significant impact is expected.

2.2 Presentation of the Combined Financial Statements

2.2.1 Combined Statement of Earnings

The main line items presented in Canal+ Group's combined statement of earnings are revenues, income from equity affiliates, interest, provision for income taxes, and net earnings. The combined statement of earnings presents a subtotal of Operating income (EBIT) equal to Earnings before income tax less: income (loss) from equity affiliates, interest expenses, income from investments, other financial income, other financial expenses, income tax.

2.2.2 Combined Statement of Cash Flows

Net cash provided by operating activities

Net cash provided by operating activities is calculated using the indirect method based on Operating income (EBIT). Operating income (EBIT) is adjusted for non-cash items and changes in net working capital. Net cash provided by operating activities excludes the cash impact of financial charges and income and net changes in working capital related to Property and equipment, and intangible assets.

Net cash used for investing activities

Net cash used for investing activities includes changes in net working capital related to Property and equipment, and intangible assets as well as cash from investments (particularly dividends received from equity affiliates). It also includes any cash flows arising from the gain or loss of control of subsidiaries.

Net cash used for financing activities

Net cash used for financing activities includes changes in principal of borrowings and other financial liabilities, net interest paid on borrowings, bank overdrafts, the cash impact of other items related to financing activities such as premiums from the early redemption of borrowings and the settlement of derivative instruments, as well as the cash payments for the principal amount of the lease liability and any interest thereon. It also includes cash flows from changes in ownership interests in a subsidiary that do not result in a loss of control (including increases in ownership interests and transactions with Canal+ Group's Owner).

2.2.3 Combined Statement of Financial Position

Assets and liabilities that are expected to be realised, or intended for sale or consumption, within an entity's normal operating cycle (generally 12 months), are recorded as current assets or liabilities. If their maturity exceeds this period, they are recorded as non-current assets or liabilities.

2.3 Principles governing the preparation of the Combined Financial Statements

Pursuant to IFRS Accounting Standards principles, the Combined Financial Statements have been prepared on a going concern basis and on a historical cost basis, with the exception of certain assets and liabilities, notably IFRS 13 – *Fair Value Measurement* relating to measurement and disclosures to be provided. Relevant categories are detailed below.

The Combined Financial Statements include the financial statements of the entities that comprise Canal+ Group and their subsidiaries after eliminating intra-group items and transactions. Canal+ Group has a 31st December year-end. Subsidiaries that do not have a 31st December year-end prepare interim financial statements as of that date, except when their year-end falls within the three months preceding 31st December.

Subsidiaries that have been acquired by Canal+ Group are included in the Combined Financial Statements as of the date of acquisition.

2.3.1 Key judgements and estimates

The preparation of the Combined Financial Statements in compliance with IFRS Accounting Standards requires Canal+ Group's management to make certain estimates and assumptions which it considers reasonable and realistic. Although these estimates and assumptions are regularly reviewed, based in particular on past or anticipated achievements, facts and circumstances may lead to changes in these estimates and assumptions which could have an impact on the reported amount of Canal+ Group's assets, liabilities, equity or earnings.

The following areas involve key assumptions and other key sources of estimation uncertainty and that may have a significant risk of causing a material adjustment on the combined financial statements in the next 12 months:

- provisions: risk estimates performed on an individual basis, noting that the occurrence of certain events during the course of procedures may lead to a risk reassessment at any time (please refer to Notes 2.3.8.1 and 20);
- capitalised cost of theatrical films, and television rights produced or acquired to be sold to third parties, are amortized, and other related costs are expensed, pursuant to the estimated revenue method (i.e., based on the ratio of the current period's revenue to the total remaining revenue forecasted on an individual production basis).

In addition to the above, the following areas involve key assumptions and other key sources of estimation uncertainty and that may have a significant risk of causing a material adjustment on the combined financial statements, but are not expected to have a material impact on them in the next 12 months.

- goodwill and other intangible assets: valuation methods used to identify intangible assets acquired through business combinations (please refer to Note 2.3.6.1);
- goodwill, intangible assets with indefinite useful lives and assets in progress: assumptions relating to impairment tests performed on each of the Canal+ Group's cash-generating units ("CGUs"), future cash flows and discount rates are updated annually (please refer to Notes 2.3.6.6 and 10).

The following are the critical judgements, apart from those involving estimations (which are presented separately above), that management has made in the process of applying the Canal+ Group's accounting policies and that have the most significant effect on the amounts recognised in its combined financial statements:

- Provisions and litigation: the management has carefully assessed the facts and circumstances regarding legal obligation (statutory, regulatory or contractual) or constructive obligation resulting from past events, as well as relevant legal documents, to determine whether it is probable that an outflow of resources will be required to settle the obligation.

Consideration of climate change

The preparation of the Combined Financial Statements of Canal+ Group involves taking into account climate change issues.

The consequences of climate change had no significant impact on the Combined Financial Statements ended 31 December 2021, 2022 and 2023.

In addition, Canal+ Group's management ensured that the assumptions underlying the estimates in the Combined Financial Statements account for the future effects deemed most likely related to climate change issues (e.g., assumptions used for goodwill impairment testing). Canal+ Group considers that the consequences of climate change and the commitments made by the Canal+ Group do not have a significant impact on its medium-term activities.

2.3.2 Accounting Principles

For a list of the major subsidiaries, joint ventures and associated entities that form part of the Canal+ Group, please refer to Note 28.

Consolidation

All companies in which Canal+ Group has a controlling interest, namely those in which it has the power to govern financial and operational policies to obtain benefits from their operations, are fully consolidated.

The Group consolidates entities that are controlled, in accordance to IFRS 10, as at 31 December each year. Control is achieved when the Group:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Combined Financial Statements of Canal+ Group are presented as if Canal+ Group was a single economic entity with two categories of owners: (i) the owners of the parent company (i.e., Canal+ Group owners) and (ii) the owners of non-controlling interests (i.e., the minority shareholders of the subsidiaries of Canal+ Group). A non-controlling interest is defined as the interest in a subsidiary that is not attributable, whether directly or indirectly, to a parent company. As a result, reductions in a parent company's ownership interest in a subsidiary that do not result in a loss of control only impact equity, as control of the economic entity does not change. In addition, for the acquisition of an additional interest in a consolidated entity, Canal+ Group recognises the difference between the acquisition price and the carrying amount of non-controlling interests acquired as a change in equity attributable to Canal+ Group owners. Conversely, any acquisition of control achieved in stages or a loss of control gives rise to profit or loss in the combined statement of earnings.

Accounting for joint arrangements

IFRS 11 – *Joint Arrangements* establishes principles for financial reporting by parties to a joint arrangement.

In a joint arrangement, parties are bound by a contractual arrangement, giving these parties joint control of the arrangement. An entity that is a party to an arrangement shall assess whether the contractual arrangement gives all the parties or a group of the parties control of the arrangement collectively. Once it has been established that all the parties or a group of the parties collectively control the arrangement, joint control exists only when decisions about the relevant activities require the unanimous consent of the parties that collectively control the arrangement.

Joint arrangements are classified into two categories:

- joint operations: these are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. A joint operator shall recognise 100% of wholly-owned assets/liabilities, expenses/revenues of the joint operation, and its share of any of those items held jointly; and
- joint ventures: these are joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers. Each joint venturer shall recognise its interest in a joint venture as an investment and shall account for that investment using the equity method in accordance with IAS 28 – *Investments in Associates and Joint Ventures* (please see below).

Equity accounting

Entities over which Canal+ Group exercises significant influence as well as joint ventures are accounted for under the equity method.

Significant influence is deemed to exist when Canal+ Group holds, whether directly or indirectly, at least 20% of the voting rights in an entity unless it can be clearly established that Canal+ Group does not exercise a significant influence. Significant influence can be evidenced through further criteria, such as representation on the entity's board of directors or equivalent governing body, participation in policy-making of financial and operational processes, material transactions with the entity or the interchange of managerial personnel or provision of essential technical information.

2.3.3 Foreign currency translation

The Combined Financial Statements are presented in millions of euros. The functional and presentation currency of Canal+ Group is the euro.

Foreign currency transactions

Foreign currency transactions are initially recorded in the functional currency of the entity at the exchange rate prevailing at the date of the transaction. At the closing date, foreign currency monetary assets and liabilities are translated into the entity's functional currency at the exchange rate prevailing on that date. All foreign currency differences are expensed, except for differences resulting from borrowings in foreign currencies which constitute a hedge of the net investment in a foreign entity. These differences are allocated directly to charges and income directly recognised in equity until the divestiture of the net investment.

Financial statements denominated in a foreign currency

Except in cases of significant exchange rate fluctuation, financial statements of subsidiaries, joint ventures or other associated entities for which the functional currency is not the euro are translated into euros as follows: the combined statement of financial position is translated at the exchange rate at the end of the period, and the combined statement of earnings and the combined statement of cash flows are translated using average monthly exchange rates for the period. The resulting translation gains and losses are recorded as foreign currency translation differences in charges and income directly recognised in equity.

2.3.4 Revenues and associated costs

Revenues from contracts with customers are recorded when performance obligations promised in the contract are satisfied, and for an amount for which it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Revenues are reported net of discounts.

Intellectual property licensing

These licenses transfer to a customer either a right to use an entity's intellectual property as it exists at the point in time at which the license is granted (static license), or a right to access an entity's intellectual property as it exists throughout the license period (dynamic license).

Revenues are accounted for when the performance obligation promised in the contract is satisfied (static license) or over time upon satisfaction (dynamic license), i.e., when the seller transfers the risks and rewards of the right to use/access the intellectual property and the customer obtains control of the use/access of that license. Consequently, revenues from static licenses are recognised at the point in time when the license is transferred and the customer is able to use and benefit from the license. Revenues from dynamic licenses are accounted for over time, over the license period from the date the customer is able to use and benefit from the license.

Analysis of the Agent/Principal relationship in sales transactions involving a third party

If the nature of the entity's promise is a performance obligation to provide the specified goods or services itself, then the entity acts on its own behalf and it is the "principal" in the sale transaction: it recognises as revenue the gross amount of consideration to which it expects to be entitled in exchange for the goods or services provided, and the commission due to the third-party as cost of revenues. If the entity arranges for a third- party to provide the goods or services specified in the contract, it is the "agent", then it recognises as revenues the net amount of consideration to which it expects to be entitled in exchange for the goods or services provided.

2.3.4.1 Revenue recognition

Terrestrial, satellite or ADSL television subscription services

(i) Subscription to programs

Each subscription to a contract for pay-TV services is considered as a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer. The provision of set-top boxes, digital cards and access fees do not represent distinct services or goods, and they are combined with the subscription service as a single performance obligation satisfied over time, as the customer simultaneously receives and consumes the benefits provided by Canal+ Group's performance as the pay-TV services are supplied. In its relationship with the third-party distributor and the end customer, Canal+ Group acts as the “principal” in the transaction with the end customer for the self-distribution contracts as it is responsible for the activation of the subscription of the end customer and for setting the selling price.

Revenues, net of potential free periods granted, are then accounted for over the period the service is provided, starting from the activation date of the subscription and as the service is provided.

(ii) Video-on-demand and television-on-demand services

The video-on-demand service (which allows customers to have unlimited access to a catalog of programs through streaming) and the television-on-demand service (which provides access to one-time programs by downloading or streaming) are services distinct from the subscription service. In its relationship with the third-party distributor and the end customer, Canal+ Group is not the “principal”, as the third-party distributor is responsible for the performance of the service both technically and commercially.

The video-on-demand service is a performance obligation which is satisfied over time, and the revenues are accounted for over the period it is provided to the customer. The television-on-demand service is a performance obligation satisfied at a point in time, and the revenues are accounted for when the content is available for broadcasting.

Sales of advertising spaces

These are sales of television advertising spaces (in the form of classic TV commercials and partnerships for shows or events) or online advertising spaces (i.e., videos and advertising banners). In its relationship with the third-party distributor and the end customer, Canal+ Group is not the “principal”, as the third-party distributor is responsible for the performance of the service and does not set the selling price.

(i) Television advertising spaces

Regarding commercials, the distinct performance obligation is the reach of a given gross rating point (“GRP”), which generally comprises a set of advertising messages aimed at a specific target audience and satisfied over time. Revenues from these sales, net of rebates if any, are accounted for over the period of the advertising campaign, generally as the advertising commercials are broadcasted considering potential free periods granted.

(ii) Online advertising spaces

Each type of advertising imprint (advertising display) represents a distinct performance obligation, because the advertiser can benefit separately from each type of advertising imprint, satisfied at a point in time. Revenues from the sale of online advertising spaces, net of rebates, if any, are accounted for when the advertising imprints are produced, i.e., when the advertisements are broadcasted on the website.

Film and television programs

(i) Sales of exploitation rights of audiovisual works

These sales are intellectual property licenses granted by Canal+ Group to broadcasters or to distributors and which give them certain rights over its audiovisual works. These licenses are static licenses because they transfer a right to use the films as they exist at the point in time at which the licenses are granted. In its relationship with the third-party distributor and the end customer, Canal+ Group is not the “principal” in the transaction with the end customer, as the distributor is responsible for the delivery of the film and for the price setting to the end customer.

Revenues from the sale of the exploitation rights are recorded from the moment the client is able to use it and obtain the remaining benefits. When the consideration paid by the customer is a fixed price, revenues from the sales of exploitation rights are recorded from the latest of the delivery and the opening of the exploitation window set contractually or legally (refer to the media chronology in France). When the consideration paid by the customer is variable in the form of a sales-based royalty to the end customer, revenues are recognised as the subsequent sale occurs.

(ii) Television Series

Production of TV Series

These sales constitute intellectual property licenses sold by Studiocanal to television channels, subscription video-on-demand platforms, or distributors and which give them certain rights over its works. These clients finance and commission the program from the producer for their specific needs. These licenses are static licenses because they transfer a right to use the series as they exist at the point in time when the license is granted. In its relationship with its clients, Studiocanal acts as the "principal" with respect to the third-party. Revenues from the sale of these rights are recorded when the performance obligations specified in the contract are fulfilled. These contractual obligations may include the production and client acceptance of the program's components, or the final delivery of the episodes.

Distribution of TV Series

These sales constitute intellectual property licenses granted by Studiocanal to distributors, giving them certain rights over its works. Revenues from the licensing of these rights are recorded from the moment the client is able to use the program and obtain the remaining benefits. When the consideration paid by the customers is a fixed price, revenues from the sales of exploitation rights are recorded from the latest of the delivery and the opening of the exploitation set contractually or legally. When the consideration paid by the customer is variable in the form of sales- based royalty to the end customer, revenues are recognised as the subsequent sales occur.

2.3.4.2 Other costs

Content costs include all costs related to the acquisition, production and editing of content (primarily amortisation and expenses of content assets (see Note 2.3.6.2), personnel expenses, technical costs and other associated expenses) as well as costs related to distribution and aggregation of third parties’ channels and platforms (Nextflix, MAX, Eurosport, beIN…).

Technology, selling, general, administrative costs & others primarily include technology and development costs, costs for sales (distribution, marketing, advertising), and costs related to central functions.

2.3.5 Assets

2.3.5.1 Goodwill and business combinations

Business combinations are recorded using the acquisition method. Under this method, upon the initial consolidation of an entity over which Canal+ Group has acquired exclusive control:

- the identifiable assets acquired and the liabilities assumed are recognised at their fair value on the acquisition date; and
- non-controlling interests are measured either at fair value (the "full" goodwill method) or at the non-controlling interest’s proportionate share of the acquiree’s net identifiable assets (the "partial" goodwill method). This option is available on a transaction-by-transaction basis.

On the acquisition date, goodwill is initially measured as the difference between:

(i) the fair value of the consideration transferred, plus the amount of non-controlling interests in the acquiree and, in a business combination achieved in stages, the fair value on the acquisition date of the previously held equity interest in the acquiree; and

(ii) the net fair value of the identifiable assets acquired and liabilities assumed on the acquisition date.

The measurement of non-controlling interests at fair value results in an increase in goodwill up to the extent attributable to these interests, thereby leading to the recognition of a “full goodwill”. Allocation of the purchase price shall be performed within 12 months after the acquisition date. If goodwill is negative, it is recognised in the combined statement of earnings. After the acquisition date, goodwill is measured at its initial amount less recorded accumulated impairment losses (please refer to Note 2.3.6.7 below).

In addition, the following principles are applied to business combinations:

- on the acquisition date, to the extent possible, goodwill is allocated to each cash-generating unit likely to benefit from the business combination;
- contingent consideration in a business combination is recorded at fair value on the acquisition date, and any subsequent adjustment occurring after the purchase price allocation period is recognised in the Combined Statements of Earnings of Canal+ Group;
- acquisition-related costs are recognised as expenses when incurred; and
- goodwill is not amortized.

On disposal of a subsidiary, the amount of attributable goodwill is included in the calculation of the gain or loss on disposal.

2.3.5.2 Content assets

Film, television or sports broadcasting rights

When entering into contracts for the acquisition of film, television or sports broadcasting rights, the rights acquired are classified as contractual commitments. They are recorded in the combined statement of financial position and classified as content assets as follows:

- film and television broadcasting rights are recognised at their acquisition cost when the program is available for screening and are expensed over their broadcasting period;
- sports broadcasting rights are recognised at their acquisition cost at the opening of the broadcasting period of the related sports season or upon the first significant payment and are expensed over their broadcasting period; and
- expensing of film, television and sports broadcasting rights is included in content costs.

Theatrical films and television rights produced or acquired to be sold to third parties

Theatrical films and television rights produced or acquired before their initial exhibition, which are to be sold to third parties, are recorded as content assets at capitalised cost (mainly direct production and overhead costs) or at their acquisition cost. The cost of theatrical films and television rights are amortized, and other related costs are expensed, pursuant to the estimated revenue method (i.e., based on the ratio of the current period’s gross revenues to estimated total gross revenues from all sources on an individual production basis). Canal+ Group considers that amortization pursuant to the estimated revenue method reflects the rate at which the entity plans to consume the future economic benefits related to the asset, and that there is a high correlation between revenue and the consumption of the economic benefits embodied in the intangible assets. The estimates of the total remaining revenue forecasted have a significant impact on the rate at which capitalised costs are amortized. The determination of the total remaining revenue forecasted to be realised requires the Company to make significant estimates of future revenue based on the distribution strategy and historical performance of similar content, as well as factors unique to the content itself. Estimates are made by media: theatrical exploitation, home entertainment, television sales, and all right sales or television sales for the rest of the World. These estimates are then updated during budgets and reforecasts and after the release of the movie based on actual performance.

Where appropriate, estimated losses in value are provided in full against earnings for the period in which the losses are estimated, on an individual product basis.

Film and television rights catalogs

Catalogs comprise film rights acquired for a second television screening, or produced or acquired film and television rights that are sold to third parties after their first television screening (i.e., after their first broadcast on a free terrestrial channel). They are recognised as an asset at their acquisition or transfer cost and amortized as groups of films, or individually, based respectively on the estimated revenue method.

2.3.5.3 Other intangible assets

Intangible assets acquired separately are recorded at cost, and intangible assets acquired in connection with a business combination are recorded at their fair value on the acquisition date. The historical cost model is applied to intangible assets after they have been recognised. Assets with an indefinite useful life are not amortized but are subject to an annual impairment test. Amortization is accrued for assets with a finite useful life. Useful life is reviewed at the end of each reporting period.

Other intangible assets include trade names and customer bases. In contrast, internally generated catalogs, trade names, subscriber bases and market shares are not recognised as intangible assets. Customer bases acquired in a business combination are measured at fair value at the transfer of control date and are depreciated using the straight-line method according to their estimated useful life (2 to 10 years).

2.3.5.4 Property and equipment

Property and equipment are carried at historical cost less any accumulated depreciation and impairment losses. Historical cost includes the acquisition cost or production cost, costs directly attributable to transporting an asset to its physical location and preparing it for its operational use, the estimated costs relating to the demolition and the collection of Property and equipment, and the rehabilitation of the physical location resulting from the incurred obligation.

When Property and equipment include significant components with different useful lives, they are recorded and amortized separately. Amortization is calculated using the straight-line method based on the estimated useful life of the assets. Useful lives of the main components are reviewed at the end of each reporting period and are as follows:

- buildings: 5 to 40 years;
- equipment and machinery: 3 to 8 years;
- set-top boxes: 5 to 7 years; and
- other: 2 to 10 years.

After initial recognition, the cost model is applied to Property and equipment.

2.3.5.5 Lease contracts

The amount of lease liabilities relating to leases arising from business combinations, is measured at the present value of the remaining fixed lease payments, in accordance with IFRS 16, as if the leases acquired were new leases at the acquisition date. The amount of the rights of use is measured at the amount of the lease liabilities, adjusted to reflect the favourable or unfavourable nature of the lease terms compared with market terms. As intellectual property licenses granted by a lessor and rights held by a lessee under licensing agreements are excluded from the scope of IFRS 16, and commercial supply agreements for the satellite capacity are in general commercial service agreements for which contract costs are expensed as operational costs for the period, Canal+ Group's main lease contracts are property leases where Canal+ Group is the lessee.

Measurement of the right-of-use asset and the lease liability

Leases for which Canal+ Group is the lessee are recorded at the commencement date and result in the recognition of a lease liability equal to the present value of future fixed payments, against a right-of-use asset relating to leases.

The right of use assets related to lease contracts is recognised at cost at the inception date of the lease. The cost of the right-of-use asset includes:

- the amount of the associated lease liability;
- initial direct costs (incremental costs of obtaining the lease);
- payments made prior to the commencement of the lease, less any lease incentives received; and
- dismantling and restoration costs (recognised and measured in accordance with IAS 37).

The right of use asset is then depreciated on a straight-line basis over the lease term, as determined in accordance with IFRS 16.

After initial recognition, the liability is:

- increased by the effect of undiscounting the associated lease liability (interest expense on lease liabilities);
- decreased by the cash out for lease payments; and
- reassessed in the event of an amendment to the lease contract.

IFRS 16 requires the discount rate for each contract to be determined by reference to the incremental borrowing rate of the borrowing entity. In practice, given the organisation of Canal+ Group's financing, which is carried or guaranteed almost exclusively by Canal+ Group, the incremental borrowing rates are based on the yield curve for the currency concerned, plus the financing component in the same currency. The rate applied for each lease takes into account the lease payment profile.

Lease modifications and remeasurements

In the event of a reduction in the lease term or in the surface area leased, the right-of-use asset and lease liability are reduced accordingly in line with the percentage decrease, with the offsetting entry posted to gains and losses on leases in the statement of earnings. The residual lease liability, calculated using the discount rate revised as of the date of the modification, is then adjusted against the right-of-use asset.

Increases in the lease term or in the surface area leased do not generate gains or losses on lease modifications, but rather lead to a remeasurement of the lease liability using a discount rate revised as of the date of the modification, which is recognised against an adjustment to the right-of-use asset.

Changes in the amount of the lease stipulated in the lease contract that do not involve modification of the leased surface area or lease term will lead to a remeasurement of the lease liability with no revision of the discount rate, which is recognised against an adjustment to the right-of-use asset.

Presentation in the combined statement of financial position, the combined statement of earnings and the combined statement of cash flows

The lease liability is a current or non-current liability. The depreciation of right-of-use assets is included in Operating income (EBIT). The effect of undiscounting the lease liability (interest expense on lease liabilities) is included in other financial charges. Cash payments for the principal of the lease liability and any interest thereon, are presented as financing activities in the combined statement of cash flows.

2.3.5.6 Asset impairment

Each time events or changes in the economic environment indicate a risk of impairment to goodwill, other intangible assets, Property and equipment, and assets in progress, Canal+ Group re-examines the value of these assets. In addition, in accordance with applicable accounting standards, goodwill, other intangible assets with an indefinite useful life, and intangible assets in progress are all subject to an annual impairment test undertaken in the fourth quarter of each fiscal year. This impairment test is performed to compare the recoverable amount of each Cash Generating Unit ("CGU") or, if necessary, groups of CGUs, to the carrying amount of the corresponding assets (including goodwill). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Canal+ Group operates through different media and content businesses. Each business offers different products and services that are marketed through various channels. CGUs are independently defined at each business level, corresponding to Canal+ Group operating segments. For a description of Canal+ Group's CGUs and groups of CGUs, please refer to Note 10.

The recoverable amount is determined for each individual asset as the higher of: (i) its value in use; and (ii) its fair value (less costs to sell) as described hereafter. If the asset does not generate cash inflows that are largely independent of other assets or groups of assets, the recoverable amount is determined for Canal+ of assets. In particular, an impairment test of goodwill is performed by Canal+ Group for each CGU or group of CGUs, depending on the level at which Canal+ Group's management measures the return on operations.

The value in use of each asset or group of assets is determined, subject to exceptions, as the discounted value of future cash flows (Discounted Cash Flow method ("DCF")) by using cash flow projections consistent with the budget of the following year and the most recent forecasts prepared by the operating segments.

Applied discount rates are determined by reference to available external sources of information, usually based on financial institutions' benchmarks, and reflect the current assessment by Canal+ Group of the time value of money and risks specific to each asset or group of assets.

Perpetual growth rates used for the evaluation of CGUs are those used to prepare budgets for each CGU or group of CGUs and, beyond the period covered, are consistent with growth rates estimated by the business by extrapolating growth rates used in the budget, without exceeding the long-term average growth rate for the markets in which Canal+ Group operates.

The fair value (less costs to sell) is the price that would be received from the sale of an asset or group of assets in an orderly transaction between market participants at the measurement date, less costs to sell. These values are generally determined on the basis of market data (stock market prices or comparison with similar listed companies, with the value attributed to similar assets or companies in recent transactions) or, in the absence of such data, on the basis of discounted cash flows.

If the recoverable amount is lower than the carrying amount of an asset or group of assets, an impairment loss equal to the difference is recognised in Operating income (EBIT). In the case of a group of assets, this impairment loss is first recorded against goodwill.

The impairment losses recognised in respect of Property and equipment, and intangible assets (other than goodwill) may be reversed in a later period if the recoverable amount becomes greater than the carrying amount, within the limit of impairment losses previously recognised. Impairment losses recognised in respect of goodwill cannot be reversed at a later date.

2.3.5.7 Financial assets

Financial assets are initially recognised at fair value which corresponds, in general, to the consideration paid and is best evidenced by the acquisition cost (including associated acquisition costs, if any). Thereafter, financial assets are measured at fair value or at amortized cost depending on the financial asset category to which they belong.

Financial assets are classified into the accounting categories "financial assets at amortized cost", "financial assets at fair value through other comprehensive income" and "financial assets at fair value through profit or loss".

This classification depends on the entity's business model for managing the financial assets and its contractual terms, enabling the determination of whether the cash flows are solely payments of principal and interest (SPPI). The financial assets that contain an embedded derivative should be considered in full to determine whether their cash flows are SPPI.

Financial assets at fair value

These include financial assets measured at fair value through other comprehensive income, derivative financial instruments with a positive value (please refer to Note 2.3.8) and other financial assets measured at fair value through profit or loss. Most of these financial assets are actively traded in organised financial markets given that their fair value is calculated by reference to the published market price at the period end. Fair value is estimated for financial assets which do not have a published market price on an active market. As a last resort, when a reliable estimate of fair value cannot be made using valuation techniques and in the absence of an active market, Canal+ Group values financial assets at historical cost less any impairment losses.

Financial assets at fair value through other comprehensive income include:

- unconsolidated companies that are not held for trading: Canal+ Group elected to classify these under the "fair value through other comprehensive income" category. Unrealised gains and losses on financial assets at fair value through other comprehensive income are recognised in charges and income directly recognised in equity until the financial asset is sold, collected or removed from the combined statement of financial position in another way, at which time the accumulated gain or loss previously reported in charges and income directly recognised in equity is transferred to retained earnings and never reclassified to profit or loss. Dividends and interest received from unconsolidated companies are recognised in profit or loss; and
- debt instruments held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Unrealised gains and losses on financial assets at fair value through other comprehensive income are recognised in charges and income directly recognised in equity until the financial asset is sold, collected or removed from the combined statement of financial position in other ways or if there is objective evidence that the financial asset is impaired in whole or in part, at which time the accumulated gain or loss previously reported in charges and income directly recognised in equity is expensed in other financial charges and income.

Other financial assets measured at fair value through profit or loss mainly consist of assets held for trading which Canal+ Group intends to sell in the near future (primarily marketable securities) as well as other financial assets, that do not meet the definition of other categories of financial assets described below. Unrealised gains and losses on these assets are recognised in other financial charges and income.

Valuation method at fair value defined according to the three following classification levels:

- Level 1: fair value measurement based on quoted prices in active markets for identical assets or liabilities;
- Level 2: fair value measurement based on observable market data (other than quoted prices included under Level 1); and
- Level 3: fair value measurement based on valuation techniques using inputs for the asset or liability that are not based on observable market data.

The fair value of trade accounts receivable, cash and cash equivalents, and trade accounts payable is a reasonable estimate of fair value, due to the short maturity of these instruments.

Financial assets at amortized cost

Financial assets at amortized cost consist of debt instruments held within a business model whose objective is to hold financial assets to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. At the end of each period, these assets are measured at amortized cost using the effective interest method.

Impairment of financial assets

Canal+ Group assesses the expected credit loss associated with its financial assets recognised at amortized cost and debt instrument recognised at fair value through other comprehensive income on a prospective basis. A loss allowance for expected credit loss based on probability of default is recognised by Canal+ Group at initial recognition. The loss allowance is updated for changes in these expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

To assess whether there has been a significant increase in credit risk, Canal+ Group compares the credit risk at the reporting date with the credit risk at the date of initial recognition based on reasonable forward-looking information and events, including credit ratings if available, and significant adverse changes (actual or expected) in economic, financial or business conditions that are expected to result in a material change in the borrower's ability to meet its obligations.

The definition of default and write off policy are defined specifically within each operating entity.

If there is objective evidence that an impairment loss has been incurred, the amount of this loss, measured as the difference between the financial asset's carrying amount and its recoverable amount (equal to the present value of estimated future cash flows discounted at the financial asset's initial effective interest rate), is recognised in profit or loss. Impairment losses may be reversed if the recoverable amount of the asset subsequently increases in the future.

2.3.5.8 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises purchase costs, production costs and other supply and packaging costs. These are usually calculated using the weighted average cost method. Net realisable value is the estimated selling price in the normal course of business less estimated completion costs and selling costs.

2.3.5.9 Trade accounts receivable

Trade accounts receivable are initially recognised at fair value, which is generally equal to their nominal value. Expected loss rates on trade receivables are calculated by the relevant operating entities over their lifetime, from initial recognition, and are based on historical data that also incorporates forward-looking information. In addition, accounts receivable from terminated customers subject to insolvency proceedings or customers with whom Canal+ Group is involved in litigation or a dispute are generally impaired in full.

2.3.5.10 Cash and cash equivalents

The "cash and cash equivalents" category, defined in accordance with IAS 7, consists, on the one hand, of cash in banks and remunerated or unremunerated demand deposits which correspond to cash, and, on the other hand, monetary Undertaking for collective investment in transferable securities (UCITS) and other highly liquid investments with initial maturities of generally three months or less which correspond to cash equivalents.

Investments in securities, investments with initial maturities of more than three months without an early termination option and bank accounts subject to restrictions (blocked accounts), other than restrictions due to regulations specific to a country or activity sector (e.g., exchange controls), are classified as financial assets, rather than as cash equivalents.

Moreover, the historical performances of the investments are monitored regularly to confirm their accounting classification as cash equivalents.

2.3.6 Financial liabilities

Long-term and short-term borrowings and other financial liabilities include:

- bonds and credit facilities, as well as various other borrowings (including commercial paper and debt related to finance leases) and related accrued interest;
- obligations arising out of commitments to purchase non-controlling interests;
- bank overdrafts; and
- the negative value of other derivative financial instruments. Derivatives with positive values are recorded as financial assets in the combined statement of financial position.

2.3.6.1 Borrowings

All borrowings are initially accounted for at fair value net of transaction costs directly attributable to the borrowing. Borrowings bearing interest are subsequently valued at amortized cost, applying the effective interest method. The effective interest rate is the internal yield rate that discounts future cash flows over the term of the borrowing. In addition, where the borrowing comprises an embedded derivative (e.g., an exchangeable bond) or an equity instrument (e.g., a convertible bond), the amortized cost is calculated for the debt component only, following the separation of the embedded derivative or equity instrument. In the event of a change in expected future cash flows (e.g., redemption occurs earlier than initially expected), the amortized cost is adjusted against earnings to reflect the value of the new expected cash flows, discounted at the initial effective interest rate.

2.3.6.2 Commitments to purchase non-controlling interests

Canal+ Group has committed to purchase the non-controlling interests of some of the minority shareowners of its fully consolidated subsidiaries. These purchase commitments may be optional (e.g., put options) or mandatory (e.g., forward purchase contracts).

The following accounting treatment has been applied:

- upon initial recognition, the commitment to purchase non-controlling interests is recognised as a financial liability for the present value of the purchase price under the put option or forward purchase contract, mainly offset by the book value of non-controlling interests and the remaining balance through equity attributable to Canal+ Group owners;
- subsequent changes to the value of the commitment are recognised as a financial liability through an adjustment to equity attributable to Canal+ Group owners; and
- upon maturity of the commitment, if the non-controlling interests are not purchased, the previously recognised entries are reversed; if the non-controlling interests are purchased, the amount recognised in financial liabilities is reversed, offset by the cash outflow relating to the purchase of the non-controlling interests.

2.3.6.3 Derivative financial instruments

Canal+ Group uses derivative financial instruments to manage and reduce its exposure to foreign currency exchange rates. All instruments are either listed on organised markets or traded over-the-counter with highly-rated counterparties. These instruments include interest rate and currency swaps, and forward exchange contracts. All these derivative financial instruments are used for hedging purposes. At the inception of the hedging relationship there is a formal designation and documentation of the hedging relationship and the entity’s risk management objective and strategy for undertaking the hedge.

Derivatives are initially measured at fair value on the settlement date and are subsequently remeasured at fair value on each successive reporting date. The recognition of subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if applicable, the nature of the hedged item and the type of hedging relationship designated. When these contracts qualify as hedges for accounting purposes, gains and losses arising on these contracts are offset in earnings against the gains and losses relating to the hedged item.

When forward contracts are used as hedging instruments, Canal+ Group only qualifies as hedging instruments the change in the fair value of the forward contract related to the variation of the spot exchange rate. Changes in the forward points are excluded from the hedging relationship and are recognised either in the financial result or through other charges and income directly recognised in equity, on a hedge-by-hedge basis, applying the “cost hedging” method permitted by IFRS 9.

Fair value hedge

When the derivative financial instrument hedges exposures to fluctuations in the fair value of an asset or a liability recognised in the combined statement of financial position or of a firm commitment which is not recognised in the Statement of Financial Position, it is a fair value hedge. The instrument is remeasured at fair value in earnings, with the gains or losses arising on remeasurement of the hedged portion of the hedged item offset on the same line of the combined statement of earnings, or, as part of a forecasted transaction relating to a non-financial asset or liability, at the initial cost of the asset or liability.

Cash flow hedge

When the derivative financial instrument hedges cash flows, it is a cash flow hedge. The hedging instrument is remeasured at fair value and the portion of the gain or loss that is determined to be an effective hedge is recognised through other charges and income directly recognised in equity, whereas its ineffective portion is recognised in earnings. When the hedged item is realised, accumulated gains and losses recognised in equity are released to the combined statement of earnings and recorded on the same line as the hedged item; as part of a forecasted transaction on a non-financial asset or liability, they are recognised at the initial cost of the asset or liability.

Net investment hedge

When the derivative financial instrument hedges a net investment in a foreign operation, it is recognised in the same way as a cash flow hedge. Derivative financial instruments that do not qualify as a hedge for accounting purposes are remeasured at fair value and resulting gains and losses are recognised directly in earnings, without remeasurement of the underlying instrument.

Furthermore, income and expenses relating to foreign currency instruments used to hedge highly probable budget exposures and firm commitments contracted pursuant to the acquisition of editorial content rights (including sports, audiovisual and film rights) are recognised in Operating income (EBIT). In all other cases, gains and losses arising on the fair value remeasurement of instruments are recognised in other financial charges and income.

2.3.7 Other liabilities

2.3.7.1 Provisions

Provisions are recognised when, at the end of the reporting period, Canal+ Group has a legal obligation (statutory, regulatory or contractual) or a constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the obligation can be reliably estimated. Where the effect of the time value of money is material, provisions are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money. If the amount of the obligation cannot be reliably estimated, no provision is recorded and a disclosure is made in the Notes to the Combined Financial Statements.

2.3.7.2 Employee benefit plans

In accordance with the laws and practices of each country in which Canal+ Group operates, Canal+ Group participates in, or maintains, employee benefit plans providing retirement pensions, post-retirement health care, life insurance and post-employment benefits to eligible employees, former employees, retirees and such of their beneficiaries who meet the required conditions. Retirement pensions are provided for substantially all employees through defined contribution plans, which are integrated with local social security and multi-employer plans, or defined benefit plans, which are generally managed via group pension plans. The plan funding policy implemented by Canal+ Group is consistent with applicable government funding requirements and regulations.

Defined contribution plans

Contributions to defined contribution and multi-employer plans are expensed during the year.

Defined benefit plans

Defined benefit plans may be funded by investments in various instruments such as insurance contracts or equity and debt investment securities, excluding shares or debt instruments of any entity within the Canal+ Group.

Pension expenses and defined benefit obligations are calculated by independent actuaries using the projected unit credit method over the vesting period. This method is based on annually updated assumptions which include the probability of employees remaining with Canal+ Group until retirement, expected changes in future compensation and an appropriate discount rate for each country in which Canal+ Group maintains a pension plan. The assumptions adopted and the means of determining these assumptions are presented in Note 21. A provision is recorded in the combined statement of financial position equal to the difference between the actuarial value of the related benefits (actuarial liability) and the fair value of any associated plan assets, and this includes past service costs and actuarial gains and losses.

The cost of defined benefit plans consists of three components recognised as follows:

- the service cost is included in technology, selling, general, administrative expenses and others. It comprises current service cost, past service cost resulting from a plan amendment or a curtailment, fully recognised in profit and loss, and gains and losses on settlement;
- the financial component, recorded in other financial charges and income, consists of the undiscounting of the obligation, less the expected return on plan assets determined using the discount rate retained for the valuation of the benefit obligation; and
- the remeasurements of the net defined benefit liability (asset), recognised in items of other comprehensive income not reclassified as profit and loss, mainly consist of actuarial gains and losses, i.e., changes in the present value of the defined benefit obligation and plan assets resulting from changes in actuarial assumptions and experience adjustments (representing the differences between the expected effect of some actuarial assumptions applied to previous valuations and the effective impact).

Where the value of plan assets exceeds benefit obligations, a financial asset is recognised up to the present value of future refunds and the expected reduction in future contributions.

2.3.8 Deferred taxes

Differences existing at closing between the tax base value of assets and liabilities and their carrying amount in the combined statement of financial position give rise to temporary differences. Pursuant to the liability method, these temporary differences result in the accounting of:

- deferred tax assets, when the tax base value is greater than the carrying amount (expected future tax saving); and
- deferred tax liabilities, when the tax base value is lower than the carrying amount (expected future tax expense).

Deferred tax assets and liabilities are measured at the expected tax rates for the year during which the asset will be realised or the liability settled, based on tax rates (and tax regulations) enacted or substantially enacted by the closing date. They are reviewed at the end of each fiscal year, in line with any changes in applicable tax rates.

Deferred tax assets are recognised for all deductible temporary differences, tax loss carry-forwards and unused tax credits, insofar as it is probable that a taxable profit will be available, or when a current tax liability exists to make use of those deductible temporary differences, tax loss carry-forwards and unused tax credits, except where the deferred tax asset associated with the deductible temporary difference is generated by initial recognition of an asset or liability in a transaction that is not a business combination, and, at the transaction date, does not impact accounting income, nor tax income or loss.

For deductible temporary differences resulting from investments in subsidiaries, joint ventures and other associated entities, deferred tax assets are recorded to the extent that it is probable that the temporary difference will reverse in the foreseeable future and that a taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each closing date, and revalued or reduced to the extent that it is more or less probable that a taxable profit will be available to allow the deferred tax asset to be utilised. When assessing the probability of a taxable profit being available, account is taken, primarily, of prior years' results, forecasted future results, non-recurring items unlikely to occur in the future and the tax strategy. As such, the assessment of Canal+ Group's ability to utilise tax losses carried forward is to a large extent judgment-based. If the future taxable results of Canal+ Group differ significantly from those expected, Canal+ Group would be required to increase or decrease the carrying amount of deferred tax assets with a potentially material impact on the combined statement of financial position and the combined statement of earnings of the Canal+ Group.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability results from goodwill or initial recognition of an asset or liability in a transaction that is not a business combination, and, at the transaction date, does not impact accounting income, tax income or loss.

For taxable temporary differences resulting from investments in subsidiaries, joint ventures and other associated entities, deferred tax liabilities are recorded except to the extent that both of the following conditions are satisfied: the parent, investor or venturer is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not be reversed in the foreseeable future.

Current tax and deferred tax shall be charged or credited directly to equity, and not earnings, if the tax relates to items that are credited or charged directly to equity.

2.3.9 Share-based compensation

Executives and some key employees of Canal+ Group benefit from share-based compensation plans set up by Vivendi (share purchase plans, performance share plans and bonus share plans) or other equity instruments based on the value of the Vivendi share price. Grants under these plans are approved by Vivendi's Management Board and Supervisory Board. In addition, the definitive grant of performance shares is contingent upon the achievement of specific performance objectives set by Vivendi's Management Board and the Supervisory Board. Moreover, all granted plans are conditional upon active employment at the relevant vesting date.

In addition, Dailymotion has set up a long-term incentive plan for certain key executives. This plan will be settled in cash and the value will be derived from the growth of Dailymotion's enterprise value.

Please refer to Note 22 for details of the features of these plans.

Share-based compensation is recognised as a personnel cost at the fair value of the equity instruments granted. This expense is spread over the vesting period, i.e., three years for performance share plans.

The fair value of such instruments is assessed using a binomial model. This method relies on assumptions updated at the valuation date such as the calculated volatility of the relevant shares, the discount rate corresponding to the risk-free interest rate, the expected dividend yield, and the probability of relevant managers and employees remaining employed within the Vivendi Group until the exercise of their rights.

The instruments granted are equity-settled. The valuation and recognition of the expense is as follows:

- the expected term of the instruments granted is deemed to be the mid-point between the vesting date and the end of the contractual term;
- the value of the instruments granted is estimated and fixed at the grant date; and
- the expense is recognised with a corresponding increase in equity.

Share-based compensation cost is allocated to each operating segment, pro rata to the number of equity instruments or equivalent instruments granted to their managers and employees.

2.4 Related parties

Canal+ Group's related parties are those companies over which Canal+ Group exercises exclusive control, joint control or significant influence, shareholders exercising joint control over group joint ventures, non-controlling interests exercising significant influence over group subsidiaries, corporate officers, group management and directors and companies over which the latter exercise exclusive control, joint control, or significant influence.

The transactions with subsidiaries over which Canal+ Group exercises control are eliminated within the intersegment transactions (a list of Canal+ Group's major combined entities is set out in Note 28). Moreover, commercial relationships among subsidiaries of Canal+ Group, aggregated in operating segments, are conducted on an arm's length basis on terms and conditions similar to those which would be offered to third parties. A portion of the operating costs of Vivendi's headquarters is also charged to Canal+ Group.

2.5 Contractual obligations and contingent assets and liabilities

Once a year, Canal+ Group and its subsidiaries prepare detailed reports on all contractual obligations, commercial and financial commitments and contingent obligations, for which they are jointly and severally liable and that are material to Canal+ Group. These detailed reports are updated by the relevant departments and reviewed by senior management on a regular basis. To ensure completeness, accuracy and consistency of these reports, some dedicated internal control procedures are carried out, including (but not limited to) the review of:

- minutes of meetings of the shareholders, Management Board, Supervisory Board and committees of the Supervisory Board of Canal+ in respect of matters such as contracts, litigation, and authorisation of asset acquisitions or divestitures;
- pledges and guarantees with banks and financial institutions;
- pending litigation, claims (in dispute) and environmental matters as well as related assessments for unrecorded contingencies with internal and/or external legal counsels;
- tax examiner's reports and, if applicable, notices of reassessments for prior years;
- insurance coverage for unrecorded contingencies with the risk management department and insurance agents and brokers with whom entities within Canal+ Group have contracted;
- related-party transactions for guarantees and other given or received commitments; and
- more generally, major contracts and agreements.

2.6 New IFRS accounting standards and IFRIC interpretations that have been published but are not yet effective

The IFRS Accounting Standards and IFRIC interpretations issued by the IASB and endorsed by the EU as of the date of approval of the Combined Financial Statements, but which are not yet effective, and for which Canal+ Group has not elected for an earlier application, should have no material impact on the Combined Financial Statements.

Note 3 Major events

3.1 Investment in MultiChoice Group

During fiscal year 2020, Canal+ Group SA ("Canal+") started investing in MultiChoice Group Ltd ("MultiChoice"), a South African incorporated company that is listed on the Johannesburg Stock Exchange ("JSE"), and the leading pay-TV operator in English- and Portuguese-speaking sub-Saharan Africa.

As of 1 January 2021, Canal+ held 53.1 million shares in MultiChoice, representing 12.00% of MultiChoice's share capital. As of 31 December 2021, Canal+ held 73.6 million shares in MultiChoice, representing 16.63% of MultiChoice's share capital. Canal+'s interest in MultiChoice was classified and accounted for as a financial investment in accordance with IFRS 9 - Financial Instruments.

As of 31 December 2022, Canal+ held 128.9 million shares in MultiChoice, representing 29.13% of MultiChoice's share capital. South African regulations prohibit any foreign investor from holding a direct or indirect financial interest of more than 20% of the voting rights or controlling a company that is the holder of a pay-tv commercial broadcasting license. MultiChoice's memorandum of incorporation, therefore, limits the voting rights of all of MultiChoice's foreign shareholders to 20% in aggregate with, if necessary, a proportional reduction of their voting capacity (a "scale back" mechanism) at each shareholder meeting. During fiscal year 2022, Canal+ became the largest shareholder of MultiChoice, qualified as a "material shareholder" by MultiChoice. Since 1 January 2022, Canal+ has accounted for its interest in MultiChoice under the equity method in accordance with IAS 28 – Investments in Associates and Joint Ventures.

As of 31 December 2023, Canal+ held 149.4 million shares in MultiChoice, representing 33.76% of MultiChoice's share capital of MultiChoice. As of that date, the purchase price of Canal+'s interest in MultiChoice amounted to €936 million (ZAR113.82 per share in average).

In early February 2024, Canal+ announced having sent to the MultiChoice's board of directors a non-binding intention to make an offer for the MultiChoice shares it did not own at a price of ZAR105 per MultiChoice share, which was rejected by MultiChoice's board of directors. Canal+ continued its purchases of shares on the market operated by the JSE and crossed the threshold of 35% of the capital of MultiChoice. In a decision dated 28 February 2024, the Takeover Regulation Panel ("TRP") ruled that Canal+ should, in view of the crossing of said threshold, launch a mandatory public tender offer for the shares of MultiChoice that it did not already hold, for the benefit of the other shareholders of MultiChoice.

Following the issuance of such a decision, Canal+ and MultiChoice confirmed their intention to mutually co-operate in this process by signing an exclusive co-operation agreement on 7 April 2024 and jointly published a firm intention announcement ("FIA") on 8 April 2024.

On 4 June 2024, Canal+ and MultiChoice issued a combined circular to MultiChoice shareholders regarding the mandatory offer by Canal+ to acquire the MultiChoice shares that it does not already own for a consideration of ZAR125 per share, representing an aggregate consideration of ZAR35,373 million, fully financed from funds available to Canal+.

In accordance with South African takeover regulations, Canal+ provided the TRP with a bank guarantee issued by a South African bank on behalf of Canal+. Under such bank guarantee, the guarantor has agreed to pay up to a maximum amount equal to ZAR35,373 million in relation to the mandatory offer, upon the offer becoming operative and being implemented.

Simultaneously, to cover the bank guarantee, Canal+ entered into a credit facility, which may be utilised by way of the drawing of loans and the issue of a letter of credit, up to a maximum amount of €1,900 million. Vivendi acted as guarantor (*caution solidaire)* in respect of Canal+ obligations under the credit facility, Canal+ being the primary obligor (see Note 23).

In addition, Canal+ set up a derivative financial instrument to hedge its EUR-ZAR foreign currency risk for a notional amount up to a maximum of €1,200 million (see Note 23).

The mandatory offer by Canal+ and its implementation are subject to the fulfilment or, where permitted, waiver of various regulatory conditions by 8 April 2025 provided that: (i) Canal+ shall have the right (at its sole discretion) to extend this date on up to two occasions only, for a period of six months each; and (ii) MultiChoice and Canal+ shall have the right by mutual agreement (on one or more occasions) to extend this date. Each such extension will be subject to prior consultation with the TRP in accordance with the requirements of the Takeover Regulations and any other applicable laws.

The offer consideration of ZAR125 per share represents a 66.66% premium compared to the MultiChoice last closing price for MultiChoice shares on the last trading day prior to the announcement of the early February non-binding intention to make an offer and a 63.96% premium compared to the 30-day volume weighted average price (VWAP) prior to the announcement of the early February non-binding intention to make an offer.

Canal+ believes that the substantial premium recognises the potential benefits that may be realised by combining Canal+ and MultiChoice.

A combined group would be better positioned to address key structural challenges and opportunities resulting from the ongoing digitalisation and globalisation of the media and entertainment sector. This could have significant benefits for the African creative and sports ecosystems, by facilitating the distribution of high-quality content created on the continent to an international audience.

Canal+ intends that, should its European listing proceed, there will be an opportunity for South African investors to become shareholders of the combined entity as part of a secondary inward listing on the JSE.

Canal+ and MultiChoice recognise that the economic transformation of South Africa and "Broad-Based Black Economic Empowerment" ("BBBEE") are imperatives both in the broader context and for MultiChoice. Canal+ is fully committed to maintaining MultiChoice's BBBEE credentials and acknowledges the key role played by Phuthuma Nathi in this regard.

As of 30 June 2024, Canal+ held 200.0 million shares in MultiChoice, representing 45.20% of MultiChoice's share capital. As of that date, the purchase price of Canal+'s interest in MultiChoice amounted to €1,221 million (ZAR113.57 per share in average) (see Note 15 for the net carrying amount of equity affiliates).

3.2 Other events

- On 9 January 2023, Canal+ Group SA ("Canal+") and Orange announced the signing of a memorandum of understanding regarding the acquisition by Canal+ of all shares of the OCS pay-TV package and in Orange Studio, the film and series co-production subsidiary, held by Orange. On 31 January 2024, Canal+ completed this acquisition following approval from the French Competition Authority. The latter authorised the transaction after a detailed analysis of its effects on the market and made it subject to compliance with several commitments by

Canal+. OCS and Orange Studio have been fully consolidated by Canal+ since 1 February 2024.

- On 21 June 2023, Canal+ Group SA (“Canal+”) and PCCW Limited announced the execution of a strategic partnership to accelerate the development of Viu, a leading streaming platform in Asia. Canal+ became a significant minority shareholder in Viu through a planned staggered investment of $300 million. Following the first payment of US$200 million (approximately €186 million), Canal+ acquired a 27.32% ownership interest in Viu. Canal+ exercises a significant influence over Viu, which is accounted for under the equity method as from 21 June 2023. On 26 February 2024, Canal+ announced that it held 30% of Viu’s share capital.

- On 20 June 2024, Canal+ announced that it held 36.8% of Viu’s share capital (increased to 37.2% on 8 October 2024 due to subsequent contractual adjustments). Canal+ has an option to increase its ownership interest in Viu to 51%.

- On 20 July 2023, Canal+ Group SA (“Canal+”) announced that it had acquired a 12% interest in Viaplay Group (“Viaplay”), the leader in pay-TV in the Nordic countries. At the end of 2023, Canal+ announced its intention to participate in the recapitalisation of Viaplay. This restructuring plan was approved on 10 January 2024 by an Extraordinary General Meeting of Viaplay. On 9 February 2024, following completion of the recapitalisation, Canal+ announced that it had increased its 12% interest in Viaplay to 29.33%, confirming its position as the largest shareholder. Canal+ exercises a significant influence over ViaPlay, which is accounted for under the equity method as from 9 February 2024.

- On 17 August 2023, Canal+ Group SA (“Canal+”) completed the acquisition of the remaining 30% of the share capital of SPI International not already held by Canal+, enabling Canal+ to take full ownership of the company.

Note 4 Segment data

Canal+ Group Management Board, who is regarded as the chief operating decision-maker, evaluates the performance of its business segments and allocates necessary resources to them based on certain operating performance indicators (segment earnings). Adjusted Earnings Before Interest and Income Taxes (“Adjusted EBIT (EBITA)”) reflects the earnings of each business segment and it is considered by the management to be relevant indicator of Canal+ Group’s operating performance. It enables Canal+ Group to compare the performance of operating segments regardless of whether their performance is driven by the operating segment’s organic growth or by acquisitions.

To calculate Adjusted EBIT (EBITA), the accounting impact of the following items is excluded from Operating income (EBIT):

- the amortisation of intangible assets acquired through business combinations as well as of other rights catalogs acquired; and

- impairment of goodwill, other intangibles acquired through business combinations and other rights catalogs acquired.

The operating segments presented below are identical to the information given to Canal+ Group’s Management Board. These segments are business units that are managed separately as each business requires different strategies to adapt to local demands, regulation and resources.

Canal+ Group’s main businesses are consolidated within the following operating segments:

- Europe: This operating segment encompasses the Group’s subscription-TV, advertising-based television and OTT businesses across France, the Overseas Territories, Poland and also in Central Europe and the Benelux through M7 (which also includes the more geographically diverse activities of SPI), and the Group’s FTTH business in the Overseas Territories.

- Africa and Asia: This operating segment encompasses the Group’s subscription-TV, advertising-based television, OTT and FTTH businesses across Africa and Asia. In Africa, the Group’s operates in more than twenty-five countries. GVA, currently owned by Vivendi and agreed to be transferred to the Group, with the transfer remaining subject to certain conditions, offers broadband internet access services through optical fibre networks and operates an expanding FTTH network, currently in thirteen cities in eight countries in Africa.

- Content Production, Distribution and Other: This operating segment includes:
  - Studiocanal, a leading film and series studio with worldwide production and distribution capabilities. It operates directly in nine major European markets (including Germany, Benelux, Spain, France, Poland and the U.K.) as well as in Australia and New Zealand, and offices in the United States and China; it derives its revenue from the sale of its in-house productions and the distribution of films and series acquired from third parties;
  - Dailymotion, an international end-to-end video platform, which derives its revenue from advertising;
  - Thema, a production and distribution company specialising in creating and distributing diverse content and channels to cable, IPTV and DTH operators, and for mobile packages and OTT; and
  - L'Olympia and Théâtre de L'Œuvre, live entertainment venues in Paris.

Intersegment commercial transactions are conducted on an arm's-length basis on terms and conditions similar to those that would be offered by third parties.

4.1 Statement of earnings by business segment

(in millions of euros)	Europe	Africa and Asia	Content Production, Distribution and Other	Eliminations	**Total**
Year ended 31 December 2023					
Revenues	4,640	1,002	713	(131)	**6,223**
Adjusted EBIT (EBITA)	201	212	59		**472**
Year ended 31 December 2022					
Revenues	4,507	970	654	(121)	**6,010**
Adjusted EBIT (EBITA)	204	196	44		**444**
Year ended 31 December 2021					
Revenues	4,420	858	698	(106)	**5,870**
Adjusted EBIT (EBITA)	218	159	24		**401**

The following table provides a reconciliation of Adjusted EBIT (EBITA) to Operating income (EBIT):

	For the year ended 31 December		
(in millions of euros)	**2023**	**2022**	**2021**
Earnings before income tax	**102**	**317**	**315**
Less			
Interest expenses	(158)	(33)	(27)
Income from investments			22

Other financial income	3	7	9
Other financial expenses	(65)	(39)	(45)
Income (loss) from equity affiliates	(104)	(9)	1
Operating income (EBIT)	**426**	**391**	**355**
Less			
Impairment losses on intangible assets acquired through business combinations	(2)		(1)
Amortization of intangible assets acquired through business combinations	(44)	(53)	(45)
Adjusted EBIT (EBITA)	**472**	**444**	**401**

Note 5 Operating income (EBIT)

5.1 Revenues

By activity

(in millions of euros)	Year ended 31 December 2023	2022	2021
Subscriptions	5,048	4,842	4,670
Advertising, content sales and other	1,176	1,168	1,200
Revenues	**6,223**	**6,010**	**5,870**

By geographic area

Revenues are broken down by customer location.

(in millions of euros)	Year ended 31 December 2023		2022		2021	
France	3,747	*60%*	3,643	*61%*	3,586	*61%*
Rest of World	2,476	*40%*	2,367	*39%*	2,284	*39%*
Revenues	**6,223**	***100%***	**6,010**	***100%***	**5,870**	***100%***

5.2 Personnel costs and average employee numbers

(in millions of euros)	Note	Year ended 31 December 2023	2022	2021
Salaries		452	430	409
Social security and other employment charges		164	151	147
Capitalised personnel costs		(26)	(25)	(22)
Wages and expenses		**590**	**556**	**534**
Share-based compensation plans	22	3	4	4

Employee benefit plans	21	3	(3)	4
Other		32	34	27
Personnel costs		**628**	**591**	**569**
Annual average number of full-time equivalent employees (in thousands)		*8,645*	*8,578*	*8,446*

Note 6 Interest expenses, other financial income and other financial expenses

Interest

(in millions of euros)		Year ended 31 December		
(Charge)/Income	Note	2023	2022	2021
Interest expense on borrowings	23	(2)	(2)	(1)
Interest expense on borrowings from Vivendi SE		(168)	(39)	(27)
Interest income from loans to Vivendi SE		9	6	1
Interest income from cash, cash equivalents and investments		3	2	-
Interest		**(158)**	**(33)**	**(27)**

In 2023, interest expense incurred on borrowings from Vivendi SE essentially related to Canal+ (€141 million), Dailymotion (€12 million), and GVA (€11 million).

In 2022, interest expense incurred on borrowings from Vivendi SE essentially related to Canal+ (€33 million), Dailymotion (€3 million), and GVA (€2 million).

In 2021, interest expense incurred on borrowings from Vivendi SE essentially related to Canal+ (€23 million), Dailymotion (€2 million), and GVA (€1 million).

The increase in interest expense incurred on borrowings from Vivendi SE in 2023 compared to 2022 and 2021 mostly reflects the increase in interest rates in 2023 (4.19% in 2023 compared to 1.27% and 1.00% in 2022 and 2021 respectively) and to a lesser extent, the increase in average borrowings from Vivendi SE by Canal+, Dailymotion and GVA (€4,023 million in 2023 compared to €3,193 million and €2,786 million in 2022 and 2021, respectively). On 16 April 2024, Vivendi SE's loan to Canal+ Group S.A. was converted into share capital to an amount of €3,400 million and ceased to bear interest as of 1 January 2024 (please refer to Note 23 and 25.2).

Other financial charges and income

	Year ended 31 December		
(in millions of euros)	2023	2022	2021
Capital gain and revaluation on financial investments	-	-	5
Effect of undiscounting assets (a)	-	-	-
Expected return on plan assets related to employee benefit plans	1	-	-
Foreign exchange gain	-	-	1
Change in value of derivative instruments	-	-	-
Other	2	7	3
Other financial income	**3**	**7**	**9**

Capital loss on the divestiture of businesses	-	-	-
Downside adjustment on financial investments	(4)	(1)	-
Effect of undiscounting liabilities (a)	(2)	(3)	(1)
Interest cost related to employee benefit plans	(1)	-	(1)
Fees and premiums on borrowings and credit facilities issued	-	-	-
Interest expenses on lease liabilities	(6)	(5)	(2)
Foreign exchange loss	(14)	(12)	(5)
Other (b)	(38)	(18)	(36)
Other financial charges	**(65)**	**(39)**	**(45)**
Net total	**(62)**	**(32)**	**(36)**

a. In accordance with applicable accounting standards, where the effect of the time value of money is material, assets and liabilities are initially recorded in the combined statement of financial position at the present value of the expected revenues and expenses. At the end of each subsequent period, the present value of such assets and liabilities is adjusted to account for the passage of time.

b. Mostly includes of fees on acquisitions and the change in value of purchase commitments.

Note 7 Income taxes

7.1 Provision for income taxes and income tax paid by geographic area

Provision for income taxes

(in millions of euros)	Year ended 31 December		
(Charge)/Income	2023	2022	2021
Current			
France	(82)	(104)	(99)
Rest of Europe	(9)	(6)	(14)
Africa	(42)	(40)	(27)
Rest of World	(6)	(5)	(5)
	(139)	**(155)**	**(145)**
Deferred			
France	(7)	10	(13)
Rest of Europe	26	14	-
Africa	1	(1)	-
Rest of World	1	(1)	1
	21	**22**	**(12)**
Provision for income taxes	**(118)**	**(133)**	**(157)**

Income tax paid

	Year ended 31 December		
(in millions of euros)	2023	2022	2021
France	(75)	(104)	(39)
Rest of Europe	(10)	(11)	(7)
Africa	(50)	(47)	(40)
Rest of World	(6)	(5)	(6)
Income tax (paid)/collected	**(141)**	**(167)**	**(92)**

7.2 Effective tax rate

	Year ended 31 December		
(in millions of euros, excluding percentage)	2023	2022	2021
Earnings (losses)	**(16)**	**184**	**158**
Eliminations			
Income from equity affiliates	104	9	(1)
Provision for income taxes	118	133	157
Earnings before provision for income taxes and income from equity affiliates	**206**	**327**	**314**
French statutory tax rate	*25,83%*	*25,83%*	*28,41%*
Theoretical provision for income taxes based on French statutory tax rate	***(53)***	***(84)***	***(89)***
Reconciliation of the theoretical and effective provision for income taxes			
Earnings tax rates differences	2	(1)	4
Use or recognition of tax losses	49	44	33
Depreciation or non-recognition of tax losses	(92)	(63)	(66)
Adjustments to tax expense from previous years	6	4	(1)
Tax on corporate value added (Cotisation sur la valeur ajoutée des entreprises)	(4)	(7)	(7)
Withholding tax	(31)	(29)	(21)
Other	5	3	(10)
Provision for income taxes	**(118)**	**(133)**	**(157)**
Effective tax rate	***57,1%***	***40,5%***	***49,8%***

7.3 Deferred tax assets and liabilities

Changes in deferred tax assets/(liabilities), net

	Year ended 31 December		
(in millions of euros)	2023	2022	2021
Opening balance of deferred tax assets/(liabilities), net	**(83)**	**(53)**	**(68)**
Provision for income taxes	21	23	(12)

Charges and income directly recognised in equity	(1)	(1)	31
Business combinations	-	(52)	1
Changes in foreign currency translation adjustments and other	1	-	(5)
Closing balance of deferred tax assets/(liabilities), net	**(62)**	**(83)**	**(53)**

Components of deferred tax assets and liabilities

(in millions of euros)	31 December 2023	31 December 2022	31 December 2021
Deferred tax assets			
Recognisable deferred taxes			
Tax attributes (a)	794	751	738
Other	98	114	120
of which non-deductible provisions	*30*	*36*	*25*
employee benefits	*6*	*5*	*9*
working capital	*10*	*10*	*15*
Total gross deferred taxes	**892**	**865**	**858**
Deferred taxes, unrecognised			
Tax attributes (a)	(748)	(729)	(736)
Other	(10)	(10)	(10)
Total deferred tax assets, unrecognised	**(758)**	**(739)**	**(746)**
Recorded deferred tax assets	**134**	**126**	**112**
Deferred tax liabilities			
Asset revaluations (b)	(56)	(65)	(71)
Other	(140)	(144)	(94)
Recorded deferred tax liabilities	**(196)**	**(209)**	**(165)**
Deferred tax assets/(liabilities), net	**(62)**	**(83)**	**(53)**

a. Under French tax law, French corporations and their 95% owned domestic subsidiaries may elect to file one single tax return, thus allowing the offset of losses against the profits of corporations' members of a tax group. Vivendi SE opted for such tax consolidation with amongst others Groupe Canal+, Group Vivendi Africa, Dailymotion, Canal Olympia and their at least 95% owned respective French subsidiaries, together "Canal+ Group's" entities. Tax losses incurred by a subsidiary during the period for which it has been consolidated for tax purposes belong to the head of the tax group i.e. Vivendi SE. Tax losses reported by Canal+ Group's entities which pertain to Vivendi SE tax group amount to:

- As of 31 December 2023: €1,693 million;

- As of 31 December 2022: €1,480 million;
- As of 31 December 2021: €1,383 million.

A subsidiary consolidated for tax purposes which is no longer 95% owned, whatever the cause, can no longer be consolidated for tax purposes and is deemed to be separated from the tax group retroactively to the first day of the fiscal year during which the cause occurred. Tax losses incurred by the separated entity during the period for which it has been consolidated for tax purposes can no longer be carried forward by such entity.

Tax losses reported by an entity for financial years prior to its consolidation for tax purposes can still be carried forward at the level of such entity. Canal+ Group's entities reported losses prior to their tax consolidation with Vivendi for an amount of €426 million as of 31 December 2023. Under French tax law, tax losses are carried forward indefinitely.

As of 31 December 2023, the aggregate amount of losses reported by Canal+ Group's entities which are part of Vivendi SE's French Tax Group and attributed to Vivendi SE as part of Vivendi SE's French Tax Group (€1,693 million) and losses reported prior to their consolidation in Vivendi SE's French Tax Group (€426 million) amounted to €2,119 million, which represented a potential deferred tax asset of €547 million, unrecognised. As mentioned above, those aggregate tax losses pertain to Vivendi SE, as head of the tax group.

b. These tax liabilities, stemming from asset revaluations as part of the purchase price allocation of entities acquired by Canal+ Group, are cancelled upon amortization or divestiture of the related assets and never generate any current tax liabilities.

7.4 Tax litigation

VAT tax reassessments in France

In several proposed tax adjustments ("*propositions de rectification*"), the French tax authorities challenge the right of the Group to benefit from super reduced value-added tax ("**VAT**") rates (2.10% and 5.5%) over the 2016-2019 period while not disputing the 10% VAT rate applied to television services (resulting in a €131 million proposed tax adjustment). With respect to the 2020 and 2021 fiscal years the French tax authorities allege that the Group is not entitled to the 10% VAT rate but instead apply the standard 20% rate to the entire revenue, based on an allegation that the Group does not provide television services, resulting in a €457.8 million proposed tax adjustment. For Groupe Canal Plus ("**GCP**") on the same ground a separate adjustment has been proposed for the 1st May - 31st December 2019 period, resulting in a €66.8 million proposed tax adjustment.

Starting 1st January 2021, French VAT legislation changed so Canal + adjusted its VAT policy to comply with the change while defending the 10% VAT rate on television services.

The Group vigorously contests the proposed tax adjustments in particular the 20% VAT rate application since it considers that the French tax authorities have provided no legal evidence that the 2021 change in VAT law can apply retroactively to prior periods or that Canal + is no longer providing television services. The Group considers that taking the position that Canal+ is no longer providing television services conflicts with the exact opposite position of the French National Centre of Cinema (CNC) which is a public administrative institution responsible for conceiving and implementing government policy in the fields of cinema and other arts and industries related to animated images, namely audiovisual, video, digital creation, and video games. In addition, in a decision rendered on 26 March 2024, the first level Tax Court of Paris ruled in favour of OCS, a wholly-owned subsidiary of Canal+ in a case similar to the Canal+ case. The French tax authorities appealed the first level Tax Court decision. The hearing before the Appeals Court was held on 24 October 2024 ; a decision is expected in the course of November 2024 Should the Appeals Court reverse the first level Tax Court decision, the case will be heard by the French Tax Supreme Court. Should this happen a decision from the Supreme Court cannot be expected before the second half of 2026.

Due to statute of limitation rules the French tax authorities will have to issue a collection notice before the end of 2024 to collect the €131 million described above. In connection with making the payment the Group will bring a legal proceeding before the Tax Court to request its reimbursement. No decision can be expected before the second half of 2027.

French TST challenge

Société d'Edition de Canal Plus ("**SECP**") and GCP are challenging the rules applied by the CNC when collecting the tax on television services (*Taxe sur les services de television*) (the "**French TST**") with respect to fiscal years 2017 to 2019. After having unsuccessfully challenged those rules before the CNC, the Group filed a claim before the first level Tax Court of Paris to obtain a refund of a portion of the amounts paid (amounting to €87.4 million). On 20 September 2024 the first level Tax Court denied the Group's request. The Group will appeal the decision no later than 20 November 2024. The amount claimed has been paid and booked as a receivable against the CNC for which no provision has been recorded in the Group's financial statements.

With respect to fiscal year 2020 the Group paid the disputed amount and asked for a refund which has not been granted by the CNC. The Group therefore filed a claim to obtain a refund of the disputed amount (€31 million). The amount claimed has been paid and booked as a receivable against the CNC for which no provision has been recorded in the Group's financial statements.

With respect to fiscal year 2021 the Group paid the disputed amount and requested a refund which was received in May 2022 (€28.7 million).

The Group was then subject to an audit by the CNC for fiscal years 2020 and 2021. On 26 December 2023, the CNC issued two notices of proposed adjustments in the aggregate amount of €44.3 million for which no provision has been recorded in the Group's financial statements. The Group challenged these proposed adjustments before the CNC, before which the dispute remains pending. For collection purposes, this amount might be paid by the end of 2024. In connection with making the payment the Group will bring a legal proceeding before the Tax Court requesting reimbursement. No decision can be expected before the second half of 2027.

For fiscal years 2022 and 2023, the Group capped the amount paid in respect of the French TST at the amount determined in accordance with its interpretation of the rules, as defended by the Group before the Paris Administrative Court.

Fiscal years 2022 and 2023 have not yet been audited by the CNC.

As from 1st January 2024, rules governing the French TST have been changed. Although the way this modification has been introduced in the TST law could be disputed, starting 1st January 2024, the Group will apply the law as amended. This will result in an additional annual amount estimated at €20 million for the year ended 31 December 2024. The Group considers that this change demonstrates the merits of the Group's position when challenging the rules for fiscal years prior to 2024.

Tax reassessments regarding Canal+ Luxembourg

Canal+ Luxembourg (formerly M7 and as successor of CDS Topco BV) has been subject to a withholding tax reassessment by the Dutch tax authorities with respect to dividend distributions made by CDS Topco BV to its parent company over the 2015-2017 period, as well as a reassessment relating to the deductibility of interest expenses for fiscal years 2017 and 2018.

- With respect to dividend withholding tax, Dutch tax authorities argue that the parent company which received the dividends was not eligible for a withholding tax exemption, based on abuse of law, arguing that the parent company did not have the required substance and that the beneficial owner of the dividends was outside the European Union. The total reassessment (including interest and penalties) amounts to €20.3 million. Canal+ Luxembourg has contested the tax reassessment before the Dutch courts. The lower court ruled against Canal+ Luxembourg but Canal+ Luxembourg has appealed the decision; the case is now pending before the court of appeals. In parallel, Canal+ filed a recourse claim before the Dutch civil courts in order to obtain a refund of taxes, costs and fees borne in relation to the Dutch tax reassessment. The lower court dismissed Canal+' arguments. Canal+ appealed the decision and the case is pending before the court of appeals; the payment is suspended meanwhile.
- With respect to interest deductibility, Dutch tax authorities challenge the way the company has computed the interest deduction limitation ratio for both fiscal years (on different grounds for each of the two years). The total reassessment (including interest and penalties) amounts to €13 million. The company has contested the tax reassessment and the case is pending before the lower Dutch tax court; the payment is suspended meanwhile.

Tax audits, tax reassessments and procedures in several African jurisdictions

The Group is regularly subject to tax audits, proposed tax adjustments and other tax procedures in the African jurisdictions where it operates. Several jurisdictions and several tax matters (e.g. corporate income tax, VAT, turnover taxes, withholding tax) are concerned. *The Group maintains and regularly updates a provision in its consolidated financial statements that reflects its best estimate of the actual tax risk, considering its prior history of resolution of the procedures.*

Note 8 Earnings per share

As the combined group was not a legal entity constituted as of 31 December 2023, 2022 and 2021, the number of shares outstanding is not determinable. Consequently, no earnings per share data is presented in the Combined Financial Statements.

Note 9 Charges and income directly recognised in equity

Details of changes in equity related to other comprehensive income

	Items not subsequently reclassified to profit or loss		Items to be subsequently reclassified to profit or loss			
(in millions of euros)	Actuarial gains/(losses) related to employee defined benefit plans (a)	Financial assets at fair value through other comprehensive income	Unrealised gains/(losses) Hedging instruments	Foreign currency translation adjustments	Other comprehensive income from equity affiliates, net	**Other comprehensive income**
Balance as of 1 January 2021	**1**	**60**	**(3)**	**(69)**	**-**	**(11)**
Charges and income directly recognised in equity	-	(41)	2	(7)	-	(46)
Tax effect	-	27	-	-	-	27
Balance as of 31 December 2021	**1**	**46**	**(1)**	**(76)**	**-**	**(30)**
Charges and income directly recognised in equity	15	2	(2)	(2)	45	58
Tax effect	(4)	-	1	-	-	(3)
Balance as of 31 December 2022	**12**	**48**	**(2)**	**(78)**	**45**	**25**
Charges and income directly recognised in equity	-	(37)	3	47	3	16
Tax effect	-	-	(1)	-	-	(1)
Balance as of 31 December 2023	**12**	**11**	**-**	**(31)**	**48**	**40**

a. Please refer to Note 21.

Note 10 Goodwill

(in millions of euros)	31 December 2023	31 December 2022	31 December 2021	1 January 2021
Goodwill	**2,458**	**2,450**	**2,341**	**2,300**

10.1 Changes in goodwill

(in millions of euros)	31 December 2022	Impairment losses	Business combinations	Divestitures in progress	Changes in foreign currency translation adjustments and other	31 December 2023
Europe	1,632	-	1	-	10	1,643
Africa and Asia	384	(3)	-	-	-	381
Content Production, Distribution and Other	434	-	-	(2)	2	434
Total	**2,450**	**(3)**	**1**	**(2)**	**12**	**2,458**

(in millions of euros)	31 December 2021	Impairment losses	Business combinations	Divestitures in progress	Changes in foreign currency translation adjustments and other	31 December 2022
Europe	1,547	-	87 (a)	-	(2)	1,632
Africa and Asia	384	-	-	-	-	384
Content Production, Distribution and Other	410	-	22	-	2	434
Total	**2 341**	**-**	**109**	**-**	**-**	**2,450**

(in millions of euros)	1 January 2021	Impairment losses	Business combinations	Divestitures in progress	Changes in foreign currency translation adjustments and other	31 December 2021
Europe	1,553	-	-	-	(6)	1,547
Africa and Asia	385	(1)	-	-	-	384
Content Production, Distribution and Other	362	-	38	-	10	410
Total	**2,300**	**(1)**	**38**	**-**	**4**	**2,341**

a. Related to the acquisition of 70% of SPI.

10.2 Impairment test of Goodwill

As of 1 January 2021 and 31 December 2023, 2022 and 2021, Canal+ Group ensured that the recoverable amount of each CGU or groups of CGUs tested exceeded their carrying value (including goodwill). For a description of the methods used for the impairment test, please refer to Note 2.3.6.7.

The goodwill impairment tests of each CGU or group of CGUs were performed, based on valuations of recoverable amounts determined through internal valuations. As a result, and notwithstanding the current macroeconomic uncertainties, Canal+ Group's management concluded that as of 1 January 2021 and 31 December 2021, 2022 and 2023, the recoverable amount of each CGU or group of CGUs tested was at least equal to its carrying value.

For a description of Canal+ Group's CGUs or groups of CGUs, as well as key assumptions, please refer to the tables below.

Presentation of CGU or groups of CGUs

Operating segments	**Cash Generating Units (CGU)**	**CGU or groups of CGUs tested** (a)
Europe	Pay-TV in France and in the Rest of Europe	Europe
	Free-to-air TV in France	
Africa and Asia	Pay TV in Africa and Asia	Africa and Asia
	Group Vivendi Africa	
	Venues in Africa	
Content Production, Distribution and Other	Studiocanal	Content Production, Distribution and Other
	Dailymotion	
	Venues in France	

a. Relates to the level of monitoring return on investments.

Considerations related to macroeconomic uncertainties

Canal+ Group notes that current macroeconomic uncertainties, as well as the COVID-19 pandemic for 2021, have a significant impact on the financial markets and the prices of certain commodities, which affect the outlook of the global economy. Canal+ Group has, to the best of its ability, taken into account, for relevant periods, the indirect consequences of these events in determining the value of its business activities as of 1 January 2021 and 31 December 2023, 2022 and 2021.

With regard in particular to the discount rate, the economic recovery following the health crisis and the consequences of the invasion of Ukraine by Russia have led to significantly higher inflation, which has been less transitory than expected, increasing the inflation rate component. In a context of volatility in interest rates and noting that, despite the increase observed since the beginning of 2022, the actual rates served by the 10-year government bonds of the eurozone remain close to zero, Canal+ Group's management considers that, to date, the actual interest rate component has not been affected.

Consideration of climate change

The preparation of financial statements involves taking into account climate change issues, and to this day, Canal+ Group considers that the consequences of climate change should not have any material impact on the consolidated financial statements as of 1 January 2021 and 31 December 2023, 2022 and 2021 and on its medium-term activities. Canal+ Group's Management Board ensured that assumptions used in goodwill impairment tests include the most likely future effects related to climate change.

10.2.1 Presentation of key assumptions used for the determination of recoverable amounts

Regarding Pay-TV and Free-to-air TV, as of 1 January 2021 and 31 December 2023, 2022 and 2021, given that no business plan was available, the recoverable amounts of the groups of CGUs Europe, Africa and Asia were determined on the basis of market data, multiple observed on stock markets or in recent mergers/acquisitions of about twenty similar companies, financial parameters consistent with those of previous years (an EBITDA multiple for Pay-TV and revenues multiple for Free-to-air TV). Based on these valuations multiple, as of 1 January 2021 and 31 December 2023, 2022 and 2021, Canal+ Group considered that recoverable amounts of Europe and of Africa and Asia are at least equal to their net carrying amount. The recoverable amount used for the relevant CGU or group of CGUs was determined based on its value in use applying the key assumptions set out below, excluding for Pay-TV Europe, Free-to-air TV and Pay-TV Africa and Asia.

Regarding Content Production, Distribution and Other, as of 1 January 2021 and 31 December 2023, 2022 and 2021, the value in use of Content Production, Distribution and Other is determined as the discounted value of future cash flows by using cash flow projections consistent with, respectively, the 2022, 2023 and 2024 budget and the forecasts prepared by the operating segments. These forecasts were prepared on the basis of financial targets as well as the following key assumptions: discount rate, perpetual growth rate and EBITDA, capital expenditures, the competitive and regulatory environments, technological developments and level of commercial expenses.

As of 1 January 2021 and 31 December 2023, 2022 and 2021, the goodwill impairment test was performed on the basis of estimates consistent with estimates made at the same date, in accordance with IFRS 1 C4.g.ii.

Operating segments	CGU or groups of CGU tested	Valuation method				Discount Rate (a) / Multiple transaction or multiple market (b)				Perpetual Growth Rate			
		2023	2022	2021	01/01/2021	2023	2022	2021	01/01/2021	2023	2022	2021	01/01/2021
Europe	Pay-TV Europe (c)	Comparables	Comparables	Comparables	Comparables	9.6x	10.7x	10.7x	10.7x	na	na	na	na
	Free-to-air TV (c)	Comparables	Comparables	Comparables	Comparables	2.9x	2.9x	2.9x	2.9x	na	na	na	na
Africa and Asia	Pay-TV Africa and Asia (c)	Comparables	Comparables	Comparables	Comparables	9.6x	10.7x	10.7x	10.7x	na	na	na	na
	Group Vivendi Africa	(d)	(e)	(e)	(e)	(e)	(e)	(e)	(e)	na	na	na	na
	Venues in Africa	(d)	(e)	(e)	(e)	(e)	(e)	(e)	(e)	na	na	na	na
Content Production Distribution and Others	Studiocanal	DCF	DCF	DCF	DCF	7.45%	7.60%	7.82%	7.70%	1.00%	1.00%	1.00%	1.00%
	Dailymotion	(d)	(f)	(f)	(f)	(f)	(f)	(f)	(f)	na	na	na	na
	Venues in France	(d)	DCF	DCF	DCF	na	8.23%	9.00%	9.00%	na	2.25%	1.00%	1.00%

a. The determination of recoverable amounts using a post-tax discount rate applied to post-tax cash flows provides recoverable amounts consistent with those that would have been obtained using a pre-tax discount rate applied to pre-tax cash flows.

b. EBITDA multiple for Pay-TV and a revenue multiple for Free-to-air TV.

c. Based on multiple market and transaction valuations, as of 1 January 2021, and 31 December 2023, 2022 and 2021, Canal+ Group considered that recoverable amounts of Europe and of Africa and Asia are at least equal to their net carrying amount.

d. The recoverable amount corresponds to the estimated value of the transfers of these companies to Canal+ by Vivendi.

e. No impairment test was implemented regarding these businesses mainly resulting from organic development and for which goodwill is not material.

f. Upon the acquisition of Dailymotion, Vivendi implemented a five-year long-term incentive plan for the benefit of certain key executives, including executives of Universal Music Group. This plan was linked to the increase in the enterprise value of Dailymotion relative to its acquisition value. In accordance with IAS 36.80, Vivendi allocated the entire goodwill of Dailymotion to Vivendi's CGU Universal Music Group. Given the absence of goodwill related to Dailymotion in these Combined Financial Statements, no impairment test was performed.

10.2.2 Sensitivity of recoverable amounts of CGUs or groups of CGUs

On the basis of the recoverable amounts determined for each CGU or groups of CGUs as part of the goodwill impairment test as of 31 December 2023, 2022 and 2021:

- a change of at least 20% in the multiple applied to the EBITDA or revenues of Europe (respectively for Pay-TV and Free-to-air TV) would not result in an impairment loss for Europe;
- a change of at least 50% in the multiple applied to the EBITDA of Africa and Asia would not result in an impairment loss for Africa and Asia;
- as of 31 December 2023, 2022 and 2021, the recoverable amount of Studiocanal would be equal to its carrying amount if (i) the discount rates were to increase by 2.24 points, 2.20 points and 1.39 points, respectively, (ii) the perpetual growth rates were to decrease by 4.06 points, 3.86 points and 2.28 points, respectively and (iii) the discounted cash flows were to decrease by 25.92%, 27.86% and 19.50%, respectively.

Note 11 Content assets and commitments

11.1 Content assets

(in millions of euros)	31 December 2023	31 December 2022	31 December 2021
Film and television costs	825	719	553
Sports rights	622	647	578
Content assets	**1,447**	**1,366**	**1,131**
Deduction of current content assets	(979)	(972)	(861)
Non-current content assets	**468**	**394**	**270**

11.2 Changes in content assets

(in millions of euros)	Total
Balance as of 1 January 2021	**995**
Increase	1,610
Decrease (consumptions)	(1,660)
Amortization	(24)
Business combinations	19
Foreign currency translation adjustments and other	191
Balance as of 31 December 2021	**1,131**
Increase	2,048
Decrease (consumptions)	(1,831)
Amortization	(31)
Business combinations	49
Foreign currency translation adjustments and other	-
Balance as of 31 December 2022	**1,366**
Increase	2,037
Decrease (consumptions)	(1,894)
Amortization	(28)
Business combinations	3
Foreign currency translation adjustments and other	(37)
Balance as of 31 December 2023	**1,447**

Acquisition paid on content investment include increase in content investments as mentioned above for the years ended 31 December 2023, 2022, 2021, respectively, less increase/(decrease) in payables on audiovisual rights, production and programming costs of €22 million, €22 million and €34 million for the years ended 31 December 2023, 2022, 2021, respectively.

11.3 Contractual content commitments

Commitments given recorded in the combined statement of financial position: content liabilities

Content liabilities are mainly recorded in “Trade accounts payable and other” or in “Other non-current liabilities” whether they are current or non-current, as applicable.

(in millions of euros)	Minimum future payments as of 31 December 2023				As of 31 December 2022	As of 31 December 2021
		Payments due in				
	Total	2024	2025-2028	After 2028		
Film and television rights	213	213	-	-	183	207
Sports rights	476	476	-	-	520	455
Content liabilities	**689**	**689**	-	-	**703**	**662**

Off-balance sheet commitments: creative talent, employment agreements and others

(in millions of euros)	Minimum future payments as of 31 December 2023				As of 31 December 2022	As of 31 December 2021
		Payments due in				
	Total	2024	2025-2028	After 2028		
Film and television rights (a)	2,761	1,241	1,505	15	3,234	3,256
Sports rights (b)	3,217	841	2,248	128	3,913	2,638
Other	-	-	-	-	-	-
Given commitments	**5,978**	**2,082**	**3,753**	**143**	**7,147**	**5,894**
Film and television rights (a)	(248)	(159)	(89)	-	(204)	(112)
Sports rights	(81)	(75)	(6)	-	(224)	(371)
Other	-	-	-	-	-	(5)
Received commitments	**(329)**	**(234)**	**(95)**	**-**	**(428)**	**(488)**
Net total	**5,649**	**1,848**	**3,658**	**143**	**6,719**	**5,406**

a. Mainly includes multi-year contracts for movies and TV production broadcasting rights (primarily exclusivity contracts with major US studios), pre-purchases of rights in the French cinema industry, Studiocanal's film production and co-production commitments (given and received), and Canal+ multichannel digital TV package broadcasting rights. These are recorded as content assets when the broadcast is available for initial release or after the initial significant payment. As of 31 December 2023, provisions recorded in respect of these commitments amounted to €56 million (compared to €56 million as of 31 December 2022 and €40 million as of 31 December 2021).

b. In addition, these amounts do not include commitments under contracts for channel diffusion rights and non-exclusive distribution of channels, in respect of which Canal+ did not grant or receive minimum guaranteed amounts. The variable amount of these commitments cannot be reliably determined and is not reported in either the combined statement of financial position or in the commitments and is instead recorded as a content cost and/or a revenue when applicable, for the period in which it was incurred. Based on an estimate of the future subscriber base at Canal+, net commitments received amounted to €75 million as of 31 December 2023 (compared to €32 million as of 31 December 2022 and €22 million as of 31 December 2021).

On 2 December 2021, Canal+ and film organisations, represented by BLIC, BLOC and ARP, announced the signing of a new agreement which replaced the 2018 agreement, and extended the partnership between Canal+ and the French film industry until at least year-end 2024.

Among other things, the agreement, which will only come into force after the adoption of the new media scheduling arrangements proposed by the film organisations and changes to regulations by the public authorities (including the new DTT and CABSAT orders) provides for:

- a guaranteed investment of over €600 million in French and European movies by Canal+ and Ciné+ over the next three years;
- an advancement of Canal+'s position in the media schedule to six months after theatre release, aligning with its confirmed status as the leading contributor to French and European film production;
- a minimum nine-month period of exclusive broadcast rights for Canal+, and as much as sixteen months in relation to the second period; and
- a better exposure and circulation of works on Canal+'s movie channels and on Canal+'s OTT platform.

With respect to the obligations governing investments in audiovisual production, under Decree No. 2021-1926 of 30 December 2021, the Canal+ channel must dedicate at least 4.2% of its total net revenue for the previous year to "heritage works" (drama, animation, creative documentaries, music videos and actual footage or reenactments of live performances). A portion of this investment (representing at least 2.8% of net revenue) is allocated to the development of independent production.

Only those films for which an agreement in principle has been reached with the producers are recognised as off-balance sheet commitments, as it is not possible to make a reasonably reliable estimate of the total and future obligations under agreements with the professional cinema organisations and the producers' and authors' organisations.

c. Mainly includes broadcasting rights held by Canal+ to the following sporting events:

- European Soccer Competitions (UEFA): Champions League, Europa League and Europa Conference League, for the 2024/2025 to 2026/2027 seasons; as a reminder, Canal+ held the Soccer Champions League rights, on an exclusive basis for the two premium lots until the end of the 2023/2024 season, for which Canal+ granted exclusive co-broadcasting rights to Altice Group under a sub-license agreement;
- English Premier League rights: on 21 September 2023, Canal+ announced the renewal of the entire: until the end of the 2027/2028 season in France, the Czech Republic, Slovakia and Vietnam;
- Lot 3 of the French professional Soccer League 1: until the end of 2023/2024 season through a sub-license agreement entered into with beIN Sports on 12 February 2020;

- National French Rugby Championship (TOP 14): on an exclusive basis until the end of the 2026/2027 season;
- Formula 1 racing: on an exclusive basis until the end of the 2029 season; and
- MotoGP™: on an exclusive basis until the 2029 season.

These commitments are accounted for in the combined statement of financial position either upon the start of every season or upon an initial significant payment.

Note 12 Other intangible assets

12.1 Other intangible assets

	31 December 2023		
(in millions of euros)	Other intangible assets, gross	Accumulated amortization and impairment losses	Other intangible assets, net
Customer bases and trade names	705	(499)	206
Software	312	(182)	130
Other	684	(388)	296
Total	**1,701**	**(1,069)**	**632**

	31 December 2022		
(in millions of euros)	Other intangible assets, gross	Accumulated amortization and impairment losses	Other intangible assets, net
Customer bases and trade names	698	(460)	238
Software	286	(165)	121
Other	579	(298)	281
Total	**1,563**	**(923)**	**640**

	31 December 2021		
(in millions of euros)	Other intangible assets, gross	Accumulated amortization and impairment losses	Other intangible assets, net
Customer bases and trade names	692	(422)	270
Software	278	(177)	101
Other	585	(326)	259
Total	**1,555**	**(925)**	**630**

12.2 Changes in other intangible assets

	Year ended 31 December		
(in millions of euros)	2023	2022	2021

Opening Balance	**640**	**630**	**606**
Amortization and impairment losses	(149)	(139)	(139)
Acquisitions	116	124	125
Increase related to internal developments	18	25	22
Decreases	(4)	(4)	(2)
Business combinations	(4)	13	-
Changes in foreign translation adjustments and other	15	(9)	18
Closing Balance	**632**	**640**	**630**

Note 13 Property and equipment

13.1 Property and equipment

	31 December 2023		
(in millions of euros)	Property and equipment, gross	Accumulated depreciation and impairment losses	Property and equipment, net
Set-top boxes	1,139	(853)	286
Equipment and machinery	730	(488)	242
Building	136	(58)	78
Land	15	-	15
Assets in progress	42	(2)	40
Other	91	(77)	14
Total	**2,153**	**(1,478)**	**675**

	31 December 2022		
(in millions of euros)	Property and equipment, gross	Accumulated depreciation and impairment losses	Property and equipment, net
Set-top boxes	1,117	(808)	309
Equipment and machinery	636	(430)	206
Building	128	(51)	77
Land	15	-	15
Assets in progress	48	(1)	47
Other	95	(77)	18
Total	**2,039**	**(1,367)**	**672**

	31 December 2021		

(in millions of euros)	Property and equipment, gross	Accumulated depreciation and impairment losses	Property and equipment, net
Set-top boxes	1,212	(896)	316
Equipment and machinery	666	(497)	169
Building	133	(85)	48
Land	15	-	15
Assets in progress	50	-	50
Other	91	(78)	13
Total	**2,167**	**(1,556)**	**611**

13.2 Changes in Property and equipment

	Year ended 31 December		
(in millions of euros)	2023	2022	2021
Opening Balance	***672***	***611***	***529***
Depreciation and impairment losses	(159)	(155)	(146)
Acquisitions	158	189	219
Decreases	(4)	(5)	(3)
Business combinations	-	1	-
Changes in foreign translation adjustments and other	8	31	12
Closing Balance	**675**	**672**	**611**

Note 14 Leases

14.1 Rights-of-use relating to leases

As of 31 December 2023, the rights-of-use relating to leases amounted to €272 million (compared to €268 million as of 31 December 2022 and €308 million as of 31 December 2021) less the accumulated depreciation and impairment losses for €88 million as of 31 December 2023 (compared to €63 million as of 31 December 2022 and €103 million as 31 December 2021). These rights-of-use relate to real estate leases.

Changes in the rights-of-use

	Year ended 31 December		
(in millions of euros)	2023	2022	2021
Opening balance	**205**	**205**	**77**
Depreciation	(42)	(35)	(41)
Acquisitions/increase	5	17	172
Sales/decrease	-	-	(1)
Business combinations	1	-	-

Divestitures in progress	-	-	-
Foreign currency translation adjustments and other	15	18	(2)
Closing balance	**184**	**205**	**205**

14.2 Lease liabilities

	Year ended 31 December		
(in millions of euros)	2023	2022	2021
Opening Balance	**229**	**216**	**98**
Lease payments	(32)	(28)	(46)
Interest expense	5	5	2
Acquisitions/increase	4	17	171
Sales/decrease	-	-	-
Business combinations	1	-	-
Divestitures in progress	-	-	-
Foreign currency translation adjustments and other	16	19	(9)
Closing Balance	**223**	**229**	**216**

Maturity of lease liabilities

(in millions of euros)	31 December 2023	31 December 2022	31 December 2021
< 1 year	41	14	20
Between 1 and 5 years	158	150	112
> 5 years	24	65	84
Lease liabilities	**223**	**229**	**216**

14.3 Lease-related expenses

Lease-related expenses (consisting of depreciation of right of use assets and interest expenses on lease liabilities) recorded in the combined statement of earnings amounted to €47 million in 2023 (compared to €40 million in 2022 and €43 million in 2021).

Note 15 Investments in equity affiliates

15.1 Canal+ Group's main investments in equity affiliates

	Ownership interest as of 31 December			Voting interest as of 31 December			Net carrying amount of equity affiliates as of 31 December		
in millions of euros)	2023	2022	2021	2023	2022	2021	2023	2022	2021
MultiChoice	33.76%	29.13%	16.73%	(a)	(a)	na	899	875	na
Viu (b)	27.32%	na	na	27.32%	na	na	171	na	na

Other	33	28	21
	1,103	**903**	**21**

na: not applicable.

a. As of 31 December 2023, Canal+ Group SA ("Canal+") held 149.4 million shares in MultiChoice Group Ltd ("MultiChoice"), representing 33,76% of MultiChoice's share capital. As of that date, the purchase price of Canal+ Group's interest in MultiChoice amounted to €936 million (ZAR113.82 per share in average). South African regulations prohibit any foreign investor (excluding countries in the African Union that entered into bilateral agreements) from holding a direct or indirect financial interest of more than 20% of the voting rights or controlling a company holding commercial television broadcasting licensing. MultiChoice's memorandum of incorporation limits the voting rights of all of MultiChoice's foreign shareholders to 20% with, if necessary, a proportional reduction of their voting rights (a "scale back" mechanism). As a reminder, Canal+ is the largest shareholder of MultiChoice, qualified as a "material shareholder" by MultiChoice, which is accounted for under the equity method by Canal+ as from 1 January 2022 (please refer to Note 3.1). As a reminder as of 31 December 2021, Canal+ held 73.6 million shares in MultiChoice, representing 16.63% of MultiChoice's share capital. Canal+'s interest in MultiChoice was classified and accounted for as a financial investment in accordance with IFRS 9 - Financial Instruments.

   As of 31 December 2023 and 2022, the stock market price of Multichoice ordinary shares showed a decrease compared to the average purchase price paid by Canal+ and the value of Multichoice shares accounted for under the equity method. Canal+ tested the value of its interest in Multichoice to determine whether the recoverable value was at least equal to its carrying amount. With the assistance of a third-party appraiser, Canal+ performed standard valuation methods: the value in use, determined as the discounted value of future cash flows; the fair value, determined on the basis of market data including, stock market prices, comparable listed companies and comparison with the value attributed to similar assets or companies in recent acquisition transactions. As of 31 December 2022 and 2023, Canal+'s management considered that the recoverable amount Multichoice is at least equal to its carrying amount.

b. On 21 June 2023, Canal+ Group SA announced that it had invested $200 million, (approximately €186 million) in Viu, a leading streaming platform in Asia (please refer to Note 3.2). As of 31 December 2023, no goodwill impairment test was carried out on Viu given that the acquisition date was close to the financial closing date and the on going purchase price allocation.

Change in value of investments in equity affiliates

	Year ended 31 December			
(in millions of euros)	2023	2022		2021
Opening Balance	**903**	**21**		**26**
Acquisitions/increase	312	385		-
Reclassification from financial investments	-	498	(a)	-
Sales/decrease	-	-		-
Income from equity affiliates	(104)	(9)		1
Change in other comprehensive income	4	45		-
Dividends received	(1)	(36)		(1)
Other	(11)	-		(5)
Closing Balance	**1,103**	**903**		**21**

a. Related to MultiChoice, which is accounted for under the equity method by Canal+ Group as from 1 January 2022 (please refer to Note 3.1).

15.2 Financial information data

The main financial items in the Combined Financial Statements, as publicly disclosed by MultiChoice Group Ltd ("MultiChoice"), were as follows:

	Half-year Financial Statements as of 30 September (a)	
Statement of financial position	2023	2022
Date of publication:	*15 November 2023*	*10 November 2022*
(in millions of euros)		
Non-current assets	1,224	1,515
Current assets	1,189	1,414
Total assets	2,413	2,929
Total equity	38	404
Non-current liabilities	1,108	806
Current liabilities	1,267	1,719
Total liabilities	2,413	2,929

	Half-year Financial Statements as of 30 September (a)	
Statement of earnings	2023	2022
Date of publication:	*15 November 2023*	*10 November 2022*
(in millions of euros)		
Revenues	1,407	1,683
Earnings attributable to Canal+ Group owners	(66)	(15)
of which continuing operations	*(66)*	*(15)*
discontinued operations	-	-
Canal+ Group's share of net earnings (b)	(89)	(11)
Comprehensive income	(6)	45

a. Given the respective publication dates of Canal+ Group SA ("Canal+") through Vivendi's and MultiChoice's financial statements, Canal+ accounts for its share of MultiChoice's net earnings with a three-month reporting lag. The Combined Financial Statements of Canal+ Group for the fiscal years ended 31 December 2023 and 2022 include Canal+ share of MultiChoice's net earnings based on Multichoice's Half-year Financial Statements as of 30 September 2023 and 2022 respectively.

b. Canal+'s share of net earnings includes amortization of assets related to the purchase price allocation.

Regarding Viu, the main financial items in the Combined Financial Statements were not publicly disclosed as of 31 December 2023.

Note 16 Financial assets

(in millions of euros)	31 December 2023			Total as of 31 December 2022	Total as of 31 December 2021	
	Total	Current	Non-current			
Financial assets at fair value through profit or loss	**20**	**19**	**1**	**45**	**36**	
Term deposits	-	-	-	-	-	
Level 1				-	-	
Listed equity securities	-	-	-	-	-	
Level 2				-	-	
Unlisted equity securities	-	-	-	-	-	
Derivative financial instruments	20	19	1	45	36	
Other financial assets	-	-	-	-	-	
Level 3 - Other financial assets	-	-	-	-	-	
Financial assets at fair value through other comprehensive income	**12**	**-**	**12**	**2**	**501**	
Level 1 - Listed equity securities	5	-	5	-	498	(a)
Level 2 - Unlisted equity securities	-	-	-	-	-	
Level 3 - Unlisted equity securities	8	-	8	2	3	
Financial assets at amortized cost	**234**	**2**	**232**	**148**	**83**	
Financial assets	**266**	**21**	**245**	**195**	**620**	

The three classification levels for the measurement of financial assets at fair value are defined in Note 2.3.1.

a. As of 31 December 2021, Canal+ held 73.6 million MultiChoice shares, representing 16,63% of the share capital. Canal+'s interest in MultiChoice was classified and accounted for as a financial investment in accordance with IFRS 9 - Financial Instruments. As from 1 January 2022, MultiChoice is accounted for under the equity method by Canal+ (please refer to Notes 3.1 and 15).

Note 17 Net working capital

17.1 Changes in net working capital

(in millions of euros)		31 December 2022	Changes in operating working capital (a)	Business combinations	Divestitures, changes in foreign currency translation adjustments and others (b)	31 December 2023	
Other non current assets		80	(6)			74	
Inventories		107	(18)	-	-	89	
Trade accounts receivable and other		1,458	2	-	(67)	1,394	
Of which	*trade accounts and receivables*	*641*	*4*	*2*	*17*	*664*	(c)
	write-offs	*(102)*	*(15)*	*-*	*4*	*(113)*	
Working capital assets		**1,645**	**(22)**	**-**	**(67)**	**1,556**	
Trade accounts payable and other		2,743	(34)	5	(12)	2,702	
Other non-current liabilities		17	4	-	(17)	4	
Working capital liabilities		**2,761**	**(30)**	**5**	**(29)**	**2,707**	
Net working capital		**(1,116)**	**7**	**(5)**	**(37)**	**(1,151)**	

(in millions of euros)		31 December 2021	Changes in operating working capital (a)	Business combinations	Divestitures, changes in foreign currency translation adjustments and others (b)	31 December 2022	
Other non current assets		89	(9)			80	
Inventories		76	29	-	2	107	
Trade accounts receivable and other		1,550	(139)	40	8	1,458	
Of which	*trade accounts and receivables*	*725*	*(102)*	*12*	*6*	*641*	(c)
	write-offs	*(95)*	*(5)*	*-*	*(2)*	*(102)*	
Working capital assets		**1,715**	**(120)**	**40**	**10**	**1,645**	
Trade accounts payable and other		2,733	(64)	44	30	2,743	
Other non-current liabilities		23	(1)	-	(5)	17	
Working capital liabilities		**2,756**	**(65)**	**44**	**25**	**2,761**	
Net working capital		**(1,041)**	**(54)**	**(4)**	**(15)**	**(1,116)**	

(in millions of euros)	1 January 2021	Changes in operating working capital (a)	Business combinations	Divestitures, changes in foreign currency translation adjustments and others (b)	31 December 2021	
Other non current assets	115	(26)			89	
Inventories	72	(3)	6	1	76	
Trade accounts receivable and other	1,444	91	24	(8)	1,550	
Of which *trade accounts and receivables*	*674*	*27*	*13*	*11*	*725*	(c)
write-offs	*(114)*	*7*	*(1)*	*13*	*(95)*	
Working capital assets	**1,631**	**61**	**30**	**(7)**	**1,715**	
Trade accounts payable and other	2,358	42	39	294	2,733	
Other non-current liabilities	10	-	1	12	23	
Working capital liabilities	**2,368**	**42**	**40**	**306**	**2,756**	
Net working capital	**(737)**	**20**	**(10)**	**(313)**	**(1,041)**	

a. Excludes content investments.

b. Mainly includes the change in net working capital relating to content investments, capital expenditures and other investments.

c. Of which (i) €452 million trade accounts receivable not yet due for payment as of 31 December 2023 (compared to €396 million as of 31 December 2022 and €372 million as of 31 December 2021); (ii) €112 million trade accounts receivable less than six months past due as of 31 December 2023 (compared to €129 million as of 31 December 2022 and €221 million as of 31 December 2021); and (iii) €100 million trade accounts receivable more than six months past due as of 31 December 2023 (compared to €116 million as of 31 December 2022 and €132 million as of 31 December 2021).

17.2 Trade accounts receivable and other

Credit risk

Canal+ Group does not consider there to be a significant risk of non-recovery of trade accounts receivable for its business segments. The large individual customer base, broad variety of customers and markets, and geographic diversity of its business segments enable Canal+ Group to minimise the risk of credit concentration related to trade accounts receivable.

Canal+ Group's operational subsidiaries have set up procedures and systems to monitor their trade accounts receivable and recover outstanding amounts.

17.3 Trade accounts payable and other

(in millions of euros)	31 December 2023	31 December 2022	31 December 2021
Trade accounts payable	1,992	2,030	2,079
Other	710	713	654
Trade accounts payable and other	**2,702**	**2,743**	**2,733**

Note 18 Cash and cash equivalents and loans to Vivendi

(in millions of euros)	31 December 2023	31 December 2022	31 December 2021
Cash	282	230	168
Term deposits and current accounts	51	52	23
Cash and cash equivalents	**334**	**282**	**191**
Loans to Vivendi SE	**94**	**87**	**76**

18.1 Liquidity risk

Canal+ Group considers that cash flows generated by its operating activities, as well as cash available through cash management agreement between Vivendi SE and Canal+ Group SA (please refer to Note 25.2) will be sufficient to cover its operating expenses and investments, debt service, payment of income taxes, distribution of dividends, as well as its investment projects, for the next twelve months.

On 4 June 2024, Canal+ Group SA ("Canal+") and MultiChoice Group Ltd ("MultiChoice") issued a combined circular to MultiChoice shareholders regarding the mandatory offer by Canal+ to acquire the MultiChoice shares it does not own for a consideration of ZAR125 per share, representing an aggregate cash consideration to be paid by Canal+ of ZAR35,373 million (approximately €1,900 million), fully funded from funds available to Canal+ (please refer to Note 3.1).

In accordance with South African takeover regulations, Canal+ provided the Takeover Regulation Panel (TRP) with a bank guarantee issued by a South African bank on behalf of Canal+. Under the bank guarantee, this South African bank has agreed to pay up to a maximum amount equal to ZAR35,373 million in relation to the mandatory offer, upon the offer becoming operative and being implemented.

Simultaneously, to cover the bank guarantee, Canal+ entered a credit facility, which may be utilised by way of drawing of loans and issue of letter of credit, up to a maximum amount of €1,900 million. Vivendi SE is *caution solidaire* (guarantor) in respect of Canal+ obligations under the credit facility, Canal+ being the primary obligor.

In addition, Canal+ set up a derivative financial instrument to hedge its EUR-ZAR foreign currency risk for a notional amount of €1,200 million.

On 16 April 2024, Vivendi SE's loan to Canal+ Group S.A. was converted into share capital to an amount of €3,400 million (please refer to Note 25.2).

Note 19 Equity

As the combined group was not a legal entity constituted as of 31 December 2023, 2022 and 2021, the number of shares outstanding is not determinable.

Non-controlling interests

The following table presents the main non-controlling interests of the combined group:

(in millions of euros)	31 December 2023	31 December 2022	31 December 2021
Canal+ Polska	210	188	184
Canal+ Antilles	98	88	80
VSTV (Vietnam Satellite Digital Television Company JSC)	(84)	(80)	(70)
Other	22	19	3

Non-controlling interests	**246**	**215**	**197**

Note 20 Provisions

(in millions of euros)	Note	31 December 2023	31 December 2022	31 December 2021
Employee benefits (a)		17	16	28
Restructuring costs		17	20	28
Litigations	27	276	398	404
Losses on onerous contracts		64	64	48
Other (b)		24	30	40
Provisions		**398**	**528**	**548**
Deduction of current provisions		(157)	(222)	(340)
Non-current provisions		**241**	**306**	**208**

a. Includes deferred employee compensation as well as provisions for employee defined benefit plans but excludes employee termination reserves recorded under restructuring costs.

b. Notably includes litigation provisions for which the amount and nature are not disclosed because such disclosure could be prejudicial to Canal+ Group.

Changes in provisions

	Year ended 31 December		
(in millions of euros)	2023	2022	2021
Opening Balance	**528**	**548**	**578**
Addition	46	84	145
Utilisation	(24)	(32)	(91)
Reversal	(143)	(73)	(77)
Business combinations	(6)	11	-
Changes in foreign currency translation adjustments and other	(3)	(10)	(7)
Closing Balance	**398**	**528**	**548**

Note 21 Employee benefits

In application of the principles set out in Note 2.3.9.2 “Employee benefit plans”, provisions are recognised to cover Canal+ Group’s obligations under defined benefit plans.

The provision recognised as of 31 December represents the value of beneficiaries’ accumulated rights less the related plan assets. Canal+ Group’s main obligations concerning pensions and other post-employment benefits relate to plans in France.

21.1 Employee defined benefit plans

21.1.1 Assumptions used in the evaluation and sensitivity analysis

Discount rate, expected return on plan assets, and rate of compensation increase

The assumptions underlying the valuation of defined benefit plans were made in compliance with the accounting policies presented in Note 2.3.9 and have been applied consistently for several years. Demographic assumptions (including notably the rate of compensation increase) are company specific. Financial assumptions (notably the discount rate) are determined by independent actuaries and other independent advisors and are reviewed by Canal+ Group's Finance department. The discount rate is therefore determined for each country by reference to yields on notes issued by investment grade companies having a credit rating of AA and maturities identical to that of the valued plans, generally based on relevant rate indices. The discount rates selected are therefore used by Vivendi's Finance department at year-end to determine a best estimate of expected trends in future payments from the first benefit payments.

In accordance with IAS 19, the expected return on plan assets is estimated by using the selected discount rate to value the obligations of the previous year.

In weighted average

	Pension benefits		
	2023	2022	2021
Discount rate (a)	3.5%	3.8%	0.9%
Rate of compensation increase	2.7%	2.7%	2.3%
Duration of the benefit obligation (in years)	11.9	12.2	12.6

a. A 50-basis-point increase (or a 50-basis-point decrease, respectively) in the 2023 discount rate would have led to a decrease in the obligations of pension and post-retirement benefits of €2.3 million (or an increase of €2.5 million, respectively).

Allocation of pension plan assets

	December 31, 2023	December 31, 2022	December 31, 2021
Equity securities	7%	8%	8%
Debt securities	83%	83%	84%
Real estate	7%	8%	7%
Cash and other	3%	1%	1%
Total	**100%**	**100%**	**100%**

Pension plan assets are mainly financial assets actively traded in organised financial markets. While they may be exposed to interest rate risk, credit risk and counterpart risk, they are invested in a diversified portfolio to provide protection against these exposures, which could act to increase the net pension surplus/deficit.

These assets do not include occupied buildings or assets used by the Canal+ Group nor any shares or debt instruments of entities within Canal+ Group.

21.1.2 Analysis of net benefit obligations with respect to pensions

Changes in value of benefit obligations, fair value of plan assets, and funded status

		Employee defined benefit plans		
		Year ended 31 December 2023		
(in millions of euros)	Note	Benefit obligation (A)	Fair value of plan assets (B)	Net (provision)/asset recorded in the statement of financial position (B)-(A)
Opening Balance		**38**	**28**	**(10)**
Current service cost		4	-	(4)
Past service cost		(1)	-	1
(Gains)/losses on settlements		-	-	-
Other		-		-
Impact on selling, administration and general expenses				***(3)***
Interest cost		1	-	(1)
Expected return on plan assets		-	1	1
Impact on other financial charges and income				***-***
Net benefit cost recognized in profit or loss				**(3)**
Experience gains/(losses) (b)		-	-	-
Actuarial gains/(losses) related to changes in demographic assumptions		-	-	-
Actuarial gains/(losses) related to changes in financial assumptions		-	-	-
Adjustment related to asset ceiling		-	-	-
Actuarial gains/(losses) recognized in other comprehensive income				**(1)**
Contributions by plan participants		-	-	-
Contributions by employers		-	-	-
Benefits paid by the fund		-	-	-
Benefits paid by the employer		-	-	-
Business combinations		-	-	-
Transfers		-	-	-
Foreign currency translation and other		-	-	-

Reclassification to assets held for sale		-	-	-
Closing Balance		**42**	**29**	**(13)**
of which wholly or partly funded benefits		*25*		
wholly unfunded benefits (d)		*17*		
of which assets related to employee benefit plans				*4*
provisions for employee benefit plans	20			*(17)*

		Employee defined benefit plans		
		Year ended 31 December 2022		
(in millions of euros)	Note	Benefit obligation (A)	Fair value of plan assets (B)	Net (provision)/asset recorded in the statement of financial position (B)-(A)
Opening Balance		**56**	**28**	**(28)**
Current service cost		6	-	(6)
Past service cost (a)		(9)	-	9
(Gains)/losses on settlements		-	-	-
Other		-	-	-
Impact on selling, administration and general expenses				***3***
Interest cost		-	-	-
Expected return on plan assets		-	-	-
Impact on other financial charges and income				***-***
Net benefit cost recognised in profit or loss				**3**
Experience gains/(losses) (b)		(1)	-	1
Actuarial gains/(losses) related to changes in demographic assumptions		1	-	(1)
Actuarial gains/(losses) related to changes in financial assumptions (c)		(15)	-	15
Adjustment related to asset ceiling		-	-	-
Actuarial gains/(losses) recognised in other comprehensive income				**15**
Contributions by plan participants		-	-	-
Contributions by employers		-	-	-
Benefits paid by the fund		-	-	-

Benefits paid by the employer		-	-	-
Business combinations		-	-	-
Transfers		-	-	-
Foreign currency translation and other		-	-	-
Reclassification to assets held for sale		-	-	-
Closing Balance		**38**	**28**	**(10)**
of which wholly or partly funded benefits		*23*		
wholly unfunded benefits (d)		*15*		
of which assets related to employee benefit plans				*6*
provisions for employee benefit plans	20			*16*

		Employee defined benefit plans		
		Year ended 31 December 2021		
(in millions of euros)	Note	Benefit obligation (A)	Fair value of plan assets (B)	Net (provision)/asset recorded in the statement of financial position (B)-(A)
Opening Balance		**51**	**27**	**(24)**
Current service cost		5	-	(5)
Past service cost		(1)	-	1
(Gains)/losses on settlements		-	-	-
Other		-	-	-
Impact on selling, administration and general expenses				***(4)***
Interest cost		-	-	-
Expected return on plan assets		-	-	-
Impact on other financial charges and income				***-***
Net benefit cost recognised in profit or loss				**(4)**
Experience gains/(losses) (b)		1	1	-
Actuarial gains/(losses) related to changes in demographic assumptions		-	-	-
Actuarial gains/(losses) related to changes in financial assumptions		-	-	-
Adjustment related to asset ceiling		-	-	-

Actual gains/(losses) recognised in other comprehensive income				**-**
Contributions by plan participants		-	-	-
Contributions by employers		-	-	-
Benefits paid by the fund		-	-	-
Benefits paid by the employer		-	-	-
Business combinations		-	-	-
Transfers		-	-	-
Foreign currency translation and other		(-)	-	-
Reclassification to assets held for sale		-	-	-
Closing Balance		**56**	**28**	**(28)**
of which wholly or partly funded benefits		*36*		
wholly unfunded benefits (d)		*20*		
of which assets related to employee benefit plans				*-*
provisions for employee benefit plans	20			*(28)*

a. In 2022, includes the impact related to the voluntary leave plan announced in 2019.

b. Includes the impact on the benefit obligations resulting from the difference between actuarial assumptions at the previous year-end and effective benefits during the year, and the difference between the expected return on plan assets at the previous year-end and the actual return on plan assets during the year.

c. In 2022, included the increase in discount rate in the euro zone (+€14 million).

d. In accordance with local laws and practices, certain plans are not covered by plan assets. As of 31 December 2023, 2022 and 2021 such plans principally comprised employee termination reserves.

21.1.3 Estimated future benefit payments and contributions

In 2024, payments to beneficiaries by Canal+ Group are estimated at €1 million, mainly paid by the relevant pension funds. No contributions to the pension funds are expected in 2024.

Note 22 Share-based compensation plans

22.1 Plans granted by Vivendi SE

22.1.1 Performance share plans

Transactions relating to outstanding performance shares made in 2023, 2022 and 2021 were as follows:

	Performance shares
Balance as of 1 January 2021	**1 168 851**
Granted	-
Issued	(272 800)

Cancelled	(97 890)	(a)
Balance as of 31 December 2021	**798 161**	
Granted	471 050	(b)
Issued	(385 731)	
Cancelled	(18 703)	(a)
Other	5 644	
Balance as of 31 December 2022	**870 421**	
Granted/Transferred	511 050	(b)
Issued	(345 011)	
Cancelled	(34 400)	(a)
Adjusted	14 653	(c)
Other	6 000	
Balance as of 31 December 2023	**1 022 713**	(d)

a. For the performance share plan granted in 2018, at its meeting held on 3 March 2021, after a review by the Corporate Governance, Nominations and Remuneration Committee, Vivendi's Supervisory Board approved the achievement level of objectives set for the cumulative fiscal years 2018, 2019 and 2020. It was confirmed that all the criteria had been met. However, given that the negative impact of the situation in Italy was not reflected in the financial results, Vivendi's Supervisory Board decided to set the final vesting rate of the 2018 performance share plan at only 75% of the initial grant. Consequently, 92,163 rights to performance shares which were granted in 2018 were cancelled. In addition, 34,400 rights in their vesting period were cancelled in 2023 due to the termination of employment of certain beneficiaries, compared to 18,703 rights cancelled in 2022 and 5,727 rights cancelled in 2021.

b. As of 8 March 2023, the Vivendi share price was €9.75 and the expected dividend yield was 2.56% (compared to €10.06 and 2.49% as of 28 July 2022, respectively). The fair value of each granted performance share was estimated at €8.60, corresponding to an aggregate fair value of the plan of €5 million (compared to €8.76, corresponding to an aggregate fair value of the plan of €4 million as of 28 July 2022).

c. On 13 November 2023, Vivendi's Management Board decided to adjust the number of performance share rights in their vesting period, pursuant to Articles L. 228-99 and R. 228-91 of the French Commercial Code, to take into account the impact of the ordinary cash dividend distribution for 2022 by deduction from the available share of the legal reserve. This adjustment has no impact on calculating the accounting expense relating to the performance shares concerned.

d. The weighted-average remaining period prior to the delivery of performance shares was 1.9 years.

Performance shares definitively vest at the end of a three-year period (vesting period) subject to the satisfaction of performance criteria and the presence of the beneficiaries within Vivendi. Furthermore, following vesting, the shares are subject to a two-year holding period (retention period). The compensation cost is recognised on a straight-line basis over the vesting period. In addition, certain employees not resident in France receive their performance shares only at the end of a five-year period according to local tax regulations. The accounting methods that are applied to estimate and recognise the value of these granted plans are described in Note 2.3.11.

In 2023, the charge recognised with respect to all performance share plans granted by Vivendi amounted to €3 million compared to €3 million in 2022 and €4 million in 2021.

22.1.2 Employee stock purchase and leveraged plans

On 20 July 2023 and 26 July 2022, Vivendi implemented an employee shareholding transaction through the sale of treasury shares pursuant to an employee stock purchase plan reserved for employees of French subsidiaries and corporate officers of the Vivendi.

Under the employee stock purchase plan (ESPP), 700 thousand shares were acquired in 2023 through a company mutual fund (*Fonds Commun de Placement d'Entreprise*) at a price per share of €8.171, compared to 658 thousand shares acquired in 2022 at a price per share of €9.298. In 2023, no expenses were recorded in respect of the employee stock purchase plan, compared to an unsignificant amount in 2022.

Under the leveraged plan, 3,156 thousand shares were acquired in 2022 through a company mutual fund at a price per share of €9.298. In 2022, the charge recognised under the leveraged plan amounted to €0.6 million.

In 2021, Vivendi did not implement any employee shareholding plan.

22.2 Dailymotion's long-term incentive plan

Certain corporate officers of Dailymotion, including Maxime Saada (a member of Vivendi's Management Board as from 24 June 2022, Chairman of the Management Board of Canal+ Group SA and Chief Executive Officer of Dailymotion), benefited from a long-term incentive plan due to expire on 30 June 2025, which is tied to the growth of Dailymotion's enterprise value compared to its acquisition price as of 30 June 2015, as such value would result from the sale of at least 10% of the company's share capital or based upon an independent appraisal carried out at the end of the plan. In the event of an increase in Dailymotion's value, the compensation with respect to the incentive plan would be calculated based on a percentage of such increase, depending on the beneficiary. In accordance with IFRS 2, a charge representative of this compensation must be estimated and recognised at each fiscal year end until the payment date. As of 31 December 2023, 2022, 2021 no expenses were recorded in relation to this plan.

Note 23 Borrowings and other financial liabilities and financial risk management

(in millions of euros)	31 December 2023				31 December 2022	31 December 2021
	Total		Long-term	Short-term		
Intercompany borrowings	**4,143**	(a)	**-**	**4,143**	**3,560**	**2,925**
Bonds	-		-	-	-	-
Bank credit facilities	14		-	14	17	23
Short-term marketable securities	-		-	-	-	-
Bank overdrafts	9		-	9	5	4
Accrued interest to be paid	-		-	-	-	-
Cumulative effect of amortized cost	-		-	-	-	-
Other	8		8	-	10	8
Borrowings at amortized cost	**31**		**8**	**23**	**32**	**35**
Commitments to purchase non-controlling interests	30		27	3	65	29
Derivative financial instruments	22		15	7	8	6
Borrowings and other financial liabilities	**4,226**		**50**	**4,176**	**3,665**	**2,995**
Lease liabilities	223		182	41	229	216
Total	**4,449**		**232**	**4,217**	**3,894**	**3,211**

a. On 16 April 2024, Vivendi SE's loan to Canal+ Group S.A. was converted into share capital to an amount of €3,400 million (please refer to Note 25.2).

Borrowings and other financial liabilities

Canal+'s financing arrangements

On 4 June 2024, Canal+ and MultiChoice issued a combined circular to MultiChoice shareholders regarding the mandatory offer by Canal+ to acquire the MultiChoice shares it does not own for a consideration of ZAR125 per share, representing an aggregate cash consideration to be paid by Canal+ of ZAR35,373 million, fully financed from funds available to Canal+ (please refer to notes 3.1 and 25.2).

In accordance with South African takeover regulations, Canal+ provided the TRP with a bank guarantee issued by a South African bank on behalf of Canal+. Under the bank guarantee, this South African bank has agreed to pay up to a maximum amount equal to ZAR35,373 million in relation to the mandatory offer, upon the offer becoming operative and being implemented.

Simultaneously, to cover the bank guarantee, Canal+ entered a credit facility, which may be utilised by way of drawing of loans and issue of a letter of credit, up to a maximum amount of €1,900 million. Vivendi SE is guarantor (*caution solidaire)* in respect of Canal+ obligations under the credit facility, Canal+ being the primary obligor.

In addition, Canal+ set up a derivative financial instrument to hedge its EUR-ZAR foreign currency risk for a notional amount of €1,200 million.

23.1 Fair market value of borrowings and other financial liabilities

	December 31, 2023			December 31, 2022			December 31, 2021		
(in millions of euros)	Carrying amount	Fair market value	Level (a)	Carrying amount	Fair market value	Level (a)	Carrying amount	Fair market value	Level (a)
Nominal value of borrowings	4 174			3 592			2 960		
Cumulative effect of amortized cost	-			-			-		
Borrowings at amortized cost	**4 174**	**4 174**	**na**	**3 592**	**3 592**	**na**	**2 960**	**2 960**	**na**
Commitments to purchase non-controlling interests	30	30	3	65	65	3	29	29	3
Derivative financial instruments	22	22	2	8	8	2	6	6	2
Borrowings and other financial liabilities	**4 226**	**4 226**		**3 665**	**3 665**		**2 995**	**2 995**	

na: not applicable.

a. The three classification levels for the measurement of financial liabilities at fair value are set out in Note 2.3.5.7.

Considering that borrowings relate to the current account with Vivendi SE which is reimbursable on demand, the management assessed that the fair value is equal to the carrying amounts that the level is not applicable.

The fair value of derivatives is based on observable market data and commonly used valuation models, such as the market approach and the income approach.

The commitments to purchase non-controlling interests relate to the undiscounted expected future payments depending on performance of acquisitions. Their fair value fair usually assessed using third party valuation report and/or discounted cashflows valuation model.

23.2 Borrowings by maturity

(in millions of euros)	31 December 2023
Maturity	
< 1 year	4,165
Between 1 and 2 years	7
Between 2 and 3 years	1
Between 3 and 4 years	1

Between 4 and 5 years	-
> 5 years	-
Nominal value of borrowings	**4,174**

23.3 Interest rate risk management

Vivendi’s interest rate risk management seeks to reduce its net exposure to interest rate increases. Therefore, to the extent needed, Canal+ Group uses interest rate swaps. These instruments enable Canal+ Group to manage and reduce the volatility of future cash flows related to interest payments on borrowings.

As of 31 December 2023, the nominal value of borrowings at fixed interest rate amounted to €2 million and the nominal value of borrowings at floating interest rate amounted to €4,171 million of which (i) Vivendi SE's loan to Canal+ Group S.A. that was partially converted into share capital to an amount of €3,400 million on 16 April 2024 and ceased to bear interest as from 1 January 2024 and (ii) Vivendi SE's loan to Dailymotion. The Vivendi’s loans to Canal Olympia, Dailymotion SA and Groupe Canal+ SA were converted into share capital and share premium for an aggregate of €1,257 million, on 23 July 2024, on 25 July 2024 and on 30 September 2024, respectively. The remaining amount of the shareholder loans will be reimbursed to Vivendi prior to the Listing using the new €1,150,000,000 senior facilities agreement (comprised of a €400,000,000 term loan facility and a €750,000,000 revolving credit facility entered into in July 2024).

As of 31 December 2023, Canal+ Group had not entered into any interest rate swaps.

23.4 Foreign currency risk management

The foreign currency risk management is centralised by Vivendi SE’s Financing and Treasury department for all Canal+ Group combined entities. This policy primarily seeks to hedge budget exposures for the following year resulting from monetary flows generated by operations performed in currencies other than the euro, as well as from external firm commitments, relating to the acquisition of editorial content (e.g., sports, audiovisual and film rights) and certain capital expenditures (e.g., set-top boxes), realised in currencies other than the euro. The hedging instruments are foreign currency swaps or forward contracts that mostly have maturity periods of less than one year. In addition, the group may hedge foreign currency exposure resulting from foreign currency denominated financial assets and liabilities.

Breakdown by currency

(in millions of euros)	31 December 2023	31 December 2022	31 December 2021
Euro - EUR	3,955	3,477	2,855
US dollar - USD	48	75	68
Livre sterling - GBP	133	9	9
Other	38	31	28
Nominal value of borrowings before hedging	**4,174**	**3,592**	**2,960**
Currency swaps USD	*649*	*345*	*423*
Currency swaps GBP	*24*	*12*	*(3)*
Other currency swaps	*(197)*	*(114)*	*(228)*
Net total of hedging instruments (a)	***476***	***243***	***192***
Euro - EUR	4,430	3,719	3,048
US dollar - USD	(600)	(270)	(355)

Livre sterling - GBP	109	(2)	11
Other	235	145	256
Nominal value of borrowings after hedging	**4,174**	**3,592**	**2,960**

a. Notional amounts of hedging instruments translated in euros at the closing rates.

Foreign currency risk

The following tables set out the foreign currency risk management instruments used by Canal+ Group; the positive amounts relate to currencies to be received and the negative amounts relate to currencies to be delivered at contractual exchange rates:

	31 December 2023							
	Notional amounts						Fair value	
(in millions of euros)	**Total**	USD	PLN	GBP	CZK	Other	Assets	Liabilities
Sales against the euro	(270)	(62)	(131)	(22)	(48)	(7)	3	5
Purchases against the euro	739	708	-	24	-	7	16	17
Other	-	(17)	(7)	21	-	3	1	-
	469	**629**	**(138)**	**23**	**(48)**	**3**	**20**	**22**

	31 December 2022							
	Notional amounts						Fair value	
(in millions of euros)	**Total**	USD	PLN	GBP	CZK	Other	Assets	Liabilities
Sales against the euro	(213)	(99)	(35)	(23)	(41)	(15)	4	4
Purchases against the euro	416	380	-	36	-	-	39	3
Other	-	23	(18)	(1)	-	(4)	2	1
	203	**304**	**(53)**	**12**	**(41)**	**(19)**	**45**	**8**

	31 December 2021							
	Notional amounts						Fair value	
(in millions of euros)	**Total**	USD	PLN	GBP	CZK	Other	Assets	Liabilities
Sales against the euro	(283)	(113)	(97)	(14)	(39)	(20)	4	6

Purchases against the euro	444	432	-	11	-	1	26	-
Other	-	72	(72)	1	-	(1)	6	-
	161	**391**	**(169)**	**(2)**	**(40)**	**(20)**	**36**	**6**

23.5 Derivative financial instruments

Value on the statement of financial position

	31 December 2023		31 December 2022		31 December 2021	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Interest rate risk management	-	-	-	-	-	-
Foreign currency risk management	20	22	45	8	36	6
Other	-	-	-	-	-	-
Derivative financial instruments	**20**	**22**	**45**	**8**	**36**	**6**
Deduction of current derivative financial	19	7	31	8	19	5
Non-current derivative financial	**1**	**15**	**14**	**-**	**17**	**1**

Note 24 Cash Flow Statement

24.1 Adjustments

	Year ended 31 December		
(in millions of euros)	2023	2022	2021
Items related to operating activities with no cash impact			
Amortization and depreciation of intangible and tangible assets	379	358	351
Change in provision, net	(41)	(40)	(22)
Other non-cash items from Operating income (EBIT)	3	(1)	(5)
Impairment loss	2	2	-
Proceeds from sales of property, plant, equipment and intangible assets	1	2	3
Adjustments	**344**	**321**	**327**

24.2 Investing and financing activities with no cash impact

In 2023, 2022 and 2021, there were no significant investing and financing activities without a cash impact.

On 16 April 2024, Vivendi SE's loan to Canal+ Group S.A. was converted into share capital to an amount of €3,400 million.

Note 25 Related parties

Canal+ Group’s related parties are corporate officers, members of Canal+ Group SA’ (“Canal+”) is Supervisory and Management Boards, as well as other related parties, including:

- companies fully consolidated by Canal+. The transactions between these companies have been eliminated for the preparation of the Combined Financial Statements;
- companies over which Canal+ Group exercises a significant influence;
- all companies in which key executive managers or their close relatives hold significant voting rights;
- minority shareholders exercising a significant influence over Canal+ Group's subsidiaries;
- Vivendi Corporate and its consolidated entities (the "Vivendi Group"), as well as their related parties; and
- Bolloré Group and its related parties, given that Vivendi has been fully consolidated by Bolloré Group since 26 April 2017.

25.1 Corporate Officers

Supervisory Board

As of 31 December 2023 and 2022, Canal+'s Supervisory Board was comprised of 12 members: Mr. Jean-Christophe Thiery, Chairman; Mses. Pascale Chabert, Stéphanie Ferrier, Géraldine Gygi Laggiard (since 28 January 2022), Laetitia Menasé, Céline Merle-Béral, Emilie Pietrini, and Messrs. Vincent Bolloré, Arnaud de Puyfontaine, Frédéric Crepin, François Laroze (since 20 July 2022), Marc Taieb, members. As of 31 December 2021, Canal+'s Supervisory Board was comprised of 14 members, including the 12 above mentioned members, as well as Ms. Anna Marsh (until 28 January 2022), Messrs. Stephane Roussel and Simon Gilham (until 20 June 2022) and Mr. Hervé Philippe (until 4 July 2022).

For the fiscal years ended 31 December 2023, 2022 and 2021, the aggregate gross amount of the attendance fees paid to the members of the Supervisory Board of Canal+ was €26,250, €26,857, and €27,188, respectively.

Management Board

As of 31 December 2023, Canal+'s Management Board was comprised of 4 members: Mr. Maxime Saada, Chairman; Ms. Anna Marsh (since 28 January 2022), and Messrs. Jacques du Puy and Grégoire Castaing. The term of office of former member Mr. Franck Cadoret expired on 30 November 2022.

Their aggregate compensation for the fiscal years ended 31 December 2023, 2022 and 2021 is presented in the table below.

	Year ended December 31,		
(in euros)	2023	2022	2021
Short-term employee benefits	9 010 825	9 120 230	11 068 022
Post-employment benefits	99 579	149 145	42 169
Other long-term benefits	-	-	-
Termination benefits	3 644 779	-	-
Share-based payments	819 377	1 279 200	1 295 842
Management Board Compensation	**13 574 560**	**10 548 575**	**12 406 033**

25.2 Cash management agreement between Vivendi SE and Canal+ Group SA

In compliance with Article L. 511-7 of the French Monetary and Financial Code, Canal+ Group SA (and its subsidiaries) and other combined entities entered into intra-group cash management agreements, on market terms, with Vivendi SE. Under these agreements:

- Vivendi centralises cash surpluses (cash pooling) of its controlled entities which (i) are not subject to local regulations restricting the transfer of financial assets, or (ii) are not subject to other contractual obligations, and

- Canal+ and GVA borrowed from Vivendi to finance their investments; Dailymotion and CanalOlympia borrowed from Vivendi to cover their operating losses.

Upon these contracts, Vivendi SE organises, coordinates and optimises these entities' cash requirements and surplus. In exchange, Vivendi SE receives a remuneration equal to the spread between the borrowing and lending interest rates applied. These interest rates are calculated for each currency based on defined reference rates adjusted with a positive or negative margin. These agreements have been entered into for an indefinite period in the absence of termination notice from one of the parties to the contract.

As of 31 December 2023, 2022 and 2021, the balance of cash surpluses centralised by Vivendi SE and borrowings from Vivendi SE is presented below.

Intercompany loans to Vivendi SE

(in millions of euros)	31 December 2023	31 December 2022	31 December 2021
Canal+ Group SA	79	76	64
L'Olympia	15	11	11
Other	-	-	-
Intercompany loans to Vivendi SE	**94**	**87**	**75**

Intercompany borrowings from Vivendi SE

(in millions of euros)	Year ended 31 December			
	2023		2022	2021
Canal+ Group SA	3,453	(a)	2,994	2,465
Dailymotion	308		268	227
Group Vivendi Africa	275		207	152
Canal Olympia	99		85	74
Other	7		7	7
Intercompany borrowings from Vivendi SE	**4,143**		**3,560**	**2,925**

a. On 16 April 2024, Vivendi SE's loan to Canal+ Group S.A. was converted into share capital to an amount of €3,400 million.

Cash flows related to borrowings from Canal+ Group owner are included in other change in short term borrowings and other financial liabilities in the combined statement of cash flow.

25.3 Guarantees granted by Vivendi SE on behalf of Canal+ Group SA

As of 31 December 2023, Vivendi SE has granted guarantees in various forms to third parties or financial institutions on behalf of Canal+ Group SA ("Canal+") in the course of its operations:

Commitments by type of operations

(in millions of euros)	31 December 2023
Sports broadcasting rights	1,811
Satellite transponders	174

Cash management arrangements	250
Security deposit on leases and other	287
Total	**2,521**

Commitments by type of guarantees

(in millions of euros)	31 December 2023
Vivendi SE's guarantees	2,059
Bank guarantees	225
Comfort letters	236
Total	**2,521**

In addition, on 4 June 2024, Canal+ Group SA ("Canal+") and MultiChoice Group Ltd. ("Multichoice") issued a combined circular to MultiChoice shareholders regarding the mandatory offer by Canal+ to acquire the MultiChoice shares that it does not own for a consideration of ZAR125 per share, representing an aggregate cash consideration to be paid by Canal+ of ZAR35,373 million, fully financed from funds available to Canal+ (please refer to notes 3.1).

In accordance with South African takeover regulations, Canal+ provided the TRP with a bank guarantee issued by a South African bank on behalf of Canal+. Under the bank guarantee, this South African bank has agreed to pay up to a maximum amount equal to ZAR35,373 million in relation to the mandatory offer, upon the offer becoming operative and being implemented.

Simultaneously, to cover the bank guarantee, Canal+ entered a credit facility, which may be utilised by way of drawing of loans and issue of a letter of credit, up to a maximum amount of €1,900 million. Vivendi SE is guarantor (*caution solidaire)* in respect of Canal+ obligations under the credit facility, Canal+ being the primary obligor (please refer to Note 23).

25.4 Other related-party transactions

Canal+ Group's other related parties include companies over which Canal+ Group exercises a significant influence (e.g., MultiChoice, Viu and Viaplay). They also include Vivendi Corporate, its consolidated entities (e.g., Lagardère and Havas) and its related parties (e.g., Telecom Italia and Banijay Group Holding), as well as Bolloré Group, its subsidiaries and its related parties.

As of 31 December 2023, Canal+ Group's borrowings from Vivendi SE amounted to €4,158 million, compared to €3,557 million as of 31 December 2022 and €2,921 million as of December 2021 (please refer to Note 23).

Please refer to Note 6 for information on financial income related to interest paid on borrowings from Vivendi.

Operating income amounted to €39 million in 2023, compared to €46 million in 2022 and €45 million in 2021. It mainly comprised:

- TVN: €20 million in 2023, compared to €18 million in 2022 and €6 million in 2021;
- MC Vision: €9 million in 2023, compared to €8 million in 2022 and €8 million in 2021; and
- MultiChoice: €5 million in 2023, compared to €6 million in 2022.

Operating expenses amounted to -€135 million in 2023, compared to -€164 million in 2022 and -€132 million in 2021. They mainly comprised:

- MultiChoice: -€33 million in 2023, compared to -€32 million in 2022;
- Havas: -€32 million in 2023, compared to -€32 million in 2022 and -€35 million in 2021;
- Bolloré Group: -€18 million in 2023, compared to -€27 million in 2022 and -€30 million in 2021; and

- Vivendi Corporate: -€20 million in 2023, compared to -€22 million in 2022 and -€18 million in 2021.

25.5 Services invoiced by Vivendi Corporate

	Year ended 31 December		
(in millions of euros)	2023	2022	2021
Management fees	9	9	8
Share-based compensation plans	2	4	4
Other	11	14	14
Services invoiced by Vivendi Corporate	**22**	**27**	**26**

Note 26 Contractual obligations and other commitments

Canal+ Group's material contractual obligations and contingent assets and liabilities include:

- certain contractual obligations relating to Canal+ Group's business operations, such as content commitments, contractual obligations and commercial commitments recorded in the combined statement of financial position, including leases and off-balance sheet commercial commitments, such as long-term service contracts and purchase or investment commitments;
- commitments related to Canal+ Group's combination scope made in connection with acquisitions or divestitures such as share purchase or sale commitments, contingent assets and liabilities subsequent to given or received commitments related to the divestiture or acquisition of shares, commitments under shareholders' agreements and collateral and pledges granted to third parties over Vivendi's assets;
- commitments related to Canal+ Group's financing: undrawn confirmed bank credit facilities as well as the management of interest rate, foreign currency and liquidity risks (please refer to Note 23.3); and
- contingent assets and liabilities resulting from legal proceedings in which Canal+ Group and/or its subsidiaries are either plaintiff or defendant (please refer to Note 27).

26.1 Contractual obligations and commercial commitments

	Minimum future payments as of 31 December 2023				31 December 2022	31 December 2021
		Due in				
(in millions of euros)	Total	2024	2025 - 2028	After 2028		
Contractual content commitments (Note 11.3)	5,649	1,848	3,658	143	6,719	5,406
Commercial commitments	763	205	459	99	634	803
Net off-balance sheet commitments	**6,412**	**2,053**	**4,117**	**242**	**7,353**	**6,209**

As of 31 December 2023, other commitments relating to operations amounted to €6 million (€1 million as of 31 December 2022 and €3 million as of 31 December 2021).

26.2 Share purchase and sale commitments

In connection with the purchase or sale of operations and financial assets, Canal+ Group has granted or received commitments to purchase or sell securities. In addition, Canal+ Group and its subsidiaries granted or received put or call options on shares in equity affiliates and unconsolidated investments.

On 20 June 2024, Canal+ announced that it held 36.8% of Viu's share capital (increased to 37.2% on 8 October 2024 due to subsequent contractual adjustments). Canal+ has an option to increase its ownership interest in Viu to 51% (please refer to Note 3.2).

On 7 April 2024, Canal+ and MultiChoice confirmed their intention to mutually co-operate by signing an exclusive co-operation agreement and jointly publishing a firm intention announcement on 8 April 2024 (for a detailed description of the operation, please refer to Note 3.1).

26.3 Other contingent assets and liabilities

Context	Main terms	Expiry
Contingent liabilities		
na	na	na
Contingent assets		
Acquisition of the companies that own and manage all Paddington intellectual property rights, except for the publishing rights (June 2016)	General and specific guarantees (including tax matters and intellectual property guarantees).	2024
Other contingent assets	Cumulated amount of €79 million (compared to €78 million as of December 31, 2022 and €79 million as of December 31, 2021).	-

The accompanying notes are an integral part of the contingent assets and liabilities described above.

Several guarantees given during prior years in connection with asset acquisitions or disposals have expired. However, the time periods or statutes of limitation of certain guarantees relating to, among other things, employees, environment and tax liabilities, in consideration of share ownership, or given notably in connection with the winding-up of certain businesses or the dissolution of entities are still in effect. To the best of Canal+ Group's knowledge, no material claims for indemnification against such liabilities have been made to date.

In addition, when settling disputes and litigation, Canal+ Group regularly delivers commitments for damages to third parties that are customary for transactions of this type.

As of 31 December 2023, the Canal+ Group is not subject to guarantees clauses under the terms of disposal agreements between Canal+ Group and the acquirer of certain assets (including shares ownership).

As of 31 December 2023, to its best knowledge, the Canal+ Group is not aware of material claims for indemnification against liabilities in connection with the winding-up or dissolution of certain businesses.

26.4 Shareholders' agreements

Under existing shareholders' or investors' agreements, Canal+ Group and its subsidiaries hold certain rights (e.g., pre-emptive rights and rights of first offer) that give it control over the capital structure of its consolidated companies having minority shareholders. Conversely, Canal+ Group has granted similar rights to these other shareholders in the event that it sells its interests to third parties.

Moreover, pursuant to other shareholders' agreements or the bylaws of other consolidated entities, equity affiliates or unconsolidated interests, Canal+ Group or its subsidiaries have given or received certain rights (pre-emptive and other rights) entitling them to maintain their shareholder's rights.

In addition, in accordance with Article L. 22-10-11 of the French Commercial Code, it is hereby stated that certain rights and obligations of Vivendi under existing shareholders' agreements may be amended or terminated in the event of a change of control of Vivendi or a tender offer for Vivendi's shares.

These shareholders' agreements are subject to confidentiality provisions.

26.5 Collaterals and pledges

As of 31 December 2023, 2022 and 2021, no material asset in the combined statement of financial position was subject to a pledge or mortgage for the benefit of third parties.

Note 27 Litigation

In the course of its ordinary activities, Canal+ Group may be involved in legal, arbitration, administrative or regulatory proceedings, including disputes with its suppliers, competitors and employees, as well as audiovisual and tax authorities and similar bodies. At the date of this document, the Group is not aware of any governmental, legal or arbitration proceedings, including any proceedings which are ongoing or with which it is threatened, other than those mentioned below.

Expenses resulting from any governmental, legal or arbitration proceedings are recognised as provisions only when they are likely to be incurred and the financial obligation resulting from such proceedings can be reasonably quantified or estimated. In such case, the provision amount represents the group's best estimate of the risk resulting from such proceedings, based on a case-by-case assessment of the risk level. The group may reassess this risk at any time if new events occur during the proceedings. As of 31 December 2023, the group's total provision for contingencies and expenses amounted to €276 million (please refer to Note 20).

Parabole Réunion

Following the acquisition by the Group of the TPS channels, notably TPS Foot, which were previously distributed by Parabole Réunion, Parabole Réunion initiated several legal proceedings against the Group before the Paris Tribunal de Grande Instance (the Paris Court of First Instance): in 2007, Parabole Réunion requested that the Court order the Group to make available, on an exclusive basis, several channels with a level of attractiveness similar to that of the former TPS channels licensed to Parabole Réunion prior to 2007 and pay damages to it, and in 2012, Parabole requested that the Court rule that the Group (and more specifically Canal+ France, Canal+ Group and Canal+ Distribution) failed to fulfil their contractual obligations to Parabole Réunion and their commitments to the Ministry of Economy, pursuant to which they had undertaken to make available a number of channels to Parabole Réunion.

In 2014, the Paris Court of First Instance partially admitted Parabole Réunion's claim related to the attractiveness of the channels with respect to the period following 19 June 2008 and concluded that the Group was liable pursuant to its contract with Parabole Réunion on the grounds of the deterioration of the quality of certain channels made available to Parabole Réunion, and ordered an expert report in respect of the amount of damages suffered by Parabole Réunion.

In June 2016, the Paris Court of Appeals upheld the 2014 decision of the Paris Court of First Instance.

In January 2017, the Paris Court of First Instance ordered the Group to pay to Parabole Réunion damages in an amount of €37,720,000, which was paid in full by the Group. The amount of damages thus granted by the Court was far below Parabole Reunion's claims and the amount set forth by the Court-appointed expert. As a result, Parabole Réunion appealed this decision.

Further to additional claims and challenges by Parabole Réunion, in February 2022 and following a second expertise ordered at Parabole Réunion's request, the Paris Court of Appeals upheld the January 2017 decision in its entirety, except for the amount of damages awarded for operating losses suffered by Parabole Réunion, which was then set by the Paris Court of Appeals at €48.55 million for the period 2008-2012 (which amount was increased to €49.3 million further to the issuance by the Court of an amended decision in March 2024 and paid in full by the Group), and at €29.5 million for the period 2013-2016, all of which were to be capitalised at an interest rate of 11% for the period from 1 January 2013 to 31 December 2016 (which capitalisation was subsequently extended to the period 2008-2012 by decisions of the Paris Court of Appeals of April 2022 and May 2022). It also ordered the Group to pay €1 million in damages for reputational harm and €500,000 in moral damages.

Further to appeals by the Group and by Parabole Réunion, the French Supreme Court (Cour de cassation) upheld the principal amount of the damages awarded by the Paris Court of Appeal on 11 February 2022, but reversed the provisions of the judicial decision ordering the Group to pay interest to Parabole Réunion at the capitalisation rate of 11% and remanded the case to the Paris Court of Appeal.

In connection with the pending procedure before the Paris Court of Appeals, Parabole Réunion seeks payment for compensatory damages and interest, including (i) interest capitalised at 11% for the period 2008 to 2012 estimated at €7 million, (ii) an additional amount of €190 million of damages in respect of 2013, and (iii) interest capitalised at the regulatory rates applied by the Autorité de régulation des communications électroniques, des postes et de la distribution de la presse (Arcep) and/or Vivendi's weighted average cost of capital for the period starting after 2014, estimated at €43 million. It also seeks publication of the decision and €12.5 million in compensation for the reimbursement of legal fees and expenses disbursed by it pursuant to Article 700 of the French Code of Civil Procedure. A decision by the Paris Court of Appeal is expected on 25 November 2024.The Group has recorded a provision for some but not all of the claims raised by Parabole Réunion, including because part of these claims relate to amounts not admissible under res judicata (claim preclusion)..

ARCOM

The Group's free to air channel C8 and Cnews have been the subject of monetary sanctions (i.e. fines) by the French Broadcasting Authority (Conseil Supérieur de l'Audiovisuel or "CSA") or its successor, the Regulatory Authority for Audiovisual and Digital Communication (Autorité de régulation de la communication audiovisuelle et numérique or "Arcom") from 2017 to 2024, relating in particular to segments of the show "TPMP" broadcast on the C8 channel and segments broadcast on CNews. These sanctions were imposed for various regulatory violations. The company appealed each of such sanction decisions to the French Council of State (Conseil d'État), certain of these appeals were successful. There are currently several similar matters pending with the ARCOM.

Canal+ Polska

On 8 January 2024, the Polish Office of Competition and Consumer Protection (UOKiK) rendered a sanction decision against Canal+ Polska, considering that a number of sales practices implemented by Canal+ Polska's external service providers seeking to conclude contracts over phone calls were detrimental to the collective interests of consumers.

The fine imposed on Canal+ Polska was 46,557,853 zlotys (€10.6 million).

The UOKiK also ordered Canal+ Polska to compensate customers affected by these practices by (i) repaying the amount of the contractual termination penalty paid by customers who entered into subscription contracts with the company between 10 October 2019 and 22 April 2022 and exercised their termination right before the end of the contract's validity period and (ii) refunding subscription fees paid by customers who, between 10 October 2019 until 29 December 2023, submitted a complaint regarding irregularities in subscription offers made by the company, and who did not receive a full refund in connection with the submitted complaint. UOKiK stated in its decision that these repayments/refunds were required to occur by the end of a two-month period following the request made by the concerned consumers. In accordance with Polish law, the UOKiK's decisions are not binding and cannot be regarded as enforceable if a party mentioned in the decision files an appeal against it. Canal+ Polska already lodged an appeal against this decision on 29 January 2024 with the Warsaw's Commercial Court.

Canal+ against Mediapro

On 18 September 2020, the Group filed a claim against Mediapro before the Nanterre Commercial Court for unequal treatment and discriminatory practices in the context of discussions that had taken place between the two companies regarding the distribution of the Telefoot channel, which has since been discontinued. On 2 October 2020, the Nanterre Commercial Court referred the case to the Paris Commercial Court.

On 20 November 2020, Mediapro filed counter-claims against the Group, alleging (i) abuse of dominant position and unfair practices in the Telefoot distribution contract negotiations and (ii) disparaging statements constituting unfair competition. The two cases were subsequently joined and Mediapro entered into liquidation proceedings in France.

The Group subsequently sought damages for the 2018 bids whereby Mediapro obtained the broadcasting rights (see above) based on bids that are deemed by the Group both exorbitant and lacking economic rationality, while Mediapro increased its claims to €369 million for alleged operational damages, €185 million for alleged loss of future income and €35 million for cessation of activity.

On 16 June 2022, the Group filed a request for forced intervention against Mediapro International, a division of the Mediapro Group, on the ground that it participated to the 2018 wrongful bids. In October 2022, the Paris Commercial Court decided that the question of the admissibility of Mediapro International's intervention should be joined with the case on the merits.

On 31 January 2023, the Paris Commercial Court dismissed all of the parties' respective claims. On 30 March 2023, Mediapro appealed against the Paris Commercial Court's decision. The appeal is pending before the Paris Court of Appeals.

Canal+ against the French Professional Football League

The Group initiated proceedings against the LFP following the call for tenders launched by the LFP on 19 January 2021 for the sale of the League 1 rights returned by Mediapro and the award of those rights to Amazon for an amount of €250 million per season. Those rights had been acquired by Mediapro in the 2018 LFP call for tenders in respect of the 2020-2021 to 2023-2024 seasons, while the Group had acquired from beIN Sports other broadcasting rights (Lot 3) obtained by beIN pursuant to that same call for tenders for an amount of €332 million per season. These proceedings involve claims by the Group to obtain (i) the annulment of the 2021 LFP call for tenders, (ii) the request that the LFP launch a new call for tender of all of League 1 broadcasting rights for the period concerned by the 2021 LFP call for tenders, (iii) the annulment of the contract relating to Lot 3 acquired by the Group, (iv) the suspension of the agreement entered into between the LFP and Amazon and the reallocation of the lots attributed to Amazon for the 2022-2023 and 2023-2024 seasons, and (v) the repayment of the difference between the price paid by the Group for the acquisition of Lot 3 and the current economic value of such rights further to the award of the rights returned by Mediapro to Amazon. These proceedings are described in further detail below. Two of them are pending before the French Supreme Court (Cour de cassation) and one is pending before the Paris Court of Appeals.

First, on 22 January 2021, the Group brought fast-track proceedings against the LFP before the Paris Commercial Court, seeking, among other things, the annulment of the 2021 call for tenders and of any subsequent contract and an injunction against the LFP to launch a new call for tenders for all of League 1 broadcasting rights. In March 2021, the Paris Commercial Court dismissed all the Group's claims and ordered it to pay €50,000 to the LFP for legal fees. In April 2021, the Group appealed against this decision before the Paris Court of Appeals, which upheld the lower court's decision in a decision rendered on 3 February 2023. On 10 March 2023, the Group appealed against this decision to the French Supreme Court (Cour de cassation). On 25 September 2024, the French Supreme Court (Cour de cassation) overturned the Paris Court of Appeals' decision and sent the case back to the Paris Court of Appeals.

Second, in January, 2021, the Group also filed a claim and a request for interim measures against the LFP before the French Competition Authority, demanding in particular that the LFP organise a new call for tenders for all League 1 broadcasting rights for the broadcasting period concerned. The French Competition Authority denied the Group's claim and request for interim measures for lack of sufficiently probationary evidence on 11 June 2021. The Group appealed against this decision, and such appeal was dismissed on 30 June 2022. On 28 July 2022, the Group appealed this dismissal to the French Supreme Court (Cour de cassation). On 25 September 2024, the French Supreme Court (Cour de cassation) dismissed the Group's appeal. As a result, the decision of the French Competition Authority of 11 June 2021 became final.

Third, in July 2021, beIN Sports, the original licensee of Lot 3, which sub-licensed such Lot 3 to the Group, filed a claim against the LFP before the Paris Civil Court requesting that the Court declare the contract relating to Lot 3 null and void or, alternatively, terminate it on grounds of hardship. On 19 September 2023, the Paris Civil Court dismissed all of beIN Sports and the Group's claims. The Group and beIN Sports appealed against this decision in October and November 2023, respectively. The proceedings before the Paris Court of Appeals are still pending.

BeIN Sports against Canal+ Group

As part of the 2018 call for tenders for the rights to broadcast the League 1 football Championship for the 2020-2021 to 2023-2024 seasons, beIN Sports was awarded Lot 3 and subsequently sub-licensed these rights to the Group. Following the return of the League 1 Championship rights for Lots 1, 2, 4, 5 and 7 by Mediapro in January 2021, the French Professional Football League (LFP) subsequently awarded these rights to Amazon on 11 June 2021, for an amount of €250 million (compared to the €780 million paid for these same lots when they were awarded to Mediapro). Considering the price paid by the Group for the rights to broadcast the Lot 3 matches compared to the price of the matches sold to Amazon, the Group believes that it was subject to serious unequal treatment and discriminatory practices. Accordingly, it notified the LFP that it would no longer broadcast this Lot 3 once the championship resumed in August 2021.

In parallel, the Group, in its capacity as sub-licensee of the rights to Lot 3, enjoined beIN Sports to take all legal measures to have the agreement relating to Lot 3, signed between beIN Sports and the LFP, declared null and void and to refer the matter to the French Competition Authority on the grounds of discriminatory practices and distortion of competition. Faced with beIN Sports' inaction, in July 2021, the Group notified beIN Sports that it was suspending the performance of its obligations under the sub-license agreement, considering that beIN Sports had failed to fulfil its essential obligation to take the abovementioned legal actions.

Considering that the suspension of the performance of the sub-license agreement constituted a manifestly unlawful disturbance and exposed beIN Sports to imminent damages vis-à-vis the LFP, beIN Sports requested an interim injunction against the Group to produce, broadcast and pay for the matches in Lot 3 of the French League 1 championship. On 23 July 2021, the Nanterre Commercial Court dismissed beIN Sports' requests. Such decision was appealed by beIN Sports. On 31 March 2022, the appeal was rejected by the Versailles Court of Appeals and on 13 December 2023, a subsequent appeal was dismissed by the French Supreme Court (Cour de cassation).

On 24 July 2021, the Group terminated the sub-license agreement with beIN Sports on the ground that its refusal to take legal actions against the LFP irremediably compromised the Group's rights. As a result, on 29 July 2021, beIN Sports requested another interim injunction against the Group seeking specific performance of the Group's obligations under the sub-license agreement, which resulted in the Nanterre Commercial Court issuing an interim order, on 5 August 2021, enjoining the Group to fulfil all of its obligations under the sub-license agreement pending a decision on the merits regarding the validity of the termination of the agreement by the Group. Such decision was appealed by the Group but, pursuant to the injunction, the Group continued to broadcast these matches and to pay the contractual amounts to BeIN Sports. On 31 March 2022, the appeal was rejected by the Versailles Court of Appeals, thereby ordering the Group to continue to perform the agreement relating to Lot 3. On 13 December 2023, a subsequent appeal was also dismissed by the French Supreme Court (Cour de cassation).

In addition, on 2 February 2022, beIN Sports brought proceedings on the merits against the Group before the Paris Commercial Court, challenging the termination of the sub-license by the Group and thus seeking a final injunction against the Group to perform its obligations under the sub-license agreement. On 5 July 2022, the Paris Commercial Court ruled that the termination clause was valid, but that the Group was not entitled to terminate the sub-license agreement with beIN Sports. Following an appeal against this decision, on 31 May 2024, the Paris Court of Appeals considered that the termination clause did not meet the French Civil Code's requirements and thus dismissed the Group claims.

UFC-Que Choisir against Canal+ Group and SECP

On 20 April 2018, the Departmental Directorate for the Protection of the Populations of the Hauts-de-Seine (*Direction départementale de la protection des populations des Hauts-de-Seine*) ("**DDPP92"**) issued an injunction against Canal+ Group to stop switching its customers to more expensive subscription plans, a practice which the DDPP92 alleges to be an "unordered sale". At the same time, DDPP92 informed Canal+ Group that it had referred the case to the office of the Nanterre public prosecutor along with a statement that it deemed the Group to have committed the offense of forced sale of services, which is prohibited under the French Consumer Code (*Code de la consommation*). On 8 July 2020, the Nanterre Judicial Court approved a plea bargain agreement between the Group and the deputy public prosecutor of Nanterre.

On 27 April 2021, the Federal Union of Consumers (*UFC Que Choisir*) filed a claim against SECP and Groupe Canal+ before the Nanterre Judicial Court as part of a group action seeking reimbursement of amounts overpaid by subscribers.

In an order dated 25 November 2022, later confirmed by a decision of the Paris Court of Appeal issued on 14 November 2023, the pre-trial judge denied the Group's motions to dismiss. The proceedings on the merits are still ongoing.

Labor Disputes

The Group faces individual disputes related to dismissals on personal grounds as well as individual disputes in the ordinary course of its business. In this respect, the Group is currently subject to several procedures before the relevant labour courts (Conseil de Prud'hommes) regarding claims of dismissal without real and serious cause, claims of dismissal being null and void, or requests for temporary employment contracts or service contracts to be reclassified as permanent contracts. Furthermore, appeal proceedings relating to the claims made by several employees of the Group's call centres located in Saint Denis, demanding the annulment of their dismissal on the grounds that the implemented job protection plan was discriminatory, which were dismissed by the Bobigny Labor Court in 2021, are currently ongoing.

Canal+ against Technicolor

In December 2016, the Group and Technicolor entered into an agreement to manufacture and deliver G9 (for mainland France) and G9 Light (for Poland) set-top boxes. In 2017, Technicolor challenged the prices agreed with the Group and ultimately decided to terminate this agreement at the end of 2017. As a result, the Group brought summary proceedings against Technicolor before the Nanterre Commercial Court for breach of contract. On 15 December 2017, the Group's claim was dismissed. However, on 6 December 2018, the Versailles Court of Appeals ruled in favour of the Group, recognising the wrongful nature of the termination of the agreement by Technicolor. Technicolor filed an appeal before the French Supreme Court (Cour de cassation), which was dismissed on 24 June 2020.

In parallel, on 2 September 2019, the Group filed a claim before the Paris Commercial Court against Technicolor for breach of its contractual commitments. In its claim, the Group alleged that Technicolor failed to deliver the G9 and G9 Light set-top boxes in accordance with the manufacturing and delivery agreements entered into between the two companies. The Group demanded reimbursement of additional costs incurred, alternative transportation costs, late payment penalties and the payment of damages. In turn, on 9 October 2019, Technicolor filed a claim for unpaid invoices against the Group, Canal+ Reunion, Canal+ Antilles and Canal+ Caledonia before the Nanterre Commercial Court. On 2 September 2020, the Paris Commercial Court referred the case to the Nanterre Commercial Court. On 22 October 2021, the Nanterre Commercial Court issued a decision in which it recognised the wrongful nature of Technicolor's termination of the agreement and its requests for a price increase. The Court also ordered an expert appraisal to calculate the amounts of damages claimed by the Group in this dispute. Technicolor appealed against this decision and such appeal was dismissed in a decision rendered in March 2022. The proceedings before the Nanterre Commercial Court are continuing with respect to the expert appraisal that was ordered.

Sagemcom against Groupe Canal+

Sagemcom provides Canal+ Group with several hardware products, including the Global One (G11) set top box.

Sagemcom has made several claims against Canal+ Group relating to the set top box' orders Canal+ Group should have allegedly placed and is seeking payment of sums past due. Canal+ Group has disputed all claims made by Sagemcom.

On 30 July 2024, Sagemcom filed a claim against Groupe Canal+ before the Commercial Court of Paris, alleging that the Group was in breach of its contractual obligations and had abruptly terminated the commercial relations between the two groups. Sagecom is seeking to obtain (i) EUR 5,076,715.50 on a principal basis for alleged breach of the agreement (or EUR 3,984,015.41 subsidiarily by alleging that some provisions created a significant imbalance between the parties) and (ii) EUR 3,139,000 for abrupt termination of established commercial relations which is prohibited under section L. 442-1, II of the French Commercial Code.

The hearing of the case will take place on 15 November 2024.

Sky against Canal+ Luxembourg

On 20 June 2014, Sky filed a claim before the Luxembourg District Court seeking an injunction against Canal+ Luxembourg banning the use of the "Skylink" trademark or any other sign containing the word "Sky" and the payment of damages.

On 5 July 2019, the Luxembourg District Court rejected Sky's request, and such decision was appealed by Sky before the Court of Appeal of Luxembourg on 23 December 2019. The proceedings are still pending.

Copyright infringement claims against Dailymotion

In December 2023, Shanghai Tencent Penguin Film Culture Media Co. Ltd., Shenzhen Tencent Computer System Co., Ltd., and Tencent Technology (Beijing) Co, Ltd, (collectively "Tencent") filed a lawsuit against Dailymotion Inc. in Delaware, alleging copyright infringement for several unauthorised video uploads on the Dailymotion platform. Tencent claims that Dailymotion fails to prevent re-uploaded infringing content, lacks a repeat infringer policy, and does not remove entire channels or specific episodes without detailed URLs. Dailymotion claims that as a hosting provider, it is not legally required to proactively review content and does promptly remove notified infringing videos; it also considers that it employs tools (like Audible Magic and INA) to help manage copyright issues. The proceedings are pending and Tencent asked the court to make a determination of the damages it should be allowed to.

Note 28 List of main combined entities and entities transferred from Vivendi

As of 31 December 2023, approximately 227 entities were consolidated or accounted for under the equity method (compared to approximately 223 entities as of 31 December 2022 and 2021).

		December 31, 2023			December 31, 2022			December 31, 2021		
	Country	Accounting method	Voting interest	Ownership interest	Accounting method	Voting interest	Ownership interest	Accounting method	Voting interest	Ownership interest
Canal+ Group S.A.	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
Société d'Edition de Canal Plus	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
Canal+Thématiques S.A.S.	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
Canal+ International S.A.S.	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
C8	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
Studiocanal S.A.S.	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
M7/Canal+ Luxembourg	Luxembourg	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
SPI	Netherlands	C	100%	*100%*	C	70%	*70%*	na	na	*na*
Canal+ Polska S.A.	Poland	C	51%	*51%*	C	51%	*51%*	C	51%	*51,0%*
VSTV	Vietnam	C	49%	*49%*	C	49%	*49%*	C	49%	*49%*
MultiChoice Group	South Africa	E	(b)	*33,8%*	E	(b)	*29,13%*	na	na	*na*
Viu	Hong Kong	E	27,3%	*27,3%*	na	na	*na*	na	na	*na*
ViaPlay	Sweden	E	12,0%	*12,0%*	na	na	*na*	na	na	*na*
Dailymotion	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
Group Vivendi Africa	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
CanalOlympia	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
Théâtre de l'œuvre ("UBU")	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*
L'Olympia	France	C	100%	*100%*	C	100%	*100%*	C	100%	*100%*

C: consolidated; E: equity affiliates.

na: not applicable.

Note 29 Subsequent events

The significant events that occurred between the closing date as of 31 December 2023 and 30 October 2024, were as follows.

- As part of the recapitalisation of Viaplay Group ("Viaplay"), this restructuring plan was approved on 10 January 2024 by an Extraordinary General Meeting of Viaplay. On 9 February 2024, following the recapitalisation, Canal+ Group announced that it had increased its 12% interest in Viaplay to 29.33%, confirming its position as the largest shareholder (please refer to Note 3.2).
- On 31 January 2024, Canal+ completed the acquisition of the OCS pay-TV package and Orange Studio, the film and series co-production subsidiary, from its historical partner Orange, following approval by the French Competition Authority. The latter authorised the transaction after a detailed analysis of its effects on the market and made it subject to compliance with several commitments by Canal+ (please refer to Note 3.2).
- On 7 April 2024, Canal+ and MultiChoice confirmed their intention to mutually co-operate by signing an exclusive co-operation agreement and jointly publishing a firm intention announcement on 8 April 2024 (for a detailed description, please refer to Note 3.1).
- On 16 April 2024, Vivendi SE's loan to Canal+ Group S.A. was converted into share capital to an amount of €3,400 million (please refer to Note 23 and 25).
- On 20 June 2024, Canal+ announced that it holds 36.8% of Viu's share capital (increased to 37.2% on 8 October 2024 due to subsequent contractual adjustments). Canal+ has a call option to increase its ownership interest in Viu to 51% (please refer to Note 3.2).

- Group Canal+ has taken note of ARCOM's decision of 24 July 2024, not to renew the DTT frequency of the television channel C8. Group Canal+ does not identify any significant impact of this decision on the assumptions made in the combined financial statements for year ended 31 December 2023, 2022 and 2021;
- A new senior facility agreement for an amount of €1,150,000,000 was entered into in July 2024.
- On 8 October 2024, Canal+ Group ownership interest in Viu increased to 37.2% due to subsequent contractual adjustments.