FL/ENTERTAINMENT

UNIVERSAL REGISTRATION DOCUMENT /2023

FL/ENTERTAINMENT

UNIVERSAL REGISTRATION DOCUMENT /2023

AFM

This Universal Registration Document (or "URD") has been prepared in ESEF and approved on 28 March 2024 by the Autoriteit Financiële Markten (the "AFM") as competent authority under Regulation (EU) 2017/1129.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if approved by the AFM, together with any amendments, if applicable, and a securities note and summary approved in accordance with Regulation (EU) 2017/1129. The package thus formed is approved by the AFM in accordance with Regulation (EU) 2017/1129.

Such approval should not be considered as an endorsement of the issuer that is the subject of this registration document.

This copy of the Annual Financial Report of FL Entertainment N.V. for the year ended 31 December 2023 is not presented in the ESEF format as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). The ESEF single reporting package is available on the Company's website: https://www.flentertainment.com/.

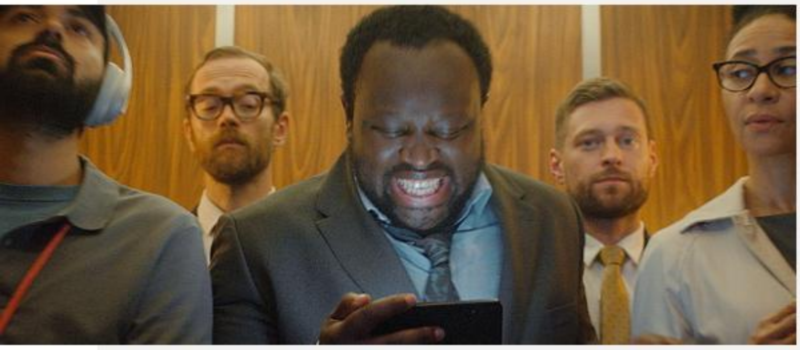
Copies of this Universal Registration Document are available free of charge at the registered office of FL Entertainment, 5 rue François 1er - 75008 Paris - France.

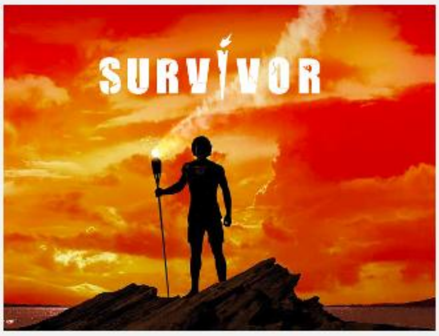
The Document is also available on the website of FL Entertainment (https://www.flentertainment.com).

SUMMARY



FL/ENTERTAINMENT





UNIVERSAL REGISTRATION DOCUMENT /2023

FL/ENTERTAINMENT

UNIVERSAL REGISTRATION DOCUMENT /2023

This Universal Registration Document has been prepared in ESEF and approved on 28 March 2024 by the Autoriteit Financiële Markten (the "AFM") as competent authority under Regulation (EU) 2017/1129.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if approved by the AFM, together with any amendments, if applicable, and a securities note and summary approved in accordance with Regulation (EU) 2017/1129. This Universal Registration Document shall be valid for use as a constituent part of a prospectus for a period of 12 months after its approval by the AFM and shall expire on 27 March 2025, at the latest. The end of the validity of the Universal Registration Document shall not affect the validity of a prospectus of which it is a constituent part. This Universal Registration Document is valid as described in Article 12 of the Prospectus Regulation. The documents incorporated by reference into this Universal Registration Document, electronic versions of the following documents are available on FL Entertainment's website.

Such approval should not be considered as an endorsement of the issuer that is the subject of this registration document. The AFM only approves this Universal Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129.

In this Universal Registration Document, the term "Company" means the company FL Entertainment N.V., a Dutch public company with limited liability *(naamloze vennootschap)*, with share capital of €8,698,462.62 as at 31 December 2023 whose Ordinary Shares are admitted to listing and trading on Euronext Amsterdam, having its business address at 5 rue François 1er, 75008 Paris, France. The Company is registered with the Dutch Chamber of Commerce *(Kamer van Koophandel)* under number 85742422 and registered under number 913 167 227 RCS Paris, and its Legal Entity Identifier ("LEI") is 894500G73K46H93RF180.

The expressions "FL Entertainment" and the "Group" mean the Company, together with its consolidated subsidiaries. A glossary providing the definitions of the main technical and financial terms used in this Universal Registration Document appears at the end of this Universal Registration Document. This Universal Registration Document describes FL Entertainment on the basis of the Group's structure as at the date of this Universal Registration Document.

This Universal Registration Document includes the Company only financial statements and consolidated financial statements of FL Entertainment for the year ended 31 December 2023 prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and in accordance with Part 9 of Book 2 of the Dutch Civil Code. The consolidated financial statements and the notes to the consolidated financial statements are referred to collectively as the "Consolidated Financial Statements".

Important Information — Forward-Looking Statements — In addition to historical information, this Universal Registration Document includes forward-looking statements. The forward-looking statements are generally identified by the use of forward-looking words, such as "consider", "plan", "think", "have the objective", "expect", "intend", "should", "aim", "estimate", "believe", "wish", "could" or other variations of such terms, or by discussion of strategy. This information is not historical data and must not be interpreted as guarantees that the facts and data set forth will occur. This information is based on data, assumptions, and estimates that the Group believes reasonable. They may change or be modified because of uncertainties related, for example, to the economic, financial, competitive, or regulatory environment.

Investors are invited to carefully consider the risk factors described in Chapter 3 "Risk Factors" of this Universal Registration Document on page 107, which could impact the activities, financial position and results of the Group and its ability to achieve its objectives.

Certain calculated data (including data expressed in thousands or millions) and percentages presented in this Universal Registration Document have been rounded. In that case, the totals shown in this Universal Registration Document may show insignificant differences from the totals that would have been obtained by adding the exact values (not rounded) of these calculated data.

Joint INTERVIEW

/ Stéphane Courbit / François Riahi

2023 was yet another eventful year for FL Entertainment, could you share a few highlights?

Stéphane Courbit: FL Entertainment strengthened its leadership in the entertainment industry in 2023, delivering growth across all businesses, and recorded strong financial performance.

We continued to roll-out our strategy, centered around strong and established values, pillars of our continuous growth: entrepreneurship at scale in a creative and innovative environment, talents, clients, and IP first, capturing areas of growth with M&A and act as a trusted partner to all stakeholders through our ESG long-commitment.

This year also marked a significant milestone in our ambition to become an integrated global leader in the entertainment industry, with the addition in 2023 of a new component under the content production & distribution umbrella: we entered the live experiences production market. This development has been realized through major M&A operations, enabling the Group to become the first global producer of ceremonies with the acquisition of Balich Wonder Studio and the worldwide leader in delivering experiences to luxury and fashion industries with our investment in The Independents. We believe that we can replicate in this fragmented industry the same type of success as in the TV production segment, with a very similar business model: BtoB, cost + and based on creativity.

In 2023, we experienced very solid growth, despite a challenging market in the content production and distribution business and with an impressive momentum leading to market share gains in online sports betting and gaming.

In 2023 we also put ESG topics as top priority in our daily operations, to ensure a position of trusted partner for all our stakeholders.

How did FL Entertainment's businesses perform in a year that was characterized by economic uncertainty?

François Riahi: Undeniably, this year presented numerous challenges, marked by volatile markets and more uncertainties. With that said, 2023 has proven to be incredibly dynamic and busy for FL Entertainment. In an economic context that was effectively not easy, our business model showed its solid foundations as well as outstanding agility, enabling us to deliver a record financial performance in 2023.

In Content production and distribution, we have continued to launch new formats, and ensured the circulation of our IP from one geography to another. In the scripted space, we have also been able to circulate formats between countries, as well as distributing the most international series in the whole world. In parallel, we continued to enrich our catalogue, the world's largest, now boasting 185,000 hours of diverse content, appealing for both linear broadcasters and streaming platforms all around the world, which is key to them retaining and attracting audiences. We developed opportunities in exciting areas like sports entertainment, while further monetizing our IP through digitalization and content indexing, which represents a new avenue for growth.

In all, we reinforced our position as a global leader, thriving both in terms of production capabilities, as well as in the sheer scale of our catalogue – a key differentiator in our sector. The increasing convergence between broadcasters, investing in their own streaming platforms, and streamers, developing unscripted and local content offering, goes in our way and is very promising for the next years.

In our Online sports betting & gaming activity, we delivered strong performance across all segments, with significant double-digit growth in revenues in all our products, sportsbetting, but also the other online games demonstrating the diverse appeal of our best-in-class tech platform. We have continued to invest in technology and launched a brand-new application in September with several new features. The 'gamification' trend and our continuous focus on product improvement have helped us sustain growth throughout the year. Our state-of-the-art technology and quality offer have allowed us to retain our existing player base while also attracting a significant influx of new users. In all, we reinforced our leading positions in France, Portugal and Poland, and successfully expanded into the Ivory Coast.

2023 has also given us the opportunity to refinance the vast majority of our debt, extending the maturities by three or four years with a strong appetite from capital markets for our credit. This trust gives us flexibility for the future.

How did you progress on your ESG priorities?

François Riahi: We see our mission as "Entertain the world" with a responsible approach". It is crucial in this perspective and for creating value in the long term, which is our natural horizon, our activities are performed with the highest standards in terms of ESG. In 2023, we have formalized our ESG strategy. Our roadmap is supported by three key pillars: 1/ Reduce carbon footprint on content and IT servers production; 2/ Promote inclusion and safety; 3/ Ensure transparent disclosure and ethical leadership.

Three achievements of 2023 in line with the three pillars of our strategy: on the first one, we forged a partnership with 3Degrees to clearly assess the carbon footprint of TV shows across all geographies ; on the second one, we have become the sole operator of online sports betting to have received the GamCare certification outside the UK; on the third one, we have improved our governance by implementing an HR&ESG Committee at Board level, who look carefully at the implementation of this strategy.

In 2024, we will continue to progress in the implementation of this strategy, and in allowing all our stakeholders to have KPIs to follow our progress.

How do you intend to continue to attract and retain talents?

Stéphane Courbit: When you develop entertainment activities around content, talent is the crucial differentiating element. We believe that our track record in attracting and retaining talent has been one of the most important elements to achieve our good results these past years, and in 2023, we have been able to attract incredibly talented individuals in the live production industry, like Marco Balich, Isabelle and Olivier Chouvet, who have also an incredible capacity to attract talents in their fields. This is a great step for us.

To continue in this path, we will continue to align interests with the best talents with long term financial incentives, as well as our entrepreneurial and decentralized organization, which allows talents to express themselves and to feel empowered.

What will 2024 be like for FL Entertainment?

François Riahi: Positioned strategically in the fastest growing entertainment segments and having achieved solid milestones across our activities in 2023, we are confident that we will continue in 2024 to deliver profitable growth across all activities thanks to our unique positioning in the entertainment industry.

Given the transformation of the media industry and the convergence between broadcasters and streamers I explained above, the increasing demand for live events all over the world, and the naturally increasing number of players online, we benefit from organic tailwinds that we intend to capture.

We remain also a natural consolidator in the content space, and have a strong track record in terms of value creating M&A. So on top of this sustained organic growth, we could also have external growth if the right opportunities occur, in the respect of our strong financial discipline.

I am convinced that 2024 will give us the opportunity to re-enforce our leadership position in the ever-evolving entertainment space.

In addition, we will also focus our efforts in improving the stock liquidity in order for all our shareholders to benefit from our strong operational and financial performance.

/ Stéphane Courbit, Chairman

/ François Riahi, CEO

Group OVERVIEW

FL/ENTERTAINMENT

“OUR MISSION: ENTERTAIN THE WORLD”

TWO Business lines

Content production & distribution
Online sports betting & gaming

4,650 Employees worldwide

33 Countries

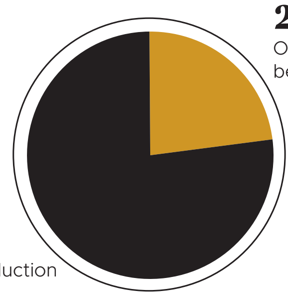
Figures as at 31 December 2023.

Revenue	Adjusted EBITDA*	Dividend per Share**
€4,318m	€737m	€0.35
+8.5% at constant exchange rates*	+11.8% at constant exchange rates*	46% of Adj. Net Income*
	17.1% Adj. EBITDA Margin*	

Figures as at 31 December 2023.

* As defined in the Glossary and in Section 5.2.2 (Other financial information).
** Subject to approval by the Annual General Meeting on 23 May 2024.

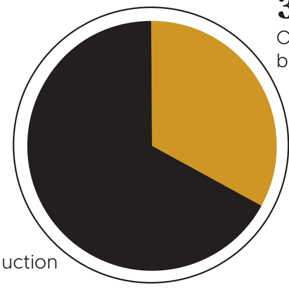
2023 BREAKDOWN OF REVENUE BY BUSINESS



23% Online sports betting & gaming

77% Content production & distribution

2023 BREAKDOWN OF ADJUSTED EBITDA*



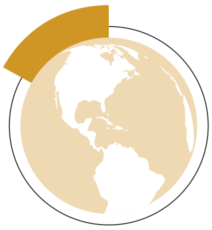
34% Online sports betting & gaming

66% Content production & distribution

* Excluding holding costs.

2023 REVENUE BY GEOGRAPHICAL REGION

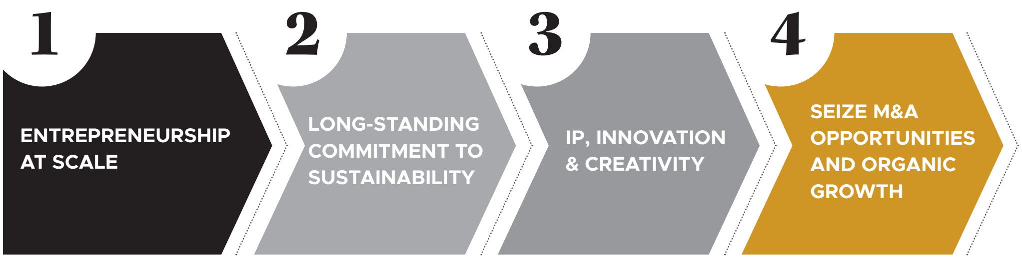
74% Europe



14% Americas

12% Rest of the world

A unique model of growth based on 4 strategic pillars



At a glance

Content production & distribution

Banijay

"BUILD A MEDIA AND ENTERTAINMENT POWERHOUSE"

Banijay is home to over 130 companies across 23 countries, with a multi-genre catalogue boasting 185,000 hours of original standout programming.

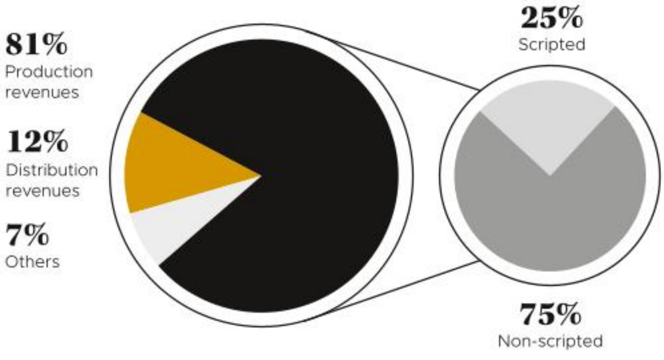
Revenue	Adjusted EBITDA*
€3,321m	**€493m**
+5.7% at constant exchange rates*	+6.7% at constant exchange rates*
	14.9% Adj. EBITDA Margin*

A 16-year history	A strong home for industry's top talent	185,000 hours in catalogue
Recognised and diversified IP and live events	3,589 employees 46 nationalities	Operate in 23 countries

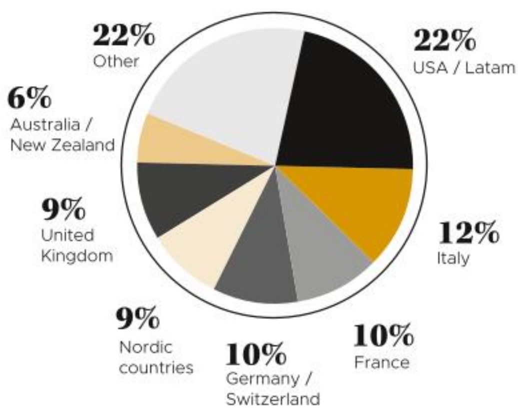
Figures as at 31 December 2023.

* As defined in the Glossary and in Section 5.2.2 (Other financial information).

/ REVENUE BY BUSINESS TYPE



/ PRODUCTION REVENUE BY GEOGRAPHY



A well-diversified business

Diversification across all areas of the content production and distribution market is key to Banijay. Our eight biggest customers contributed to 44% of its production revenue for the year ending 31 December 2023, with none of our customers contributing to more than 11% of its revenue on an individual basis.

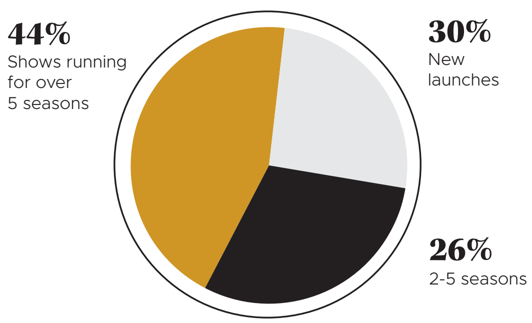
In 2023, we bolstered our efforts in live experiences, branded entertainment, sports and digital via M&A, new hires and the establishment of new central departments.

An evolving and robust business model

Banijay operates a resilient business model based on strong and diversified assets, with a proven ability to develop high-returning travelling content and original standout programming. This is illustrated by the high proportion of returning shows, which totalled 70% of production revenue in 2023.

Now home to 130+ production labels across 23 territories, in 2023, Banijay Rights Ltd was crowned distributor of the year by K7, for delivering 145 new format launches in 2022, which accounted for 29% of the industry's total new unscripted launches. Additionally, the Group racked up 436 active series (256 of which were returners), delivered 109 unique formats, and was recognised for owning 30 of the top 100 travelling unscripted TV formats worldwide, with four in the top 10 (*Deal or No Deal* (#2 – 114 versions to date), *MasterChef* (#3 – 82 versions to date), *Big Brother* (#5 – 78 versions to date), *Survivor* (#7 – 76 versions to date)).

/ DIVERSIFIED RECURRING PRODUCTION REVENUE



An exceptional portfolio of long-lasting worldwide brands

Selected scripted formats


The Buccaneers


Culpa Mía


The Law According to Lidia Poët


The Sixth Commandment

Selected unscripted formats


Deal or No Deal


Masterchef


Big Brother


Good Luck Guys

We have curated an impressive portfolio and pipeline of premium, multi-genre, returning IP; comprising content produced both in-house and by third party producers. Partnering with our clients to build brands that influence the cultural zeitgeist globally, the business has built a reputation for quality, creativity, and innovation through leading titles like *MasterChef*, *Survivor*, *Peaky Blinders*, *Black Mirror* and *Big Brother*.

Most recently, building on our strengths and track record, we have ramped up our efforts in branded entertainment, digital, kids, and sports, and made a complimentary move into live events to harness our position as a diversified media and entertainment powerhouse.

A responsible storymaker

Banijay prides itself on its progressive approach to storymaking. Excelling in the attraction and retention of talent, we offer favourable benefits and retention schemes, and continue to be a leader in our approach to welfare and wellbeing for those we work with. Championing and actioning positive change around diversity, equity and inclusion and sustainability both on and off-screen, this year the business launched Banijay Launch, a brand-new global accelerator program, designed to exclusively support women creators with promising unscripted formats. Additionally, we activated an agreement with 3Degrees to measure environmental impact across all territories, building on its long-term strategy to reduce its carbon footprint.

An expertly integrated diversified home of scale

FL Entertainment has proven expertise in seamless and strategic integration, and creating value through large transactions in the Content production and distribution business, which continues to be evident as it delivers against a healthy acquisition and investment trail – it landed 12 closed deals in 2023. Through the year, we effectively broadened our scripted capabilities, acquiring Greenboo, triggering a targeted move in the U.S. multi-hyphenate scripted space via Hyphenate Media (with Cris Abrego and Eva Longoria), and a further step in the high-end UK scripted market with The Forge. Additionally, we propelled into live experiences via the majority acquisition of Balich Wonder Studio – paving the way for Banijay Events, which also comprises The Independents. Evolving our efforts in sports, we entered a partnership with LaLiga to build LaLiga Studios, and bolstering our position in Brazil, we acquired A Fábrica, and launched the largest independent production studio facility in Latin America, Banijay Studios Brasil.

At a glance

Online sports betting & gaming

Betclic
bet-at-home

“ ENHANCE THE PASSION FOR SPORT ”

Our ambition for Betclic is to become the most entertaining betting app and to enrich the sports experience while offering Poker, Casino Games and Horse racing.

Betclic mobile applications offer a simple, intuitive and innovative betting interface.

We have demonstrated our capacity to operate successfully in a highly regulated and controlled environment and design scalable proprietary technology around our player-centric focus. In 2023, we became the first operator to obtain the international standard for safer gambling by GamCare. The majority of our business is operated across four European countries: France, Portugal, Italy and Poland.

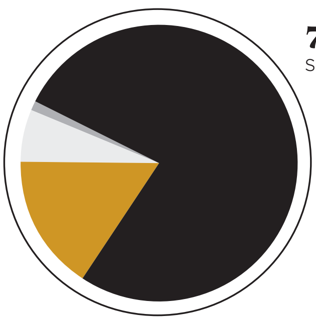
Revenue
€996m
+18.9% at constant exchange rates*

Adjusted EBITDA*
€252m
+23.3% at constant exchange rates*
25.3% Adj. EBITDA Margin*

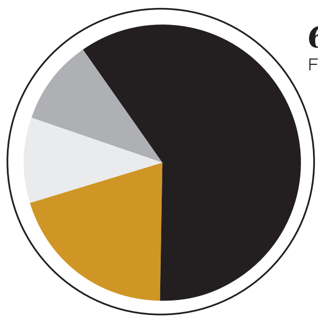
A 18-year history	**99% revenues generated from locally regulated markets**	**1.6m Unique Active Players**
One of the fastest-growing online sports betting platform in Europe	**1,052 employees 46 nationalities**	**Five offices in Europe**

Figures as at 31 December 2023. Unless otherwise stated, figures include Betclic and Bet-at-home.
* As defined in the Glossary and in Section 5.2.2 (Other financial information).

/ DIVERSIFIED REVENUE



/ BREAKDOWN OF BETS PLACED ON EACH SPORT



Player centricity

Players are at the heart of our strategy in Online sports betting and gaming. We offer easy-to-use apps enabling players to register, deposit and place bets. In addition apps are designed to bring to life the powerful emotion of sport. We have developed a model that enhances the player relationship and customer journey to create value, optimised by the knowledge of the players and guaranteeing integrity and a safer approach.

App store sports betting apps ranking in 2023*

1st most downloaded sports betting app in our main countries

2nd most downloaded sports betting app

Ratings and reviews
(as at 31 December 2023)
4.9 out of 5

Outstanding rating in iOS app in Poland

* Source: App store Android and iOS (excluding Bet-at-home).

Product innovation

For more than 15 years, Betclic has created innovative and exciting products. Betclic provides its players with cutting-edge sportsbetting and gamified features that empower them to enhance their passion for sport. Betclic puts a lot of effort into ensuring all customers enjoy its mobile app experience and look & feel without any bugs, crashes or latencies. Transactions are handled in real-time and fully secured.

Expansion into new markets

Betclic has a proven track-record of operating in highly-regulated and controlled environments with leading positions in France, Portugal, Poland and Italy. With growing sport events audiences, the development of fan communities and increasing digitalisation and mobile phone habits, there is a deep, addressable, and growing market, which offers Betclic untapped opportunities in new geographies.

Sustainability & ESG (incl. Responsible gaming)

Compliant by design, we have set as a priority to offer to clients an environment in which they remain in control. We hold a proven track-record of operating in highly-regulated and controlled environments:

- 99% revenues generated from locally regulated markets;
- Powerful proprietary artificial intelligence supporting a dedicated workforce of 100 to prevent at risk and underage gaming.

Betclic has placed player protection at the core of its business strategy and development. This approach has materialized in BETCLIC PROTECT: a comprehensive player protection program available throughout their gaming journey, seven days a week. It includes various tools and services dedicated to customers to promote responsible gaming, such as detecting signs of excessive gambling and assisting players in need. This approach has been certified by GamCare international standard.

Our business MODEL

“ OUR MISSION : ENTERTAIN THE

Our resources

Founded and led by creative entrepreneurs at every level of our organisation and structured to empower our people and enhance creativity

HUMAN CAPITAL

- 4,650 employees (of which 3,589 for Banijay and 1,052 for Betclic) in 33 countries
- Talent recruitment and retention
- Health & safety promotion (Code of conduct, dedicated hotline...)

FINANCIAL CAPITAL

- €737 million Adjusted EBITDA[1]
- €606 million Adjusted Free Cash Flow[1]
- €2,280 million Net Debt[1]
- €464 million Cash and cash equivalents
- Strong alignment between talents and shareholders

PRODUCTIVE & INTELLECTUAL CAPITAL

- Demonstrated track record for M&A and new geographical expansion
- Recognised and diversified IP
- Proven creative capabilities in non-scripted and scripted content
- Strong global content catalogue of 185,000 hours
- Proprietary technology platform with award-winning UX and products
- Compliant by design: highest safer gaming standards

SOCIETAL AND ENVIRONMENTAL CAPITAL

- Empowering engagement through global employees' groups on ESG topics
- Diversity and inclusion
- Sustainability-led mindset to reduce carbon footprint and overall impact on environment

Our success drivers

Strong positions in growing sectors	Business set-up to foster creativity and entrepreneurial spirit
Track record of profitable growth	Responsibility at the heart of our business model

Operating 2 business lines through

Content production & distribution | Banijay

Media and entertainment powerhouse, operating over 130 companies across 23 countries. FL Entertainment produces both scripted and non-scripted Content production and distribution across all genres. In 2023, the business made a significant move into live experiences via the acquisition of Balich Wonder Studio in addition to the minority investment into The Independents.

Figures as at 31 December 2023.
(1) As defined in the Glossary and in Section 5.2.2 (Other financial information).

FL Entertainment | Content production & distribution | Online sports betting & gaming

WORLD ”

FL/ENTERTAINMENT

Our market trends

- Content driving audiences on digital platforms
- Extensive consolidation opportunities
- Increasing sports events audience and fan communities
- Regulation bringing stability and sustainability

2 recognized and powerful brands

Online sports betting & gaming | Betclic bet-at-home

One of the leading online sports betting and the fastest growing in several European countries. FL Entertainment almost exclusively operates in regulated markets that provide regulatory stability and high barriers to entry.

Our value creation

Build a media and entertainment powerhouse

Enhance the passion for sport

FOR EMPLOYEES

- Bold and agile
- Competitive benefits and retention schemes
- Training and mentoring

FOR INVESTORS

- Resilient to economic downturn
- Highly profitable business
- Strong Adjusted Free Cash Flow(1) conversion for Financial Year 2023: 82%
- Dividend policy at least 1/3 of Adjusted Net Income(1) for Financial Year 2023

FOR CLIENTS

- Partnering with clients to build content brands and live events that transcend the world
- Delivering to players an enjoyable and safe experience with data-driven algorithms and a dedicated workforce of 100 to detect and prevent excessive and underage gaming

FOR CIVIL SOCIETY

- Active involvement towards the media and online sports betting regulations
- Long-term partnerships with academic organisations

(1) As defined in the Glossary and in Section 5.2.2 (Other financial information).

Highlights OF THE YEAR

2023: Strenghten position

January

- **All-time high record** announcement with more than €23 million bet on a single game during the France-Argentina final at the 2022 FIFA World Cup
- Acquisition by Banijay Benelux of a majority stake in **Jonnydepony**

February

- Launch of **LaLiga Studios** by Banijay Iberia and LaLiga

March

- Confirmation by CANAL+ of Season 2 of **Marie Antoinette** (also picked up by BBC)

April

- Launch of **"Extra Places"** and creation of seats where there were none, allowing fans to attend the completely sold-out games of the Betclic Elite basketball season
- Extension of the contract with the **UBB (Union Bordeaux Bègles)** rugby team, by remaining a major partner until 2026
- Backing of **Conker Pictures** by Banijay UK
- **Distributor of the year** by K7 for producing the highest number of new format launches in 2022 for Banijay
- Successful refinancing of **Banijay's Term Loan B** due March 2025

May

- Confirmation of Zeppelin-produced **Time Zone** for HBO Max in Spain

June

- Already partner of the **LFP** (French National League of Football), the **FFF** (French Football Federation), the **LNR** (French National League of Rugby) and the **LNB** (French National League of Basketball), new official partnership with the **FFVolley** (French Volley Federation)
- Namer of the Betclic Elite, launch of **Road to Elite season 2**, putting the French basketball stars on the map
- First ever global partnership by becoming **UFC official partner** in France, Poland and Portugal
- Acquisition of **Balich Wonder Studio** by Banijay, minority investment in **The Independents** by FL Entertainment & launch of **Banijay Events**
- Banijay UK took stake in **James Norton** and **Kitty Kaletsky's** 'Rabbit Track Pictures'
- **Carême** confirmed for Apple TV+

July

- Liga Portugal, the top division of Portuguese football, becoming **Liga Portugal Betclic** until the end of the 2026-27 season
- New strategic sponsorship with the **Ruch Chorzów SA**'s family, one of the most successful football clubs in the history of Poland
- Offer to its players to **"Take Stock / Fais le Bilan"** to analyze their gaming journey through the year
- Investment in new scripted start-up, **Greenboo Productions** by Banijay Italia
- Amazon Prime Video ordered **Temptation Island** for its audiences in Mexico, Brazil and Argentina/ Chile (Banijay Mexico & US Hispanic & Endemol Shine Brasil)

FL Entertainment | Content production & distribution | Online sports betting & gaming

in the entertainment industry

August

- Successful new €50 million multicurrency **revolving credit facility** for FL Entertainment
- More than **two million followers** across their social media channels
- Launch of **The Wave** in the French market, its new communications campaign that aims to unite players around their passion for sports
- Confirmation of 2nd version of **Love Triangle** by E4 in the UK (Workerbee)

September

- Release of **Betclic Version 7.0**, a new design and new functionalities for a more simple, fun and live experience
- Tremendous success of the Second **Safer Gaming Week** at Betclic, with over 300 employees attending our smart talk with ANJ and ARPEJ
- Confirmation of **Good Luck Guys** for Amazon in Benelux (SimpelZodiak)
- Successful **refinancing** of Banijay's senior secured notes

October

- New sponsorship in volleyball practice in France, by becoming a sponsor for the **LNV** (French National Volley League) in addition to existing partnership with the **FFV** (the French Volley Federation)
- Confirmation of strategic partnership in Cris Abrego and Eva Longoria's **Hyphenate Media Group** by Banijay
- Launch of scripted label **Esmerelda**, by Sir Lenny Henry and backed by Banijay U.K.
- New global accelerator program **Banijay Launch** to support emerging women unscripted creators

November

- First operator to obtain the international standard for safer gaming recognized by **GamCare**
- Major partnership with **Les Lionnes du Stade Bordelais** (rugby ladies' team), for the next three seasons (until 2026)
- Acquisition of leading scripted producer **The Forge** by Banijay UK
- Acquisition of **Authentic Media** by Banijay France
- Launch of **Banijay Branded Entertainment** & **Banijay Sports**
- Confirmation of the return of **Secret Story** for TF1 by Endemol France and **Celebrity Big Brother** confirmed in UK for ITV by Initial
- Launch of 4th version of **Save The Date** for W9 by Banijay Productions France

December

- Hitshow **MasterChef** reached **70 international adaptations**, with two new versions set for Serbia and Malta
- New **Big Brother** spin-off in Germany, Big Brother – Knossi Edition, hit **8.81 million live views** during a 57-hour live stream on Twitch

FL Entertainment | Content production & distribution | Online sports betting & gaming

CHAPTER

01/

PRESENTATION OF THE GROUP

1.1 Group profile

FL Entertainment is a global and entrepreneur-led entertainment group combining two complementary and successful business lines in the digital entertainment market segments:

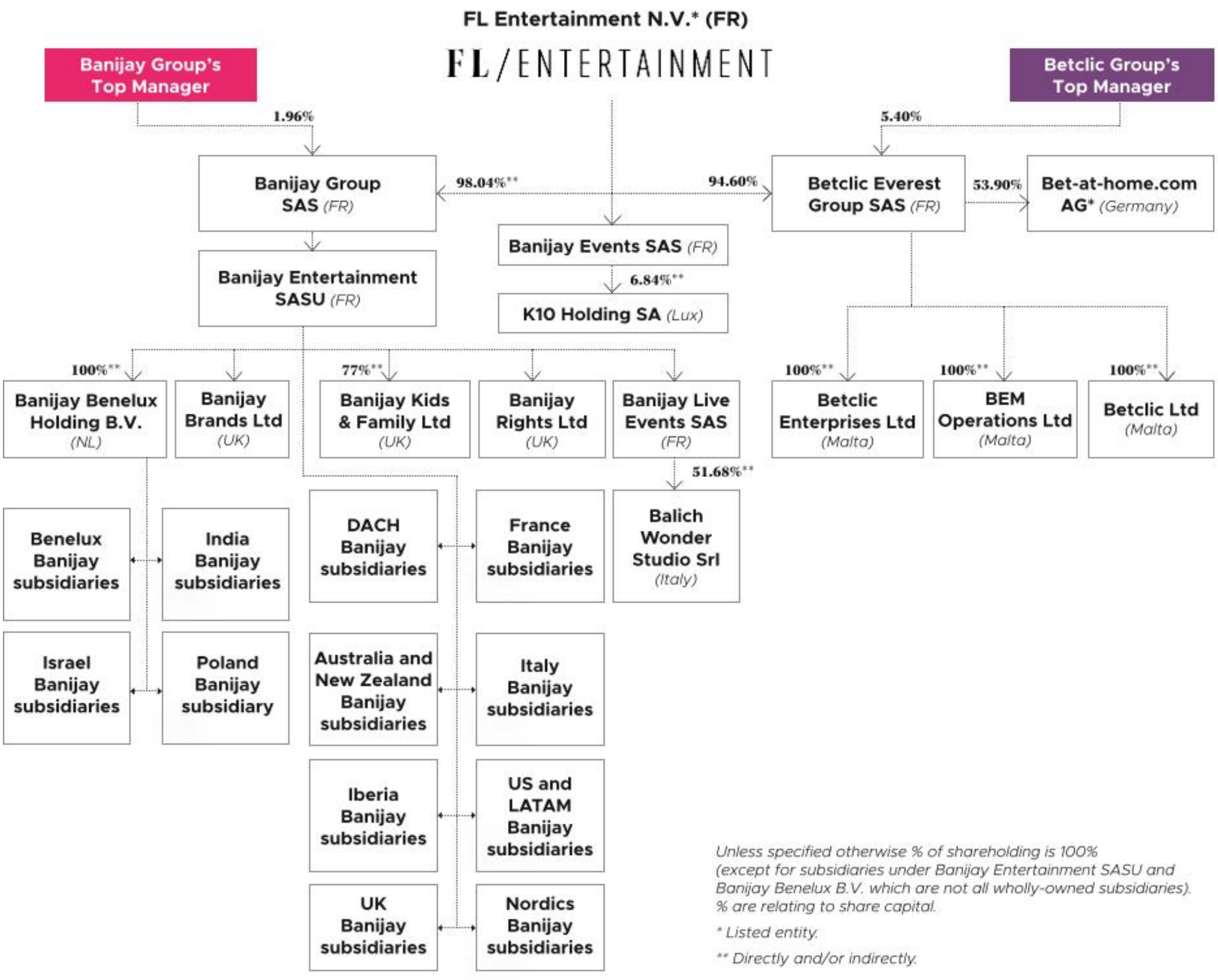
1. the Content production and distribution business line through Banijay Group; and
2. the Online sports betting and gaming business line through Betclic Group.

The Group successfully listed on Euronext Amsterdam on 1 July 2022, following its Business Combination with Pegasus Entrepreneurial Acquisition Company Europe BV, a special purpose acquisition company (SPAC) focused on European growth companies.

FL Entertainment is a global group, operating across a variety of platforms and geographies. The Group operates the world's leading independent content production and distribution business based on revenues for the Financial Year 2023, and believes it is the fastest growing online sports betting platform in Europe in terms of Gross Gaming Revenue growth over the year ending 31 December 2015 to the year ending 31 December 2023.

For Financial Year 2023, the revenue amounted to €4,318 million (compared to €4,047 million for Financial Year 2022), of which €3,321 million accounts for Content production and distribution and €996 million for Online sports betting and gaming (compared to respectively €3,212 million and €835 million for Financial Year 2022).

As at 31 December 2023, the following structure chart illustrates the simplified structure of the Group:

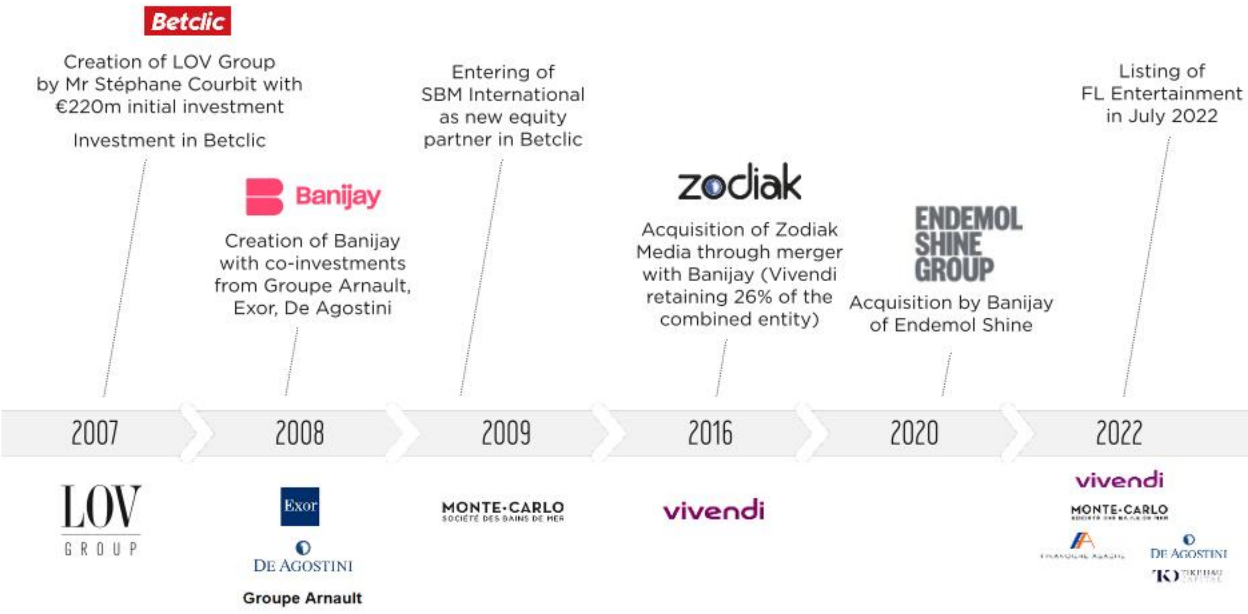


Unless specified otherwise % of shareholding is 100% (except for subsidiaries under Banijay Entertainment SASU and Banijay Benelux B.V. which are not all wholly-owned subsidiaries). % are relating to share capital.

** Listed entity.*

*** Directly and/or indirectly.*

The following chart describes the main events in the history of FL Entertainment and its two business lines:



1.1.1 Content production and distribution

1.1.1.1 Overview

Banijay Group is the largest European studio based on revenues for the Financial Year 2023[1]. A media and entertainment powerhouse, composed of over 130 companies, across 23 countries and a multi-genre catalogue boasting over 185,000 hours of content. Since its inception, it has built and travelled a host of successful and long-running shows, such as *Big Brother, MasterChef, Survivor, Lego Masters, Touche pas à mon Poste, Who wants to be a millionaire, Don't forget the Lyrics, The Challenge and Real Housewives.*

Banijay Group generates revenues from:

(i) producing content and live experiences;

(ii) distributing content that it has produced or acquired from third parties; and

(iii) secondary revenues resulting from commercial activities related to Banijay Group's brands, such as merchandising, sponsorship, licensing, digital partnerships, music and live experiences.

Banijay Group produces both scripted and non-scripted content across all genres, including reality, entertainment and talk shows, game shows, factual entertainment, documentary, drama, animation (or kids) and comedy. Since 2023, it has also broadened its scope to include live experiences via Banijay Events.

Non-scripted content includes titles that do not follow a written storyline (for example, entertainment, game shows or reality shows) and constitutes the majority of its output, while scripted content includes programmes that follow a written scenario, mainly drama and comedy.

Banijay Group owns intellectual property (IP) rights to a broad and diversified portfolio of brands. It distributes and licenses the content it owns and controls through its subsidiary, Banijay Rights Ltd to a licensee base of approximately 1,134 clients in 2023, including linear broadcasters and digital platforms worldwide, selling products into 249 territories.

(1) *Figures from competitors are based on publicly disclosed information on their websites. For more information on competitors, please also refer to Section 1.3.1 (Banijay Group's competition environment) and Section 1.3.2 (Betclic Everest Group's competition environment).*

Banijay Group retains the rights to most of the IP it creates worldwide, when possible, to continue to generate revenues through various channels, in addition to initial sales to broadcasters and digital platforms. It employs creative talent across all territories in which it operates in order to develop and produce original IP based on customer demand.

1.1.1.2 History of the Banijay Group

Banijay Group was established in 2008 by a team of industry experienced professionals led by Mr Stéphane Courbit, the founder and former CEO of Endemol France. Mr Stéphane Courbit initially invested in Banijay Group through his family holding company, Lov Group Invest SAS, and subsequently added other private investors such as the Agnelli Family through Exor N.V., the Drago and Boroli families through De Agostini SpA, Mr Jean-Paul Bize through AMS Industries and Mr Bernard Arnault through Groupe Arnault SE.

Banijay Group was created in order to build a worldwide brand in the content production and distribution space, mostly through acquisitions of key local television and digital content producers. Since 2008, the Group has continued to acquire a host of content production companies, attracting leading creative entrepreneurs in the television, entertainment and live experiences industries. 2016 was a turning point for the business following the completion of the merger with Zodiak Media Group, which significantly reinforced its catalogue in both non-scripted and scripted content. Zodiak also had a complementary customer base (for example in France and in the Nordics, where it focused on scripted content) and a complementary geographical reach (for example with Zodiak's presence in the United Kingdom).

On 2 July 2020, Banijay Group acquired Endemol Shine Group. The combination of these two content engines presented an opportunity to scale and address the strong global appetite for scripted and non-scripted content. Endemol Shine Group is now fully integrated into Banijay Group, which has led to structural simplification (in terms of corporate, IT and other central functions), commercial synergies, IT integration, footprint optimisation and rationalisation of the use of third-party service providers.

Banijay Group has also established several joint ventures and made significant investment in businesses with key talent at their core in the United Kingdom and the United States. In 2023, it further diversified its business through the acquisition of Balich Wonder Studio, which followed FL Entertainment's minority investment in The Independents. It has since combined both businesses under the umbrella Banijay Events to bolster its efforts in this new business area. Elsewhere it launched Banijay Branded Entertainment and Banijay Sports to extend and strengthen its production activities.

The following timeline shows the major other bolt-on acquisitions made during the development of its business since 2008:

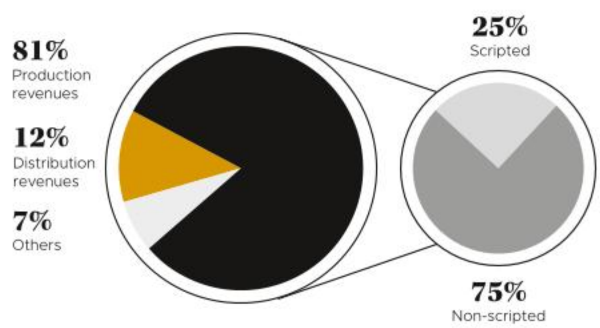
1.1.1.3 Banijay Group's operations

Banijay Group creates and produces television formats, programmes, digital content in 23 countries, and in most cases, sells and distributes these globally. In 2023, it also expanded its activity to encompass live experiences. It considers the operations of all its subsidiaries to be similar and complementary, and thus classifies its operations into the following three main businesses:

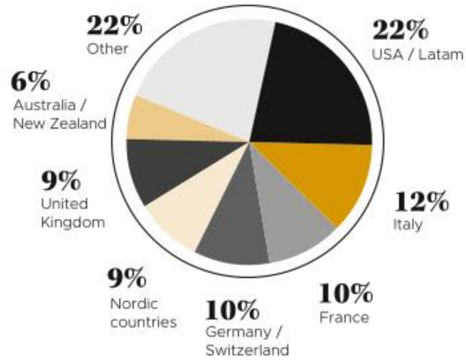
- *Production Business:* Banijay Group's production business is focused on creating and developing original content (scripted and non-scripted) through its production companies based on the needs of linear broadcasters and global streaming platforms, such as Netflix, Amazon Prime Video, Apple TV+, Disney, Max (formerly HBO Max) and other digital platforms. Banijay Group benefits from the creativity and expertise of all its talent;, who originate titles and exclusively adapt its format catalogue globally. In addition, it also acquires licenses for titles owned by third parties in order to distribute them alongside its original content.
- *Distribution and Secondary Business:* Banijay Group generates revenues from the international distribution and licensing of intellectual property rights and merchandising of successful formats and programmes. Its distribution business is concentrated on licensing and distributing its portfolio of IP owned and/or controlled by the Banijay Group to linear television channels, local producers and digital platforms. Banijay Group operates its distribution business primarily through its subsidiary in the United Kingdom, Banijay Rights Ltd.
- *Live experiences:* Banijay Group launched Banijay Events in 2023, combining Balich Wonder Studio, a live experience creator and service provider delivering institutional ceremonies, brand, and destination experiences, with The Independents, a global services provider for luxury brands, delivering marketing and communication services. This new division complements the production business, reinforcing the Group's position as a media and entertainment powerhouse.

For Financial Year 2023, the revenues of Banijay Group amounted to €3,321 million (compared to €3,212 million for the Financial Year 2022). The breakdown of the revenues of Banijay Group by business type (production, distribution or other) and by geography for Financial Year 2023 are detailed below:

Revenue by business type



Production revenue by geography



PRODUCTION BUSINESS

Banijay Group develops IP in-house, and licenses formats from third parties in order to meet the demands of linear broadcasters and digital platforms.

1) Development of formats

The first step in Banijay Group's production process is to develop new concepts for screen. Once these concepts are developed and formalised, they are referred to as "IP" and Banijay Group maintains rights over such content, when possible. A successful track-record and creative reputation are key to continuing to develop original formats. From time-to-time, Banijay Group also licenses the right to produce formats that are owned by third parties, rather than developed in-house, in order to address popular consumer trends and broadcaster and digital platforms' needs. The Group develops a wide variety of formats in order to maintain a diversified portfolio and deliver against high client demand across all platforms.

Banijay Group has historically focused on developing non-scripted formats. Non-scripted formats benefit from lower production costs, a shorter development period and more advantageous financing arrangements, because the broadcaster who purchases the non-scripted format typically funds the full production costs. Non-scripted formats can generate significant secondary revenues because they can be licensed and produced in several countries under different names. For example, a game show or reality show can be adapted in many countries, sometimes under different names but with an identical concept and set of format pillars, although Banijay endeavours to retain the same names where it can worldwide to maximise global licensing and merchandising opportunities.

Scripted programmes require higher upfront development costs and often need to be co-produced by several parties. Banijay Group has significantly expanded its scripted activity to meet its customers' and the market's increasing demand. The Group currently has companies producing scripted programming in all 23 countries in which it is present. Scripted programmes can also generate significant secondary revenues, especially if in English language, because they can be sold worldwide as finished tapes to broadcasters and to local or global digital platforms.

Banijay Group develops new formats in each of its geographic markets. Its local subsidiaries have their own creative teams that work together with a central content team, "Creative Networks", which facilitates the sharing of new and existing formats to local teams worldwide, keeps them informed of market trends outside their own territories and supports the creation of formats that address both local markets needs and global trends. Where the approach is successful, these formats are licensed and used in different markets and via different platforms.

(a) Non-scripted formats

Banijay Group develops original formats in four principal non-scripted genres:

- *Entertainment and Talk Shows:* Entertainment and talk shows mainly encompass entertainment formats and programmes that are studio-based. Banijay Group believes its most successful entertainment titles include *MasterChef, LEGO Masters, Upside Down, Le Plus Grand Karaoké de France*, *100%,* and *Starstruck.* Entertainment titles have significant potential for format sales because they are easily adaptable to different local markets;
- *Reality:* Reality includes brands in which ordinary people are continuously filmed outside their usual environment, designed to be entertaining rather than informative. Banijay Group's offering includes *Big Brother, VIP, Hunted, The Challenge, Good Luck Guys, Survivor, Temptation Island, Beauty and the Geek, Below Deck,* and *Star Academy*;
- *Factual Entertainment:* Factual entertainment is a combination of factual/documentary and entertainment programmes, focusing on social experiments and popular topics. Banijay Group's offering includes *Banged Up, Love it or List It, Location, Location, Location, Your Body Uncovered*, *The Block, Ambulance,* and *Your Home Made Perfect;*
- *Game Shows:* Game shows are predominantly programmes in which contestants compete for prizes during games of knowledge, physical challenges or luck. Banijay Group has a broad offering which includes *Don't Forget the Lyrics!, Limitless Win, The Fifty, Tipping Point, Deal or No Deal*, and *Buddy Games.* Game shows have significant potential for format sales because they are easily adaptable to different local markets.

The chart below shows the top-three travelling formats (internal and external):

Top 3 shows	Year of launch	Number of countries airing in 2023	Country of origin	Total number of territories since launch	Selected customers
MasterChef	1990	35	United Kingdom	70+	BBC, FOX, Telefe, TVE, Network 10, TV4
BIG BROTHER	1999	25	The Netherlands	70+	CBS, RTL, SAT.1, Noovo, Seven, TV Globo, TVI, TV4, Nelonen
SURVIVOR	1997	22	United Kingdom	50+	CBS, TF1, Mediaset, TV3, TV Globo, RTL, Azteca 1, Skaï

(b) Scripted programme

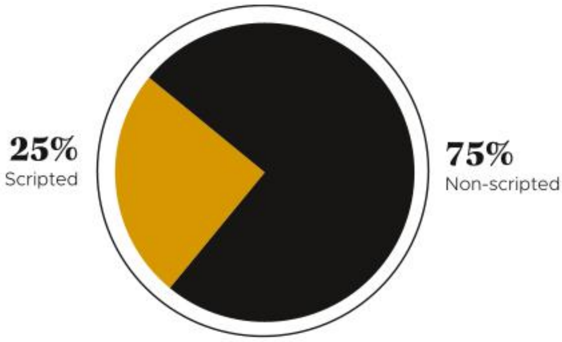
Banijay Group believes its most successful dramas include international premium titles like *30 Monedas, Shardlake, Alphonse, NCIS Sydney, Amar es para siempre, Ronja, Super Sex* but also local daily drama such as *Familie, Good Times Bad Times* and *Il paradiso delle signore.*

Banijay Group aired more than 135 scripted titles in 2023, which represent more than 1,200 hours of content, spread over 17 different countries, half of which were new launches and three quarters of which were non-English titles. Its network of scripted producers works with local writers and directors to develop ideas and packages to pitch to local broadcasters.

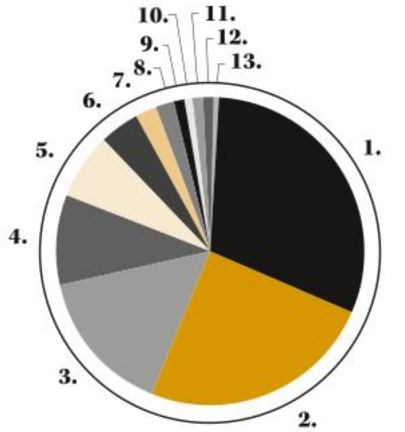
For scripted shows, the development usually includes a large part of script writing. Producers then work with broadcasters to ensure they attach the right cast for local and international audiences. Once a show is formally approved, it enters into pre-production and preparation begins. Once filming ends, the producer will work with the editor until the programme is delivered to the broadcaster.

The charts below show the breakdown of the production revenues of Banijay Group by genre and by subgenre as at 31 December 2023:

Production revenues by genre[1]



Production revenues by subgenre[1]



1.	Reality	30.0%
2.	Entertainment	24.0%
3.	Drama	15.0%
4.	Factual Entertainment	9.0%
5.	Gameshow	7.0%
6.	Talkshow	4.0%
7.	Feature Film	2.0%
8.	Others	2.0%
9.	Comedy	1.0%
10.	Documentary	1.0%
11.	Docudrama	1.0%
12.	Kids scripted	1.0%
13.	Kids non-scripted	0.5%

(1) Unaudited source.

2) Sales and commissioning to broadcasters

Once Banijay Group has developed original titles in-house or acquired option rights to third-party formats, it organises various presentations to pitch these formats to broadcasters and digital platforms. Banijay Group usually approaches broadcasters and digital platforms with a detailed presentation and/or a trailer for non-scripted formats, but when it presents a scripted format, the pitch consists of a log-line, a synopsis and treatment.

A **"logline"** is a one-sentence description of the show.

A **"synopsis"** is a brief summary of the show that includes information about the main characters and the theme of the show.

A **"treatment"** is more detailed, in that it includes detailed descriptions of the characters and the show's plot.

Banijay Group also invests, in some instances, in a trailer or a full pilot for a television show to support the pitch process.

The Group provides broadcasters with detailed project timelines and budget plans for production and negotiates with them to agree on the terms of their acquisition of rights to its programmes, particularly with respect to pricing and retaining intellectual property rights. Retaining intellectual property rights will enable Banijay Group to generate secondary sales across various platforms and distribute the titles in other regions.

Key negotiation points include: (i) the duration of the license; (ii) the scope of rights granted to digital platforms and broadcasters, such as free VOD services and ancillary rights; and (iii) holdbacks and options for renewal. Banijay Group uses its combined resources across other production projects and its expertise to propose competitive and lean production plans to broadcasters.

3) Production process

Once IP has been developed and sold to a broadcaster or digital platform, the Banijay Group begins the production process and produces a programme based on that pitch. The process consists of producing and filming the show, editing the content as well as choosing and, when possible, publishing and producing the soundtrack. Banijay Group operates a fully-funded production model for the majority of its programmes whereby broadcasters commit upfront to fund the full cost of the production in exchange for their right to use the programme within the scope agreed with them. If broadcasters pay Banijay Group after it incurs production costs, the Group may fund this shortfall through financing arrangements or through its working capital. If Banijay Group has longer cash flow shortfalls, in particular for scripted projects, it aims for broadcasters to cover its financing costs. Broadcasters also often receive a portion of the secondary revenues and, a portion of the intellectual property rights to the format or the programme. Strong formats generally have high ratings, generate significant advertising revenues and drive platform subscriptions, meaning preferential rights positions and providing significant bargaining power to Banijay Group.

The Group aims to retain the rights to its intellectual property. Rights to a programme are easier to protect than rights to a format, because a programme is a finished product that has already aired, compared to a formalised concept. However, customers of Banijay Group with an international footprint through distribution or broadcasting (such as large broadcasters or SVOD platforms) have increasingly asked to retain a portion or all of the intellectual property rights of its programmes, in order to exploit such rights globally. Banijay Group protects its creations and keeps the control centrally to secure the best position in terms of retention of IP for all formats created by its operating companies worldwide, including in markets and with clients whose standard is the work-for-hire model. Banijay Group does not sell its portfolio or its IP. In some cases, the Group shares a portion of the IP but ensures to keep the control and the production rights for all of the IP created by Banijay Group's operating companies in the Banijay Group footprint, at the very least, and worldwide when possible. This stands as the first principle of the Golden Rules of Banijay Group Policies applicable to all operating companies.

Banijay Group has implemented cost-efficient, flexible and scalable production processes. For example, it uses freelancers and leases production facilities in order to limit its investment in fixed assets. It has also implemented strict cost controls to deliver final programmes on-time and in a manner that is respectful of customers' budgets.

4) Internal circulation of the Banijay Group's formats

As an independent production group, one of Banijay Group's major strengths is the network of producers who have exclusive access to its catalogue of formats in their respective geographic markets. This internal feed of formats is key for Banijay Group's local companies. Banijay Group prioritises the production of successful formats in the markets in which it operates. The Group's central content team, "Creative Networks" builds and centralises all the relevant information and material on formats – new promising titles and existing IP – that are circulated among Banijay Group's production companies. For example, *Big Brother, MasterChef Survivor, The Challenge and Below Deck* are all successful formats produced and reimagined by several of its production companies worldwide.

DISTRIBUTION AND SECONDARY BUSINESS

Banijay Group's policy aims to retain its intellectual property. These titles are assets that continue to generate secondary revenues through various channels, other than the initial sale to a broadcaster or digital platform. Banijay Group owns all or part of the intellectual property rights to a broad and diversified portfolio of existing formats and programmes, for which distribution rights are granted to Banijay Rights Ltd., its distribution entity. Banijay Group distributes both formats and programmes that it has produced and formats and programmes that have been produced by a third-party production company but for which the Banijay Group controls the distribution (these formats and programmes representing as of 31 December 2023, approximately 17% of the distribution business' catalogue (calculated in hours of programmes). Through Banijay Rights, Banijay Group has globally distributed scripted series just launched in 2023. The French series *Marie-Antoinette* has sold in 147 territories, while the UK series, *Rogue Heroes,* has already gone to 176 territories. Both will return for second seasons in 2024, with *Marie Antoinette* pre-sold to the BBC in the UK and *Rogue Heroes* to MGM+ in the US. Other successful returning series include *Grantchester* (now in 238 territories), *Wild Isles* (238 territories), *Archer* (225 territories) and *Mr Bean: The Animated Series* (90 territories), with the latter commissioned by Warner Bros. Discovery for a fourth season in partnership with ITVX – and set to air in 2025. Banijay Group distributes the content it owns and licenses through Banijay Rights Ltd to a traditional customer base of linear broadcasters and producers, as well as digital platforms. In the countries in which Banijay Group does not operate, it licenses its portfolio of formats to producers, broadcasters and digital platforms, who can acquire from Banijay Rights Ltd an option to pitch Banijay Group's formats to broadcasters. Once the format is commissioned by such broadcaster, a format license agreement is granted allowing the producer, broadcaster or digital platform to produce and air the programme as per the terms of the deal. The licensees pay Banijay Group an option fee to be granted the right to pitch the format, and a format fee upon the signing of the format license agreement once a commission is confirmed. The format fee gives them the right to produce a programme based on Banijay Group's format and to air it in their local territory for a certain period of time.

1) Distribution of programmes to broadcasters

Banijay Group distributes its portfolio of content directly to linear broadcasters, basic and premium cable networks, and international pay-television distributors. For the Financial Year 2023, sales of programmes (finished tapes) to customers represented 78% of Banijay Group's distribution revenues. The broadcasters pay a license fee in return for the right-to-air a programme across a given period of time and for a given number of runs. Banijay Rights Ltd receives a commission on that license fee for its distribution activity, and the remainder of the license fee is paid to the owner of the programme (i.e., either Banijay Group's local production company owning the intellectual property rights or the third-party owner of the intellectual property rights).

2) Distribution of programmes to digital platforms

Banijay Group distributes its portfolio of titles to digital platforms, including SVOD providers such as Netflix, Amazon Prime Video, Apple TV+. Disney+, Max, Peacock, and AVOD platforms such as Roku, Tubi, Freevee, Pluto, and Samsung TV Plus. For the Financial Year 2023, 19% of the distribution revenue of Banijay Group was generated through revenues from the sales of its portfolio of programmes licensed to VOD platforms such as Apple TV+, Amazon Prime Video and Netflix and other revenues allocated to additional digital platforms (mainly SVOD rights). Banijay Rights Ltd has also launched into FAST Channels via platforms like Samsung TV Plus and will have 200+ channels in-play by the end of the year representing some of its key IP like *Deal or No Deal US* and *Fear Factor*.

In the United States and, to a lesser extent, in Europe, consumers, particularly younger consumers, are viewing more content on more devices and through SVOD or AVOD platforms, such as Netflix, Hulu, Amazon Prime Video and Roku. SVOD requires consumers to enter into a subscription contract giving the consumer access to content, including exclusive content from the digital platform. In the United States, SVOD services have increased the value of Banijay Group's catalogue series and movies due to increased viewership by consumers and the correlating demand and spending by digital platforms. Netflix, for example, reported it had spent $17 billion in content in 2022, $13 billion in 2023 (having decreased due to the Hollywood strikes impacts) and expects to bounce back to $17 billion in 2024, according to Netflix management. According to forecasts, the levels of investments for 2024 should be similar. If these investments are primarily made in the United States and in English-language content, the European market is gaining more and more traction with the United States-based streaming platforms that are expanding globally.

As of 31 December 2023, Banijay Group has license agreements with most of the main digital platforms and aims to further expand its agreements with them. These customers, such as Amazon Prime Video, Netflix, Discovery+, Paramount+ and Max, use Banijay Group's content on their platforms. These partnerships allow subscribers of the relevant networks to access its programmes across a variety of devices. As of November 2023, the number of OTT subscriptions amounted to approximately 1.8[1] billion, most of whom have access to Banijay Group's content through its partnerships with customers like Amazon Prime Video, Netflix, Discovery+, Paramount+, Apple TV+ and Max. Netflix alone accounted for 260 million subscribers and Disney for 225 million (including Disney+, Hulu and ESPN+) at the end of 2023.

3) Other secondary revenues

Other secondary revenues include revenues from commercial activities related to Banijay Group's formats, such as merchandising, sponsorship, licensing, gaming, music and live-events. Other secondary revenues complement revenues from the initial sale to broadcasters and digital platforms and Banijay Group's distribution revenues.

LIVE EXPERIENCES

Banijay is broadening its presence in the live experiences production sector through the acquisition of Balich Wonder Studio (BWS) and a minority investment in The Independents.

BWS is a live experiences creator, and service provider delivering institutional ceremonies, brand, and destination experiences. Headquartered in Milan, BWS has 200 employees and operates across subsidiaries and business units to meet the demands of a wide range of worldwide customers:

- Ceremonies: Specializing in meticulously designed events that transcend mere gatherings, BWS crafts immersive and awe-inspiring ceremonies capturing the essence of significant moments in sports, culture, or institutional events for both private or institutional customers. It has designed the highest number of Olympic opening and closing ceremonies compared to any of its competitors so far. Additionally, there have been notable events such as the opening and closing ceremonies of the FIFA World Cup (Qatar 2022) and, more recently, the Pan-American Games opening ceremony in Santiago (November 2023).
- Brand experiences: Crafting immersive and memorable encounters to convey and enhance a brand's identity, creating a lasting impact that goes beyond conventional advertising or marketing approaches. Capitalizing on their influence across social networks, brand events have emerged as the preferred mode of communication for brands. BWS works with a variety of brands, including those in the technology, hospitality, luxury, automotive, and other industries. In 2023, BWS brought the Bulgari Hotel Roma's opening party to life in Rome and also, by Lake Maggiore, BWS partnered with Louis Vuitton for a breathtaking fashion show featuring the Cruise Collection 2024. BWS has also collaborated with significant brands across various industries, including Maserati, PlayStation, and Warner Bros.
- Destination experiences: Involving permanent landmarks and temporary installations that become entertainment icons, transforming public spaces into social experience destinations. Requests can originate from a range of entities such as real estate developers, airports, entertainment operators, and public institutions. In 2023, Riyadh, KSA, was the venue for "Disney: The Castle," featuring immersive musical worlds, live performances, interactive installations, and special concerts set around the iconic Disney Castle. Last year, the iconic Whale Shark was revealed in Lusail, Qatar, by Qatari Diar, earning multiple distinctions from various media outlets.

Forged through the synergistic alliance of global agencies for events such as K2, Bureau Betak, Prodject, Atelier LUM and INCA Productions and for Communication and influence strategy such as Karla Otto, K2, The Qode, Lefty, Bureau Betak, Bureau Future, Prodject, CTZAR, Atelier LUM, and INCA Productions, The Independents represents a consortium of companies providing an extensive and complementary range of marketing and communication services for customers in the fashion, luxury, beauty, and lifestyle sectors. Each agency possesses key competencies that have contributed to their prestigious reputation. With a global presence, the cross-sector player has more than 20 offices across the United States (Los Angeles, New York), Europe (London, Paris, Munich, Milan), the Middle East (Riyadh, Dubai), and Asia (Beijing, Shanghai, Hong Kong, Seoul, Tokyo). The Independents is recognized as a comprehensive service provider for luxury brands, maintaining long-term relationships with over 500 clients, emphasizing the top 50 prestigious luxury brands including LVMH, Kering, and Chanel. The Independents is recognised for its established reputation and quality execution.

(1) *Forbes, "How Streaming Services Netflix, Disney And Spotify Stack Up" https://www.forbes.com/sites/investor/2023/11/09/how-streaming-services-netflix-disney-and-spotify-stack-up/?sh=6d247e621b9a*

1.1.1.4 Banijay Group's markets and production companies

2023 ACQUISITIONS, JOINT-VENTURES AND INVESTMENTS

Banijay Group derives revenues from its operations in 23 countries (the footprint territories). The Group manages its production labels in these countries through a decentralised structure. This structure incentivises Banijay Group's local managers and partners to grow their respective brand in their respective markets. Banijay Kids & Family is the dedicated production, distribution, and sales division for children's programming worldwide.

In 2023, Banijay was involved in 12 transactions in seven countries, across scripted and non-scripted, to further strengthen its position on the market, be at the forefront of innovation and partner with renowned talent in the industry. This activity, always complementary to the overarching business model, this year broke into live experiences via the acquisition of Balich Wonder Studio. Combining this majority acquisition with FL Entertainment's minority investment in The Independents, a new division, Banijay Events, was born.

The following section presents an overview of the M&A activity in 2023 by territory.

United States

— Hyphenate Media Group (Joint-venture)

Entertainment executive and entrepreneur Cris Abrego, Chairman of Banijay Americas, partnered with celebrated director, producer and activist Eva Longoria to form a new mainstream premium content studio, Hyphenate Media Group. The new venture invests in creator-led enterprises and develops and produces its own slate of original programming. Cris Abrego serves as CEO and Eva Longoria as Chief Creative Officer.

With an eye towards capturing the rapidly evolving marketplace, which is driven by an ever younger and more diverse audience, Hyphenate Media Group leverages its co-founders' commitment to addressing the industry's urgent demand for ground-breaking premium content with an inclusive approach and broad, mainstream appeal. As a destination for visionary creator-entrepreneurs, the studio is poised to provide the entertainment industry with a business solution by enabling a multiplicity of connections to audiences around its different brands.

To jumpstart its own independent studio function, Hyphenate Media Group has acquired the full slate of UnbeliEVAble Entertainment, the independent production label founded by Longoria in 2005, and behind titles such as *Telenovela*, *Grand Hotel*, and *Searching for Mexico*. The brand's first title, *Land of Women*, is expected to be released in 2024 on Apple TV+.

Spain

— LaLiga Studios (Joint-venture)

Banijay Iberia and the Spanish football league, LaLiga, together joined forces to launch LaLiga Studios, a new sports-related content production company. This new venture produces audiovisual content for LaLiga, clubs, sponsors, and broadcasters. It also works with international platforms and brands in the development, production, and distribution of entertainment, documentary, fiction, and animation content to expand LaLiga content internationally.

Brazil

— A Fábrica (Acquisition)

A Fábrica develops and produces top scripted series and films to local and international audiences, for clients like Netflix, Amazon Prime Video, Turner, Max, Global, Globoplay and Multishow. This acquisition further strengthens Banijay Americas' position in Latin America, following the launch of Banijay Studios Brasil, a 750,000 square-foot production studios facility in Guarulhos, Brazil.

Top shows: *Vai Que Cola* (Multishow, Globo), *Sem Filtro* (Netflix), *Modo Avião* (Netflix), *Lulli* (Netflix).

Germany

— Potatohead Pictures (Joint-venture)

EndemolShine Germany joined force with Germany television chef, restaurateur, and host, Tim Mälzer, to found Potatohead Pictures. The label focuses on developing new culinary formats. EndemolShine Germany and Mälzer have worked together for eight years creating hit cooking formats such as *Kitchen Impossible*, and *Chefs to Go* (*Mälzer and Henssler Deliver!*), which has also been adapted in France.

United Kingdom

— The Forge (Acquisition)

The Forge produces high quality, ambitious and award-winning scripted drama for both linear and SVOD platforms.

Top shows: *The Buccaneers* (Apple TV+), *Shardlake* (Disney+) *Becoming Elizabeth* (Starz), *Generation Z* (Channel 4), *Marriage* (BBC), *Help* (Channel 4), *National Treasure* (Channel 4), *Rules of the Game* (BBC), *Collateral* (BBC), *Roadkill* (BBC).

— Rabbit Track (Investment)

Rabbit Track creates diverse scripted projects based on original and adapted materials, from action-packed thrillers, to comedic horrors and female-led, genre-bending dramas. The label was co-founded by actor James Norton (*Grantchester*, *War and Peace*, *Happy Valley*, *McMafia*) and Kitty Kaletsky, a former senior executive at leading TV and film production companies in the UK and the US.

Top shows: *Rogue Agent* (Netflix).

— Conker (Investment)

Banijay has backed a TV drama independent producer set up by Peaky Blinders' executive producer Tommy Bulfin, and Apple TV+ commissioner, Kim Varvell. The duo focuses on making TV drama series for both local and global buyers.

— Esmeralda (Investment)

Banijay has supported the new production venture from actor, comedian and writer Sir Lenny Henry (*Three Little Birds* for ITV), with former BBC Studios executive Jon Sen. The new label focuses on broad appeal drama and comedy, with an emphasis on working with under-represented writers, cast and crew.

— Immovable Studios (Investment)

Immovable Studios focuses on developing an exciting slate of premium scripted and non-scripted content, from award-winning artist Kingslee Daley (professionally known as Akala), an English bestselling author, rapper and co-founder of The Hip-Hop Shakespeare Company.

Top Shows: *Poetry: Behind the Lines* (BBC), *Akala's Odyssey* (BBC Four), *Akala Presents: The Ruins of Empires* (BBC Two).

France

— Authentic Media (Acquisition)

Authentic Media produces premium scripted content, spanning drama, film and documentary. This acquisition underscores Banijay France's ambition to grow its footprint within the scripted space.

Top shows: *Sam* (TF1), *Je te Promets* (TF1 - local adaptation of hit US title, *This is Us), Le Livreur de Noël* (France Télévisions), *Le Temps est Assassin* (TF1), *L'Ascension et la Chute de Carlos Ghosn* (France Télévisions).

Netherlands

— Twenty-two Productions (Investment)

Twenty-two creates non-scripted and commercial advertising content for clients such as Vice Media, The New York Giants, Nintendo and Microsoft.

Italy

— Greenboo Productions (Investment)

Greenboo produces premium scripted series, documentaries and films for linear, streamers and cinema for local and global audiences. This strategic partnership is an exciting step to further expand Banijay's presence in Italy, especially in feature films, and strengthens Banijay Italia's premium scripted and documentary offering.

Marco Belardi's most recent credits include *A casa tutti bene*, a series by Gabriel Muccino, inspired by his 2018 film of the same name, which was filmed last year, and *Lions of Sicily*, coming up for Disney+.

PRODUCTION COMPANIES

Banijay Group derives revenues from its operations in 21 countries (the footprint territories for production and distribution). The Group manages its production labels in these countries through a decentralised structure. This structure incentivises Banijay Group's local managers and partners to grow their respective brand in their respective markets. Banijay Kids & Family is the dedicated production, distribution, and sales division for children's programming worldwide.

France

Banijay Group is the largest independent television content producer in France, with 21 production labels in the region as of 31 December 2023:

Labels	Core business	Top shows
Endemol France	Create and produce audiovisual and digital content, of all genres and for all screens	*Les 12 Coups de Midi, Star Academy, LOL, LOL Halloween, Prodiges, Prodiges Pop/doc, Chacun Son Tour, Meilleure Boulangerie*
H2O Productions	Further produce new studio-based entertainment shows in daily and prime time slots while maintaining high performance on H2O flagship production (It's Only TV)	*It's Only TV, Very Bad Luck, The Big Wishaway, Ultimate Star Quiz, Battle Zik*
Banijay Production Media	Formerly known as Air Productions, Banijay Production Media leverages its music-based experience to create in-house formats and produce entertainment programming as well as long running daily gameshows	*Don't Forget the Lyrics, Chacun son Tour, Taratata, 100% France, Tout le Monde a Son Mot à Dire, L'Ecole de la Vie*
ALP Adventure Line Productions	Production of long running prime time entertainment and reality shows. Specific expertise in adventure programming	*Survivor, Fort Boyard, Obsessive Compulsive Cleaners, La Carte au Trésor, Les Grands Quizzs*
Banijay Productions	Focus on reality programming and factual entertainment	*Good Luck Guys (S7), Tout le Monde a son Mot à Dire, The Game*
Terence Films	Produce scripted content for television, feature films and branded content	*OPJ (S4/5), Rivière Perdue*
KM	Specialise in high-quality content production such as current affairs programming, documentaries, large-scale live promotional events and high-end factual content	*28 Minutes, Rael, Lagerfeld*
Montmartre Films	Produce scripted series and feature films	*Alphonse*
Miss France	Organise and manage the French yearly women beauty contest	n.a.
Banijay Studios France	Bring together talent and support them to develop and produce high-quality fiction that is innovative, entertaining, and relevant to today's society	*Skam (S11/12), Rivière Perdue, Supersex, Ecole de la Vie (S2)*
DMLSTV	Produce big musical shows, live events and concert recordings, in parallel to documentaries focusing on French musical icons and programs around comedy and theatre	*The Secret Song, Le Plus Grand Karaoké, Star Academy, Sosie Vocaux*
Non Stop People	Produce continuous celebrity news updates and covering international and local stars	*Morandini Live, The Big Show*
Puzzle Media	Focus on content production in action, adventure, and alternative culture	*Riding Zone, L'Amour à l'Epreuve*
Beau Soir Productions	Support, accompany, and nurture new classical music talent for the local and global stage	*Classical music concerts*
Banijay Talent	Manage influencer marketing across different labels to generate noise among its targeted audience (Banijay Talent, Upper Talent, Daze Management, Talent Lab)	n.a.

Labels	Core business	Top shows
TOOCO	Create, develop and manage new formats, through originating concepts for the French and international markets	*Guess My Age, Le Club des Invincibles*
Shine Fiction	Create, develop, produce and distribute fiction content for the French market, with international potential	*Heureusement qu'on s'a, L'homme de nos vies, Ultra loin, Carême*
Atlantis Factory	French joint-venture between Endemol Production and Atlantis Film (ITA) which aims at producing TV content and fashion show videos, bringing technical production expertise	n.a.
Yasuke Production	Joint-venture with French judoka Teddy Riner to produce content focusing on sports for all types of audiences and broadcasters	n.a.
4-3-3 Production	Joint-venture with French soccer player Blaise Matuidi to produce content focusing on sports, notably football	n.a.

Americas

Banijay Group is a large independent television content producer in North America and Latin America, with the United States as the world's largest market for the consumption of television programmes and digital entertainment content. Banijay Group has 10 production labels in North and Latin America as of 31 December 2023:

Labels	Core business	Top shows
EndemolShine NorthAmerica	Focus on producing hit group formats in the US & LatAm markets as well as launching new original content for broadcasters and streamers.	*MasterChef, LEGO Masters, Courtship, Wipeout, Ripley*
truly original	Expand volume-based cable business into streamers and developing original content that can be exploited across the Group	*Rela Housewives Atlanta, Summer / Winter House, Swanp People, Ink Master*
Bunim Murray Productions	Produce non-scripted volume programming by creating cable franchises and spin-offs, while building on strong talent relationships for new content	*Challenge (franchise), The Family Stallone, Buddy Games, Vanderpump Villa*
51 Minds	Produce non-scripted volume programming, while expanding OTT commissions and relationships	*Below Deck (franchise), 24 Hour Flip, Married to Real Estate*
Stephen David Entertainment	Further expand the "hybrid" docu-series genre volume through relationships with OTT & new buyers	*Dynasties, Boston Tea Party, Gunfights*
Banijay Studios North America	Create original network, syndicated, and cable programming, as well as developing Banijay Group's format hits for the U.S. market.	*Temptation Island*
EndemolShine Boomdog	Develop and produce original content for the U.S. Hispanic and Mexican TV markets and partner with industry leading Latinx talent	*La Casa de los Famosos, Mira Quien Baila, Masked Singer, Los 50, LOL, Temptation Island*
Banijay Mexico & U.S. Hispanic	Creates original content in both English and Spanish for broadcast, cable, and streamers in the Mexican and U.S. Hispanic markets	*LOL Mexico*
EndemolShine Brasil	Focus on branded content & digital revenue streams and serve as a production hub for other LatAm territories	*Love is Blind: Brazil, Survivor, The Masked Singer, Temptation Island, MasterChef Brazil*
a fábrica	Produce scripted series and films for linears & streamers	*Vai Que Cola, Modo Aviao, Pai em Dobro, Lulli, Barba Cabelo & Bigode*

Nordic Countries

Banijay Group is the leading content producer in the Nordic countries (Denmark, Finland, Norway and Sweden). Banijay Group has 17 main production labels in the Nordic countries as of 31 December 2023:

Labels	Core business	Top shows
mastiff	Develop and produce its own large-scale entertainment shows as well as producing international and 3rd party formats	*All Against 1, RuPaul's Drag Race, Survivor Philippines, Survivor Malaysia*
Filmlance	Produce feature films for cinema, TV and streaming services as well as producing TV series and children's films	*Taelghia, Sanningen, Beck, Ronja (S1)*
JAROWSKIJ	Produce content across feature film, drama, current affairs, reality, entertainment and comedy	*Nearly Normal Family, Fort Boyard, Wild Kids, SAS, LOL, Ture Sventon, Solsidan, Fake Patient*
METER	Focus on producing adaptations of international titles for national channels and streamers.	*MasterChef, Bake Off, Bake Off VIP, Biggest Loser, Great Swedish Adventure, Eternal Glory*
YellowBird	Create and produce high-quality drama for the Scandinavian and international markets, with a Nordic anchoring	*Bäckstrom (S3)*
metronome	Create, develop and produce content across all genres including entertainment, comedy, kids, reality, lifestyle and factual entertainment	*MasterChef, All Against 1, LEGO Masters, Alone Together, The Block, Taskmaster*
mastiff	Produce entertainment content across various genres such as reality, lifestyle, factual entertainment, reportage, crime, kids and scripted comedy	*Starstruck, Strictly Come Dancing, Good Luck Guys, Paradise Hotel, Survivor*
Nordisk Film TV	Produce premium content for TV broadcasters, across scripted (drama, comedy and comedy sketches), non-scripted (reality, factual entertainment, current affairs, game shows and talent shows) and digital and new media	*Your Body Uncovered, Alexander's Krig, Go faellesfunktioner*
RESPIRATOR	Produce satire-based comedy, sitcoms and documentaries on all visual platforms	*100% Sjov, Stjerner pa udebane*
Pineapple Entertainment	Create comedy talk show and entertainment, alongside other factual entertainment formats with a focus on lifestyle with a sprinkling of humor	*The Diamond Family, The Night Shift*
mastiff	Produce long running entertainment, reality and factual entertainment brands.	*Good Morning Norway, Best Singer, Paradise Spring, Celebrity Hunted, Good Luck Guys*
Nordisk Banijay	Focus on content production across various genres like reality, drama, and factual entertainment, leveraging its longstanding heritage on the Norwegian market	*Your Body Uncovered, Sold or Broken, Go Faellesfunktioner*
SCREEN MEDIA	Reach production companies and TV channels with post-production services	n.a.
RUBICON	Produce scripted and entertainment for all big Norwegian media houses and OTT platforms	*Solo*
EndemolShine Finland	Produce a wide range of award winning non-scripted and scripted content, supplying TV channels, streamers and brands	*MasterChef (S7), Gogglebox (S15/16), Ex on the Beach (S4)*
Banijay Finland	Focus on non-scripted shows, including some local versions of international prime-time hits	*Temptation Island (S12), Survivor (S7), Best Singer (S14), Home of the Year (S9), Love Triangle (S1)*
JAROWSKIJ FINLAND	Produce scripted drama content for television broadcasters	*Maria Kallio, Carousel, Sunnyside*

Italy

Banijay Group is the main independent television content producer in Italy. Having acquired ITV Movie, Banijay Group has has ten main production labels in Italy as of 31 December 2023:

Labels	Core business	Top shows
EndemolShine Italy We are Banijay	Create, adapt and produce entertainment and scripted programs of all kinds for the main Italian networks, satellite platforms and interactive media	*Big Brother VIP, LOL, MasterChef, Cucine da Incubo, Still Dancing, Hunted*
Banijay Italia We are Banijay	Maintain a high quality of product while developing new projects characterised by an original approach to creativity that suits both Italian and international audiences	*The Ferragnez, L'Isola Dei Famosi, Gialappas, 100% Italia, Don't Forget the Lyrics, Pechino Express, The Guiness Show*
GRØENLANDIA We are Banijay	Produce premium scriptedTV series, movies, and theatrical films as well as theatrical releases, short films and documentaries through its majority stake in Ascent Films	*Supersex, Qui non e Hollywood, No activity, Una Storia Nera, Mixed by Erry, Sei Fratelli*
Banijay Studios Italy We are Banijay	Develop original scripted IP for local broadcasters and streamers	*La luce Dei Tuoi Occhi (S2), Un Professore (S2), Lea e i Bambini (S2), La Commissaria (S2)*
ATLANTS Filmmaking We are Banijay	Produce Italian TV shows and content for fashion, beauty and luxury players, notably live shows during fashion weeks	*Fashion shows, commercials*
ITV movie We are Banijay	Produce television programs, fiction and commercials for the most important networks in parallel to events organization	*Fratelli Di Crozza, DiMartedi', Un'Ora Solo Vi Vorrei*
Aurora TV We are Banijay	Specialise in TV series, notably focusing on telling the stories behind Italian main personalities	*Paradiso delleSignore (S5/6), CuoriCoraggiosi (S2)*
l'Officina We are Banijay	Produce the prime time show "Che Temp Che Fa", now in its eighteenth year in Italy, featuring one-to-one interviews and discussions on current affairs as well as interviews with experts, celebrities and public	*Che Tempo Che Fa (S5, S6)*
4 FRIENDSfilm We are Banijay	Specialise in shooting, editing and live streaming fashions shows for key international players	*Fashion shows, commercials*
Banijay Nonpanic We are Banijay	Focus on "experimental" formats, in other words, those titles that provoke reactions and make people talk	*Married at First Sight*
GREENBOO PRODUCTION	Greenboo produces premium scripted series, documentaries and films for linear, streamers and cinema	*Lions of Sicily*

United Kingdom

Banijay Group is among the top three key independent television content producers in the United Kingdom. The nation's television and digital content market is large compared to the country's size, partially due to the demand for English-language content, which means huge export potential, outweighing that of other territories. Banijay Group has 21 main production labels in the United Kingdom as of 31 December 2023:

Labels	Core business	Top shows
SHINE: We are Banijay	Make popular television in all forms: from single documentaries to global factual entertainment	*Hunted Celeb, MasterChef (4 seasons Main / Pro / Celebs / Young), Banged Up*
zeppotron We are Banijay	Produce high-quality comedy and comedy-entertainment shows as well as reality and scripted programs	*Cats Does Countdown, Would I Lie to You*
REMARKABLE We are Banijay	Produce non-scripted programming, mainly in entertainment, factual entertainment and popular factual formats	*Survivor, Richard Osman's House of Games, Deal or No Deal, Pointless Celeb, Starstruck*

Labels	Core business	Top shows
iNiTiAL	Produce entertainment content for TV broadcasters and streamers	*Big Brother, Soccer Aid*
ZnakTV	Produce reality shows for the UK market	*I'm a Killer, Masquerade Ball, Ultimate Tag, Revolution and Meghan Markle, 30 Days with: Bretman Rock*
Dragonfly	Make premium factual programming, such as historical documentaries, for local TV broadcasters and international streamers	*Ambulance, Surgeons, Moulin Rouge*
dsp	Produce films and television programs for UK, US and international broadcasters, across genres like drama, feature-length and documentaries	*Interior Design Masters, Banjo Designing the Hebrides, All Aboard: Britain by Steam, Guide Dogs*
worker bee	Specialise in gripping and globally reaching stories that fascinate and entertain	*Love Triangle, Janet, Peter Crouch, 4 Kings, Hot Wheels*
KUDOS	Specialised in scripted content working with global talents to create, develop and produce popular, innovative, award-winning drama and comedy series	*Grantchester, This Town*
Wild Mercury	Develop and produce bold, irreverent, imaginative stories for UK and US broadcasters, working in creative collaboration with original writers working in drama and comedy	*6th Commandment*
THE FORGE	Produce high quality, ambitious and award-winning scripted drama for both linear and SVOD platforms	
tiger aspect	Create and produce programs in various genres such as comedy, drama, entertainment and factual/ features films for the UK's major terrestrial and non-terrestrial broadcasters	*Domina, Three Little Birds, Bad Education, The Bremmers, The Curse*
BLACKLIGHT	Produce television drama and film	*4 Stories, Open, That Girl, Ellen*
Double Dutch	Produce high-end, entertaining and character-led titles. Label launched by Tiger Aspect alumni Iona Vrolyk	
Mam Tor Productions	Focus on high end, contemporary and original returning series, and work predominantly with new talent, women and other underrepresented groups	*Chloe*
rdf	Produce popular and innovative programs across entertainment, factual entertainment, comedy, documentaries, daytime and features	*Tipping Point, Sunday Bunch, Only Connect*
iwc	Specialise in factual content, driven by a passion for great ideas and vivid storytelling, focusing on Scottish content	*Location, Location, Location, Susan Calman's Grand Days Out, Island Crossings*
ELECTRIC ROBIN	Work across ideation, development, production and multiplatform content for major global brands and UK's biggest TV and online shows	*Birthday Song, Joe Essex's House Party, Innocent*
RABBIT TRACK Pictures	Create diverse scripted projects based on original and adapted materials, from action-packed thrillers, to comedic horrors and female-led, genre-bending dramas	*Rogue Agent (Netflix)*
Conker	TV drama series for both local and global buyers	n.a.
Esmeralda	Focus on broad appeal drama and comedy, with an emphasis on working with under-represented writers, cast and crew	n.a.
Immovable Studios	Develop an exciting slate of premium scripted and non-scripted content	n.a.
TY'R DDRAIG DRAGON HOUSE	Produce shows in both Welsh and English that entertain the broadest possible audience	n.a.
THE NATURAL STUDIOS	Produce outdoor adventure content	*The Island With Bear Grylls, Bear and Jonny Wilkinson Wild Adventure*

Germany, Switzerland and Austria (DACH)

Banijay Group is one of the largest independent television content producers in the DACH region (Germany, Austria and Switzerland), with 10 main production labels as of 31 December 2023:

Labels	Core business	Top shows
EndemolShine Germany	Produce diversified content from comedy to quizzes, documentaries, light entertainment, reality, show, to maintain its leadership position in Germany	*Who Wants to Be a Millionaire, The Masked Singer, Celebrity Big Brother, LEGO Master,*
BRAINPOOL	Produce comedy and entertainment content for the German and international market	*TV Total, Beat the Star*
NOiSY pictures	Produce high-quality, standout entertainment formats and scripted production	*Dragon's Den, gameshows for SAT1*
Banijay Productions Germany	Invest and develop in innovative and fresh content that is born locally and travels globally	*Battle of the Reality Stars, Temptation Island, Let the Music Play*
Management Compagnies (OGP, en2rage, SR)	Focus on music production, rights and podcasts	n.a.
MADEFOR	Create and produce premium scripted series and films for the local and international markets	*Marie Catches Fire, Tatort Dresden*
GOOD TIMES	Produce docu-soaps, reports, coaching formats, scripted reality, and fiction for various television stations across Germany, Austria and Switzerland	*Mein Lokal, Dein Lokal, The Block, Armes Deutschland, Good Luck Guys*
POTATOHEAD PICTURES	Develop and produce new culinary formats	n.a.
influence vision	Connects brands and content creators on a common platform and produces marketing campaigns for brands	
B&B EndemolShine	Create, adapt and produce diversified programs for the Swiss market	*MasterChef, The Masked Singer, All Against 1*

Iberia

Banijay Group is the largest independent television content producer in Iberia (Spain and Portugal), with 10 main production labels in the region as of 31 December 2023:

Labels	Core business	Top shows
SHINE IBERIA	Create television hits for the Spanish market and adapt international formats.	*MasterChef, Cover Night, Hair Style Club, Me Resbala, documentary Miguel Bosé*
Cuarzo Producciones	Create, adapt and produce successful formats in many genres like entertainment, fiction, drama, factual television, talk shows, investigation, docureality	*Madrid Directo, Temptation Island, Viva la Vida, Hablando Claro, El Debate Temptation*
gestmusic	Produce big prime time shows including music shows, entertainment and game shows	*Your Face Sounds Familiar, Boom, Still Standing, The Traitors, It Is Your Turn,*
ZEPPELIN	Create and produce entertainment programs and fiction series, notably in reality content.	*Big Brother VIP LOL, Secret Story*
Dlo Producciones	Produce scripted fiction, notably psychological thrillers and comedy movies	*El Immortal, Largas Sombras, Ni Una Mas*
Pokeepsie Films	Produce premium scripted series and films	*30 Coins (S2), Monos Con Pistola, Culpa Mia*
portocabo	Produce premium scripted drama	*Rapas Das Bestas, Honor*

Labels	Core business	Top shows
DIAGONAL We are Banijay	Produce series and TV movies, as well as feature films, notably in historical and period dramas, thrillers and dark comedies	*Amar Es Para Siempre, Red Purpura*
STUDIOS	Joint-venture with LaLiga to produce sport content for the Spanish football federation, clubs and partners	n.a.
endemol portugal We are Banijay	Specialise in reality programing by creating, adapting and producing recognised formats	*Big Brother VIP, All You Need Is Love, 5 Para a MeiaNoite*
SHINEIBERIA We are Banijay	Create television hits for the Portuguese market and adapt international formats.	*The Voice, Married at First Sight, MasterChef, Save the Date*

Australia and New Zealand

Banijay Group is the largest independent television content producer in Australia and New Zealand. It has two main production labels in Australia and New Zealand as of 31 December 2023:

Labels	Core business	Top shows
EndemolShine Australia We are Banijay	Focus on commissioning new original IP as well as delivering premium adaptations of international formats	*NCIS Sydney, MasterChef, Married at First Sight, Survivor, Big Brother, LEGO Masters, Goglebox, The Summit, Rush*
Screentime New Zealand We are Banijay	Look for opportunities to sell big format series from Endemol Shine catalogue, develop new local formats and strengthen complementary business growth	*Blow Up, My Kitchen Rules, First Responders, The Lost Boys of Dilworth*

Benelux

Banijay Group is the largest independent television content producer in the Netherlands and a key player in Belgium and Luxembourg (Belgium, the Netherlands and Luxembourg together the “Benelux”). It has 10 main production labels in Benelux as of 31 December 2023:

Labels	Core business	Top shows
SOUTH FIELDS We are Banijay	Produce sports content (with or without rights attached). Extend business to other sports	*Rondo, F1 Café, Europa League, Eretribune*
EndemolShine Nederland We are Banijay	Develop content for every platform, in every genre and for everyone. Produce long running blockbuster titles.	*Big Brother, Miljoenenjacht, All Against One, Doet-le 't of Doet-le 't Niet*
simpel zodiak We are Banijay	Focus on the development and production of content-driven factual entertainment, reality adventure and true crime shows	*Survivor, Good Luck Guys, Hunted, Ik Vertrek, SAS Special Forces VIPS*
TVBV We are Banijay	Make programs for public broadcasters and commercial channels, focusing on the genres of current affairs, human interest and infotainment	*Op1, Hofbar, HLF8 (talkshow Johnny)*
TOPKAPI FILMS We are Banijay	Produce high-end scripted content, mainly across drama and film, through an expanded international network	*De Droom van de Jeugd, Stantos, Bodem, Goodbye Stranger*
NL film We are Banijay	Focus on long running scripted series and docu/scripted combinations	*Penoza, Modern Love, Commandos, Van der Valk, Spangas, The Rules of Floor*
SCENERY We are Banijay	Formerly known as Totem Media, focus on high-end documentaries with international appeal	*Max Verstappen - Off The Beaten Track, Human Playground, Jamal*
EndemolShine Scripted We are Banijay	Develop high quality drama for commercial and public channels as well as streaming platforms, from crime and thrillers to feel-good and daily drama show	*Good Times Bad Times, Roombeek, De Poli*
POSH PRODUCTIONS We are Banijay	Develop and produce documentaries related to social themes such as crime or psychology	*Dubbel Gestraft*

Labels	Core business	Top shows
TWENTYTWO	Produce non-scripted and commercial advertising	*Sketch studio*
Banijay Belgium We are Banijay	Produce various content across sports, scripted, documentaries and unscripted	*Familie (S33), MasterChef, Hunted, Buying Blind*
JONNYDEPONY We are Banijay	Produce strong fiction series in several genres appealing to a broad audience internationally	*Arcadia, Het meisje uit mijn dagbo*

India

Banijay Group is a large independent television content producer in India, with two main production labels as of 31 December 2023:

Labels	Core business	Top shows
EndemolShine India We are Banijay	Produce exciting and popular programming for television broadcasters and streamers	*Big Brother, MasterChef, The Kapil Sharma Show, Temptation Island, Cricket world Cup*
Banijay Asia We are Banijay	Create content for television, films and OTT platforms, through an expertise across many genres, including entertainment, factual, scripted and reality	*The Kapil Karma Show, The Night Manager, Casa Toh Banta Hai, Survivor, Wildmate Specials, The Good Wife*

Israel

Banijay Group is a large independent television content producer in Israel, with two main production labels as of 31 December 2023:

Labels	Core business	Top shows
EndemolShine Israel We are Banijay	Create and produce critically-acclaimed, popular series in all genres	*Big Brother, MasterChef, Survivor, Game of Chefs, Star Academy*
MoviePlus We are Banijay	Specialise in full-length feature drama films, series, and documentaries	*Six Zeros, I'm Not Yours, IBP Brother*

Poland

Banijay Group is a large independent television content producer in Poland, with one production label as of 31 December 2023:

Labels	Core business	Top shows
EndemolShine Polska We are Banijay	Create and produce content on both local and international commissions, in parallel to developing technology and software for production	*Your Face Sounds Familiar, MasterChef Junior, Lego Master*

Banijay kids & family

The Banijay Group also has production labels specialised for Kids & Family:

Labels	Core business	Top shows
MoviMenti	Produce animated TV series, music videos, live-shows and multi-platform projects for local and global audiences	*Tear Along the Dotted Line, Topo Gigio*
zodiak kids&family France	Create, develop and produce children's animation	*Shasha & Milo*
tiger aspect Kids & Family	Produce bold, funny and iconic content for all ages, from pre-school through to family, spanning live-action series and animated shows	n.a.
zodiak kids&family Distribution	Distribute Zodiak Kids & Family formats	*Mr Bean*
zodiak kids&family Productions UK	Create original and innovative programs focusing on a pre-school to teenagers' audience	*Silverpoint*
Monello	Create strong original shows for children and the whole family, covering comedy, action-adventure and education	*Hello Kitty*
Kindle Entertainment	Focus on female-led, premium 4 quad drama	n.a.

1.1.1.5 Banijay Group's customers

Banijay Group works with a broad network of customers and partners, including broadcasters, television channels, producers and digital platforms active in the markets in which it operates, as well as with licensees, retailers of consumer products and commercial partners from around the world. Banijay Group sold its content to approximately 1,134 licensees worldwide in 2023.

Banijay Group's main customers for its production business include broadcasters, such as France Télévisions, TF1 Group, ITV, the BBC, Channel 4, FOX, CBS, Bravo, Antena 3, TVE, RTL Group, TV2 Denmark, NENT, DR Denmark, TV4 Sweden, SKY, Mediaset, Rai Uno, Canal Plus Group, ABC Network, NBC, Discovery and MTV, and also global streamers such as Netflix, Amazon Prime Video, Discovery+, Disney+, Paramount+, Peocock and Max.

For the Financial Year 2023, the top ten broadcasters of Banijay Group's production business accounted for 48% of the production revenues of this business and no single broadcaster accounted for more than 11% of the production revenues of this business.

1.1.1.6 Operational organisation

MARKETING AND SALES

Each of Banijay Group's production companies develops its marketing and sales strategies independently to address the local needs of broadcasters and streamers. Banijay Group's central content team, "Creative Networks", focuses on increasing the international appeal of Banijay Group's IP and partners with Banijay Rights to market programmes in other countries in order to export successful formats into new markets. Local production teams work in close partnership with Banijay Group's central content team to provide all the marketing materials needed (for example, sales video trailers or presentations) to promote shows internationally, primarily via the media and trade conferences and markets. Banijay Group's distribution business promotes its formats and programmes in various international and regional markets at events such as MIPCOM, London Screenings, C21 Content London, Series Mania, NATPE Miami and Budapest, Berlinale and Sundance.

INTELLECTUAL PROPERTY

Banijay Group's intellectual property assets principally include copyright for its content, trademarks and service marks in brand names, trade names and logos and domain names, as well as licenses to use other intellectual property rights and licenses of its intellectual property to others.

Banijay Group's proprietary content constitutes a significant part of Banijay Group's value, and the protection of its brands and content is important. To protect its intellectual property rights, it relies on a combination of copyright, trademark, unfair competition, trade secret and domain name laws, as well as non-disclosure agreements. Approximately 52% and 51% of Banijay Group's production revenue for the Financial Year 2023 and the Financial Year 2022, respectively, come from its owned intellectual property.

Banijay Group seeks to limit challenges to its intellectual property rights, especially with respect to rights to its formats which are more difficult to protect and which may lead to significant legal fees if a dispute becomes transnational. Banijay Group monitors trademark registrations and relevant third-party productions to ensure there is no copyright infringement of its proprietary content. By involving Banijay Group's legal team in all material intellectual property litigation across Banijay Group, it is able to ensure consistency in its claims and defences.

INFORMATION TECHNOLOGY

Banijay Group's business depends on the successful operation of information systems and other standard technology. It has two creative business platforms in place: Blink and Core. Blink is Banijay Group's internal content platform that has information and links to assets on its library of formats (wholly-owned and third-party-acquired formats), news on Banijay Group and gives access to some internal documents such as trends presentations, policies and internal communication on events held by Banijay Group, as well as information and market intelligence on competition programming. Core is the online platform for tracking development, production and on-air activity. Next to these creative platforms Banijay Group uses B-Learning, a platform licensed from MetaCompliance for group e-learning training (for example on cyber security and compliance) and policy management.

PROPERTY

In general, in order to limit its fixed costs, Banijay Group prefers to lease properties and production facilities that it uses for its production business. In certain countries, such as the United States, Spain, the Netherlands, Brazil and Germany, Banijay Group's subsidiaries own studios or production equipment and lease it to other entities either within the Banijay Group or to third parties.

QUALITY MANAGEMENT

Banijay Group maintains a stringent quality assurance programme to ensure the quality of its content. To this end, Banijay Group conducts regular employee training and performs regular audits at each of its subsidiaries, employing several professionals active in auditing and improving the quality assurance of its operations.

1.1.2 Online sports betting and gaming

1.1.2.1 Overview

The Betclic Everest Group is still one of the fastest-growing online sports gaming platforms in Europe in terms of Revenue growth from 31 December 2022 to 31 December 2023 compared to its main listed competitors and based on their disclosures of Revenue at the end of December 2023[1].

For Financial Year 2023, the revenues of the Betclic Everest Group amounted to €996 million, compared to €835 million for Financial Year 2022.

The Group operates its business associated with online sports betting and gaming through Betclic Everest Group, in which, as at 31 December 2023, FL Entertainment holds 94.6% of the capital, the remaining 5.4% being held by Mr Nicolas Béraud.

In addition, as at 31 December 2023, Betclic Everest Group has a controlling interest of 53.9% in bet-at-home.com AG, a company listed on the Frankfurt Stock Exchange that operates independently. For the avoidance of doubt, Betclic Everest Group includes Betclic and its subsidiaries, including Bet-at-home. There is no agreement in place between Betclic and Bet-at-home.

Revenues of Bet-at-home represented 4% of the revenues of the Betclic Everest Group over the Financial Year 2023. The Betclic Group's revenues represented 96% of the revenues of the Betclic Everest Group over the Financial Year 2023. As a result of consolidation, financial information and results of the Betclic Everest Group include those of Bet-at-home. In this business section, information predominantly relates to the Betclic Group, except where expressly indicated otherwise.

The Betclic Group is a sports betting group that aims to enrich its users' sports experience while offering poker and casino games and horse racing betting. Its offering can be accessed through its websites or through its mobile apps.

The Betclic Group focuses its development on locally regulated markets, i.e., those requiring a national license to operate an online gaming platform. The Betclic Group estimates that around 99% of its revenue in 2023 were generated on locally regulated markets under national licence.

The Betclic Everest Group's revenue is comprised of Gross Gaming Revenue decreased by bonuses and free bets granted to the players.

(i) In online sports betting, the Betclic Everest Group generates revenue by betting against its players, and its Gross Gaming Revenue consists of the bets made minus the gains paid to the players.

(ii) In online casino, the principle is to provide players with online games of chance, the draws of which are based on an audited random number generator, configured to offer a return rate to the player between 80% and 98%.

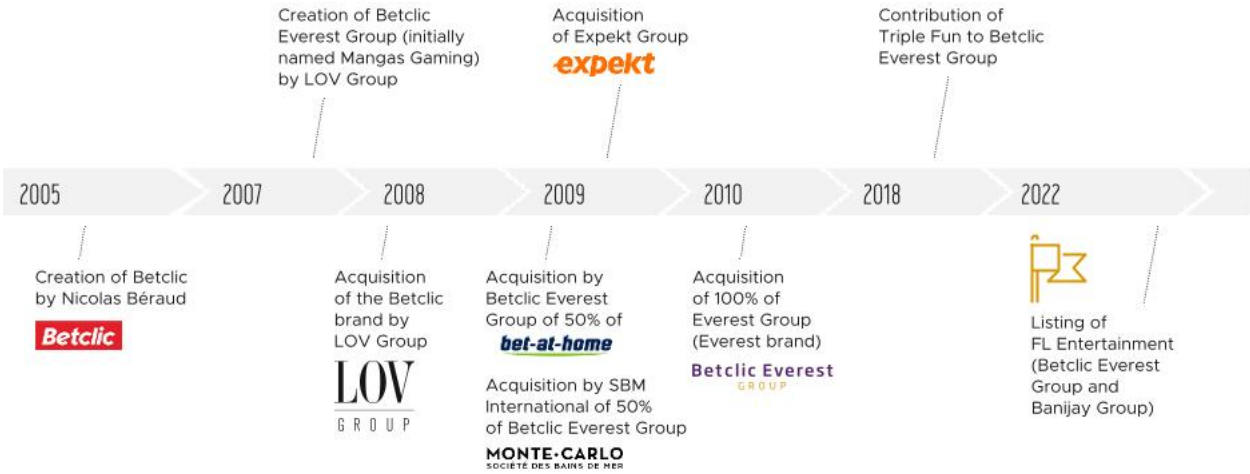
(iii) In online poker, only operated by the Betclic Group within the Betclic Everest Group, it generates a Gross Gaming Revenue by charging a commission (rake) on the players' bets or by collecting an entry fee in case of a poker tournament.

(iv) In online horse racing betting, only operated by the Betclic Group within the Betclic Everest Group, it generates a Gross Gaming Revenue by the commission charged on the bets.

1.1.2.2 History of the Betclic Group

Betclic was established in London in 2005 by Nicolas Béraud. The Betclic Everest Group (named Mangas Gaming at that time) was founded by Lov Group and established on 12 December 2007. In May 2009 SBM International acquired 50% of the capital of Mangas Gaming. The Betclic Everest Group was formed by successive acquisitions, firstly the acquisition of 100% of the Betclic brand in May 2008 (by Lov Group), 100% of the Expekt Group in July 2009 and 100% of the Betclic Everest brand in April 2010. The Betclic Everest Group acquired 50% of Bet-at-home in May 2009. The Betclic Everest Group now owns 53.9% of Bet-at-home. Furthermore, Triple Fun was contributed to Betclic Everest Group on 30 September 2018. The various acquisitions made by the Betclic Everest Group between 2008 and 2010 enabled it to acquire and consolidate a portfolio of diversified brands, which are present in markets spread throughout Europe, and enable it to offer players all the flagship products of online games, sports betting, casino, poker and horse racing. In 2017, the Betclic Everest Group changed its focus to markets on which it had or could obtain a strong market position. As a result, Betclic stopped operating its brands Everest Poker and Everest Casino, and sold its Expekt brand.

(1) *Figures from competitors are based on publicly disclosed information (such as competitors' websites). For more information on competitors, please also refer to Section 1.3.1 (Banijay Group's competition environment) and Section 1.3.2 (Betclic Everest Group's competition environment).*



1.1.2.3 Betclic Everest Group's operations

Betclic Group operates exclusively online. It offers a full range of online gaming products and services, covering sports betting (sportsbook), casino games (casino), poker and horse racing betting (turf).

Betclic's revenues by product for the Financial Year 2023 were the following:

As of 31 December 2023, the Betclic Group offers:

(i) a sports betting activity covering more than 55 sports, including football, tennis and basketball (sportsbook);

(ii) a casino activity covering a wide variety of games, including games such as slot machines, table games and live casino (casino);

(iii) a poker activity in the form of cash games and tournaments (poker); and

(iv) a horse racing betting activity only in France (turf).

This product offering is enhanced by combining the products and services developed by the Betclic Group with related value-added services, such as gaming platforms, pre-live betting and live betting, payment services, cloud services or mobile applications. The Betclic Group operates in France and other key countries, such as Portugal, Poland, Italy, Ivory Coast and Malta.

ONLINE SPORTS BETTING

Sports betting has always been the Betclic Group's historical business. When France regulated its gaming market in 2010 without allowing the operation of online casinos, the Betclic Group mainly continued to invest in its sports betting business. Over the years, the Betclic Group has worked to enrich its offer, increase the number of events and live experiences promote betting on multiples and customise and localise its offer by country.

In the online sports betting segment, customers can find betting offers on more than 55 sports, covering sports competitions globally. For example, the Betclic Group covers more than 50 different football competitions. Additionally, Betclic is offering betting in exclusivity on some dedicated sporting events for local markets (such as Fame MMA or rap battle competitions in Poland).

Over the Financial Year 2023, the Betclic Group offered more than 500,000 betting events to bet on, with close to 60,000 to watch in live streaming real-time on its channels (mobile applications & websites) with some main competitions broadcasted (Rugby World Cup, NBA, UFC, etc.). The Betclic Group also allows its customers to bet on a few hundred different possibilities (match result, score, goals or points, players' performance, combinations, etc.) for each sporting event, both before and during the event.

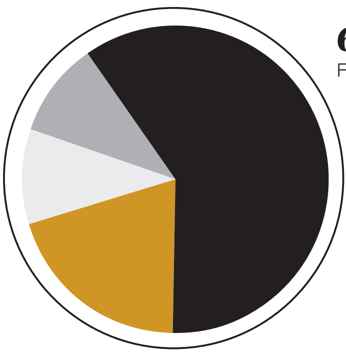
In addition to pre-match and live betting, the Betclic Group offers various types of bets, including single bets, multiple bets, system bets or cash-out options. In 2023, the Betclic Group added to its offer close to 250 new possibilities of bets and became the first operator in its territories to offer a wide players & teams proposition bets offer (bets on match statistics such as shots, assists, passes completed, fouls, etc.) on 30 different football competitions, both in pre-match and Live. To support the customer in finding the right bet inside this best-in-class offer, the Betclic Group reshaped in 2023 the organisation of its navigation with a new recommendation engine and personalization tools that anticipate the sporting events a customer will like at a given time.

The Betclic Group offers a simple and intuitive betting interface on its mobile applications enabling players to register, deposit and place bets in only a few taps. In 2023, the Betclic Group has been the first operator in France to launch an instant withdrawal feature, so that only a few seconds will last between the end of the match and the reception of the winnings on the customer's bank account. In addition, entertaining features, such as live streaming, live game statistics and information on the historical performances of the teams, enhance Betclic's extensive offer. The Betclic Group also offers its players challenges with freebets and leaderboard tournaments, as well as Goal Booster, a new unique betting experience focused on football players. In 2023, the Betclic Group also focused on providing its customers the most entertaining and connected betting experience thanks to a new feature of sharing and copying a bet.

The Betclic Group operates in countries where the number of sporting events suitable for gaming is limited by regulation. Betclic Group's aim is always to expand its offer up to the limits offer of sporting events.

The activity of sports betting operators is driven by the main sporting events, such as the major international football competitions (FIFA World Cup, European Football Championship), club tournaments organised by the UEFA (Champions League, Europa League), matches played in the top national football leagues (Ligue 1 Uber Eat, Premier League, La Liga, etc.), Tennis Grand Slam tournaments (Australian Open, Roland Garros, Wimbledon and US Open), and the NBA in the US. The last years have also seen the advent of a new popular sport amongst younger audiences, MMA (Mixed Martial Arts). The Betclic Group has signed in 2023 its first international sponsorship with the number 1 federation, the UFC (Ultimate Fighting Championship) and is the exclusive broadcaster of the fights. Additionally, the Betclic Group is the exclusive odds provider for Fame MMA, the most famous MMA competition in Poland. Those two partnerships give the Betclic Group a strong position to attract new audiences and make it the reference in the sportsbetting industry.

The following chart displays the percentage of bets placed on each sport over the Financial Year 2023:



Finally, various factors contribute to the success of the Betclic Group's sports betting operations: (i) width and depth of the offer; (ii) risk and margin management; (iii) odds attractiveness; (iv) product features and easiness to use; and (v) commercial policies (including bonuses) and animation of the customer base.

ONLINE CASINO

The Betclic Group offers online casino and chance games in Portugal and Italy. The Betclic Group's offering includes table games such as blackjack, roulette and Banca Francesa, virtual slot machines, but also live casino games, which are table games where the croupiers are real persons that are being filmed.

The Betclic Group uses gaming software from specialist third-party providers on its platform. The Betclic Group has 22 third-party providers directly integrated on its proprietary casino platform. The difference between the players' stakes and the return to such player is shared by Betclic and the casino providers in accordance with commercial agreements. The Betclic Group offers 3,900 games, produced by 47 different game studios. Some third-party services providers organise jackpot mechanisms across multiple platforms, making it possible to deliver big wins.

In September 2023, the Betclic Group's released a brand new casino experience for its Portuguese customers. The casino home page and navigation were fully rethought to better highlight and organise the vast variety of games proposed to the players. All the 3,900 game thumbnails were also redesigned to give a more modern and vivid look to the casino experience. Finally, some new areas dedicated to better show-casing promotional content were added, allowing a double player participation to the different promotional campaigns.

The Betclic Group continued to release a large number of games in 2023, especially in its main market, Portugal, with 400 new titles proposed to the players. Amongst those games, 190 were launched as branded or exclusive games (exclusivity periods can vary from 2 weeks to several months).

To help players find relevant games to play in this constantly increasing portfolio, several algorithm of personalisation were introduced to various groups of players: new players are helped into their first choice of game through a "Discover casino" selection; existing players can now be guided by a "Game you might like" selection tailored to their profiles and previous gaming patterns.

The Betclic Group also continued to update its proprietary casino platform to improve and automate promotional mechanics for casino users.

The first gamification feature, "Spin the Wheel" was released in Q4 2023 and encountered a major success with the players. The principle is simple: players are credited on some special occasion with a wheel, allowing them to win multiple rewards such as free spins, casino bonuses or freebets.

Finally, in December 2023, Betclic players enjoyed a fully integrated "Christmas Advent Calendar" experience, available for the first time on all mobile and desktop devices. Every day of December, players login to the casino and, through an animation, find out about the promotion of the day.

ONLINE POKER

In France, the Betclic Group offers online poker. In the online poker segment, the Betclic Group arranges games between several players at online poker tables, with random card draws. There are two main formats, cash games and tournaments. The players play against each other, and the Betclic Group takes a commission on the players' bets (called a "rake") if it is a cash game, and the Betclic Group collects an entry fee if it is a tournament. The rake amounts to 6.67% of the sums bet on average in the French market. The Betclic Group operates its online poker offering on Playtech's poker network and platform.

In cash games, the amount of chips that players place on the poker table (called the "buy-in") represents real money. The amount of buy-in to participate generally corresponds to an amount of 100 blinds, a big blind being the minimum to bet to participate in a hand on the table. There are tables with different limits from €0.02 to €10 per big blind. On the same table, the amount of blinds never increases. Players can enter and exit tables at their convenience with their remaining chips.

In tournaments, players pay an entry fee corresponding to approximately 10% of the bet. They play until they are eliminated by another player, whether the place corresponds to a gain or not. Tournaments are based on a principle of elimination and progressive blinds increase, with the last participant winning the tournament. There are multi-table tournaments (MTT) or Sit n Go tournaments. The multi-table tournaments start at a fixed time regardless of the number of participants and the Betclic Group offers guaranteed minimum winnings. The short 3-player Sit n Go formats in which the winner wins, in addition to the losers' bets, a random jackpot fed by a fraction of the entry fees for each tournament, called "Twister" at the Betclic Group. The Twister is by far the most popular poker game at Betclic as it can be played in five minutes and offers a chance to players to multiply their initial buy-in by up to 2,500.

In February 2023, the Betclic Group improved the experience of its poker players by releasing a new poker application. The ratings of the poker application have kept increasing since its release and multiple positive feedbacks were collected through customer surveys and on the poker forums.

Various improvements were also brought to the poker tables, allowing for a more comfortable gameplay and more personalisation options.

The Betclic Group also continued and reinforced its gamification strategy, started in November 2022 when the first poker mini-game was released to celebrate the launch of the FIFA World Cup. The mini-game is triggered at the end of a Twister and allows players to get a second chance to win, by offering multiple rewards (Poker free games, cash rewards, freebets). In 2023, three different game mechanics were proposed to the players to maintain their interest and engagement. The games were also delined around special themes to celebrate events such as Valentine's Day, Easter, the Rugby World Cup or Christmas.

Various factors determine the success of the Betclic Group online poker operations: (i) increased liquidity through the acquisition of new players; (ii) balance between regular and recreational players; (iii) jackpots and big wins; (iv) commercial policy: wide range of tables and tournaments, frequent and varied bonuses; (v) products and user experiences and (vi) simple and fast formats adapted to mobile.

Tournaments represent the main part of the Betclic Group's poker business.

ONLINE HORSE RACING BETTING

In France, the Betclic Group offers online betting on horse racing to its players. It operates an online mass mutual betting offer with ZETOTE system Ltd, which manages and operates the aggregation of horse racing bets in France.

Mutual horse betting means that, unlike fixed odds betting, players play against each other, and the operator takes a commission on the bets, rather than the losses of the players. Separate pools are created for each race and each type of bet. After the deduction of the commission of the Betclic Group, all stakes bets are redistributed to the winners in proportion to their bets. The amount of winnings is therefore dependent on the mass of stakes. The pool size is a critical supply factor; the more players there are, the more stable the ratios and the wider the betting offer can be. Significant liquidity makes it possible to offer combination bets, where bets can be placed on multiple horses, with several ranks of winnings. In France, there are 40 to 45 daily races (through 2 disciplines, Trot and Gallop), and there are four to eight types of bets offered per race depending on the number of horses at the start and the level of the race.

Within 15 minutes after the finish of each race, a report is uploaded online, which indicates the amount of the payment for each bet and for each winning combination that a player received for one euro bet when the player is a winner. The payout is calculated by dividing the total bets on all horses by the number of bets on the winning horse, after deducting the commission. Before each race, a "likeliness" report is offered, which sets out for each horse the breakdown of the already betted stakes. This report gives an idea of the horse's value according to the players' stakes. As it depends on the stakes placed, the report will be subject to change until the closing of the bets.

Betclic provides its services through dedicated native iOS and Android applications, or through the desktop. In addition to offering up to 8 different gaming formulas for each race, customers can watch all races on our livestream, to enjoy their passion for racing. Additional features include the possibility to cancel a bet before the race starts, the ability to play with bonus money (Freeraces) as well as daily missions and challenges between punters.

1.1.2.4 Betclic Everest Group's markets

The Betclic Everest Group generates revenues from its operations in 10 countries. Its five main geographies are France, Portugal, Poland, Germany and Italy, which together represent 94% of its revenue for the Financial Year 2023. The Betclic Everest Group generated 99% of its revenue through national licenses for the Financial Year 2023. It also operates in certain unregulated markets through a Maltese license.

The Betclic Group manages its operations in the main countries through a centralised structure. All its functions are centralised except for marketing, which is partly localised in each of the main countries where it operates.

FRANCE

The French market is the first historical market in which the Betclic Group has operated since regulations were introduced in the online gaming market in 2010. The French market is regulated by the French National Gaming Authority (*Autorité nationale des jeux*) (ANJ). The websites under which the Betclic Group operates in France are "Betclic.fr" and "m.betclic.fr". The Betclic Group owns the licences based on which it operates through Betclic Enterprises Limited, a Maltese entity. The Betclic Group holds three licences in France, a sportsbook licence (for sports betting), a poker licence and a horse racing betting licence. The licences are obtained for a period of five years. The Betclic Group renewed its licences for sportsbook, poker and horse racing betting in September 2020. Consequently, these licences will have to be renewed in September 2025. Due to the absence of regulation of online casino, private operators such as the Betclic Group are not licensed to operate an online casino in France.

Based on French online sports betting and gaming regulations, the Betclic Group is required to apply a maximum return rate of 85% of all stakes invested by players of sports betting over a calendar year to its players on sports stakes. The French market is the only market in Europe with a maximum return rate rule. This rule was introduced in 2010 by the French regulator in support of responsible gaming. The French online gaming regulation is one of the most restrictive frameworks compared to other European online gaming regulation frameworks. Consequently, it forms a high barrier to enter the online gaming market in France. To become a market participant on the online gaming market, an operating license is required. In addition, new market participants must gain a deep knowledge of the French regulatory landscape to be compliant and profitable. The French regulator is approving every year operators' annual plans on responsible gaming, marketing and anti-money laundering. Betclic's plans have been approved in 2022 and 2023.

In France, 18 sports betting licenses, six poker licences and six horse racing betting licenses have been granted[(1)]. In addition, PMU and FDJ hold exclusive rights with a monopoly in one or more sectors: (i) the FDJ has the monopoly for in-person and online lottery games and on in-person sports betting and (ii) PMU has the monopoly for physical horse betting (excluding independent racetracks)[(1)].

The Betclic Group has seen a stable increase in its market share in the sports betting market in France from 2015 to 2023, due to new management, implementing a new strategy and increasing focus on mobile user experience. The Betclic Group believes that its main competitors in the sports betting market in France are Winamax, Unibet and FDJ.

In the Betclic Group's view, the French online poker market is highly concentrated with the three largest operators, Winamax, Betclic Group and Pokerstars, accounting for approximately 80-90% of the market. The Betclic Group believes that the cross-selling of its poker offering within its sports betting apps has enabled to grow its market share in the French online poker market over the past years.

The Betclic Group offers online horse betting as a complementary product to offer a full range of products to its players in France.

PORTUGAL

In Portugal, the Betclic Group's offering comprises sports betting and online casino, for each of which it holds a license. The Betclic Group has operated in the Portuguese market since the start of the regulation of the Portuguese online gaming market in 2015. It was the first operator in Portugal to obtain a licence for sports betting in May 2016. The Betclic Group's website in Portugal is "Betclic.pt". The Betclic Group owns its licences through BEM Operations Limited, a Maltese entity. Licences in Portugal are obtained for three years. The Betclic Group obtained the current licences in 2022 and will have to renew them in 2025.

Online gaming is regulated in Portugal. The regulator is the Serviço de Regulação Inspeção de Jogos (SRIJ). The application process for a license to operate on the Portuguese online gaming market is complex which makes it hard for parties to enter the market, compared to the Betclic Group, which has the historical experience and knowledge from the French market to operate in a highly regulated market. In addition, the Portuguese taxation regime in the online sports betting market is considered as complex because applicable tax rates are high compared to other countries and taxation applies to stakes (rather than profit).

In Portugal, 16 online operators are licensed, 12 for sports betting, 16 for casino and 3 for poker[(1)]. The Betclic Group believes it is one of the market leaders in each of the sports betting and online casino markets in Portugal, which it believes is mainly due to it being the first operator in Portugal to obtain a licence for sports betting in May 2016. The Betclic Group believes that its main competitors in the sports betting market in Portugal are Betano, Bet.pt/Bwin and Placard. The Betclic Group considers that its main competitors in the online casino market in Portugal are Betano, ESC Online and Pokerstars.

POLAND

In Poland, the Betclic Group's offering comprises online sports betting. The Betclic Group has been operating in the Polish market since it obtained its sportsbook license (for sports betting) in 2019. The Betclic Group's website in Poland is "Betclic.pl". The Betclic Group owns its licence through BEM Operations Limited, a Maltese entity. The license was obtained for six years and will be renewed in 2024.

(1) *Source: SRIJ website: https://www.srij.turismodeportugal.pt/pt/jogos-e-apostas-online/entidades-licenciadas.*

Online gaming is highly regulated in Poland. The regulator is the Polish Ministry of Finance. The application process for a license to operate on the Polish online gaming market is restrictive, which makes it hard for parties to enter the market, compared to the Betclic Group, which has the historical experience and knowledge from the French market to operate in a highly regulated market. In addition, the Polish taxation scheme regarding the online gaming market is considered restrictive. Poland has a state monopoly on online casino, and private operators such as the Betclic Group are not licensed to operate an online casino. In Poland, 23 sports betting licenses have been granted[1]. The Betclic Group believes that its main competitors in the sports betting market in Poland are STS (a Polish operator) and Fortuna (a Czech operator).

ITALY

In Italy, the Betclic Group's offering comprises sports betting and casino. Betclic's website in Italy is "Betclic.it". The Betclic Group obtained its sportsbook licenses for sports betting and casino in 2008, which were renewed in 2018 for four years. The license renewal initially planned in December 2022 was postponed, and at the end of December 2022, the licenses were officially extended by a vote before the Parliament until 31 December 2024.

The Betclic Group owns The Italian Gaming licences through Betclic Limited, a Maltese entity with company number C40330. The Italian market is regulated by the Agenzia delle Dogane e dei Monopoli (ADM).

AFRICA

In Ivory Coast, Benin and Senegal, the Betclic Group's offers sports betting. The Betclic Group obtained its sportsbook licenses for sports betting in Ivory Coast and Senegal in 2022 and in 2023 in Benin. Both licences in Ivory Coast and Senegal have been obtained for a period of 5 years and will have to be renewed in 2027. The current licence in Benin has been obtained for a period of 2 years and will have to be renewed in 2025.

OTHER MARKETS

The Betclic Group also operates in certain other markets under a Maltese license. This concerns countries where online sports betting and gaming are not regulated locally, or in countries where the Betclic Group has chosen not to apply for a licence and in some cases where the Betclic Group, as other operators, is blacklisted but still operates as it considers local law to be non-compliant with European regulations. Please refer to Section 3.1.3 (Risks relating to the Group's Online sports betting & gaming business — *Activities related to online sports betting and gaming are subject to an uncertain and rapidly evolving regulatory regime which varies significantly among countries*) on page 124. These activities represent less than 1% of the revenues generated by the Betclic Group for the Financial Year 2023. Betclic obtained its two Maltese .com licenses for sports betting and casino in 2018 from the Malta Gaming Authority, which will need to be renewed in 2028. Betclic owns its licences through Mangas Gaming Malta Limited, a Maltese entity. Furthermore, it has recently obtained licenses to operate in Ivory Coast and two other African countries.

BET-AT-HOME MARKETS

Bet-at-home, is a company in which the Betclic Everest Group owns, as at 31 December 2023, a controlling interest of 53.9% and which is listed on the Frankfurt Stock Exchange and operates independently, is active in, among other things, the sports betting and casino markets in Germany and the sports betting market in Austria. Bet-at-home holds different licences in Europe, including Germany, Ireland and Malta. Bet-at-home surrendered its UK license in July 2022.

GERMANY

Bet-at-home offers sports betting and virtual slots products in Germany. Table Games (Roulette, Black Jack, Baccarat, etc.) are currently not admissible. Bet-at-home operates under the website "bet-at-home.de" with the brand "bet-at-home", which is one of the five best-known online gaming brands in Germany. A sports betting license and a license for virtual slots are held by bet-at-home.com Internet Ltd., a Maltese entity. The validity of the sports betting license has been extended until the end of 2027. The German online gaming market is highly regulated with a standard monthly deposit limit per customer of €1,000. Virtual slots products are limited to €1-stake per spin and a minimum spin duration of 5 seconds. In addition, the German taxation scheme of 5.3% of the stakes can be considered as restrictive.

In Germany, 32 sports betting licenses and 18 licenses for virtual slots products have been granted with year-end 2022. As of 2023, the German market is regulated and supervised by the "Gemeinsame Glücksspielbehörde der Länder" (GGL) in Saxony-Anhalt. Based on surveys the main competitors are tipico, bwin and bet365.

1.1.2.5 Players

Players are at the heart of the Betclic Group's strategy. The Betclic Group has developed a model that enhances the player relationship and customer journey to create value, optimised by knowledge of the players and guaranteeing integrity and a responsible approach. The Betclic Group aims to offer its players a simple and user-friendly experience. It has replicated its best-in-class player's practice to ensure a seamless customer journey for registration on its websites or apps, document authentication, money deposits and basket composition. Furthermore, The Betclic Group offers its players an extensive catalogue and a complete live betting experience, such as its live streaming options, live gaming statistics and information on historical performance.

Furthermore, The Betclic Group's Customer Service department provides a seamless and value-added customer experience across various channels. The Betclic Group's customer service is organised in three channels:

- Frequently Asked Questions that are included in the app. The FAQs are presented in a helpful overview with an AI powered search tool, addressing key subjects that the customers may have questions on. The Betclic Group believes it has been able to reduce its incoming contacts significantly as a result of implementing the FAQ. In fact, the Self-Service Rate (SSR) sits at around 50% (SSR = the % of players accessing the Help Center and do not contact Customer Service);

(1) *Source: https://www.podatki.gov.pl/pozostale- podatki/gry-hazardowe/zaklady-wzajemne-i-gry-hazardowe-przez-internet/*

- the Betclic Group's Customer Service department. The department consists of 100 persons, and it is available from 8 am to midnight seven days a week (opening hours can be adjusted depending on events). Channels available for customer service are email, live chat, outbound calls and a chatbot on the Betclic Group's Facebook Messenger and Instagram. At the end of each player's interaction with customer service, the NPS (Net Promoter Score) and CSAT (Customer Satisfaction Score) are measured with scores from 0 to 10 for the NPS and from 1 to 5 for the CSAT;
- Key Account Operations. For its most loyal players, the Betclic Group has dedicated account managers. The account managers are available to solve problems immediately and their mission is to deliver best-in-class service to the players. They interact with the players via email, sms, WhatsApp and calls.

1.1.2.6 Operational organisation

TRADING AND BOOKMAKING

Bookmaking is a crucial aspect of the Betclic Everest Group's business. It combines sports knowledge with mathematics. Betclic, in particular, has three in-house bookmaking capabilities:

(i) odds compiling;

(ii) odds evolution; and

(iii) live management.

The initial odds are based on past statistics, the competition benchmark, specificities of a country and the liabilities of the Betclic Group. The initial odds analysis is supported by statistic tools. The initial odds can be revised (odds evolution) based on external events that affect the probability. It is key that the Betclic Group's traders become aware of such events, before its customers, in order to adapt the odds in time. The Betclic Group manages turnover in real-time to ensure a balance between wins and losses while offering competitive odds. The Betclic Group focuses on activities that differentiate it from its competitors, in particular odds trading and compiling of mainstream and niche markets. On pre-match bets, there is limited differentiation potential. This is different for live bets and niche games, as know-how is required to balance profitability and risk management, for which the Betclic Group has internal expertise. The odds will vary depending on the evolution of the game, and unexpected developments such as injuries. The Betclic Group has developed an in-house trading platform that allows real-time monitoring of odds and risks.

MARKETING AND SALES

In its core geographies (France, Portugal, Poland and Ivory Coast), the Betclic Group relies on visible and efficient communication campaigns adapted to sports fans. In Italy, there is a ban on advertising for online sports betting and gaming.

In France, Betclic Group has dedicated strong marketing efforts to cover all major media touchpoints, from TV commercial, Out of Home to digital and social channels. This has increased brand awareness and created a virtuous cycle driving organic player acquisition. Its marketing efforts are sports and entertainment-oriented. It has strong advertising campaigns during sports events (national football leagues, UEFA Champions League, Rugby WorldCup in 2023).

In France, the taglines for brand campaigns are *"Et le Sport se Vit Plus Fort"* ("And the Sport Lives Stronger").

In September 2023, The Betclic Group also launched a new advertising campaign in France, "The Wave", directed by Bruno Aveillan with Quad Productions, which symbolises the positive vibration generated by the sports action.

In Portugal, the Betclic Group reached a landmark milestone by securing a title sponsorship with the Portuguese Football League, now named Liga Portugal Betclic. This strategic partnership significantly enhances the Betclic brand visibility, fortifying its leadership stance in the Portuguese market. The Betclic Group success is further evidenced by Betclic's app continuing to be the most downloaded in the gambling sector, alongside top ratings in both Google Play and Apple Store for our category.

Embodying the Betclic Group commitment to gender equality, our alliance with the Portuguese Basketball Federation uniquely positions both male and female leagues under the Betclic umbrella, receiving equal sponsorship fees. To increase the visibility of this initiative and to promote the replication of similar examples in society in general, we launched a new basketball league brand campaign "No one is above anyone else".

In Poland, Betclic Group increased its presence in Polish football by sponsoring four prominent teams in Ekstraklasa: Ruch Chorzów, Warta Poznań, Puszcza Niepołomice, and

Stal Mielec. Parallel to this, the Betclic Group has maintained its efforts to resonate with the youthful, urban demographic by sponsoring diverse cultural and sports events, including the acclaimed Fest Festival and FAME MMA.

In 2023, Betclic Group has been acclaimed once more for its creative prowess in both Portugal and Poland, winning several prestigious marketing and advertising awards. Notable among these are our first Clio Award for the innovative Valentine's Day campaign and an Effie Award for the MegaSantos campaign. These accolades are a recognition of the high level of creative output and set a robust foundation for sustained brand growth and prominence.

In our continuous commitment to environmental sustainability, Betclic released a new documentary this year titled "Restart the Game". This film, aimed at raising awareness about the esports community's carbon footprint, has been showcased at major esports events worldwide and is available for viewing on Betclic's YouTube channel.

In terms of strategic partnerships, the Betclic Group, through the Betclic brand, is :

- the main partner of the French national football team from July 2021 to July 2026,
- the official partner of the Ligue de football professionnel in France, for French Ligue 1 Uber Eats and French Ligue 2 from June 2020 to June 2024,
- the main partner of the Football team Olympique Lyonnais, from July 2023 until June 2026,
- the main partner of Ligue Nationale de Rugby in France for French Top 14, from March 2021 to end of the season 2023/2024,
- the main partner of FFV (French Federation of Volley) from June 2023 to December 2024,
- the main partner for LNV (Volley national League) from June 2023 to June 2026,
- the main partner and naming for French Ligue Nationale de Basket, from July 2021 until June 2024.

In France, the basketball league is named Betclic Élite. Locally, Betclic is the main partner of the Bordeaux rugby club UBB for the next three seasons and has become the main sponsor of the Lionnes du Stade Bordelais, the local female rugby team, until June 2026. Betclic also sponsors the Bordeaux Boxers ice hockey club and Villa Primerose, the prestigious local tennis club.

In Portugal, the Betclic Group is name sponsor of the Portuguese Football League, now named Liga Portugal Betclic untill June 2027, the Betclic Group is name sponsor of the men's basketball league *Liga Betclic,* for three years from July 2021.

In Poland, the Betclic Group is sponsor of the Fame MMA and Hype MMA for Galas that will happen on year 2024. In Poland, the Betclic Group is also sponsor of four prominent teams in Ekstraklasa: Ruch Chorzów, Warta Poznań, Puszcza Niepołomice, and Stal Mielec.

In Italy, Portugal and Poland, the Betclic Group is also sponsor of an e-sport team & athletes (on FIFA Games) Apogee Gaming under the brand Betclic Apogee.

In Ivory Coast, Betclic is the main sponsor of the Asec Mimosas football club since August 2022 and until 2028.

In 2023, Betclic launched its first global partnership with UFC, from June 2023 to December 2025, covering France, Poland and Portugal. Betclic is also the presenting partner for the *UFC FIGHT NIGHT® PARIS.*

The Betclic Group has a data driven marketing approach to attract new customers. It offers players a welcome bonus and bonuses when they have made a certain number of bets. The Betclic Group aims to have efficient and user adapted marketing campaigns.

INTELLECTUAL PROPERTY

The Betclic Group has a portfolio of intellectual property and industrial rights, including brands and domain names. Intellectual property rights are primarily filed in France, Portugal and the European Union. In addition, occasionally, trademarks are also filed in other countries for certain specific items regarding the Betclic Group's international activities.

BRANDS AND TRADEMARK LICENSES

The primary brands carried by the Betclic Group are the word mark "Betclic" and the graphics mark:

Betclic

The Betclic Group's brands are highly visible and are essential to its communication and name recognition. The Betclic Group is careful in selecting brands for its games. The names and graphics for all new games developed by the Betclic Group require in-depth joint work by the online sports betting and gaming teams (depending on the case) responsible for the creation and development of the games operated by the Betclic Group, as well as its Marketing department and Legal department. Brands carried by the Betclic Group are usually developed in-house by the gaming and sports betting and by the studio team composed of designers. Certain names for brands are proposed on a one-off basis by the marketing agencies with which the Betclic Group has signed agreements for the provision of services in the field of advertising communication. In addition, the Betclic Group continuously monitors brands registered by third parties to react promptly if a trademark is damaging to Betclic.

1) Trademarks registered by Betclic

The Betclic Group has registered 17 brands in France, 22 in the European Union and over 60 with the World Intellectual Property Organisation or in other countries with the national offices of those countries. Most of the trademarks are registered in classes 9 (game software), 28 (games), 38 (communication on the internet) and 41 (entertainment, sports and cultural activities, and gaming services). The games marketed by the Betclic Group are usually registered as a logo.

2) Betclic's trademarks supervision and protection

The Betclic Group actively protects its trademarks. Betclic's main trademarks are closely monitored by service providers who report to the Betclic Group monthly. This enables the identification of trademark registrations by third parties similar to Betclic Group's trademarks. For example, this enabled the identification of approximately 15 registrations owned by third parties similar to those of the Betclic Group in 2023. The legal actions taken by the Betclic Group can result in, among others, letters of undertaking or co-existence agreements, trademark limitations, withdrawal of a trademark or a legal decision.

3) Domain names

The Betclic Group has an extensive portfolio of over 480 domain names. The most important domain names registered by the Betclic Group are registered with extensions relevant to the Betclic Group's business across Europe. The Betclic Group's domain names are all reserved and hosted by the same service provider. They renew automatically from year to year unless otherwise requested by the Betclic Group within 30 days before their expiration date. The Betclic Group also monitors the domain names registered by third parties containing the Betclic Group's brands. Legal actions are undertaken on a regular basis against the disputed domain names identified.

4) Illicit applications

The Betclic Group reports to Google Play and/or to Apple Store all the illicit applications (applications copying the Betclic brand) it discovers. To date, Google Play and the Apple Store have removed all third-party applications that the Betclic Group reported as being illicit or infringing its rights.

INFORMATION TECHNOLOGY

The Betclic Group has a proprietary IT platform for its sports betting and casino operations. It has made significant efforts in order to enhance the platform and avoid interruptions on its platform that could affect player experience. In the functioning of its IT platform, the Betclic Group focuses on availability and robustness as well as speed and security. As the Betclic Group processes a significant amount of data in its operations, protecting such personal data has been a key factor in developing the IT platform.

The Betclic Group aims to develop in-house tools for its core activities, such as sports betting and casino. For trading, the Betclic Group has developed tools for monitoring odds, monitoring and controlling betting flows, monitoring risk metrics a swell as a tool that builds its offering with a fast manual creation for various matches, markets and selections. For players' engagement, the Betclic Group has developed a tool for creating marketing campaigns focusing on the audience, the offer, the experience, and the schedule. The Betclic Group also developed tools to monitor player behaviour and communication and content for players. These tools improve the in-app player experience. Betclic uses A/B testing to track the performance of these player-focused tools.

For its non-core activities, such as poker and horse racing betting, the Betclic Group uses the external IT service provided by Playtech and Zetote. For example, for customer service, the Betclic Group uses external tools that answer customers' questions and help to solve their issues.

1.2 Key strengths and strategy

1.2.1 Group's key strengths and strategy

1.2.1.1 Group's key strengths

The Group's mission is to entertain the world by operating two business lines: (i) Content production and distribution through Banijay and (ii) Online sports betting and online gaming through two brands, Betclic and Bet-at-home, which together form the Betclic Everest Group.

To that end, the Listing in July 2022 was a significant milestone for FL Entertainment as it enabled the Group to build momentum and accelerate its growth. By benefiting from a stable shareholder base, a reduced leverage and a simplified capital structure, the Group has gained strategic flexibility to pursue bolt-on acquisitions and transformative transactions. The Group can leverage four key advantages to deliver value to its stakeholders.

STRONG POSITIONS IN STRUCTURALLY GROWING SECTORS

Through its two entertainment business lines, the Group is exposed to two market segments that offer growth potential. The Group operates the largest European studio globally in terms of revenue and is well-positioned within the growing global Content production and distribution markets. Content creation spend is expected to grow by 2% in 2024[1] alongside a continued growth of OTT subscribers, which are expected to grow from around 350 million in 2019 to about 1,070 million in 2024, therefore increasing at a compound annual growth rate of more than 25%[2]. Market fragmentation creates natural consolidation opportunities in the market.

In 2023, FL Entertainment expanded its Content production & distribution business into live experiences production with the acquisition of Balich Wonder Studio and the investment in The Independents. Both businesses are leaders in their respective markets with an operating model similar to that of the Group's Content production & distribution activities. These growing businesses complement the Group's existing activities while supporting FL Entertainment's ambition to become an integrated global entertainment leader.

Banijay Events is building an ecosystem of the best talent, labels and IP, and driving business performance.

The global online sports betting and gaming market also has deep addressable markets, with opportunities for the Betclic Everest Group to duplicate its know-how in new territories. The Betclic Everest Group operates in regulated markets where regulation brings stability, even though regulation is subject to change. The global online sports betting and gaming market is expected to increase from around €55 billion in 2020 to an estimate of approximately €115 billion in 2027, corresponding to a compound annual growth rate of more than 11%[3]. The Betclic Everest Group currently operates in France, Portugal, Malta, Poland, Italy, Germany, and Austria and recently started operating in Ivory Coast and two other African countries, with significant opportunities arising from development in new countries, with high level of standards in terms of players' protection and anti-money laundering.

BUSINESS SET-UP TO SUPPORT CREATIVITY AND ENTREPRENEURIAL SPIRIT

The Group was founded by an entrepreneur and has entrepreneurs at every level of its organisation. In addition, the Group is structured to empower its people and enhance creativity. For example, Banijay is a collective of over 130 production companies across 23 countries, with creative entrepreneurialism at its heart. With a strong set-up comprising local country holdings and leadership, it is well-suited to attract and retain talent and allow them to deploy their creativity and ambition under the guidance of first-class local expertise. Because of this organisation, the Group was able to launch 115 new pilot shows in 2023, an exceptional performance in the industry.

The entrepreneurial leadership at Betclic also enabled the Group to develop a strong, easy-to-use, and innovative offer. In addition, thanks to Betclic's in-depth market knowledge enabling one of the best user experience, the number of new clients is increasing.

TRACK RECORD OF PROFITABLE GROWTH

The Group has achieved a strong track record of profitable growth in both content production and online sports betting. From 2022 to 2023, Group revenue grew by 6.7% (8.5% at constant exchange rates), from €4,047 million in 2022 to €4,318 million in 2023. In parallel, the Group's Adjusted EBITDA grew by 9.9% (11.8% at constant exchange rates) from 2022 to 2023, reaching €737 million in 2023, from €670 million in 2022[4].

Please refer to Chapter 5 (Operating and financial review) on page 173 and Chapter 6 (Financial Statements) on page 217 of this Universal Registration Document for more information.

(1) Source: Ampere Analysis Analytics "Growth in content investment will slump in 2023" (January 2023) and https://www.ampereanalysis.com/insight/content-spend-to-grow-2-in-2024-after-strike-hit-2023

(2) Source: SNL report, Wall Street Research.

(3) Source: Grand View Research https://www.grandviewresearch.com/industry-analysis/sports-betting-market-report.

(4) Please refer to Section 5.2.2 (Other financial information) on page 176 for more information on Alternative Performance Measures (APM).

RESPONSIBILITY AT THE HEART OF THE GROUP'S BUSINESS MODEL

The Group enjoys robust and sustainable business models. In the content production and distribution business line, the Group has no dependence in terms of customers or geographies. Banijay is mainly exposed to non-scripted formats, which account for 75% of its revenue and enjoys a cost-plus pricing model which offers high cash flow conversion rates and a robust inflation hedge. In addition, the Group can rely on recognised brands and a wide diversity of formats that drive repeat business for replication across different territories, thereby securing long-term revenues.

Both Banijay Group and Betclic Everest Group are also firmly committed to ensuring a truly representative and inclusive workforce, and is committed to improving the organisation's overall impact on the environment.

Concerning its Online sports betting and gaming business, the Group generates 99% of its revenue from locally regulated markets, a very high percentage relative to its peers and a key advantage as it gives a sustainable perspective. The Group strongly believes in compliance by design and has developed the ability to foster responsible gaming through powerful data-driven algorithms supporting a dedicated staff of 100 to prevent excessive and underage gaming.

1.2.1.2 Group's strategy

Leveraging on its strengths, the Group's strategy is to pursue the growth of its Content production, distribution and live experiences and Online sports betting and gaming businesses, and rely on its substantial intellectual property and know-how to further increase its market positions in both markets further.

In 2023, FL Entertainment demonstrated the relevance of the Group's initiatives which position the Group to deliver sustained and sustainable growth in the long term.

To reach its objectives, the Group intends to leverage four strategic pillars:

(i) Pursuing entrepreneurship at scale;

(ii) Maximising growth by seizing M&A opportunities and organic growth;

(iii) Long-standing commitment to the highest ESG standards; and

(iv) Leveraging IP, innovation and creativity.

PURSUING ENTREPRENEURSHIP AT SCALE

The Group intends to stay true to its DNA and historical mindset in cultivating an entrepreneurial spirit that encourages its management and employees to be bold and agile. To that end, the Group seeks to create a home for talent in its Content production & distribution, and live experiences business and encourage Betclic's employees to be passionate about online sports betting and gaming. Moreover, the Group intends to continue to operate in a decentralised fashion and to maintain long-term value creation incentives for its employees.

As of December 2023, around 190 people at Banijay and 30 at Betclic were under long-term incentive plans (LTIP), with average commitments of eight and six years, respectively.

MAXIMISING GROWTH BY SEIZING M&A OPPORTUNITIES AND ORGANIC GROWTH

The Group also benefits from the know-how and track-record of its founder and experienced leadership team in the sector to complete its combined growth strategy, both organically and through acquisitions. The Group remains open to explore any opportunity in the entertainment space that could complement its existing businesses of Content production and distribution and Online sports betting and gaming, with a focus on shareholder value creation.

The Group has proven its ability to execute M&A transactions, both bolt-on acquisitions and more transformative transactions, such as the Zodiak Media merger and the acquisition of the Endemol Shine Group. Over the past years, the Group has demonstrated its ability to integrate acquired assets and generate sizeable synergies. Banijay Group has made more than 42 bolt-on acquisitions since 2008 including 3 only for 2023. The Group sees extensive consolidation opportunities for both the Banijay Group as well as the Betclic Everest Group. Both the content production, distribution, and live experiences markets, and the online sports betting and gaming market, are quite fragmented and have seen significant recent consolidation transactions.

LONG-STANDING COMMITMENT TO THE HIGHEST ESG STANDARDS

Through the Banijay Group, the Group aims to achieve this by (i) creation of global employees' groups (e.g., pride, disability, women-led) to foster inclusion and promote diversity, (ii) reaffirmed focus on creating a safe and respectful working environment for all employees and (iii) having a sustainability-led mindset and measurement in place to reduce its carbon footprint and overall impact on environment.

Through the Betclic Everest Group, the Group aims to achieve this by (i) product positioning focused on the mass recreational market (limiting risk for players) and (ii) developing and maintaining machine learning algorithms to pro-actively detect excessive gaming. The Betclic Everest Group has 100 people dedicated to prevent excessive and underage gaming and such detection is supported by artificial intelligence (Please refer to Section 2.3.2 (Responsible gaming) on page 87 of this Universal Registration Document).

LEVERAGING IP, INNOVATION AND CREATIVITY

IP, innovation and creativity are part of FL Entertainment's DNA across the two activities, allowing the Group to gain market share and deliver growth in the medium and long-term. The Banijay Group supports, through its creative fund, new intellectual property with international potential to feed and develop the Group's catalogue and productions. The Group seeks to continue enriching its portfolio either by acquiring companies or, in some cases, by acquiring intellectual property rights without acquiring a company. The Betclic Everest Group has a proprietary technology platform that offers award-winning user experience and products. It has made significant efforts to enhance the platform and avoid interruptions on its platform that could affect player experience. The Betclic Everest Group intends to reinforce its platform inhouse.

1.2.1.3 Guidance and outlook

The Group has established certain operational and financial objectives as measures of its performance as set out below, which are based on its estimates and a number of assumptions that the Group's management believes are appropriate, but which may turn out to be incorrect or different from expected. The Group's ability to realise these estimates or to meet these objectives is based upon the assumption that it will be successful in executing its strategy and it depends, in addition, on the accuracy of a number of assumptions, involving factors that are significantly or entirely beyond its control. No assurance can be given that the Group will be able to realise these estimates or to meet these objectives or that its financial position or results of operations will not be materially different from these estimates or objectives. The estimates and objectives are also subject to known and unknown risks, uncertainties, and other factors that may result in the Group being unable to achieve them. Please refer to Section 3.1 "Risk Factors—Risks relating to the Business of the Group in General — *The Group may fail to successfully implement its business strategy or achieve any or all of the financial and non-financial objectives included in this Universal Registration Document, and if it does its financial performance and growth could be materially and adversely affected*" on page 111 as well as the other matters discussed in Section 3.1 "Risk Factors" on page 108. These estimates and objectives constitute forward-looking statements and are not guarantees of future financial performance. As a result, the Group's actual results may vary from the short-term estimates and medium-term estimates and objectives established herein and those variations may be material. Please also refer to "Important Information — Forward-Looking Statements" on page 5 for further information.

Except as specifically set out below, the Group has not defined, and does not intend to define by reference to specific periods the term "medium-term". The estimates and objectives set out below should not be read as forecasts, projections or expected results and should not be read as indicating that the Group is targeting such metrics for any particular year. They are merely estimates and objectives that result from the pursuit of its strategy. The Group does not undertake to publish updates as to its progress towards achieving any of the estimates or objectives, including as it may be impacted by events or circumstances existing or arising after the date of this Universal Registration Document the reflect the occurrence of unanticipated events or circumstances.

Assuming normal macro-economic conditions, market circumstances and no material changes to the current regulatory tax framework of the Group's business or the markets in which the Group is active, the Group aims to achieve the following guidance for 2024 and medium-term objectives.

GUIDANCE

The Group expects to continue to grow in 2024, enabled by its differentiated strengths, the flexibility of its business model, as well as opportunities stemming from structural trends and new consumer behaviors.

In 2024, growth momentum is expected to be driven by:

- Content production and distribution: continued focus on all of growth engines, non-scripted and scripted content, iconic superbrands, IP travelling, relentless creativity and Group's catalogue enrichment. The strategy also encompasses the broadening and monetization of Group's offer to multiple channels and supported by AI, hence addressing fast-growing markets and new audiences (sports documentary, and social medias). In the live experiences space, the Group believes there is further impetus to grow activity alongside content efforts. Balich Wonder Studio now has specific access to the catalogue to explore IP extensions into live experiences alongside its institutional event activity.
- Online sports betting & gaming: leveraging on increased player numbers generated in 2023, the attractiveness of the upgraded platform for Casino, the expansion in Africa to drive increased betting volumes as well as coming events such as UEFA Euro 2024, while focusing on customer centricity and experience through innovative technology & IT platform.

For the Financial Year 2024, FL Entertainment anticipates high-single digit organic growth for Adjusted EBITDA.

OUTLOOK

The Group confirms its mid-term outlook presented at the time of the Listing:

- Content production and distribution mid-single digit annual organic revenue growth and stable Adjusted EBITDA Margin;
- Sports betting and online gaming: low teens annual organic revenue growth and stable Adjusted EBITDA Margin;
- Group Adjusted Cash Conversion rate at around 80%;
- Dividend payout ratio: at least 33.3% of the Group's Adjusted Net Income;
- Group Net financial debt / Adjusted EBITDA below 3x.

Adjusted EBITDA Forecasts for the year ending 31 December 2024

Basis of preparation

For the basis of the preparation and underlying assumptions, the Adjusted EBITDA Forecasts refer to Adjusted EBITDA forecast for 2024 for Banijay Group, Betclic Everest Group and the Group.

Please refer to Section 5.2.1 (Financial information) and Section 5.2.2 (Other financial information) of this Universal Registration Document for a description of how the Group defines and calculates Adjusted EBITDA. The Adjusted EBITDA Forecasts in this section of the Universal Registration Document have been prepared on a basis which is: (i) comparable with the historical financial information of the Group included in the Consolidated Financial Statements; and (ii) consistent with the accounting policies applied by the Group for the preparation of the Consolidated Financial Statements.

The Adjusted EBITDA forecast for the Group is the aggregate of the Adjusted EBITDA forecast for the Banijay Group and the Adjusted EBITDA forecast for the Betclic Everest Group, after taking into account some holding costs.

The Adjusted EBITDA Forecasts are mainly provided on the basis of the Board's and management's monitoring evaluation of the Group's operations up to the date of this Universal Registration Document and, subject to the factors set out below, the Board's expectations regarding the trajectory and progress of the Group's operations for the remainder of the Financial Year up to 31 December 2024.

Factors and assumptions

The Adjusted EBITDA Forecasts for 2024 are influenced by the factors listed below and are based on current assumptions, expectations and plans made by the Group's management related to these factors. These assumptions relate to factors that can, even if only to a limited extent, or cannot be influenced by the Group.

Even if the Group believes that these assumptions have been made to the best of the Group's management's knowledge as of the date of this Universal Registration Document, they may prove erroneous or unfounded. If one or more of these assumptions proves to be erroneous or unfounded, the actual Adjusted EBITDA of the Banijay Group, the Betclic Everest Group and/or the Group could deviate materially from the Adjusted EBITDA Forecasts.

Factors outside the Group's influence

The Adjusted EBITDA Forecasts for 2024 are generally subject to factors that are beyond the control of the Group and its subsidiaries or any individual. These factors and the related assumptions of the Group are outlined below:

- *Factor: unforeseen events such as force majeure*

For the purpose of the Adjusted EBITDA Forecasts for 2024, the Group assumes that no material unforeseen events will occur that could result in material or lasting constraints on the ongoing operations of the Group such a force majeure (e.g. fire, floods hurricanes, storms earthquakes or terrorist attacks), strikes, a global pandemic or war.

Although the Group cannot exclude that the war in Ukraine or the conflict in Middle East may in the future potentially affect its business or results of operations (as described in Section 3.1 "*Risk Factors—Risks relating to the Business of the Group in General—Changes in global or regional economic and political conditions could adversely affect the Group's business, results of operations or financial condition*"), the Group does not expect that the war in Ukraine or the conflict in Middle East will materially change the outcome of the Adjusted EBITDA Forecasts for 2024.

- *Factor: changes to the macro-economic, legislative or regulatory environment*

For the purpose of the Adjusted EBITDA Forecasts for 2024, the Group assumes that there will be no material changes to the macro-economic, legislative, taxation and regulatory environment of the Group when compared to those in effect during the year ended 31 December 2023.

Although the Group cannot exclude that the rise in inflation, or the changes in interest rates as announced by the European Central Bank, may in the future potentially affect its business or results of operations (as described in Section 3.1 "*Risk Factors—Risks relating to the Business of the Group in General—Changes in global or regional economic and political conditions could adversely affect the Group's business, results of operations or financial condition*"), the Group does not expect that increased inflation or changes in interest levels will materially change the outcome of the Adjusted EBITDA Forecasts for 2024.

- *Factor: market trends*

For the purpose of the Adjusted EBITDA Forecasts for 2024, the Group assumes that global market content will grow in 2024 at a much slower pace than in 2023 but with an increasing demand for non-scripted content from streaming platforms. The global online gaming market is expected to keep growing substantially in 2024 compared to during the year ended 31 December 2023 on the back of the shift from off-line to digital platforms

- *Factor: no COVID-19 or any other pandemic*

For the purpose of the Adjusted EBITDA Forecasts for 2024, the Group assumes there will be no resurgence of COVID-19 or any other pandemic that impact the Group's business during the year ending 31 December 2024.

Factors that can be partly or wholly influenced by the Group

In addition, further factors may also influence the Adjusted EBITDA Forecasts for 2024 over which the Group has control. The relevant assumptions are outlined below:

Factor: timing and performance of acquisitions and disposals

There are currently no material acquisitions of subsidiaries, joint ventures and/or associates by the Group planned prior to 31 December 2024.

In respect of the Banijay Group

Factor: the Banijay Group will pursue its strategy

The Banijay Group will continue to develop scripted and non-scripted content while investing in new IP to feed Banijay Group's catalogue and productions.

Factor: new blockbuster in Banijay Group's catalogue

For the purpose of the forecasts for 2024, the Banijay Group assumed there would be no new blockbusters in the Banijay Group's catalogue of shows in the year ending 31 December 2024.

In respect of the Betclic Everest Group

Factor: Innovation in offers and user experiences to be able to attract new and retain current players

The Betclic Everest Group will be able to attract new players by innovation in the offers made to players and improvement of its user experience, as well as to invest in customer relation management to retain players and improve their loyalty, and make the player database grow in 2024 and onwards.

Other explanatory notes

The Adjusted EBITDA Forecasts do not include material extraordinary results or non-core items. As the Adjusted EBITDA Forecasts for 2024 relate to a period not yet completed and have been prepared on the basis of assumptions about future uncertain events and actions, it naturally entails substantial uncertainties. Because of these uncertainties, it is possible that the actual Adjusted EBITDA of the Banijay Group, the Betclic Everest Group and/or the Group for 2024 may differ materially from the Adjusted EBITDA Forecasts.

The Group doesn't expect material changes in terms of business, staffing, and investments at constant perimeter.

1.2.1.4 Dividend policy

GENERAL

Under Dutch corporate law, the Company may only make dividends and other distributions to its shareholders insofar as the Company's equity exceeds the sum of the paid-up and called-up share capital increased by the reserves as required to be maintained by Dutch law or by the Company's Articles of Association and (if it concerns a distribution of profits) after adoption of the Annual Accounts referred to in article 2:391 Dutch Civil Code by the General Meeting from which it appears that such dividend distribution is allowed. Because the Company is a holding company that conducts its business mainly through its subsidiaries, the Company's ability to pay dividends will depend directly on distributions made by the Group Companies to the Company.

Subject to Dutch law and the Articles of Association, if the adopted Annual Accounts show a profit, the General Meeting shall determine which part of the profits shall be reserved. Of any profits remaining thereafter, (a) first, an amount equal to 0.1% of the nominal value of each Earn-Out Preference Share A, each Earn-Out Preference Share B and each Earn-Out Preference Share C then outstanding shall be added to each dividend reserve for Earn-Out Preference Shares A, B and C respectively, as described in Articles of Association; (b) secondly, an amount equal to 0.1% of the nominal value of each Founder Share shall added to the dividend reserve for Founder Shares as described in the Articles of Association; (c) thirdly, an amount equal to 0.1% of the aggregate nominal value of each Special Voting Share A and Special Voting Share B shall be added to the special capital reserve for the Special Voting Shares A dividend reserve and the Special Voting Shares B dividend reserve, respectively as described in the Articles of Association; and (d) finally, any profits remaining thereafter shall be at the disposal of the General Meeting for distribution to the holders of Ordinary Shares in proportion to the aggregate nominal value of their Ordinary Shares. For the avoidance of doubt, the Earn-Out Preference Shares, the Special Voting Shares and the Founder Shares shall not carry any entitlement to profits other than as described in this paragraph.

Subject to Dutch law and the Articles of Association, the General Meeting and the Board may resolve to distribute an interim dividend insofar as the Company's equity exceeds the amount of the paid-up and called-up part of the capital increased with the reserves that should be maintained pursuant to the law or the Articles of Association. For this purpose, the Board must prepare an interim statement of assets and liabilities evidencing sufficient distributable equity.

Furthermore, the Company may not be able to make distributions if the covenants described under Section 5.3 (Operating and Financial Review of the Group — Liquidity and Capital Resources) on page 197 have not been complied with.

The tax legislation of the Ordinary Shareholder's tax jurisdiction or other relevant jurisdictions, including but not limited to France and the Netherlands, may have an impact on the income received from the Ordinary Shares.

DIVIDEND HISTORY

As the Company was incorporated on 10 March 2022 and the Listing of the Company occurred on 1 July 2022, there were no distribution in 2022. The first distribution occurred in 2023 as a premium distribution of €0.36 per share, as approved by the General Meeting on 15 June 2023.

DIVIDEND POLICY

In the medium term, the Company's objective is to distribute an amount of dividends representing at least 33% of the Adjusted Net Income, subject to (i) customary exceptions, including restrictions under applicable law; (ii) the results of operations, financial condition, contractual restrictions and capital requirements of the Company and (iii) approval by the annual general shareholders' meeting.

2023 DIVIDEND

In line with its strategy presented at the Listing in July 2022, FL Entertainment plans to distribute dividends in respect of the Financial Year 2023 which will represent at least one third of Adjusted Net Income.

The proposed dividend for the Financial Year 2023 amounts to €148 million, i.e. €0.35 per share, representing a 46% payout ratio on Adjusted Net Income. It will be paid fully in cash and will be submitted for approval to the Annual General Meeting on 23 May 2024.

MANNER OF DIVIDEND PAYMENTS

Payment of any dividend in cash will in principle be made in euro. According to the Articles of Association, the General Meeting and the Board may determine that distributions on Ordinary Shares will be made payable either in euro or in another currency. Any dividends that are paid to Ordinary Shareholders through Euroclear France, will be automatically credited to the relevant Ordinary Shareholders' accounts without the need for the Ordinary Shareholders to present documentation proving their ownership of the Ordinary Shares. Payment of dividends on the Ordinary Shares in registered form (not held through Euroclear France but directly) will be made directly to the relevant Ordinary Shareholder using the information contained in the Company's shareholders' register (*aandeelhoudersregister*) (the "Shareholders' Register") and records.

UNCOLLECTED DIVIDENDS

A claim for any declared dividend and other distributions lapses five years to be calculated from the date following the date on which those dividends or distributions became payable. Any dividend or distribution that is not collected within this period will be considered to have been forfeited to the Company.

1.2.2 Banijay's key strengths and strategy

1.2.2.1 Banijay's key strengths

The Banijay Group is the global independent leader in Content production and distribution both in terms of revenue, which is €3.3 billion for the Financial Year 2023 (compared to €3.2 billion for the Financial Year 2022), and in terms of hours of content in its content library in the independent production sector, which is over 185,000 hours of content as of 31 December 2023 (compared to 160,000 hours as of 31 December 2022). Its production model provides the right level of independence at the local level to produce regionally relevant content and live events for global audiences. The Banijay Group has produced successful franchises (both scripted and non-scripted) across all genres, geographies and customers. Its access to a 280+ territory platform provides upside to launch in additional new countries.

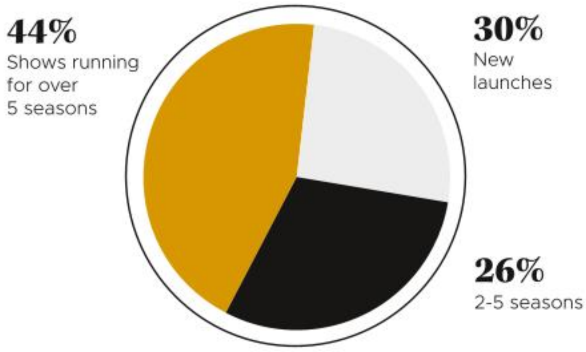
Examples of unscripted formats are *MasterChef,* which is the most travelled food format globally with over 600 series to date, produced in over 70 territories worldwide and broadcasted in over 200 territories, and *Survivor,* which has been adapted in almost 50 territories since its creation. With Balich Wonder Studio, the Group is also behind the most opening and closing Olympic ceremonies, which, given the significant reach of sports rights, have the potential to generate a worldwide audience.

A WELL DIVERSIFIED BUSINESS

One of the main strengths of Banijay Group is its diversification within all domains of the Content production & distribution market. The eight biggest customers contributed to 44% of its production revenue for the year ending 31 December 2023, with none of its customers contributing to more than 11% of its revenue on an individual basis. Similarly, its top 20 shows together contributed to 18.2% of its production revenue for the year ending 31 December 2023, with none of its shows contributing to more than 2.1% of its revenue for the Financial Year 2023 on an individual basis. This proves that the revenue base of Banijay Group is highly diversified.

In addition, for the Financial Year 2023, the Banijay Group has a recurring revenue base, with 50% of its revenue deriving from shows that have been running for over 5 seasons, 21% of its revenue deriving from shows that have been running from 2 to 5 seasons and 29% of its revenue from shows that have been running for less than two seasons (new launches).

In 2023, Banijay further diversified its business to incorporate live experiences, branded entertainment, and sports.



A BROAD PORTFOLIO OF LONG-LASTING WORLDWIDE BRANDS

Banijay Group has proven its ability to develop long-lasting, travelling content. It has the most adapted unscripted formats globally, such as *Deal or No Deal* (year of origin: 2002, adapted in 84 countries), *Big Brother* (year of origin: 1999, adapted in over 68 countries), *MasterChef* (year of origin: 1990, adapted in over 70 countries) and *Minute to Win It* (year of origin: 2010, adapted in 55 countries). Moreover, its top travelling formats in 2023 are *MasterChef* (active in 35 territories), *Big Brother* (active in 25 territories), *Survivor* (active in 22 territories), *Deal or No Deal* (active in 9 territories) and *LEGO Masters* (active in 15 territories).

A CRITICAL SCALE AND AGILITY TO INTEGRATE

Banijay Group has a proven ability to integrate and create value through large transactions, which is shown by the synergies realised after large M&A transactions like the acquisitions of Zodiak and the Endemol Shine Group, as well as smaller, value-accretive bolt-on acquisitions. The Group has also set up collaborations through acquisitions and joint ventures with on-screen talent.

As far as transformative acquisitions are concerned, Banijay Group has a strong track-record in its ability to integrate the new groups and implement synergies over a short period. With the Zodiak acquisition, Banijay Group realised approximately €17 million of cost synergies and integrated the local companies in a period of around 10 months following the acquisition in 2016. In its acquisition of Endemol Shine Group, Banijay Group realised cost synergies of approximately €67 million and integrated the business in a period of about 18 months. The synergies primarily materialised from group structure simplification, central costs optimisation, the integration of the Finance and the Distribution departments, maximisation of the content library, and format circulation. Furthermore, the Group achieved costs synergies through the rationalisation of the use of third-party service providers and it was able to leverage a strong IP catalogue.

A GROWING AND SECURED BUSINESS MODEL

In addition to its track-record of driving growth through successful acquisitions and integrations in a fragmented market, Banijay Group's strong and resilient financial performance is supported by cash flow visibility and a flexible cost structure. Indeed, Banijay Group has a well-diversified and recurring revenue model with no dependence on a specific show or broadcaster. This leads to a highly cash-generative, recurring, resilient financial profile and a flexible cost structure (please refer to Chapter 5 (Operating and financial review) on page 173 of this Universal Registration Document for more information).

AN ABILITY TO ATTRACT AND RETAIN KEY TALENTS

The Banijay Group has an strong track record of attracting, retaining, growing and partnering with top creative talent, incorporating producers, screenwriters and directors. It has a worldwide network of more than 130 production entities across 23 countries. The management of the Banijay Group is fully aligned via direct ownership in the Banijay Group. Banijay Group stimulates retention by granting its key talent earn-out arrangements and long-term incentive programmes. Approximately 200 persons within the Banijay Group are included in long-term incentive plans that cover periods of up to eight years. In addition, the organisational set-up of Banijay Group is designed to foster creative freedom, collaborative entrepreneurialism and commercial acumen.

1.2.2.2 Banijay Group's strategy

Banijay Group is the global independent leader in Content production and distribution in terms of revenues as at 31 December 2023, is well-positioned for future growth by leveraging on its key pillars:

(i) Create premium international IP;

(ii) Optimize IP monetisation;

(iii) Attract the best talent; and

(iv) Consolidate its position through M&A.

CREATE PREMIUM INTERNATIONAL IP

Banijay Group is the world's largest independent Content production and distribution company, both in terms of revenues as of 31 December 2023 and catalogue depth in the independent production sector (broad content library of more than 185,000 hours of content). Banijay Group looks forward to further grow organically thanks to the development of its non-scripted and scripted content catalogue, taking full advantage of current market tailwinds. The growth in the amount spent on content production is significantly driven by the increased demand from SVOD platforms for new content. These streamers provide a media service allowing users to consume as much content as they desire at a flat subscription rate per month. In terms of spend on content production, SVOD platforms are traditionally mainly focused on scripted content, but increasingly acquire non-scripted content as well to complement their offering and drive audiences. As the leading European independent production company with the most prominent content catalogue and portfolio of IP rights[1], Banijay is in a strong position to capitalise on the investments made by these platforms.

OPTIMIZE IP MONETISATION ON ALL PLATFORMS

Banijay Group has a proven ability to monetise and leverage its IP and catalogue through the successful development of long-lasting, travelling content. Thanks to its distribution capabilities, it is able to further monetise its IP through the licensing of existing formats to third parties and international adaptations. Global sales of scripted content to broadcasters and OTT customers should constitute a significant upside going forward with limited costs associated. In addition, new opportunities to licence the content on a non-exclusive basis on the AVOD streaming platforms have emerged. In addition, it operates its own free ad-supported streaming television (FAST) channels via Banijay Rights and is exploring further ways to monetise its IP via live experiences as part of Banijay Events' efforts.

ATTRACT THE BEST TALENTS

Banijay Group's current and future success relies on its demonstrated ability to nurture, attract, retain and grow talent, on-screen and off-screen. Its organisational set-up is designed to foster creative freedom, collaborative entrepreneurialism and commercial acumen. Banijay was built on a team of multi-talented on and off-screen creatives, united in ambition but diverse in thinking. Being led by creative entrepreneurs, the Group's management values the production labels' autonomy, which is reflected in its decentralised organisation and its approach to value creation and sharing. This approach is highly regarded by creative talent, and plays a determining role in their willingness to join the Group.

CONSOLIDATE ITS POSITION THROUGH M&A

Banijay Group has a proven ability to integrate and create value through large transactions as well as smaller, value-accretive bolt-ons. The Company is a scalable platform set to further seize M&A opportunities while leveraging its track record of acquisitions executed since 2008 including three bolt-on acquisitions in three countries for the Financial Year 2023 alone.

(1) *According to Broadcast2023 Distributors Survey.*

1.2.3 Betclic's key strengths and strategy

1.2.3.1 Betclic's key strengths

The Betclic Everest Group is one of the fastest-growing online sports betting platform in Europe. The Group reached a Revenue of €996 million in 2023 (compared to €835 million in 2022) and has strong positions in France, Portugal and Poland. Among its competitive advantages, the Group has demonstrated its capacity to operate successfully in a highly regulated and controlled environment and design a scalable proprietary technology around its player-centricity focus.

PROVEN TRACK-RECORD OF OPERATING IN HIGHLY REGULATED AND CONTROLLED ENVIRONMENT

The Betclic Everest Group primarily operates in locally regulated markets, where it generated 99% of its revenue for the year ending 31 December 2023. These markets tend to provide regulatory stability and a clearly-defined playing field with high barriers to entry. The Group mainly operates in France, Portugal, Poland, Italy, Ivory Coast and Germany.

Indeed, France has one of the strictest online sports betting regulatory environments in Europe. Online sports betting has been regulated since 2010, and a new regulatory body and tax regime were introduced in 2020.

Portugal broke the state monopoly, opening the online gaming market in 2015. A new tax regime was also introduced in March 2020. As the regulation in Portugal is particularly restrictive regarding the issuance of new licenses, the barriers to entry into the Portuguese online sports betting market are high.

In Poland, online gaming has been regulated since 2011, which includes a state monopoly on online casino and restrictive regulation on the issuance of licenses and taxation. In 2017, there was a major overhaul in the law relating to online sports betting, which introduced restrictions to the access of websites of unlicensed online gaming operators.

The Italian regulator has imposed a ban on advertising. The German regulatory environment is in force since 1 July 2021 and includes restrictive sports betting regulation, including limits for players and a transitional period for certain online casino products, such as virtual slot machines.

STRONG POSITIONS IN MAIN MARKETS

The Betclic Everest Group believes it operates one of the market-leading online sports betting platforms in Europe, that covers all major sports and events. The Betclic Everest Group reach 1.4 million active users on a monthly basis average for the year ending 31 December 2023, making it to be one of the leading betting companies in its core geographical markets, France, Portugal and Poland.

The Group believes it is the #1 online betting platform in France and Portugal and among the top 3 in Poland. Additionally, there is further upside to expand the offering in Betclic Everest Group's developing markets, as the Betclic Everest Group believes it is placed in the top ten players in the sports betting market in Germany.

WELL-POSITIONED FOR EMERGING SPORTS ENTERTAINMENT TREND

Sports betting has become a mainstream form of entertainment and, as a result, the global online gaming market is expected to grow at a CAGR of 11% from €55 billion in the year ended 31 December 2020 to €115 billion in the year ending 31 December 2027[1]. This growth is supported by the following key trends in consumer habits: (i) a strong growth in sport entertainment, due to growing sport events audiences and the development of fan communities; (ii) online has facilitated access to sports betting, amongst all types of audiences; and (iii) increasing digitalisation and mobile phone habits. The Group believes it is well-positioned through its broad range of product offering and technical know-how to capture this positive shift in demand.

The table below shows the breakdown of the revenue of the Betclic Everest Group for the periods indicated in terms of geography.

	Financial Year	
(in € million)	**2023**	**2022**
Europe	945.8	822.5
Rest of the World	50.4	12.5
TOTAL REVENUE	**996.2**	**835.0**

Over the Financial Year 2023, the Betclic Everest Group realised a revenue growth of 18.9% (at constant exchange rates) compared to Financial Year 2022.

PROPRIETARY TECHNOLOGY PLATFORM WITH AWARD-WINNING UX AND PRODUCTS

Betclic's tech platform provides a fast, fluid and stable user experience across both iOS and Android operating systems, and as of January 2023, is highly ranked in the Apple App Store in France (4.7/5 rating), Portugal (4.8/5 rating) and Poland (4.9/5 rating) (Ratings 1st February 2024). The regular product rollouts of the Betclic Everest Group continuously set new market standards and open development opportunities on other markets. Examples of such product rollouts are *freebets,* in-app Customer Relationship Management tools and improved customer support. Bet-at-home currently has an independent tech platform from Betclic's one and its own product and user experience.

By division and including Bet-at-home, revenue rose by 14% in sportsbook in 2023, by 48% for online casino due to greater gamification and launch of new exclusive games, by 23% for online poker and by 33% for horse racing.

(1) Source: Grand View Research https://www.grandviewresearch.com/industry-analysis/sports-betting-market-report.

1.2.3.2 The Betclic Everest Group's strategy

The Betclic Everest Group aims to continue its profitable growth and has identified four clear growth levers:

(i) Player centricity;

(ii) Product innovation;

(iii) Expansion into new markets; and

(iv) Sustainability & ESG, especially Responsible gaming.

It also sees potential in Central Europe, in particular in Germany and Austria, through its strategic investment in Bet-at-home.

PLAYER CENTRICITY

The Betclic Everest Group has a recognised brand and an effective data driven marketing approach. The Betclic Group aims to continue to increase the number of players by its effective, personalised marketing efforts, leveraging the significant amount of data that it collects in connection with its operations. Furthermore, The Betclic Everest Group has advanced in-app customer management, with account managers for key players, an extensive FAQ section and a dedicated customer support team that is available 7 days a week. The Betclic Everest Group plans to build on this customer support, to even further increase the user experience and attract more players.

PRODUCT INNOVATION

Betclic was the first online sports betting operator to launch a mobile app and for more than 15 years, it has created innovative products. Betclic provides its players advanced sportsbetting and gamified features that empowers them to enhance their passion for sport. Betclic puts a lot of efforts into ensuring all customers enjoy its mobile app experience and look & feel without any bugs, crashes or latencies. Transactions are handled in real time and fully secured.

EXPANSION INTO NEW MARKETS

There is growth potential in existing markets, but the Betclic Everest Group also intends to expand its operations in new geographies, such as South America or Africa by leveraging its existing platform into these countries. The Betclic Everest Group also sees upside potential in Central Europe through its strategic investment in Bet-at-home, an established Central European sports betting platform, with local brand awareness and strong potential development on German and Austrian markets. A disconnect between brand awareness of Bet-at-home but a relatively low market share in the German and Austrian markets creates market opportunity.

SUSTAINABILITY & ESG ESPECIALLY RESPONSIBLE GAMING

As an entertainment company, the Betclic Group is committed to build companies that enhance the passion for sport of its clients and foster an ESG culture that supports talent acquisition and retention, well-being at work and an innovative mindset. With zero tolerance on minors' gaming and through strong investments on a proprietary machine learning algorithm to detect players at risk, the Group has set as a priority to offer to clients an entertainment in control.

In 2023, the Betclic Group is the first operator to obtain the international standard for safer gambling by GamCare for its French operations. This international certification recognises Betclic's daily commitment to ensuring a responsible gaming experience for its players, now consolidated under the BETCLIC PROTECT program.

BETCLIC PROTECT is a comprehensive player protection program available throughout their gaming journey, 7 days a week. It includes various tools and services dedicated to customers to promote responsible gaming, such as detecting signs of excessive gambling and assisting players in need. The Betclic Everest Group is also committed to go even further and to participate to awareness around gaming best practices through dedicated advertising or resources for parents to prevent minors' gaming.

1.3 Competition environment

1.3.1 Banijay Group's competition

Banijay Group's businesses operate in highly competitive industries, and different competitive factors apply in each segment of its operations.

1.3.1.1 Production

The content production market is fragmented in Europe and in the US. Recent acquisitions of independent producers by large media companies seeking vertical integration or by larger independent production groups illustrate the strategic importance of geographical presence and access to content. Acquisitions enable market players to increase their content library and distribution capabilities and expand to different countries and distribution channels. Ongoing market consolidation has led to the creation of a few large international television production and distribution groups, including Banijay. Group's biggest competitors, Lionsgate, Fremantle, Red Arrow Studios, All3Media, BBC Studios, ITV Studios and Mediawan, each of which provide their local production companies with exclusive access to their catalogues.

Banijay Group's competitive position is greatly affected by the quality of, and public response to, its content. It also competes with other production companies and studios for the services of creative talents, producers, directors, writers, actors and others and for the acquisition of intellectual property.

1.3.1.2 Distribution

Banijay Group also faces competition (with other studios, television production groups and independent producers) for the licensing and distribution of its formats and programmes. New opportunities in the production and distribution business have emerged due to the growing demand for new content. Audience fragmentation has increased due to digital platforms, both global, such as Netflix, Amazon Prime Video, Disney+, Discovery+ or Paramount+, and regional, such as Viaplay in Northern Europe, Britbox in the UK and Hulu and Peacock in the US. The portfolio of potential customers is increasing as are the opportunities for production, distribution and for secondary rights revenue generation. The AVOD market is also growing fast and represents new secondary window exploitation opportunities for Banijay's content. Banijay Rights operates its own FAST channels, syndicated on several platforms such as Pluto or Samsung TV Plus. Banijay Group also competes with other forms of entertainment and leisure, including other television networks, premium pay-television services, local over-the-air television stations, OTT services, motion pictures, home entertainment products and services, video games, print media, live experiences, radio broadcasts and other forms of news, information and entertainment, as well as pirated content.

1.3.2 Betclic Everest Group's competition

The Betclic Everest Group believes that, as the Online sports betting & gaming market continues to be regulated in more and more countries, the social acceptance of online gaming will increase. Online sports betting & gaming will continue to increase, which in turn should have a positive impact on player numbers. Some new markets could be regulated, in particular online casino in countries where such activity is not permitted today. Conversely, it is possible that one or more countries in which the Betclic Everest Group offers its services could restrict or completely prohibit the offering of online sports betting and gaming, which could lead to a decline in the overall market in the such countries; however, the Betclic Everest Group has no indications of such political processes in markets that are economically significant to the Group's results. The Betclic Group believes that its main competitors in the sports betting market are Winamax, Unibet, FDJ, Betano Bet.pt/Bwin, Placard, ESC Online, Pokerstars, STS and Fortuna.

Based on its market position to date, the development of its name and brand, as well as its successful products, user experience and marketing strategies to date, the Betclic Everest Group believes that it will be able to expand its business. The aim is to be in a position to participate in this positive market development in the future. Another key aspect is its positioning as a premium provider, which in its opinion enjoys a high level of respectability among existing and potential customers.

The competitive situation in the individual European countries depends heavily on the regulatory conditions there, including the activities of state (still) monopolists. Please also refer to Section 1.1.2.4 (The Betclic Everest Group's Markets) on page 46 of this Universal Registration Document for a description of what the Betclic Everest Group believes are its main competitors in the markets in which it operates.

1.4 Regulatory environment

FL Entertainment is governed by regulations specific to each country in which the Group operates either directly or through its subsidiaries, branches or partnerships.

Since its shares were listed on the Euronext Amsterdam regulated market on 1 July 2022, FL Entertainment has been subject to various obligations including (i) periodic and ongoing information, (ii) prevention of market abuse, (iii) issuance of financial securities and (iv) sustainable investment reporting. These obligations are laid down by Dutch and European regulations.

In respect to the Content production and distribution business and the Online sports betting & gaming business, the relevant entities are subject to numerous regulations, and approval requirements as detailed below.

1.4.1 Banijay's regulatory environment

The key regulation applicable to Banijay Group's business in Europe is Directive 2010/13/EU (as amended and extended by Directive 2018/1808/EU mainly to add obligations in relation to streamers, the "Audiovisual Media Services Directive"), which requires that a certain portion of the programmes linear broadcasters air (excluding sports, news, events, games, advertising, teletext services and teleshopping) are produced by European producers and that at least 10% of their broadcasting time or 10% of their programming budget are for European works produced by independent producers. Based on the definition of independent producer in each Member State, Banijay Group is independent with respect to all major broadcasters in Europe except for Canal Plus in France; and 30% of the catalogue of audiovisual on-demand media services include European works.

As of the date of this Universal Registration Document, there are no similar regulations in the countries outside Europe in which Banijay Group operates but other countries such as Australia are thinking about implementing protective rules for producers vis-à-vis streamers.

Member States had until 19 September 2020 to implement Directive 2018/1808/EU but some of them were late or have not even finalised their local approaches. However, as of the date of this Universal Registration Document, all jurisdictions in Europe where Banijay Group is active have started or terminated the localisation of this Directive. Some Member States went even further than the minimum obligations included in the Audiovisual Media Services Directive, and have included more protective measures for European producers, including in terms of obligations of investment from broadcasters and/or streamers, promotion of local-language/territorial works, or retention of IP rights by producers.

For instance, in France, the arrangement of the Audiovisual Media Services Directive introduced by Directive 2018/1808/EU was implemented into law via an ordinance 2020-1642 of 21 December 2020 and specifically, an implementing decree 2021-793 of 22 June 2021. This decree sets out the rules applicable to VOD services in terms of (i) contribution to the development of content production and (ii) promotion of European and original French-language content, subject to the provisions set out in the agreements concluded between certain VOD services and the French regulatory authority. It also provides limitations in the scope of rights granted to the VOD services in order for the works to be included in the quotas that streamers have to respect.

The implementation of the Audiovisual Media Services Directive in other countries (such as Spain, Italy, or Portugal) also imposes quotas upon the streamers with the obligation to secure a minimum level of European projects and such obligation is to be fulfilled by independent producers.

Since leaving the EU, the UK is no longer a party to the Audiovisual Media Services Directive and is classed as a "third country" under the terms. However, most provisions of the Directive were implemented into English law under the Audio Visual Media Services Regulations 2020, and the UK remains a party to the Council of Europe's European Convention of Transfrontier Television (ECTT), ensuring freedom of the reception of broadcasts between the UK and other ECTT countries. UK productions therefore continue to count as European Works for the purpose of the Audiovisual Media Services Directive European Works quotas. UK producers also benefit from the Communications Act 2003, which sets out the foundations of the terms of trade between producers and UK public service broadcasters (BBC, ITV, Channel 4 and Channel 5). These terms state that producers should retain ownership of the intellectual property rights in their programmes, and set minimum quotas for commissioning from independent producers vs producing in-house. Another significant change in the UK is that mainstream video-on-demand (VoD) services consumed in the UK - such as Netflix, Amazon Prime Video and Disney+ - will be required to follow similar Ofcom (the UK regulating body for TV content) content rules to those currently in place for traditional broadcasters, creating a more level playing field.

The other specific regulations applicable to Banijay Group's business are employment-related regulations, including regulations governing unions and guilds that can materially impact the production cost of programmes and the secondary revenues generated by such programmes (for example, minimum wages, limitations on number of working days/hours and payment of residuals). For example, the unprecedented strike by writers, actors and other production staff in Hollywood, which began in May 2023, had a significant impact on US production activity and eventually led to the renegotiation of agreements with the guilds, including an increase in their salaries and residual income, as well as recognition of their rights when AI is used as part of the production process.

Specific regulations may also apply to certain productions (for example, children or animals participating in programmes, health and safety rules, product placement rules and rules governing the use of monuments or art).

1.4.2 Betclic's regulatory environment

The Betclic Everest Group's activities include sports betting, casino games, poker and horse racing betting. Due to their nature and the risks associated with them, these activities are subject to a restrictive regulatory framework. In most European countries, and with the development of internet, the gaming sector has evolved from historic state monopolies to regulation allowing these activities online and under local licenses. Betclic Group operates in its core markets under licenses granted by national authorities and held by Maltese entities.

At the international level, Online sports betting & gaming activities are not subject to any standardised regulation, which creates uncertainty as to the conditions under which these activities can be carried out. In the absence of a standardised regulatory framework, each country is free to regulate online sports betting and gaming. Some countries have banned gaming and betting altogether, whether it is conducted physically or online. Some countries prohibit all forms of gaming in principle. Other countries have restricted the conditions under which gaming can be conducted. Following Portugal in 2015 and the Netherlands in 2021, regulation for online gaming entered into force in these jurisdictions, introducing a license requirement for offering online sports betting and gaming. Finally, certain activities may be prohibited online. For example, in France, online casino activities are prohibited, while poker is allowed. In contrast, other countries have allowed online gaming activities. In this case, the activities that can be carried out may be subject to limitations. For example, in Belgium or Switzerland, only physical casinos can obtain a license to offer online betting or casino games. In Germany, regulations do not prohibit the operation of an online (odds) sports betting offer while online table games are still prohibited, but operators can now obtain a license to operate online slot machines.

Activities may also be regulated and, thus, be subject to licensing by the relevant authorities. The countries in which the Betclic Everest Group operates the majority of its Online sports betting & gaming business, including France, Italy, Malta, Poland, Portugal, Ivory Coast, Germany and Ireland require a license for online sports betting and gaming.

The Betclic Everest Group values regulation that strongly protects players and prevents minors' gaming efficiently and fairly across all activities that can enter the scope of gaming. Dialogue with governments, authorities and regulators are at the heart of the group operations to ensure full compliance and player's best protection.

1.4.2.1 France

In France, the market has been regulated since 2010, which paved the way for other national regulation to follow. Application for a license is subject to compliance with a set of specifications approved by the Minister of the Interior, the Minister of the Budget, the Minister of Agriculture and the Minister of Sports, on the recommendation of the ANJ. In particular, the applicant must describe, for each game offered, the process for handling game data and the means by which such data is made available to the ANJ, in real or delayed time, and must provide evidence of the existence of a security interest, trust, insurance, escrow account or any other instrument or mechanism guaranteeing, in all circumstances, the repayment of all assets due to players. The Betclic Group applied in 2010 for the licenses available respectively for the three products allowed under this new law: sports betting, horse racing betting and poker. Despite extensive discussion, online casino is still forbidden for online operators. The number of licenses granted, delivered for five years, went up to 26 before competition actually slowly reduced the number of companies operating on the market. Regarding the condition of the licenses as such, there had been limited changes over the years except recently with few noticeable amendments: (i) the tax regime (change from turnover to Gross Gaming Revenue, although the rate had been adjusted resulting in a limited financial impact), (ii) scope of the authority (ARJEL became ANJ in context of the privatisation of FDJ) and (iii) strengthened obligations relating to responsible gaming and advertisement. In France, the legal framework of advertising has been defined in the "Cadre de référence" *(Art. 34-IV. loi n° 2010-476 du 12 mai 2010/Arrêté du 9 avril 2021),* extending the power and scope of the national authority, which now can prohibit an advertisement campaign encouraging, directly or indirectly, minors and people prohibited from gaming to play, or involving an excessive incentive to play. Each year operators must submit their promotional strategy to the ANJ for approval, with a specific attention to responsible gaming. Any modification to this strategy must be presented to ANJ at least two months before its implementation. In 2023, new regulations impacting bonuses and partnerships have been implemented by ANJ in order to ensure commercial clarity, limit the use and amount of bonuses, increase warning messages and restrict the use of athletes in the context of partnerships.

1.4.2.2 Portugal

In Portugal, the trend has been similar to France as the local regulator closely monitors legislation. However, from the beginning the scope of the regulation has been broader allowing all products, except for lottery (which is still operated in most of the markets by the former state monopoly). The regulation is strictly enforced by the regulator who controls, monitors and challenges gaming operators almost on a daily basis. Portuguese licenses are granted for a period of three years. The main change since 2016 is the change of the sports betting tax that used to be progressive depending on the annual stakes. This had been challenged and has been amended in April 2020. In May 2020, the regulator in Portugal published a code of good practises that supplements Advertising Code Law. These good practises are applicable to all communication supports and are mandatory, forbidding notably encouragement messages and commercial communications and advertising to take place between 7 am and 10 pm on television and on the radio nor 30 minutes before or after a programme specially dedicated to children or a young audience.

1.4.2.3 Poland

In Poland, regulation is more recent and restricted to betting only (including betting on sport events and potentially other type of bets). The regulator is not as active as in France or Portugal but an upwards regulatory trend is noticeable and some amendments might also slowly shape the market.

1.4.2.4 Italy

Italy has a mature market, as it was one of the first to offer specific licences for online gaming in 2008. It is perceived as a very liberal market, as the full scope of products is allowed and the number of private operators is high.

1.4.2.5 Malta

The Maltese licenses, used historically to offer gaming services in jurisdictions where regulation was inexistent or not in line with EU law, are slowly losing consistency as most of the countries have adopted local regulation and a licensing system, allowing them to collect taxes as well as monitoring the market and limiting the illegal market.

1.4.2.6 Germany

Germany is supervised by Gemeinsamen Glücksspielbehörde der Länder (GGL), a regulator created in 2021. Online sportsbetting and online virtual slots licenses are granted. A sports betting license and a license for virtual slots are held by Bet-at-home.

1.4.2.7 EU Regulations

With regard to the sector specific legislation, the European Commission confirmed that it is not currently considering harmonising the regulatory framework for gaming in the EU. There are no indications that this may change in a near future. The European Commission continues to monitor how member states are progressively modernising the legislation applicable to the sector to adapt to the digital challenges and to protect vulnerable groups (for instance, strict regulations on advertising).

Finally, some online trade associations and companies which operate across different markets in Europe and for which the regulatory fragmentation represents both high costs and a heavy administrative burden, clearly push for the standardisation of product categories and definitions, codes of conduct and best practices on how regulations should be complied with. It is therefore expected that the trend of harmonised soft legislation will continue and may even further develop with the progressive consolidation of the online sports betting and gaming market.

1.4.2.8 Ivory Coast

State-owned company "Loterie Nationale de Côte d'Ivoire" (LONACI) has historically had a monopoly on most games of chance in Ivory Coast. In 2020, a wide-ranging reform of the gambling regulation occurred, notably to include online gambling within the realm of the regulation. In this context, in 2021, LONACI was given the possibility of granting licences on the games of chance it had a monopoly on to third-party operators. Betclic and LONACI subsequently signed an agreement in 2022 through which Betclic was granted the right to offer online sports betting in Ivory Coast. It is worth noting that the 2020 reform contained provisions on the establishment of an independent gambling regulator, which still has not been created to date.

COMPLIANCE

The Betclic Group focuses on regulated activities and has various national licenses to operate its business. The Betclic Group has licenses for sports betting, poker and horseracing in France, it has licenses for sports betting and casino in Portugal, it has a license for sports betting in Poland, it has licenses for sports betting and casino in Italy, it has a license for sports betting in Ivory Coast, it has a license for sports betting in Senegal and it has licenses for sports betting and casino in Benin. There are various conditions attached to these licenses and compliance is therefore key for the Betclic Group for operating its business. With its longstanding experience in regulated markets, it has developed a solid expertise in operating with regulators and has strongly invested in people and trainings to meet the highest standards in compliance. Compliance is embedded in various areas of its organisation, in particular in its legal and operation teams. The Betclic Group’s compliance officers, its domain managers and its project managers share a joint responsibility for compliance. The compliance officers are the main point of contact for regulators and supervisory authorities and they are responsible for obtaining licenses, developing compliance programmes and implementing and reviewing company policies. The domain managers act as a point of contact for the compliance officers. They define priorities and lead projects for compliance in their particular domain and ensure that compliance rules and guidelines are developed into specific features. Finally the project managers are responsible for the management of complex cross-team compliance projects and assist compliance officers where necessary.

The Betclic Group has developed multiple processes to ensure compliance across its organisation. These processes consist of:

- *compliance audits:* both internal and external audits are performed regularly;
- *standards and policies:* all compliance policies are verified and updated to reflect changes in regulations;
- *internal trainings:* trainings are provided to all employees as a component to their onboarding and are strengthened with the departments for which compliance is particularly relevant. The trainings are adapted to the various departments or specific events;
- *project scoring:* the compliance impact of various projects is assessed during workshops.

Finally, as there is an increased focus on responsible gaming, the Betclic Group has various and continuous efforts to prevent gaming addiction. Beyond its regulatory obligations, the Betclic Group is aware of its social responsibility. It makes sure to do put measures in place to reduce the negative impact that the game can have on a minority of players, on their family, and their social and professional life. The protection of gamblers and the prevention of excessive or pathological gaming is one of the pillars of the Betclic Group's strategy. The Betclic Group's responsible gaming plan is built around two strategic priorities:

- *awareness and prevention:* the objective is to develop a comprehensive prevention plan and apply the right level of interventions to educate about the risks and provide tools for players to protect themselves. The Betclic Group's prevention plan consists of a combination of programmes and activities:
  - universal measures for the benefit of all gaming audiences,
  - selective measures for groups potentially more at risk,
  - individualised measures for the players most at risk;
- *detection and support:* the objective is to ensure that anyone with need for help can be detected and an appropriate response can be provided at the appropriate time. The detection plan revolves around a combination of responses:
  - implementation of automated detection devices,
  - development of an associated targeted prevention approach,
  - development of a face-to-face relationship approach including calls outgoing to understand each situation and provide appropriate responses.

CHAPTER 02/

ESG REPORT: STATEMENT ON NON-FINANCIAL INFORMATION

2.1 Introduction to sustainability at FL Entertainment

Set on its mission to "Entertain the world" in a responsible approach, FL Entertainment has positioned sustainability, diversity, equality & inclusion, and well-being at the heart of its business model with a long-standing commitment to ESG standards, because it believes that social and societal performances are intimately linked to its business.

FL Entertainment is committed to setting an example in all its markets and activities and embedded ESG standards within its value chain, supported by ESG workstreams on environmental, social and governance topics as well as employee resource groups launched in 2023. As an integrated Group, FL Entertainment is working closely with Banijay and Betclic to define jointly the policy and initiatives led by each business.

Regarding environment, in addition to the various initiatives in place within the Group to support its sustainability-led mindset, Banijay has set up a "Green" employee resource group and has rolled-out in 2023 a carbon footprint measurement project. Betclic will launch a similar project in 2024 and will continue to control energy consumption on IT developments.

Regarding human capital, the Group is committed to promote diversity, equality & inclusion in a safe and well-being environment, with the involvement of all its employees and monitored by rules defined in the code of conduct and welfare policies. As a major actor in the content industry, Banijay is driving equality and diversity both on and off-screen to foster inclusion. Several actions have been led, overseen by employee resource groups on: LGBTQ+ (Pride), Culture & Ethnicity (Embrace), Women-led (Elle), and Education Pillars (Disability, Wellbeing).

At Betclic, the Group is highly committed to promote responsible gaming to protect its players community, supported by a team of 100 people dedicated to preventing excessive and underage gaming and robust data-driven algorithm based on Artificial Intelligence. This strict policy is embedded in Betclic's operations, as 99% of revenue are generated in locally regulated markets and addresses mass recreational market. Data privacy and security also constitute major pillar through the two businesses.

Finally, regarding governance, the Group has reinforced its ethical leadership at all business levels, with dedicated officers at strategic positions at Banijay and Betclic. This encompasses compliance for anti-money laundering regulations at Betclic in particular.

For both businesses, this move is supported by a structuration of a new ESG governance at FL Entertainment with the HR & ESG Board Committee and a steering committee gathering employees from FL Entertainment, Banijay and Betclic.

In the building of its ESG roadmap, the Group draws inspiration from the 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals (SDGs) of the United Nations.

2.1.1 Business model

FL Entertainment's business model and activities are described in the introduction pages and in Chapter 1 of this Universal Registration Document. The introduction pages include a synthetic representation of the Group's activities, strategy, main resources and assets, and the value created for stakeholders.

Please refer to Chapter 1 (Presentation of the Group) on page 21 for more information on the two business lines: Content production and distribution and Online sports betting & gaming.

2.1.2 ESG organisation within the Group

With the sponsorship of the Group CFO, the FL Entertainment core team is in charge of defining and setting up the Group ESG strategy and to support its implementation in coordination with the teams worldwide.

The Board of Directors of FL Entertainment (please refer to Chapter 4 (Corporate Governance) on page 149 for more details) oversees the process of managing material risks and opportunities. For this purpose, the Board ensures the availability of the appropriate skills and expertise that the Board as a whole, possesses to oversee sustainability matters (64% of members have ESG skills). Within the Board of Directors, the Human Resources and Environmental, Social and Governance Committee ("HR & ESG Committee") is responsible for (i) validating the Group ESG strategy (ii) monitoring and overseeing its deployment.

Within this frame, Banijay and Betclic deploy this strategy in accordance with the specificities of their operations and the markets in which they operate. In addition, they define and coordinate their own initiatives towards ESG, and elaborate and follow their extra-financial performance indicators accordingly.

Banijay relies on its entrepreneurial DNA that grants each region and production label the opportunity to roll out its own initiatives via working groups and volunteer employees worldwide. Its main priorities are:

(i) diversity, equity and inclusion (both on-screen and among employees);

(ii) environment (with an ambition to measure and reduce the environmental footprint of the offices and productions); and

(iii) charity (with major global social events like Baniday).

All areas of ESG at Banijay are spearheaded by the executive team in collaboration with the human resources department and corporate communications, driving global education initiatives year-on-year.

Since its creation, Betclic has had the clear objective of entertaining people. From the start, this meant considering the product and its impact on society and placing players' protection at the heart of Betclic's strategy and development.

In addition, both Banijay and Betclic have developed strategies to attract, retain and develop talent, particularly for specialised fields - creatives for Banijay, and technical developers for Betclic.

Banijay

Banijay is dedicated to improving its position in environment, social and governance activities - it has already taken some significant steps in managing these areas worldwide.

In 2021, Banijay completed a comprehensive mapping exercise of its business regarding Diversity, Equity & Inclusion (DEI). This was an opportunity to depict the key areas for improvement and strategically lay down the next steps in its dedicated strategy. In addition, Banijay has establshed three dedicated workstreams on environment, social and governance issues in 2023, coordinated by the newly-appointed ESG Director. They will be enhanced further in 2024 to ensure effectiveness in driving best practice and initiatives worldwide. The role of the three workstreams is to create the connection between people working at Group, countries, production companies levels on dedicated projects (carbon measurement and reduction plans, on and off-screen D&I projects, education initiatives, etc.). This will require to add additional experts to the workstream on dedicated projects and to increase the connections between each workstreams.

In terms of environmental matters, Banijay's priority is to manage its carbon footprint reduction across all areas. In 2022, Banijay contracted 3Degrees, a consulting firm that helps organizations around the world achieve renewable energy and decarbonization goals, to set out a measurement matrix. During 2023, Banijay launched its first carbon emissions measurement for the year 2022. In 2024, Banijay will continue this process for 2023 emissions and will use the results of both years to set up a carbon reduction roadmap which will be published in URD 2024.

Betclic

Betclic's efforts focus on its impact on society and on putting players' protection at the heart of its strategy and development.

From responsible gaming to sustainable development, from employee well-being to philanthropy, the ESG vision and the impact of operations are a top priority of the Executive Committee. In 2023, Betclic has launched several communications around Betclic Protect, its comprehensive protection program for players. Given the nature of its activities, Betclic also puts a special effort on the risks linked to the disclosure, loss or inappropriate modification of personal data of its customers and employees (General Data Protection regulation), as detailed in section 2.3.3 of the Universal Registration Document. In addition, Betclic has developed numerous initiatives to guarantee its team members' commitment and cohesion as well as well-being at work and focus on attracting the best talents.

In 2024, Betclic will launch its first carbon emissions measurement for the year 2023 and will use the results to set up a carbon reduction roadmap which will be published in URD 2024.

2.1.3 Materiality assessment

In 2022, FL Entertainment conducted its first materiality analysis, with the support of an external advisor. This was an opportunity to define the ESG challenges relating to the Group's businesses, and it also highlighted internal stakeholders' expectations and perceptions of FL Entertainment's main ESG issues.

Twenty-five ESG challenges were listed on the basis of preliminary interviews, a benchmark of the industries (entertainment, media, and gaming), and an analysis of existing internal documents. These challenges cover all Group activities including: environmental, social, employee-related matters, respect of human rights, and anti-corruption and bribery matters.

Twenty interviews were conducted with both Senior Management Members and members of the management teams of Banijay and Betclic. All the challenges submitted for consultation were assessed through reputational, financial, and regulatory prisms.

Nine issues of major importance to internal stakeholders who were consulted emerged from this process for the Group:

1. Attracting and retaining employees;
2. Customer satisfaction;
3. Regulatory compliance;
4. Health and safety of employees;
5. Data protection & cybersecurity;
6. Responsible product offering;
7. Intellectual property;
8. Ethics & corruption;
9. Diversity and Inclusion in content.

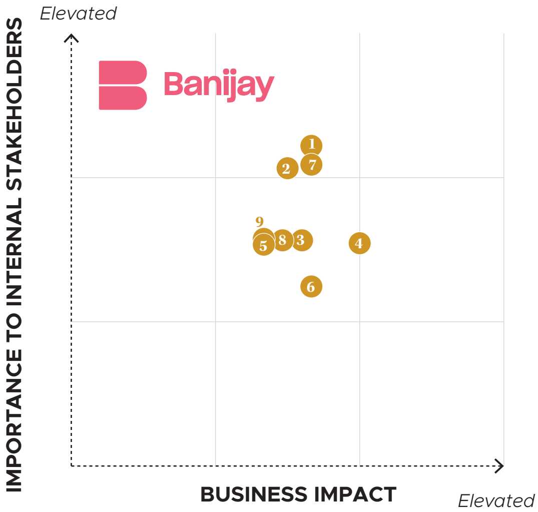
Environment-related ESG challenges weren't deemed as material, but they are becoming increasing priorities for both businesses, with rising stakeholders' awareness.

The ninth material ESG challenge covers Diversity and Inclusion in content and is linked to another ESG challenge which is Diversity and Inclusion of employees. The approach of Banijay is to embed these two challenges as a global one, that will be described in the Section 2.2.2 (Diversity and Inclusion) on page 74.

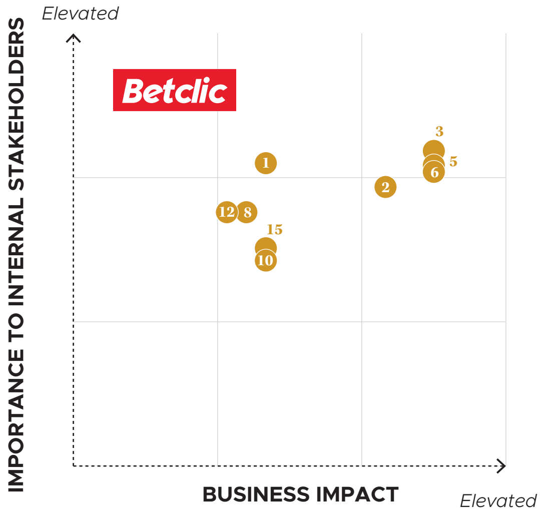
The two materiality matrices are presented below for both Banijay and Betclic(1). Specifically for Betclic, three ESG challenges are also deemed as material: Decent pay for employees (#15), ESG performance management (#10), and Innovation (#12).

In 2023, a review of this materiality analysis has been conducted, and no major change has been identified.

Matrices of materiality



1. Attracting and retaining employees
7. Intellectual property
2. Customer satisfaction
4. Health and safety of employees
3. Regulatory compliance
8. Ethics & corruption
9. Diversity and inclusion in content
6. Responsible product offering
5. Data protection & cybersecurity



3. Regulatory compliance
5. Data protection & cybersecurity
6. Responsible product offering
2. Customer satisfaction
1. Attracting and retaining employees
8. Ethics & corruption
15. Decent pay for employees
10. ESG performance management
12. Innovation

FL Entertainment teams are mobilised to get ready for the upcoming CSRD (Corporate Sustainability Reporting Directive) for which it will be eligible in 2024, with a first Sustainability Report to be published in 2025.

In the context of this preparation for the CSRD, and with the support of an external advisor, the Group has conducted a double materiality analysis, based on the existing materiality analysis and ESG risks analysis, in order to identify the material Impacts, Risks, and Opportunities for Banijay and Betclic. This helped to identify the ESRS (European Sustainability Reporting Standards) on which the Group will need to report. It also led to identify the material ESG topics in terms of both financial materiality and impact materiality. For the ESRS on which the Group will need to report, a gap analysis to the standard was conducted to identify disclosure requirements requiring further exploration. Conclusions to these works and a detailed actions plan will be ready in first semester 2024 for operational implementation in 2024.

(1) *In these materiality matrices, the ESG challenges are listed by order of importance for Banijay and Betclic. The number in front corresponds to the rank of the ESG challenges for the Group.*

2.1.4 ESG risks factors

This section describes how the Group manages the material ESG challenges and risks. In order to complete this analysis, please refer to Section 3.1 (Description of the Risk factors) on page 108 for the full list of risk factors of severe impact.

ESG Challenge (in order of importance for the Group)	Definition	Risk description
Attracting and retaining employees	Attract and retain employees by ensuring appropriate human resources management at all levels of the Group. This includes employees under permanent contract as well as freelance workers.	• Banijay's business and its success have depended and will continue to depend on its creative talent, its management team and other key employees or partners, such as hosts, producers and local managers in its production companies. The loss of these managers, creative talent and key employees or partners, in particular to competitors, could result in a loss of skills and expertise as well as technical deficiencies, and thus affect the Group's activities and its development. • Betclic faces the risk of being unable to attract and retain key qualified workers who can apply their engineering and operational skills to Betclic's activities in today's highly competitive labour market and assuring continuity in key posts. Another risk is the failure to foster employee's engagement and satisfy their expectations as an employer, especially considering new xpectations from younger generations of employees. At Group level, this ESG challenge is addressed by preparing a full set o educational supports to be sure that employees are trained, prepared and engaged, benefiting of the best employee experience, with respect of human rights, conducting regular internal employee engagement surveys and cementing action plans following the results of such surveys. *See Section 2.2.1 (Talent attraction and retention) for details.* Within Banijay, efforts are coordinated at central level with a set of corporate programs, operational processes, development of managers and internal communication campaigns, along with a Banijay Global HR Policy. For Betclic, one of the key responsibilities of Human Resources is to work on attracting and retaining talents. An employer branding role has been created.
Customer satisfaction	Ensure final customer satisfaction. For Betclic*:* Net Promoter Scores, etc. and ensure changing expectations are addressed. For Banijay*:* Positive reception of programming by the public/audience measurement and client satisfaction (broadcasters).	The revenues generated by the Group depend on positive reception by audiences, consumer preferences and trends in popular culture, media and technology. ▪ For Banijay, if clients are not satisfied with the programs/IP produced or licensed, the risk is to have a decrease in terms of revenues. ▪ For Betclic, the risk is a lack of understanding when it comes to the client's (i.e., player's) needs that can affect the client demand and create volatile and uncertain economic conditions for Betclic due to an inability to retain players. At Group level, this ESG challenge is addressed by ensuring client satisfaction and maintaining the continuity of the business, being proactive and reactive in the delivery of solutions and services, and improving products and services in line with clients' needs and high-quality standards. *See Section 2.3.4 (Customer satisfaction) for details.* For Banijay, customer satisfaction can be gaged through ratings, recommissions & commissions, distribution sales and sales through its brand and commercial arm. Its client satisfaction on programming specifically is often reliant on a smooth production process from inception to delivery, along with intellectual property protection. For Betclic, Customer Service department is in charge of providing a seamless and value-added customer experience accross channels such as Frequently Asked Questions section within the application or Key account management.

ESG Challenge (in order of importance for the Group)	Definition	Risk description
Regulatory compliance	Ensure compliance with the laws and regulations in all the countries where the Group operates, in particular regulations against corruption and tax evasion and those associated with licenses to operate.	▪ Regulation and compliance risks could happen as a result of the proliferation and increasing complexity of local and global changes in laws and regulations in multiple areas such as anti-corruption, trade regulations and export controls, competition, human rights and anti-money laundering. In particular, risk of corruption can materially adversely affect Banijay if it fails to maintain business integrity and ethical behaviour. Regulatory and reputation risks that would occur were Banijay or one of its employee/talent to be involved in tax evasion practices, and does not act responsibly in terms of tax policies in all its operations globally. ▪ The current regulatory framework could change and Online sports betting and gaming could be subject to European regulation aimed at restricting the conditions under which such activities can be carried out. In addition, Member States could adopt regulations to restrict the ability of online sports betting and gaming operators to operate in their territories or amend existing regulations to strengthen the constraints or taxation on online sports betting and gaming operators. At Group level, this ESG challenge is addressed by operating responsibly and securing the sustainability of the Group's business model, by implementing a framework with formalised policies, codes of conduct and other processes (such as a Welfare Pledge for Banijay), in order to ensure that all the employees are actors of the regulatory compliance, and by implementing action plans and monitor the effectiveness of the framework. *See Section 2.3.1 (Compliance and integrity) for details.*
Health and safety of employees	Ensure that working conditions effectively protect the health and safety of employees and provide a flexible and attractive work environment, and business continuity.	Increase of work-related illnesses (including mental health-related) or the failure to ensure employees' safety in risky environments could lead to higher absenteeism and could affect reputation and business continuity. At Group level, this ESG challenge is addressed by complying with all applicable health and safety laws and regulations, and providing a safe, respectful, and inclusive environment for all. *See Section 2.2.3 (Health and safety of employees) for details.* Banijay sets up rules within its code of conduct, provides a fully-service Speak-Up-Line, and has implemented several initiatives to guarantee the health and well-being of employees. Within Betclic, this topic is managed by the HR department who introduced a dedicated listening hotline and has launched several communications campaign.
Data protection and cybersecurity	Protect personal data and privacy of individuals (customers as well as employees) and ensure compliance with data privacy and cyber security laws & best practices.	▪ An information breach, unauthorised access and/or a loss of sensitive or confidential information could have a long and significant impact on business operations and/or reputation. Banijay is subject to laws and regulations which protect personal data and the privacy of individuals. Data breaches could have a significant negative impact. ▪ Betclic must, through its platforms, be able to offer its players accurate and reliable information in real time, in particular the odds offered to players in the context of sports or horse racing bets or players' stakes in part of poker games. Betclic Everest Group must also ensure the secure transmission of a large amount of information (in particular, the identity and bank details of players) through its IT systems. Information breach, unauthorised access and/or a loss of sensitive or confidential information (personal player data, for example) could have a long-term and significant impact on business operations and/or reputation. Betclic is subject to numerous laws and regulations which protect personal data and the privacy of individuals in the digital world; as the core of its business, deficiencies in this area would significantly affect Betclic's capacity to maintain, attract and generate further business. At Group level, this ESG challenge is addressed by ensuring an excellent level of data protection and cybersecurity. In addition, Audit Committee of FL Entertainment monitors risks related to cybersecurity. *See Section 2.3.3 (Data protection and cybersecurity) for details.* Banijay has implemented a Banijay-wide IT security governance framework, a multi-factor authentification, and educates end users around cyber security. For Betclic, the IT topic is managed by the Chief technology officer and his team (including a Chief security and IT compliance officer). Controls and monitoring processes are designed to ensure that the organisation is continuously assessing and impriving GDPR compliance efforts.

ESG Challenge (in order of importance for the Group)	Definition	Risk description
Responsible product offering	Responsible product offering that takes into account potential positive and negative societal impacts in product design (programming in the case of Banijay/gaming in the case of Betclic) and marketing, as well as ethical considerations. Responsible content (Banijay) ▪ Potential impact of the programmes on the public (cultural impact, including on-screen social/environmental actions); ▪ Creative/editorial independence and freedom of expression. Responsible gaming (Betclic) ▪ Underage gaming; ▪ Gaming addiction: prevention and support; ▪ Ethical marketing (incl. raising awareness as well as avoiding misleading advertising, etc.).	▪ As a gaming operator, Betclic must ensure compliance with sector requirements concerning underage and excessive gaming. If Betclic is in breach of applicable regulation, it may be subject to sanctions by the relevant regulator. In the event of serious breaches, Betclic could be sanctioned by regulators, either through the suspension or prohibition of games, the withdrawal of an approval or a financial penalty proportionate to the seriousness of the breach. ▪ Viewers may also object to the content Banijay produces or distributes based on their religious, political or ideological views. Although Banijay's buyers are ultimately responsible for ensuring content is aligned with the positions of their target audience, public objections may result in programmes being cancelled, which could affect Banijay's business and operational results. At Betclic, this ESG challenge is addressed by putting player's protection at the heart of Betclic strategy and development, setting ambitions of having most of the betters to play in control, and managing a team of responsible gaming specialists and raise awareness of this topic to all employees. *See Section 2.3.2 (Responsible gaming) for details.* At Banijay, each format has a "bible" setting out the rules for working on these formats (each tailored to the respective format).
Intellectual property	Issue and protect copyrights for all relevant product offerings; respect intellectual property of collaborators.	▪ Customers may ask to obtain the rights to the formats Banijay creates, and the programmes it produces, which may have a negative impact on Banijay's revenues. ▪ A risk for Betclic is the loss of intellectual property rights in case Betclic fails to protect the innovative solutions and products developed internally. There are also risks in case Betclic infringes intellectual property regulations by using technologies developed or owned by others. At Group level, this ESG challenge is addressed by ensuring that intellectual property is respected and protected at all levels. *For Banijay, see paragraph "Focus on intellectual property (IP)" within the Section 2.3.4 (Customer satisfaction) for details*.
Ethics and corruption	Commitment to proactively prevent and fight against any instances of fraud (gaming or otherwise), money laundering, and other ethical issues (e.g., ensure whistleblowing policies are in place).	▪ Banijay operates worldwide, and corruption could arise to obtain licenses or permits required in such countries. ▪ Due to its nature, the online sports betting and gaming sector is exposed to the risk of fraudulent or illegal transactions, including corruption or money laundering. Betclic's activities, whether in online sports betting or gaming, involve the use and transfer of large sums of money and generate a large number of transactions and financial flows that facilitate such fraudulent, illegal or illicit activities. Operating responsibly is the basis for securing the sustainability of the Group's business model. A framework has been implemented with formalised policies, codes of conducts and other processes, in order to ensure that all the employees comply with applicable regulation. Action plans and monitoring are in place to measure the effectiveness of the framework. *See Section 2.3 (Responsible business) for details.*

ESG Challenge (in order of importance for the Group)	Definition	Risk description
Diversity and inclusion in content	Promote diversity throughout all activities, including on and off-screen (Banijay) and in associated marketing materials (Banijay and Betclic).	There is a risk if Betclic targets a specific sample of the population (for example: young people, etc.). It could lead to new constraints on marketing regulation in the sport betting industry. At Group level, this challenge is addressed by complying with all applicable local and international laws and regulations regarding Diversity and Inclusion (in particular in advertising for Betclic). *See Section 2.2.2 (Diversity, equity and inclusion) for details*. Because of the activities of the Group, the approach to diversity, equity and inclusion with regards to employees is closely linked to the approach applied to content. As a consequence, FL Entertainment has chosen to address together both diversity and inclusion in content, and diversity and inclusion regarding employees. Banijay has deployed governance towards DEI, with a D&I Board, a D&I mapping exercise, objectives, and communication plans. A specific program ("Belong"), based on a full set of initiatives (at local and global levels) has been put in place to foster D&I in recruiting, employee training and awareness, and audiences' awareness. D&I campaign successes are tracked thanks to local surveys. As a tech company operating in the field of sport, Betclic concentrates its efforts on gender equality, in order to increase female representation within its teams. It is also committed to the integration of people with disabilities, and to the employment of all generations. These three major dimensions of efforts led to the signature of agreements and to the participation or organisation of local and global events.

2.2 Responsible employer

As at 31 December 2023, FL Entertainment[1] employed 4,551 people (compared to 3,817 people as at 31 December 2022). Banijay, with 3,589 employees and Betclic with 953 employees[1], represented 78,9% and 20,9% of the Group headcount respectively.

Permanent Workforce (FTE) at FL Entertainment

The following table outlines the number of full-time employees (permanent staff) of the Group. Permanent staff is defined as the staff who are on payroll and have an indefinite or definite employment contract for a period equal to or longer than one year. These figures do not take into account freelancers and independent contractors.

	2023				2022			
Zone	**Total Group[1]**	**FL Entertainment**	**Banijay**	**Betclic**	**Total Group[1]**	**FL Entertainment**	**Banijay**	**Betclic**
Europe, Middle East and Africa (EMEA)	3,926	9	2,964	953	3,233	2	2,500	731
Americas (Latin America, USA and Canada)	422	0	422	0	408	0	408	0
Asia, Pacific (APAC)	203	0	203	0	176	0	176	0
Total	4,551	9	3,589	953	3,817	2	3,084	731

In addition to its permanent workforce, Betclic works with independent contractors. At the end of 2022 it had 125 independent contractors and 166 at the end of 2023. The number of independent contractors is linked to more independent contractors being engaged to work on a project basis and the ability to recruit personnel faster.

Banijay also uses the services of freelancers. Their number varies from time-to-time of depending mainly on the level of television production activity in which Banijay is engaged.

2.2.1 Talent attraction and retention

One of the main objectives of the Group is to recruit and retain committed employees, as both Banijay and Betclic need to maintain a high level of excellence and the capacity to adapt to an evolving environment.

This topic is managed by HR departments, in coordination with other functional and operational departments, that work on a full set of educational supports to ensure employees are trained, prepared and engaged, guaranteeing the best employee experience, with respect to human rights. A culture of diversity and inclusion is also important to creating an open workplace. In addition, a focus is placed on work-life balance with an increase in remote working. Internal communication is also key to supporting and deploying agreed key messaging and education initiatives.

Both businesses conduct regular internal employee engagement surveys: Banijay at a local level (country or production labels), Betclic at a wider level, on a monthly and annual basis.

(1) *In this Chapter, and in line with the reporting scope defined within the Section 2.6 (Methodology), "FL Entertainment" refers to Banijay and Betclic (excluding Bet-at-Home).*

Performance indicators: Attract and retain talents (FL Entertainment - Group)

	2023	2022
Average time of stay[(1)]	6.3	6.4
Seniority: average age[(2)]	40	40
Employee dismissal rate[(3)]	6%	5%
Employee turnover rate[(4)]	4%	11%
Promotions (%)[(5)]	7%	10%

(1) Time of stay of permanent employees for Banijay, Betclic and FL Entertainment / Total Group permanent employees (in years).
(2) Sum of age of permanent employees / Total Group permanent employees.
(3) Number of involuntary terminations of permanent employees during the period / Number of Group employees at the beginning of the period.
(4) Number of voluntary and involuntary terminations of permanent employees during the period / Number of Group employees at the beginning of the period.
(5) Number of permanent employees who benefited from promotions / Total Group permanent employees.

Banijay

Banijay aims to create an environment where employees can perform to the best of their abilities in an inclusive work culture. Employees come from different backgrounds in terms of qualifications and experiences. Therefore, Banijay looks towards building diverse, supportive, and collaborative teams, while ensuring equal opportunities.

Banijay has historically grown via acquisitions. Local management and local creative entrepreneurship are valued and fostered, andencouraged to take up initiatives that fit their purpose. Banijay HR operations are decentralised to comply with local regulations and implement measures adapted to the local market. However, best practices are shared when it comes to Talent Management and Diversity, Equity & Inclusion. Efforts are coordinated at Banijay level and it uses all means to reinforce this approach in corporate programs, in the design of operational processes, the development of managers and internal communication. The Central HR Team leads the Compensation & Benefits strategy and HR data management.

Talent is key to the success of Banijay and, its primary goal is to attract, develop and retain a talented, well-trained, skilled and committed workforce. As a responsible employer, it is important to maintain trusting relationships with talent.

The COVID-19 pandemic has transformed the “working world” profoundly, and employees’ expectations and aspirations have evolved considerably. The “employee experience” has become a key factor in candidates’ decision in joining a new company and taking part in a new project. Banijay believes remote working improves employees’ quality of life at work by helping to reduce commuting stress and freeing up time for a better work-life balance. Banijay has chosen balance and flexibility with the implementation of remote-working policies. This new way of organising jobs is obviously based on agility and enhanced trust between managers and their teams.

To stay competitive in the competition for talent, Banijay is dedicated to offering attractive packages and, for this purpose, each year conducts a compensation and benefits review. In 2021, following the acquisition of EndemolShine Group, Banijay harmonised the compensation & bonus structure. It has also designed and rolled out the new LTIP (long-term incentive plan), which contributes to incentivising the key talents of the Group on a long-term basis, and stimulated the culture of personal impact on value creation.

The Banijay Global HR Policy, along with the Global Enterprise DEI Strategy, sets out the principles and requirements by which Banijay enhances DEI throughout the organisation. The Policy is applicable,but not limitedto, the practices and policies on recruitment and selection; compensation and benefits; professional development and training; education initiatives; safety and wellbeing; and the ongoing development of a work environment built on the premise of gender and diversity equity. The Policy applies to all employees and anyone conducting work on behalf of Banijay or any of its operating companies.

Betclic

"*We are passionate, we perform*":

Being passionate about sports infuses a spirit of teamwork and well-being at work that drives Betclic's employees. The key responsibilities of Human Resources in Betclic are to encourage diversity in the workplace and to maintain a safe working environment. They also work on attracting and retaining talents. In 2022, an employer branding role has been created and a head of culture is being hired.

As an example, based on the principles of the "living office", Betclic offers its employees in Bordeaux (France), in Sliema (Malta) and in other countries a high standard place to work with modern and spacious offices designed to improve employees' well-being and productivity. Caring about new work habits, Betclic has implemented a three-day a week work from home policy to offer the employees the opportunity of a better work-life balance.

Business-oriented and multicultural, Betclic's approach to working conditions is feedback-oriented and it measures monthly the satisfaction of its employees. Betclic checks teams' morale through a five-question monthly barometer ("Speak up"). Sent to the entire organisation, it allows employees to share their engagement and it enables the Executive Committee to adapt, in real-time, policies and processes to meet the teams' needs.

Once a year, an opinion survey is conducted to cover Betclic's HR and management processes, with questions on leadership, strategy, empowerment, reward and compensation or well-being at work. The 2023 survey shows results in perception, leadership, and strategy compared to previous years. The participation rate to this survey has continued to grow compared to 2022.

Performance indicators: Responsible employer (Betclic)

	2023	2022
Employee engagement score *(Source: Employee opinion survey)*	83%	80%
Proud to be associated with Betclic *(Source: Employee opinion survey)*	90%	87%
Recommend Betclic as a good place to work *(Source: Employee opinion survey)*	92%	88%
External hires with employment contracts	435	315
Permanent contracts	95%	93%

2.2.2 Diversity, equity and inclusion

FL Entertainment believes that a company must reflect the diversity of the society in which it operates, not only to create an inclusive workplace but also to address the clients and customers it serves. Its long-term ambition is to establish a sustainable culture of diversity, equity and inclusion (gender, cultural, socio-economic, professional, academic…) within the Group. 45% of the members of the Board of Directors are women (please refer to Chapter 4 (Corporate Governance) on page 149 for more information).

Because of the activities of the Group, the approach to diversity, equity and inclusion with regards to employees is closely linked to the approach applied to content. As a consequence, FL Entertainment has chosen to address together both diversity and inclusion in content, and diversity and inclusion regarding employees.

Whistleblowing policies are in place at Banijay, Betclic and FL Entertainment for escalation in case of inappropriate behaviours.

Banijay has deployed governance towards DEI, with a D&I Board, a D&I mapping exercise, objectives, and communication plans. A specific program ("Belong"), based on a full set of initiatives (at local and global levels) has been put in place to foster D&I in recruiting, employee training and awareness, and audiences' awareness. D&I campaign successes are tracked with local surveys. In 2023, in order to drive productivity in DEI, Banijay shifted its approach, setting a workstream for Social to sit alongside Environment and Governance streams. This working group now takes care of the efforts previously driven by the D&I Board.

As a tech company operating in the field of sport, Betclic concentrates its efforts on gender equality, in order to increase female representation within its teams. It is also committed to the integration of people with disabilities, and to the employment of all generations. These three major dimensions of efforts led to the signature of agreements and to the participation or organisation of local and global events.

Performance indicators: Diversity & inclusion (FL Entertainment - Group)

	2023	2022
Female/Male representation	47% Female 53% Male	48% Female 52% Male
Proportion of Females/Males within manager population	44% Female 56% Male	48% Female 52% Male
Proportion of Female employees benefiting from salary increase	61%	n/a
Nationalities	67	59

Banijay

Banijay's people are based across 23 countries, but its operations and productions span the globe. Each day, its shows appear on screens across the planet and target a range of audiences with varying demographic characteristics. The viewers, wherever they are, want to be touched by shows which authentically represent them and their own narratives. Banijay is therefore dedicated to improving diversity, equity and inclusion both on-screen and behind the camera to nurture authentic storymaking.

Banijay has introduced Belong *(Be You, Be Here, Belong)* – its overarching D&I proposition and works with its territories worldwide to drive greater improvement in this area. Belong is supported by four key Employee Resource Groups (ERGs) that operate at either a local or global level. In addition to the long-established Pride community, three ERGs were very active in 2023: *Elle* (championing women), *Green* (championing sustainability) and *Embrace* (championing cultural diversity). *Pride, Green* and *Elle* are global ERGs and *Embrace* is a strong and active ERG in the UK - they are all dedicated to driving positive change and new initiatives. Alongside the ERGs, other supporting global umbrella initiatives support Banijay's diversity, equity & inclusion strategy: *Disability* (championing physical and neuro-diversity) and *Well* (promoting a physical and mental health environment).

In the last years, Banijay has significantly scaled up its diversity, equity and inclusion efforts, starting first with a mapping exercise, which took a holistic look at the business to identify which countries are performing well on D&I initiatives and where improvement is most needed. In 2021, following the completion of this process, Banijay built a D&I Board; an operational body that meets on a monthly basis, with the role to drive change, share best practices, and initiate and manage relevant initiatives globally. In 2023, Banijay transformed this initiative into three dedicated workstreams on Environment, Social and Governance coordinated by the newly-appointed ESG Director of Banijay and with members dedicated to each category.

The DEI objectives at Banijay are as follows:

- improve diversity both on and off-screen across Banijay's footprint and beyond;
- drive new education initiatives and specialised partnerships to share best practice, knowledge and broaden the talent pool;
- attract, develop and retain diverse talent who share Banijay's values and guarantee them a safe and inclusive working environment wherever they are in the world;
- support local communities and global efforts in promoting an inclusive industry.

Results of these objectives are presented below in the "Performance indicators: Diversity & Inclusion" chart. In line with these objectives, in 2023 Banijay launched numerous initiatives listed below:

GLOBAL INITIATIVES CONDUCTED THROUGH BANIJAY IN 2023

Banijay hosted dedicated global online education events:

- Belong Day;
- International Women's Day;
- World Autism Awareness Day;
- Earth Day;
- World Day for Cultural Diversity;
- Pride month and other LGBTQ+ moments (e.g. Trans and Non-binary awareness);
- Zero Emissions Day;
- World Mental Health Day;
- World Menopause Day;
- Black History Month UK;
- Movember (Men's Health Awareness Month);
- International Day of Disabled Persons.

SOME INITIATIVES TOWARDS D&I IN RECRUITMENT

- In October 2023, Banijay unveiled its first global accelerator program "*Banijay Launch*" dedicated to supporting emerging women creators with promising unscripted formats. The initiative is geared towards discovering and incubating untapped talent, to support the next generation of global franchise makers. At entry close in December 2023, *Banijay Launch* had received over 500 applications.

- In 2022 and 2023, Banijay UK has invested £500,000 in a diversity scheme focused on supporting mid-level creative talent. The "fast-track inclusion programme" sees 10 diverse candidates offered 12-month contracts, mentoring, leadership training and development within different parts of Banijay, resulting in an official on-screen credit as assistant producer or production co-ordinator.
- Banijay UK has invested £250,000 in 2023 in Brightbulb. It is a 12-week paid diversity programme that gives eight candidates a chance to get into non-scripted TV development.
- Endemol Shine France partners with the Aubervilliers City Hall on diversity in order to widen the local pool of talents with socio-economic diversity in the content industry. The team is set to participate in the Education House initiative in Aubervilliers, where students from top French universities take part.
- Banijay UK partners with PACT, MAMA YOUTH, Channel 4 and BBC to deliver career workshops in local schools.
- Banijay Americas has a partnership with the Group Effort Initiative. The goal is to support aspiring industry professionals and producers from historically-excluded backgrounds find jobs in unscripted television. Launched by Ryan Reynolds and Blake Lively, this partnership is supported by partners such as Netflix, Array, Sony. Banijay Americas has hired participants as production assistants throughout its shows and across its production companies. Additionally, it has offered educational bootcamps for 50+ participants.
- Banijay Americas partnered with Staff Me Up: Coded For Inclusion. The objective is to disrupt biased hiring systems in the industry by providing productions access to an inclusive roster of talent as well as a system of reaching them. Functioning through Staff Me Up, the initiative seeks to remove barriers to entry for job seekers from historically-excluded groups, including ethnical, Women, LGBTQ+, people with disabilities and active military/veterans, to ensure studios and production houses have a direct pipeline to candidates.
- Banijay France partnered with Fondation Culture & Diversité to find internship positions and freelance positions during the production of TV shows. The objective is to give access to jobs to young talents from underprivileged backgrounds who got the support from the Fondation to graduate from cultural or audiovisual studies.
- Banijay France is also close to INA Sup Classe Alpha, the major French professional inclusion program in the audiovisuel sector. Since its creation in 2020, a hundred 17-25 years-old students have been welcomed every year for a one-year free trainee, without any diploma or qualification requirements. In 2023, 60 students attended the French edition of the Baniday in Paris (meetings with talents and professional workshops during a whole day). A series producer also came to the Bry-sur-Marne campus to meet the students. In 2024, several TV series or shows will welcome Classe Alpha interns.
- Regarding disability, in 2023, Banijay France (together with Betclic) took part in the 6th edition of the *DuoDay* which aims to promote the inclusion of persons with disabilities in the labor market. During this *DuoDay*, volunteer companies open their doors to persons with disabilities to exchange and include them in their daily tasks.
- Banijay France also relies on the global LOV Group partnership with Linklusion, the first national network of independant workers with disabilities, which gives an access to a great pool of 900 disabled freelance workers.
- Endemol Shine Australia is a key partner of the NSW Government's Createability Internship Program, which aims to widen the pool of disabled talent in the creative arts. The intiative sees Endemol Shine Australia take on one disabled intern a year.
- Endemol Shine Israel takes part in an initiative - "School of Communication for the disabled"- a Reshet-initiated school that helps people with disabilities learn about the world of communication.
- Banijay Iberia is a sponsoring partner of Fundación Diversidad, a large European business movement of diversity and inclusion. The company promotes the principles of equality, inclusion and anti-discrimination among its staff, as well as between employees, suppliers, and clients.

D&I INITIATIVES DEDICATED TO AUDIENCE AND PUBLIC AWARENESS

- Screentime NZ (New Zealand) invests in new D&I initiatives like Kaupapa Māori Strategy and Pātiki Media, launched to expand Māori representation in the TV industry.
- Banijay Studios France: After significant work in diversifying its productions, BSF was awarded the Konbini Commitment Award(1) at the 2022 CannesSeries Festival for its production, SKAM France. The category recognises the societal, innovative or revolutionary nature of a piece of work. Its production of *L'école de la vie* and *Marie-Antoinette* also concentrated on themes in the D&I space. Additionally, Drag Race produced by Endemol France is a good example of shows promoting inclusivity.
- Banijay Americas hosted the California State University Entertainment Alliance (CSUEA) for their annual advisory board meeting to discuss curricular innovation, diverse talent acquisition & career pathways, workforce skills gaps in entertainment, thoughts on what entertainment professors should be teaching, advice on facilities, equipment, hardware/software, teaching tools. The members of the CSUEA Advisory Council are executives, individual creators and trendsetters in all facets of entertainment who represent media giants, leading studios & independent companies. The Council helps guide the CSU's efforts to develop beneficial industry partnerships as well as the most relevant course and career development standards for students.
- Through the production of reality TV globally, Banijay plays an integral role in illustrating societal diversity via its casting, and in 2023, it catapulted key narratives around broad D&I themes like the transgender community onto screens via Big Brother (UK and Mexico specifically with the latter celebrating its first trans winner). Big Brother UK's producer, Initial, also provided dedicated D&I training for the first time for all its contributors alongside its overarching duty of care on the show.

(1) The Konbini Commitment Awards are Awards references in the industry, and they are dedicated to recognising D&I in a specific project.

D&I FOR EMPLOYEE AWARENESS AND TRAINING

Local management are empowered to drive effective change in the DEI space. Training is the first step to translating Banijay's DEI vision and strategy into everyday practise. Because each workplace is different, the programmes are tailored to local businesses and adapted to employees' needs. In most of the territories, a full suite of diversity training modules has been developed, from exploring the fundamentals of dignity and respect at work, dismantling bias and allyship, to D&I awareness workshops and inclusive leadership coaching. Some examples include:

- Banijay UK has developed a full suite of diversity training modules which are available online via the HR portal;
- In New Zealand, Diversity and Inclusiveness Workshops have been developed - all Screentime NZ team members are invited to attend a series of workshops with Diversity Works.
- Endemol Shine Australia has developped "Indigenous protocols & guidelines for production & post production". The role of this engagement model is to provide to staff and contractors with advice and guidance for working with First Nations communities.
- All United States-based studios have implemented various training on all the productions, in addition to those already required in the corporate offices. Both onscreen and off-screen talent are required to participate in unconscious bias training, anti-bullying training, and anti-harassment training. Additionally all staffers are made aware of onset resources to support them should concerns arise.
- Banijay commits each year to organising dedicated events to provide online education and train employees on diversity, equity, and inclusion priorities. Since 2022, Banijay has hosted dedicated global online education events. Under the umbrella of "Coffee and conversation", both employees and external speakers are invited to share their experiences in the D&I space. Covering an array of underrepresented groups, the discussions are dedicated to fostering an open culture of inclusivity and accessibility to the business. Driving the conversation around positive change, the sessions have triggered new ideas and initiatives, and nurtured new cross-territory relationships and communities

D&I IMPROVEMENT AND SUCCESS TRACKING

D&I-focused surveys are conducted each year to track improvement, for example, in the UK and New Zealand. In the UK, indicators include: female representation in the workforce (68% for 2023, compared to 66% for 2022), age diversity, socio-economic diversity, and physical/neuro-diversity.

Betclic

Betclic aspires to create an inclusive and open work environment. It aims to build teams of talents that reflect the diversity of its activities, clients and society as a whole, focusing on gender equality, handicap, and the employment of all generations.

As a tech company engaged in bringing entertainment to sports, Betclic has worked to increase female representation within its teams, including in engineering and management positions. In 2022, Betclic signed a gender equality agreement, thereby committing to quarterly assess the fairness of hiring compensation and compensation increases. This agreement formalises the policy regarding the professional equality between women and men (including remuneration pay-gap).

Betclic is also committed to advocating for the integration of professionals with disabilities. Betclic Group has signed its first agreement on disability in 2023, which will come into effect in January 2024. Betclic has also participated into the European Disability Awareness Week to raise awareness on challenges of disability in the workplace and in personal life and encourage the discussion on disability to normalise the subject. Various workshops and conferences were put in place to help employees better understand disability and disabled individuals through the simulation of a disability and the experience of a disabled person. Through this second participation, Betclic seeks to raise awareness about the diversity of disability situations at work, identify and deconstruct stereotypes around the subject and help better integrate disabled individuals into a company. Betclic (together with Banijay) also took part in the 6th edition of the *DuoDay*. In addition, Betclic also relies on the global LOV Group partnership with Linklusion, the first national network of independant workers with disabilities, which gives an access to a great pool of 900 disabled freelance workers.

Finally, as a leader in a young and dynamic industry, Betclic is very sensitive to offering equal employment opportunities and is dedicated to helping the young get training to enter employment and benefit from the experience of seasoned professionals. To do so, Betclic signed in 2020 a generation contract agreement which aims at fostering the long-term employment of young people through work-study contracts and fellowships, enabling experienced workers to remain in activity and building bridges between the two generations thanks to mentorships and skills sharing.

Betclic wanted to increase the share of workers under 26 from 6.7% to 10% of its workforce and to reach 5% of work-study contracts within its workforce. Betclic exceeded both targets in 2022. In 2023, the share of young people employed reached 11%, while the share of apprentices was 9%.

Performance indicators: Diversity & inclusion (Betclic)

	2023	2022
Percentage of apprentices hired *(France only)*	59%	N/A
Part of apprentices vs employees with employment contracts *(France only)*	9%	8%
Senior: part of permanent employees aged more than 45 years old	7%	6%
Junior: part of permanent employees aged less than 26 years old	11%	12%

2.2.3 Health and safety of employees

Providing a safe working environment for all employees is key to FL Entertainment, not only by complying with laws and regulations (in particular towards human rights with a culture focused on fair treatment for all) but also by offering a respectful, safe and healthy environment.

The Group has led many proactive moves globally and locally such as communication campaigns, trainings, and deployment of guidelines.

Special attention was placed on protecting employee mental health after the COVID-19 crisis and the associated lockdowns.

Performance indicators: Health and safety of employees (FL Entertainment - Group)

	2023	2022
Proportion of employees covered by health insurance	74%	n/a

Banijay

Banijay seeks to comply with all applicable health and safety laws and regulations. It also believes in providing a safe, respectful, and inclusive environment for its talent in front of, and behind the camera.

In 2022, Banijay issued a brand-new code of conduct (including the Welfare Pledge) to all employees worldwide (available on the corporate website: https://www.banijay.com/wp-content/uploads/2023/07/Banijay-Code-of-Conduct-v4.pdf), which focuses on promoting and maintaining a safe and inclusive workplace, by reinforcing its values, standards, policies and general expectations around professional and ethical behaviour. As stated in this code of conduct among other rules, Banijay does not tolerate modern slavery, forced labour or human trafficking anywhere in its business. In addition, a fully-serviced Speak-Up-Line is provided and has been advertised around offices. This third-party hotline is free and available 24-hours-a-day, 365 days-a-year via a secure internet website. It gives employees (including part-time and contractors) the opportunity to raise concerns around potential issues including bullying, harassment and general discrimination.

Banijay has implemented several initiatives to guarantee the health and well-being of employees:

- launch of Banijay Well programme to promote a positive physical and mental health environment, with a specific annual Wellbeing Week;
- promotion of World Global Health Week and the World Mental Health Day via events and educational materials;
- training of mental health first-aiders to deploy a network of aiders across Banijay;
- inclusion of care guidelines in all format bibles and across all productions (including psychological support for TV programme participants);
- UK partners with the Film and TV Charity promoting its wellbeing initiatives. The Film and TV Charity is a UK charity for people who work in the film, cinema and television industries, whose careers cover all aspects of pre-production and beyond, from script to screen and in a variety of roles. The charity runs a 24/7 Support Line, which is available to all UK-based employees to discuss legal queries, mental health and wellbeing, financial troubles, family issues, or bullying and discrimination. The UK Group also has mental health first-aiders in place across the business, who are dedicated members of the team, specially trained to handle any issues employees may have pertaining to mental health;
- in addition, Banijay UK has a neurological diversity peer support group and menopause group M&Me;
- Endemol France has implemented a Menstrual leave and Religious Day per year;
- sport is also key to many territories' wellbeing drives, with France facilitating group training sessions three times a week and the Netherlands' office playing home to tennis courts, available to all employees to use.

The results of these objectives have been well-received by employees and as such, events will be organised again in the coming years on a regular basis.

Betclic

Employees' health, safety and well-being are critical concerns for Betclic. Consequently, it has launched several prevention and health protection initiatives, such as awarness campaigns. This topic is managed by the HR department.

Since mental health has become a more pressing priority following the COVID-related lockdowns, Betclic has introduced a dedicated listening hotline and has held regular conferences on mental health for its employees. It also enforced a disconnection agreement.

The awarness campaigns and conferences were successful, and resulted in a wish to continue to organise regular events and communications actions.

2.2.4 Development of human capital

Performance indicators: Development of human capital (FL Entertainment - Group)

	2023	2022
Pourcentage of employees trained regarding mandatory topics*	83%	82%

* *For FL Entertainment: Market Abuse Regulation training. For Banijay: Ethics, Code of conduct, anticorruption, anti-bribery, cybersecurity. For Betclic: Responsible gaming, Anti-money laundering, anti-bribery.*

Banijay

Banijay promotes long-term employability by developing skills, providing training and mobility opportunities for all its employees, and fostering balanced professional and personal development. Enhancing employability and employee upskilling are thus key drivers to prepare for the future.

The demand for talent mirrors the demand for content, and with that, the industry is facing a severe shortage of off-screen talent. In that context, Banijay's Talent Strategy in 2023 focused on exploring new ways of finding tomorrow's creative potential and supporting them in getting into the industry:

- **France:** In 2020 and 2021, Banijay has teamed up with the City of Cannes and Université Côte d'Azur to run the Content Creatives Incubator, an annual residency program open to 15 young people. Hosted for three weeks in Cannes, the course was conducted by experts of Université Côte d'Azur and executives from Banijay.

  At the end of the incubator period, five teams of three pitched their final idea to a jury of industry personalities. The group with the most original and successful project was then offered the opportunity to join Banijay's organisation on either an internship or fixed-term contract.

  In 2022, Banijay decided to transform this initiative into a more ambitious program and announced a new course for 2023: *"Mastering the TV Formats of Tomorrow: Creation and Development"* at the Georges Méliès Campus, located in Cannes la Bocca. This unique one-year university degree, supported by the University School of Arts and Humanities research of Université Côte d'Azur, aims to train French and international students to create new original television formats. Professors of Université Côte d'Azur and experts from Banijay, and from the audiovisual industry train the students on creating content for linear and non-linear TV.

  After a successful first year, this degree welcomed in September 2023 its second intake of French and international students.

  This initiative aims to fill the gap as talent shortages continue to impact the content industry worldwide.
- **Spain:** In 2011, Gestmusic started a new initiative, Gestmusic Training, dedicated to designing Masters degrees and postgraduate courses in cooperation with Spanish Universities. Inspired to put its know-how and three decades of expertise as a well-established TV producer of big entertainment formats to good use, Gestmusic seeks to create opportunities for graduate students and professionals who seek to expand their experience. In 2013, it launched the Masters degree in TV Entertainment Programmes; unique in Spain for its offer of learning in genuine production environments. At the end of the course, Gestmusic can recruit the best students, allowing them to stay close to new generations of creativity and ideas, while widening its talent pool. Since 2013, almost 200 students have followed this Masters, and about 90% of them got a job in a company in the sector.
- **Australia:** In Australia, the Accelerated Post-Production Training and Mentoring Program was launched. With demand in this area up by between 90% and 120% in the country, depending on the roles, Endemol Shine Australia has invested in developing the next generation of talent in this space to future-proof the industry and its business alike. Spanning Edit Assistants, Offline Editors and Post Production Producers, ESA intends to fund 16 trainee roles across two programs – one in New South Wales and one in Victoria. Working across the business' array of flagship shows, the candidates will have the best onsite training and professional mentoring to prepare them for a career in this area.
- **USA:** Banijay Americas collaborates with Best Buy Teen Tech Centers to develop a TV production curriculum tailored to participants. The curriculum includes opportunities like seminars and job-shadowing with top producers, directors, editors, and writers for Teen Tech Center youth. Additionally, Teen Tech Center alumni have a direct pathway to Banijay Americas' production assistant feeder program aimed at creating entry-level

positions on Banijay-produced series. Banijay Americas is the Best Buy Foundation's first studio partner for the Los Angeles Community Impact Hub, a network of 12 Teen Tech Centers that supports youth across the county. Participants have access to a variety of technology, including tools for film production, digital media, audio engineering augmented and virtual reality, 3-D design and more.

- **Italy:** Thanks to a partnership with The Università Cattolica, Banijay Italia has launched an Unscripted Academy, which has an intake of 12 students each time. Combining theory with on-the-job learning, the seven-week program provides teaching by a combination of professors and Banijay Italia leaders. The best two ideas to emerge from the group are developed into promos, which then sit within Banijay's prolific catalogue, and key talent are considered for full-time employment. In 2022, 12 students were granted an internship. After the internship, the seven best were hired both in Banijay Italia and Endemol.

  Balich Wonder Studio[1] has a ongoing partnership with Bocconi University for drafting an ESG Manifesto for the live entertainment industry.
- **Israel:** Endemol Shine Israel partners with different academies, to give mulitple students a year the chance to intern within different productions.
- The Independents have organised in December 2023 the first edition of The Independents Responsible University with a large internal event in Paris, also broadcasted in several other locations (London, New York, Dubaï, etc.). The objective is to bring and share knowledge internally on ESG through a series of outside speakers.

As part of its continued commitment to the development of talent, a framework of mentoring resources has been created to enable all colleagues to build mentoring partnerships. This is supported by regular career development conversations to identify ways of supporting growth, as well as access to a network of mentors and mentoring champions. The purpose of the mentoring scheme is to provide the opportunity for talent across all parts of the business to enhance their knowledge through designated one-on-one meetings with other experienced individuals. It also gives the opportunity to provide feedback on how to improve the organisation.

The performance review process provides an opportunity for feedback on past performance, objectives for the upcoming period, and a discussion of the employee's long-term career goals. Outside official review cycles, managers are expected to maintain open, reciprocal communication with the teams, and people are encouraged to seek continuous feedback.

In 2024, Banijay will continue to develop initiatives to find talent, nurture and keep them, but also:

- upgrade the induction process for new employees and promote Banijay's employer brand;
- create and roll-out innovative upskilling tools.

Betclic

Helping talents to grow and gain expertise is a key priority. In addition to career development discussions to offer bespoke training opportunities to all employees, Betclic has put in place several key mandatory trainings throughout the year to increase employees knowledge on key sensitive topics such as responsible gaming and anti-money laundering.

Betclic also wants its engineers to stay on top of the latest technology by sharpening their current skills and mastering new ones. To do so, it is investing strongly in trainings: 48% of the global training budget is dedicated to the tech team, such as Devops Engineering on AWS or Microsoft Azure Development AZ-204.

In 2023, Betclic's employees benefited from more than 10,000 hours of training. Managers also benefit from Management training programs to help when they are first-time managers or need specific help on some issues.

Betclic also offers extensive language training in English and French to help employees from all around the world to communicate better with each other.

For the second time, Betclic focused an entire week to allow any employee to get trained in responsible gaming through GamCare beginner 2-hour sessions and expert 8-hour sessions but also through shadowing sessions opened to all.

Betclic intends to continue investing in talent's growth, especially in business and tech transformation.

Performance indicators: Development of human capital (Betclic)

	2023	2022
Total training cost	€606k	€648k
Average training hours per employee	20	17

(1) *In 2023, Banijay further diversified its business through the acquisition of Balich Wonder Studio.*

2.2.5 Remuneration policies

Banijay

Banijay's management has implemented a long-term incentive plan to ensure the commitment of local management teams by rewarding key personnel based on their respective contribution to the value creation of their entity and Banijay as a whole.

The total compensation covers all compensation and benefits components. Each element of the compensation package plays a specific role in recognising and rewarding the personal contribution to the business:

- the base salary rewards the level of responsibility, experience, personal competencies and skills;
- the performance bonus rewards the business performance and the employee's achievements;
- the LTIP rewards engagement & value creation.

The benefits depend on the local market.

Banijay also places a high value on fair remuneration. The individual salaries are reviewed on a yearly basis, taking into consideration:

- individual performance & job maturity;
- internal equity & peer comparison;
- benchmarking of external trends;
- internal business results & budget made available.

The "Pay for performance" culture was introduced in 2022 as part of the Performance Review. This model rewards the performers and drives employees to stay motivated and perform better. In 2024, Banijay will capitalize on what has been done in 2023 and will continue to foster a merit (pay for performance) mindset with managers and employees and, where possible, introduce performance evaluations and merit linked to performance levels. Employee performance is measured by pre-defined metrics or qualitative evaluations:

- market position and competitiveness;
- cost of living inflation;
- company performance;
- individual employee performance.

In addition to this approach, various post-employment pension schemes, including defined benefit and defined contribution plans, are being operated:

Country	Name & Description	Part of employees covered and eligibility conditions if relevant
Netherlands	▪ PNO Media pension fund ▪ Private defined benefit plan, qualifying under IFRS as a defined contribution plan, as approved by Endemol Shine's Auditors at the time, called, is implemented	All employees having more than 1 month of service with guaranteed hours are eligible, with a very few exceptions linked to individual historical arrangements.
USA	Private defined contribution plan (qualifying under Section 401(k) P/S in US law) is implemented	All staff employees are eligible to participate.
Sweden	Private defined contribution plan is implemented	All employees are eligible to this benefit.
Norway	Private defined contribution plan is implemented	All employees aged 20+ with a minimum of 20% full-time equivalent (FTE) hours are eligible to this benefit.
Denmark	Private defined contribution plan is implemented	Covering approximately 40% of employees.
Israel	Private defined contribution plan is implemented	All payroll employees are eligible to this benefit.
Belgium	Private defined contribution plan is implemented	Covering approximately 22% of employees.
UK	Aviva Personal defined contribution Pension Plan or State defined contribution pension scheme	Employees who are not eligible to the private Aviva Personal defined contribution Pension Plan are eligible to the State defined contribution pension scheme (approximately 60% of employees covered by the private Aviva Personal Pension Plan and 40% covered by the UK Government Auto Enrolment Plan).

Betclic

Betclic's objective is to offer team members a fair compensation package according to their contribution to the development of Betclic performance and their value creation. Betclic conducts regular market assessments to ensure it offers competitive compensation.

To attract and retain talents at the highest positions, Betclic grants some retention plans targeting the key talents and stimulates the culture of personal impact on value creation.

Betclic also puts in place from 2023, a profit-sharing agreement which will allow all employees to benefit from the growth of Betclic.

In addition, Betclic supports excellence at work through Betclic's performance and individual performance bonuses for all employees. Individual performances are assessed on a quarterly basis leading to yearly pay raises to guarantee fair compensation for individual performance based on peer comparison, market attractiveness and talent retention.

In addition, post-employment pension schemes, including defined benefit and defined contribution plans, are operated.

In the following countries, 100% of employees are covered by state statutory pension schemes: Malta, France and Portugal. A private defined contribution plan is also operated in Malta, i.e., a registered qualifying scheme in terms of the law and a linked long-term contract of insurance in terms of the Insurance Business Act, Cap 403, approved by the Commissioner of Inland Revenue. Employees between 18 and 60 years of age are eligible, provided that they choose to enrol. The employee can choose between two providers (MAPFRE/MSV Life and APS Bank) upon enrolment.

2.3 Responsible business

Operating responsibly is the basis for securing the sustainability of the Group's business model. Therefore, the Group seeks to achieve clients' and customers' satisfaction, within a global framework of compliance and integrity.

A responsible business entails producing a responsible offer, with the primary objective of "entertainment at first". For Betclic, this translates into a responsible gaming proposition, and for Banijay, into being a responsible story maker, by ensuring D&I both on-screen and off-screen (please refer to Section 2.2.2. (Diversity and Inclusion) on page 75) and promoting environmental advancements in its corporate environments, across its productions and on-air in its shows (please refer to Section 2.4. (Environmental considerations) on page 95).

Given the nature of their activities (digital gaming company for Betclic and the importance of intellectual property for Banijay), both businesses need to ensure excellent data protection and cybersecurity. Belonging to the same Group creates opportunities for synergies and best practice sharing in that field. To date, Banijay has carried out extensive training in this area and multiple education drives (annual Cyber Security Week and internal communication around key milestones like Christmas when hacking cases tend to increase).

Another dimension of responsible business leans on involvement in local communities, and therefore numerous societal initiatives are conducted throughout the countries.

The Group introduced a Whistleblower Policy and a Code of Conduct, that are both available on the FL Entertainment corporate website. They give a global framework for compliance (competition and antitrust, money laundering, government inquiries and investigations, bribery and corruption) and integrity (business integrity, behaviour of employees, integrity in dealing with third parties, integrity in financial reporting).

2.3.1 Compliance and integrity

Compliance at Banijay

Banijay's compliance program is based on the following main pillars to ensure global compliance across its footprint:

- *policies and guidelines:* the Banijay Code of Conduct was launched in early 2022 and features guidelines on specific compliance topics, such as human rights, harassment, anti-bribery and corruption matters. In 2023, the Code of Conduct was deployed for sign-off by all employees via B-Learning. In 2023, Banijay also launched the new Casting Guidelines, to ensure privacy compliance when gathering, using and storing data of contestants and other contributors on productions;
- *internal training & awareness:* training takes place via B-Learning, the internal learning platform. In addition, specific training and awareness campaigns are targeted to specific departments and on particular topics. In 2023, the Banijay Anti-Bribery and Corruption training was rolled out to employees via B-Learning;
- *compliance network:* Banijay's compliance network was revived. In 2023, three online meetings were organised with the compliance community to share best practices and discuss various compliance topics, including the Code of Conduct, privacy and speak-up culture.

Banijay introduced a Welfare Pledge which applies to its employees and those it works with. It is published on the corporate website (https://www.banijay.com/life-at-banijay/) and has been shared with all Banijay employees, as well as being included in the latest version of the Code of Conduct. This Welfare Pledge relies on 10 pillars stated below. To comply with the pillar #10, pillars #2, #3, #4, #5 and #9 have been updated in 2023, aiming at promoting more inclusive values, more sustainable production and more caring support for all.

Banijay welfare pledge

1	2	3	4	5
Banijay believes in providing a safe environment for everyone	Banijay believes in offering a respectful and inclusive setting for its talent and all its employees	Banijay believes in driving equality, diversity and sustainability both on and off-screen	Banijay believes in giving our teams the adequate support, to protect theirs and our contributor's wellbeing and dignity	Banijay believes in immediate and appropriate welfare for all its contributors before, during and after filming
6	**7**	**8**	**9**	**10**
Banijay believes in supporting the physical and mental health of its staff and contributors	Banijay believes in tough sanctions against anyone guilty of inappropriate behaviour	Banijay believes in an open culture where nobody is afraid to speak up	Banijay believes in sustainable production and strives towards being a carbon-neutral business	Banijay believes in evolving and re-assessing these welfare pledges as times and circumstances change

Compliance at Betclic

Betclic operates in locally regulated markets and, as such, has obtained various national licenses. For instance, Betclic has licenses for:

- sports betting, poker and horseracing in France;
- sports betting and casino in Portugal;
- sports betting in Poland;
- sports betting and casino in Italy.

It also has licenses in Ivory Coast (sports betting) and in two other African countries.

Various conditions are attached to these licenses and compliance is therefore key for Betclic for operating its business.

Compliance is embedded in various areas of its organisation, in particular in its legal and operation teams. Betclic compliance officers, domain managers and project managers share a joint responsibility for compliance. The compliance officers are the primary contact points for regulators and supervisory authorities, and they are responsible for obtaining licenses, developing compliance programs and implementing and reviewing Betclic policies. The domain managers act as a point of contact for the compliance officers. They define priorities, lead projects for compliance in their particular domain, and ensure that compliance rules and guidelines are developed into specific features. The project managers are responsible for managing complex cross-team compliance projects and assisting compliance officers where necessary.

Betclic has developed multiple processes to ensure compliance across its organisation:

- *compliance audits:* both internal and external audits are performed regularly;
- *standards and policies:* all compliance policies are verified and updated to reflect regulatory changes;
- *internal training:* training is provided to the departments for which compliance is relevant. The training is adapted to align with the various departments or specific events (e.g., safer gaming week);
- *project scoring:* the compliance impact of various projects is assessed during workshops.

These processes' results will be measured and disclosed in the coming years.

Betclic is committed to being a socially responsible company with a strong focus, placed on ensuring its commitments and obligations are met to offer player a safe and secure environment. In order to achieve this, at Betclic we endeavor to prevent, detect and report money laundering in compliance with applicable Anti-Money Laundering and Terrorism Financing ("AML-TF") laws and regulations. Betclic's obligations in terms of AML-TF are defined by a set of international, regional, and local standards and regulations. Financial Action Task Force ("FATF") and United Nations ("UN") at international level, European Union (also "EU") AML Directives, the 4th EU AML Directive – Directive (EU) 2015/849, the 5th EU AML Directive – Directive (EU) 2018/843, the 6th EU AML Directive – Directive (EU) 2018/1673 at regional level and national regulations.

Finally, as it has always been conscious of the impact on players, Betclic has put various and continuous efforts in place to prevent addiction. Beyond its regulatory obligations, Betclic is aware of its social responsibility. It makes sure to do everything it can to reduce the negative impact that the game can have on small minority of players, on their family, social and professional life. In several African countries, licenses contain a requirement to contribute to local charities, which Betclic is currently organising. Please refer to section 2.3.2 on page 87 of this Universal Registration Document for additional information.

Integrity at Banijay

The Banijay Code of Conduct that was launched in 2022 is the over-arching policy document and provides a globally-binding guideline for everyone working for Banijay. It defines Banijay's guiding values and principles for ethical and lawful conduct. It also ensures a workplace where everyone feels welcome and safe. All employees at all levels of Banijay must adhere to the principles laid out in the Code of Conduct.

The Code of Conduct also reflects Banijay's zero-tolerance on bribery and corruption as it stands for doing business in the right way, ethically, legally, and professionally.

At Banijay, employees are encouraged to speak up in case of potential misconduct. Employees who are concerned are encouraged to report possible misconduct to their line manager, a local or central HR representative, a confidential representative or the compliance officer. A third-party secured hotline (speakup.banijay.com) is also available 24 hours a day, 365 days-a-year. Employees (including part-time employees and contractors) can file reports anonymously via web-intake or the local dial-in numbers. All reports are investigated to ensure an adequate response to compliance violations.

Banijay is built on an entrepreneurial spirit and has adopted a corporate governance framework to ensure that certain material legal, financial, HR & operational matters are escalated to the central team for approval. This occurs either via the local Boards of Directors on which Banijay management has a majority, or via escalation to certain group representatives. It ensures a smooth process with quick assessment and decision-making.

Performance indicators: Integrity (Banijay)

	2023	2022
Whistleblowing incidents reported and investigated	14	9
Days to resolve a report (whistleblower lines)	47	N/A

Integrity at Betclic

In 2017, Betclic implemented a Charter of Ethics addressing the needed trust with its customers, employees, partners, suppliers, and shareholders, reflected in 10 concrete commitments:

- promote responsible gaming;
- prevent minors' gaming;
- always be available for its players;
- commit to responsible and ethical marketing practices;
- work with independent and recognised experts to continue operating based on the best industry practices;
- ensure confidentiality and protection of personal data and privacy;
- fight against money laundering and fraud;
- prevent bribery and trading in influence;
- guarantee employees' awareness and respect of Ethics in conducting business;
- assess the Charter enforcement and relevance on an annual basis.

To do so, Betclic puts the Charter and its components at the centre of its newly hired onboarding program and conducts regular training. Human rights, anti-bribery and corruptions matters are covered in this Charter.

In addition, Betclic has shared detailed policies on privacy and a Code of conduct with employees in 2023.

Betclic operates on highly regulated markets, with in some countries (e.g. France), relevant authorities that validate its anti-money laundering plans on a yearly basis. Betclic has deployed different means to prevent money laundering, such as cartography of risks, team dedicated to the money laundering risk management, implementation of transactional monitoring tools, operational procedures by country, and internal control plan.

Performance indicators: Integrity (Betclic)

	2023	2022
Whistleblowing incidents reported and investigated	0	0
Days to resolve a report (whistleblower lines)	0	0
Suspicious activities reports filed with local Financial Intelligence Units	329	185

2.3.2 Responsible gaming

From the start, being an entertainment company meant putting players' protection at the heart of Betclic's strategy and development. Its ambition is that by 2025, most of the betters play in control. In the next years Betclic will therefore deploy new features and further improve tools. A key step in this ambition has been the launch in 2022 of the very first French week of mobilisation around responsible gaming. In 2023, Betclic organised the second edition of this event to continue to increase awareness of its employees about this company prirority.

The responsible gaming team directly reports to the Chief Executive Officer. In total, more than 100 people are dedicated to this matter.

As detailed in the Section 1.4.2 (Betclic's regulatory environment), the countries in which Betclic operates the majority of its Online sports betting & gaming business require a license for online sports betting and gaming. Betclic values regulation that strongly protects players and prevents minors' gaming efficiently and fairly across all activities that can enter the scope of gaming. Dialogue with governments, authorities and regulators are at the heart of its operations to ensure full compliance and player's best protection.

Zero tolerance for minors' gaming

In 2022, Betclic and the e-Enfance/3018 association, the French reference for child protection on the Internet and operator of 3018 (the national number for supporting young victims of digital violence and helping their parents and professionals in their educational role), decided to join forces in the fight against minors' gaming.

Betclic and the association have launched in France the first website to help and support parents in preventing their teenagers from gaming: www.pasdujeu.fr. The website provides parents with guidelines to understand underage gaming, identify their teenagers' gaming practices, as well as advice on how to discuss the risks associated with gaming among young people and how to support their children if they are already betting.

Betclic continues to promote this website and useful resources to combat underage gambling. In 2023, the website reached several hundreds of visitors per month.

Increase awareness on responsible gaming

Betclic is committed to increasing public opinion awareness on responsible gaming and diffusing good betting behaviour by highlighting the key tools helping betters to play in control.

In 2023, Betclic has launched several communications around Betclic Protect, its comprehensive protection program for players. These campaigns include special advertising on social networks to increase global awareness around Betclic's program.

Betclic has also deployed several campaigns, including during the 2023 Rugby world cup, highlighting good practices, both on the field and in betting, by bouncing on the most important events in the history of sport. As in previous years, Betclic promoted to its customers the "Take Stock / Fais le bilan" campaign to encourage them to analyse their gaming journey through the year.

Detect and support at risk betters

Betting is a game and should remain so. For a small minority of betters, it can lead to excesses and put them in difficulties in their personal and professional life. In 2023, Betclic launched Betclic Protect, a comprehensive player protection program which contains numerous features, tools and processes dedicated to customers, to promote responsible gaming such as detecting signs of excessive gambling and assisting players in need, to ensure that at every moment players can be made aware of good gaming practices. Betclic provides players with features on its application so that the player remains in control of its betting activity: a deposit limit, a weekly bet limit for each game, the possibility of taking breaks thanks to self-exclusion(1). Betclic also uses data and artificial intelligence to better analyse and identify risky behaviours.

Leverage technology to detect players at risk

Using machine learning technologies and data from more than 60 indicators including amounts of money played or playing schedules, the proprietary Betclic algorithm analyses gaming behaviour that is likely to be risky. This level 1 detection is completed by a qualitative analysis by Betclic's responsible gaming experts of signals linked to player accounts, including for example the tone of exchanges with customer service. In parallel, Betclic customer service provides feedback on customers based on messages received that could indicate that a player is no longer in control.

Based on this technological and human data, the responsible gaming experts interpret the results to accurately qualify each player's situation individually. More than 100 people in total within Betclic are mobilised to detect and accompany players suspected of being at risk.

Responsible gaming partnership

Since 2020, Betclic is partnering with GamCare, a recognised expert in Europe in the prevention of gaming risks, to provide training sessions for its employees. In 2023, GamCare has provided beginner trainings opened to all Betclic employees, and targeting people in charge of responsible gaming. As a result, 126 employees have been trained in 2023.

(1) *The self-exclusion is a feature in our site (web and app), it consists in 1 click, allowing the player to block its access to Betclic, for a length of time that he/she will choose.*

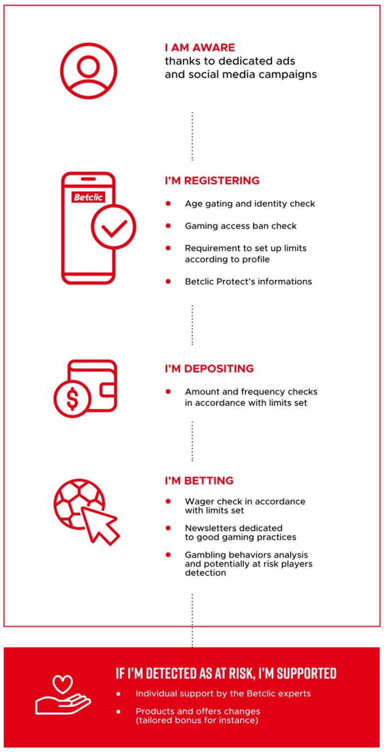
In 2023, GamCare has recognised Betclic with the International Safer Gambling Standard Certificate, acknowledging Betclic's commitment to fostering a responsible gaming environment. Betclic is the first operator to receive the International Safer Galbling Standard certificate.

GamCare is also accompanying Betclic in its approach to support identified players.

Safer gaming week

After the succesful first edition in 2022, Betclic organised the second edition of the safer gaming week to all its markets for this year. Focusing on increasing awareness, this week has been a key momentum for Betclic's employees total mobilisation to champion players at risk detection and support. ANJ and ARPEJ joined the event for a talk with Betclic employees. It is essential that everyone within Betclic is involved and understands the central issue of responsible gaming in the activity. Betclic has therefore mobilised all of its employees to the challenges of responsible gaming and has set up a dedicated program during this week so that they are able to fully deploy the group's approach: raising awareness among players, who are at the heart of the system, carrying out prevention, detecting risky gaming behaviour and supporting them. Throughout the week, all employees have taken part in internal events designed to increase their knowledge but also to capitalise on their creativity in order to participate in the continuous improvement of Betclic services and processes:

- shadowing session with the responsible gaming experts;
- training sessions provided by GamCare (beginner and expert levels);
- brainstorming sessions opened to all employees to innovate;
- discussion with regulator and NGOs about the challenges of responsible gaming.



Performance indicators: Responsible gaming (Betclic)

	2023	2022
Number of licenses held at 31 December	13	11
Part of Gross Gaming Revenue (GGR) in locally regulated countries	99.4%	99.2%
Part of people trained to responsible gaming topic *(including outsourced personnel)*	95%	94%
Part of people who received a certificate of continuing professional development delivered by GamCare	13%	15%
Responsible gaming partnerships	3 *(GamCare, SOS Joueurs, e-Enfance)*	3 *(GamCare, SOS Joueurs, e-Enfance)*
Number of accounts reviews by experts during the period	44,316	N/A
Safer Gaming outbound contacts (chat, mail, call) with players	46,946	14,252
Evolution in average high risk player's GGR in the month following this rating(1)	-64%	-60%
Percentage of players having used self-exclusion during the period	8.1%	7.6%

(1) *This indicator aims at quantifying the impact on a player's GGR when measures are implemented following a qualification of a player as High Risk player.*

2.3.3 Data protection and cybersecurity

Given the nature of their activities (digital gaming company for Betclic and importance of intellectual property for Banijay), both businesses need to ensure an excellent level of data protection and cybersecurity. Thus, risks related to cybersecurity are monitored by the Audit Committee of FL Entertainment.

Banijay

Banijay operates a decentralised portfolio business model that delegates decision-making to the production labels in line with the Banijay Governance Rules. On that basis, Banijay IT security is decentralised with regional headquarters and production labels responsible for IT security based on a common IT security governance framework, which is coordinated and monitored centrally. Key areas of focus group-wide are:

IMPLEMENTING A BANIJAY-WIDE IT SECURITY GOVERNANCE FRAMEWORK

Banijay has developed an IT Security Governance framework based on the industry ISO 27001 standard being implemented across all Banijay territories providing a common approach to IT security. Territories are responsible for implementing the framework to suit their local situation with status being coordinated and monitored centrally.

IMPLEMENTING MULTI-FACTOR AUTHENTIFICATION (MFA) ON ALL EMAIL ACCOUNTS AND ON EXTERNAL ACCESS TO CORPORATE NETWORKS

These controls protect email accounts from being hacked and also add a layer of protection for remote access to corporate systems.

EDUCATING END USERS AROUND CYBER SECURITY

Banijay has implemented a training platform, B-Learning, that is used for all compliance and cyber training, such as phishing awareness campaigns, phishing tests and policy management. Local territories are responsible for managing the B-Learning platform and training the employees within their territory.

Banijay held an initial cyber awareness week in 2021 with interviews, cyber campaigns and helpful 'how to be cyber aware' information being sent out to end-users. Banijay's cyber week is now an annual event, held towards the end of February, where information, useful tips, guidelines and global phishing campaigns are sent out to all users. It also continues to educate its employees with dedicated internal comms during periods where hacking risk is heightened e.g. during the Christmas retail period.

- Banijay's GDPR[1] compliance program is designed to ensure adherence to the regulation through a variety of measures and tools. This includes the appointment of data protection officers where required to oversee compliance efforts, data processing activities mapping and centrally-provided assistance and guidance on GDPR, including data processing agreements. An online GDPR training for employees will be rolled out in 2024.

Performance indicators: Data protection and cybersecurity (Banijay)

	2023	2022
Number of training topics on cybersecurity	31	77
Number of educational & fictious phishing campaigns	54	N/A
Number of people dedicated to IT & cybersecurity *(including outsourced personnel)*	123	122

Betclic

Betclic IT topic is managed by the Chief technology officer and his team (including a Chief security & IT compliance officer). Betclic has a proprietary IT platform for its sports betting and casino operations. It has made significant efforts in order to enhance the platform and avoid interruptions on its platform that could affect player experience. In the functioning of its IT platform, Betclic focuses on availability and robustness as well as speed and security. As Betclic processes a significant amount of data in its operations, protection of such personal data has been a key factor in the development of the IT platform.

Betclic aims to develop the tools for its core activities, such as sport betting and casino, in house.

For trading, Betclic has developed tools for:

- the monitoring of odds;
- the monitoring and control of different betting flows;
- the monitoring of risks metrics and a tool that builds its offering, with a fast manual creation for various matches, markets and selections.

(1) *GDPR: General Data Protection regulation. The GDPR is the toughest privacy and security law in the world. Though it was drafted and passed by the European Union (EU), it imposes obligations onto organizations anywhere, so long as they target or collect data related to people in the EU. The regulation was put into effect on 25 May 2018. The GDPR will levy harsh fines against those who violate its privacy and security standards, with penalties reaching into the tens of millions of euros.*

For players' engagement, Betclic has developed:

- a tool for the creation of marketing campaigns, which focus on the audience, the offer, the experience and the schedule;
- a tool that monitors player behaviour;
- a tool for communication and content for players.

These tools improve the in-app player experience. Betclic uses a/b testing[1] to track the performance of these player focused tools.

For its non-core activities, such as poker and horse racing betting, Betclic uses the external IT service providers Playtech and Zetote. For example, for customer service Betclic uses external tools which answer the questions of customers and work to solve their technical issues.

Betclic's GDPR Compliance programme is designed to ensure adherence to the regulation through a variety of measures. This includes the appointment of a Group data protection officer to oversee compliance efforts, the validation of internal policies by management to ensure their effectiveness, the establishment of an internal network of DPO relays and correspondents to facilitate communication and coordination.

Other actions include the documentation of personal data processing in accordance with legal requirements, the provision of Privacy and Cookies policies to inform various users populations such as players, employees, and affiliates, the inclusion of processes and features within products that allow data subjects to exercise their rights, the use of Data Processing Agreements with third parties to comply with processor GDPR requirements (Article 28) and protect outside EU data transfer, the identification of privacy risks through Privacy by Design reviews, the identification and implementation of Privacy Impact Assessments for high risk data processing activities, a GDPR awareness program for employees and new hires, and a data breach notification process in coordination with the Chief Information Security Officer.

To ensure that the organisation maintains a high level of GDPR compliance over time, a number of key controls and monitoring processes have been implemented. These include:

- Quarterly Steering Committees to review and evaluate the effectiveness of the GDPR compliance program and identify any areas for improvement;
- regular meetings with DPO relays and correspondents according to their scope, to ensure that GDPR requirements are being effectively communicated and implemented throughout the organisation;
- regular meetings with project managers for privacy by design reviews, to ensure that new projects are being developed with data protection in mind;
- a GDPR dashboard with key performance indicators (KPIs) to track progress and compliance with various components of the GDPR program, such as data subject's requests, contract compliance, data anonymisation/deletion…

These controls and monitoring processes are designed to ensure that the organisation is continuously assessing and improving GDPR compliance efforts and can respond quickly to any issues or changes in the regulatory environment.

Performance indicators: Data protection and cybersecurity (Betclic)

	2023	2022
Number of training topics on cybersecurity	9	2
Number of educational and ficitious phishing campaigns	6	5
Number of people dedicated to IT & cybersecurity *(including outsourced personnel)*	409	294
Percentage of platform availability	100%	100%

A/B testing is a randomised experimentation process wherein two or more versions of a variable are shown to different segments of website visitors at the same time to determine which version leaves the maximum impact.

(1) *A/B testing is a randomised experimentation process wherein two or more versions of a variable are shown to different segments of website visitors at the same time to determine which version leaves the maximum impact.*

2.3.4 Customer satisfaction

Banijay

Customer satisfaction is a key priority for Banijay and the objectives are high. While Banijay is predominantly a BtoB vendor, customer satisfaction can be gaged through ratings, recommissions & commissions (it serves as a trusted partner to many), distribution sales and sales through its brand and commercial arm – gaming, branded product etc. Its client satisfaction on programming specifically is often reliant on a smooth production process from inception to delivery, meaning a need for strict welfare protocols throughout to safeguard its crew and on-screen talent and ensure negation from negative undertones at launch.

Some of the objectives are a high number of clients, a high level of returning shows, and a strong level of awards received by the productions.

Performance indicators: Customer satisfaction (Banijay)

	2023	2022
Number of clients for production	198	218
Extended portfolio of clients - number of clients for distribution	1,134	1,054
Revenues from new shows in production revenue	30%	31%
Revenues from returning shows in production revenue	70%	69%
Number of awards received	81	104
R&D central investment in new original content	€2,016 thousand	€2,100 thousand
Launch of FAST channels[1]	27 unique channels live (and 177 syndicated streams)	21 unique channels live

FOCUS ON INTELLECTUAL PROPERTY (IP)

"Creation, protection and circulation of Banijay IP is Key": this sentence is the baseline of the Banijay's IP Policies and part of its DNA. All the production companies are subject to those IP Policies which aim to safeguard Banijay Rights and its strong position in the market thanks to its presence in 23 countries and its strong distribution arm.

All the production companies develop and sell their own formats but also have exclusive access to the Banijay portfolio of IP in their respective territories. Most of the programmes are then distributed worldwide by Banijay Rights, the business' distribution arm.

Ultimately this scheme creates a virtuous circle from the creation to the primary and secondary exploitations of such creations.

Banijay ensures that the IP remains the main focus of its production companies and that the right level of protection and retention is brought by:

- training of the applicable rules (IP Policies) within the Group: the IP&BA (Intellectual Property & Business Affairs) central team is the dedicated point of contact for the production companies on IP matters and helps them on a daily basis to coordinate, retain rights, protect rights at global level, etc. Training online or on-site is also organised globally through the year, for internal teams and newly appointed key people;
- central approval of deals in case the position vis-à-vis IP rights (retention and/or exploitation) deviates from the IP Policies. A focus is put to ensure that a minimum core of rights is saved to allow the Banijay production companies to produce IP in their respective territories;
- IP-related incentives offered to production companies, for (a) creation of new IP (creative fund), (b) circulation of existing IPs (creative incentive scheme) and (c) revival of dormant formats. In 2023, an additional fund (AI Fund) w,as added to the toolbox. This combo allows the Group to maintain innovation and the best level of exploitation for its assets;
- trademark and formats protection via (i) monitoring and protection of trademarks (locally or, with respect to key brands, at Central level) and coordination via the central IP& BA team of all trademarks of the Group (through a global agent when appropriate), and (ii) tracking of possible infringing formats thanks to a multi-functions team of legal and content experts.

Performance indicators: evolution of IP rights (Banijay)

	2023	2022
Number of new format launches (scripted and non-scripted formats)	271 new launches (excluding format adaptations)	281 new launches (excluding format adaptations)
Number of hours in catalogue	185,000	160,000

(1) ***FAST***: ***F***ree ***A***d-***S***upported ***S***treaming ***TV***.

Betclic

Betclic's Customer Service department provides a seamless and value-added customer experience across various channels. No customer should be left without answer at the level hoped. Customers need to benefit of the best experience, from the beginning when joining one of the Betclic offers. Betclic customer service is organised in three channels:

- *frequently asked questions that are included in its app:* The FAQs are presented in a helpful overview together with a search tool and address key subjects that its customers may have questions on. Betclic believes it has been able to reduce its incoming calls significantly as a result of implementing the FAQ;
- *Betclic Customer Service department:* The department consists of 100 persons and it is available from 8 am to midnight seven days a week (opening hours can be adjusted depending on events). Channels available for customer service are email, live chat, outbound calls and a chatbot on Betclic social networks. At the end of each player's interaction with customer service, the NPS[2] and CSAT[3] are measured with scores 1 to 5;
- *key account managers:* For its most loyal players the Betclic Group has dedicated account managers who are available to solve problems immediately. They focus on ensuring player satisfaction.

The objective is to ensure customer satisfaction by maintaining the continuity of the business, being proactive and reactive in the delivery of solutions and services.

Performance indicators: Customer satisfaction (Betclic)

	2023	2022
Licenses held at the 31 December of the year	13	11
Number of releases related to Betclic proprietary Tech plateform	9,594	9,900

2.3.5 Social impact: donations, sports sponsorship and other initiatives

FL Entertainment

FL Entertainment has created, in 2023, an endowment fund ("*fonds de dotation*") whose object is to structure sponsorship actions led by both Banijay and Betclic and providing long-term support to various high impact projects.

The fund is dedicated to public-interest initiatives across several themes: health, inclusion, disabilities, gender equality and education, through financial support, skill-based sponsorship or in kind.

Banijay

Banijay believes in supporting the local, national, and international communities in which all its teams operate. Through donations of time, skills, investment and fundraising, Banijay has brought positive value to many charities. In this field also, Banijay relies on its entrepreneurial DNA that grants each production label the opportunity to conduct initiatives worldwide.

Some key actions in 2023 included:

VOLUNTEERING

- Baniday: In 2019, Banijay established its global ESG day, Baniday. Designed to encourage teams worldwide to down their day-to-day work for one day and go out to the community to support small charities and not-for-profit organisations that needed people's time. The event was a success in its initial roll-out across the UK and France. Since its launch, Banijay sought to fully globalise the operation and has subsequently triggered Banidays in France, UK, the US, Italy, Germany, the Netherlands, Brazil, Mexico, Spain and Switzerland. More than 550 employees volunteered and more than 30 charities were supported.

Baniday

- In April 2023, Banijay Benelux participated in a charity run to raise money for the charity Muziekids as one of the initiatives of the foundation Banijay Benelux fo Kids. In October 2023, Banijay employees from Paris and Amsterdam offices participated in the charity race Odyssea to raise awareness on breast cancer.

FUNDRAISING

- Soccer Aid for UNICEF was created in 2006 by Robbie Williams and it is the world's biggest celebrity football match. The 2023 edition, which is produced by Banijay UK's Initial, was held in June at Old Trafford, Manchester, and raised a record £14.6 million for children in need. The event, which was the charity match's first official mixed gender game, featured a record number of female players and an all-female match official team. With over 63,000 fans attending, the match ended in a 4-2 victory for Soccer Aid World XI.

(2) *Net Promoter Score.*
(3) *Customer SATisfaction.*

- Forestami: In Christmas 2021, Banijay Italia partnered with Forestami, a project promoted by the City of Milan, as well as the Regional Council of Lombardy, which collaborates with the Polytechnic University of Milan to research and improve the city's economic impact. The ambition of the project is to plant 3 million trees in the metropolitan city of Milan, to effectively and economically slow down global warming, reduce energy consumption and clean the air everyone is breathing. A donation was made and the project was mentioned in the company's corporate Christmas cards: https://forestami.org/partner/
- During Pride month in 2023, Bunim Murray and Endemol Shine North America raised funds internally for the Los Angeles LGBT Center.
- 51minds organised in 2023 an e-waste drive-through. It is in partnership with non-profit organisation Human-I-T. The organisation refurbishes donated technology to provide low-income individuals and non-profits with devices, Internet and digital training.
- During World Autism Awareness Day in 2023, Banijay organised an educational webinar for its employees and made a donation to the charity Formautisme.
- Banijay Benelux launched Banijay Benelux for Kids Foundation several years ago. Many of its initiatives are dedicated to long-term sick children through the involvement of the Foundation and of many Banijay Employees on several occasions every year. They raised money for several charities (Muziekids, Make-A-Wish Foundation) and sent gifts and Christmas presents to kids.
- Banijay France employees regularly donate to various charities: toys for sick children from Association Louis Carlesimo, clothes for La Cravate Solidaire or essential commodities for mothers and children in extreme poverty from association MaMaMa.

Betclic

For Betclic, social initiatives focus toward actions related to its business (sport) and to local ecosystem.

SUPPORTING FRENCH SPORT ECOSYSTEM

Since the beginning, Betclic has supported sport and is a partner of the leagues and federations, making a significant financial contribution to the vitality of the French sports sector through sponsorship and naming to support the maintenance of infrastructures and amateur sports. This approach makes it possible to keep the entire sports chain alive and to support all forms of sports: professional and amateur, established and new, visible and less publicised.

For some sports, Betclic support goes beyond financing and naming with the implementation of specific strategies to increase visibility and sports practice, as this is the case for French basketball or as part of the support for amateur football during the French Football Cup, for example.

- Focus Betclic Elite: After Road to Elite in 2022, Betclic continues to fuel the passion for basketball, one of the most practiced sports in France but also the third most played sport by sports betters on the Betclic application. During this season, Betclic had to do everything it could to ensure that as many fans as possible could attend the last major events of the season. This is why Betclic has launched Betclic Extra Places. Places were created where none existed before! In the corner of a corridor, on a training bike, on a folding chair, in the team entrance tunnel and offered them to the betters.

SUPPORTING BORDEAUX AS A GREAT PLACE OF SPORT

Located in Bordeaux since 2018, contributing to the local ecosystem is very important to the Group. To do so and to increase local sport ecosystem, Betclic is a partner of the Girondins de Bordeaux, the UBB *(Union Bordeaux Bègles)*, the JSA Bordeaux Métropole Basket, the Villa Primrose, the Boxers and the BBL *(Bordeaux Bruges Lormont Handball)* and the Lionnes du Stade Bordelais. The group is also supporting local sport events such as the Challenge du Ruban rose, the Marathon des villages, the Marathon du Médoc and the Bordeaux metropole Triathlon.

SUPPORTING EMPLOYEES' SPORT PRACTICE

Betclic encourages its employees to be involved in sport and living their passion. To help them in their sport practice, Betclic is a sponsor of their sport teams: the Libourne Handball club, Bordeaux *Tournoi des vendanges*, Boxers Bordeaux, and to support one of its employees competing the World Cup of Ultimate.

SUPPORTING LOCAL BORDEAUX ECOSYSTEM

Betclic philanthropic commitment is supporting local entities as the Bergonnié Institute. The Institut Bergonié is the only regional cancer center in New Aquitaine. The Institut is responsible for a triple mission of care, research and teaching, in a practice of multidisciplinarity in all these fields. Bergonié's objective is to develop new diagnostic and therapeutic strategies in the CARE of patients. Betclic commitment to the Institute is a 5 year one.

As a tech company, Betclic is also supporting its neighbor the Cité du Vin through philanthropic support to the creation of the visit companion, the personal digital guide, available in eight languages. Provided at the start of the visit, this companion allows real-time interaction, and an optimal experience adapted to each visitor.

2.4 Environmental considerations

During the materiality assessment, environment-related ESG challenges (such as carbon impact of products and office-based activities, or waste management) were not deemed as material, but they are increasingly becoming priorities for both businesses, with rising stakeholder awareness.

Banijay and Betclic have already launched some initiatives toward the environment. The main ones are listed in this section.

While there is no measure of the environmental footprint as of today, the Group has started its journey to drive down the carbon and environmental impact of production and its personnel and facilities centrally. Both Banijay and Betclic will structure their strategies toward environment in the coming months.

Banijay

REDUCING CARBON FOOTPRINT

In 2022, Banijay contracted 3Degrees, a consulting firm that helps organizations around the world achieve renewable energy and decarbonization goals, to set out a measurement matrix. During 2023, Banijay launched its first carbon emissions measurement for the year 2022. In 2024, Banijay will continue this process for 2023 emissions and will use the results of both years to set up a carbon reduction roadmap which will be published in URD 2024.

Banijay also launched its Green Employee Resource Group. Dedicated to championing best practice and shaped by employees worldwide at all levels, this group supports global teams in making the necessary changes both at a corporate level and on-set to enable change within the business, while also educating audiences. In addition, Banijay Green sponsored a range of World Earth Day initiatives for 2023 worldwide.

In the UK, Banijay UK is a member of the Albert Consortium – an environmental organisation aimed at encouraging the TV and film production industry to reduce waste and its carbon footprint. Through its membership, UK-based production companies follow the organisation's certification process for scripted and unscripted shows, which aims to reduce the environmental impact of the nation's productions. In the Netherlands, Banijay Benelux collaborated with Albert+ on productions for its CO_2 calculation tool.

In France, similar to Albert, Ecoprod aims to train, raise awareness of, and provide professionals with materials to help and advise them in their eco-responsible approach. Banijay France has been part of the adventure since 2021, and, as member of the Ecoprod Board, aims to support the non-profit offering in raising industry awareness around sustainability. It also utilises the tools on offer to measure its productions carbon impact, and engages its teams - series and TV shows – in the labelling process: the Ecoprod label was created in 2022 to provide a common framework to define a green production. Banijay France and over 100 companies, including major production companies and the main broadcasters have signed a common statement in December 2022 committing to using the tool on their productions. The second season of Marie Antoinette, which started shooting in 2024, will be certified by Ecoprod as a sustainable production.

At Banijay Germany, there is a green consultant in each of the labels to implement sustainability among all the shows produced in in the country.

In addition, Creative Networks – the dedicated in-house central team tasked with overseeing all unscripted projects for Banijay – provides green guidance to the production companies worldwide, as part of the creative support, education and assistance around striving towards greener productions. Activations include:

- Green Guide: Available to all the entities worldwide, the green guide is dedicated to sharing best practice and top tips for producing unscripted shows at Banijay. A number of production labels also have implemented their own local guides across genres, including Filmlance in Sweden for its Scripted projects. Elsewhere, the team also collates the best green case studies to share as inspiration for all companies and external partners globally;
- MasterChef Green Guide: This global super brand has now reached 60+ territories worldwide. Its audience is vast and as a cooking show, it has a responsibility to educate on and exercise sustainable food practices. With that, the show has its own dedicated green guide in place to assist crews far and wide in maintaining a green MasterChef production.

Many initiatives have been developed for the production of many TV programs:

- solar panels implemented on the Grande Fratello production set (Big Brother);
- video storage facilities audited to downsize them across the world;
- season 7 of Survivor in Brazil was filmed in the Amazon Rainforest and had a sustainability focus on and off-screen;
- Big Brother in Portugal had sustainability-focused challenges;
- Climate Bootcamp is a Swedish program with celebs who enter a camp to change their environmental footprints.

Balich Wonder Studio has renewed its effort in certifying the whole Group ISO 20121. It included a on-site audit in the new project "Disney: The Castle", a live musical experience launched in Saudi Arabia.

Bureau Betak (The Independents[1]) has launched a manifesto called Better Betak with 10 commandments to produce sustainable events (conscious design, less travel, green energy, upcycling and recycling, contribution to local economy, etc.).

RECYCLING AND REDUCING WASTE

Actions regarding recycling and reducing waste have been launched in some countries on production sets.

Banijay Italia already has switched to various service providers which utilise recycled products, or who through a circular economy make their contribution in reducing waste.

Masterchef Italia is now a plastic-free and eco-friendly production, which promotes conscious consumption and eco-sustainability, respecting the environment and fighting against food waste. Since 2013, Last Minute Market supports the production by recovering unused leftovers and donates them to Opera Cardinal Ferrari, a non-profit organisation, which runs a canteen for people in need in Milan. Since 2013, 46 tonnes of food were donated to charities (2,100 kg for the last season of MasterChef Italy in 2023).

Banijay in India has used a very large quantity of recycled materials to create the set of Big Brother: 6,500 plastic bottles, 800 glass bottles, 1,000 used bulbs, 16 chairs and 2 sofas, etc. For Big Brother in Finland, the house was made from recycled materials and housemates had their own recycling station outside and a vegetable garden in the kitchen.

At an international level, environmental change has historically been promoted across many of the Group's shows, such as *Thin Ice, The Rig, Surviving the Wilderness, Shop Well for the Planet, My Recycled Home, Weekend with the Green Family, Grow, Harvest, Eat Well for Less, Wild Wonderful Denmark, Coolest Treehouse, Blackout,* etc.

Recycling and reduction of waste initiatives are also being implemented on professional fairs and in offices. Banijay introduced a brand-new eco-friendly stand for the MIPCOM conference in 2022, which had been reused for MIPCOM 2023.

Balich Wonder Studio has a ongoing partnership with Politecnico du Milano for workshops at the Master "Material Balance Design. Digital Techniques and Circular innovations in Architecture". It aims at developping circular innovation that can be used in architecture and construction for BWS future projects.

Betclic

Betclic has initiated actions toward environment footprint reduction through three areas:

IMPROVING THE ENVIRONMENTAL PERFORMANCE OF BUILDINGS

Betclic has developed multiple initiatives to improve the environmental efficiency of the France based building. It has optimised the exposure to daylight, spread the use of LEDs with dimming of light according to external luminosity, reduced heating and air conditioning consumption thanks to real time whether condition monitoring and built a green roof to optimise the energy performance of the building.

ENCOURAGING ECO-MOBILITY

Developing eco-mobility means making choices that take into account the impact on commuting, changing individual and collective behavior to travel less and better and to use more environmentally friendly mobility solutions. Betclic is committed to encourage this change and has introduced a sustainable mobility package up to 200 euros per employee per year. This package aims to encourage employees to use bike, self-service vehicle platforms (such as scooters, gyropods and scooters), electric, rechargeable hybrid or hydrogen vehicles or carpooling as a driver or a passenger. In 2023, 103 employees received this sustainable mobility package, compared to 90 in 2022.

REDUCING WASTE AND RECYCLE

Betclic has implemented a sorting and recycling system in the French office. In addition, it tends to adopt a Zero-Plastic approach by removing any available plastic items such as disposable dishes and instead provides employees with bottles and lunchbox.

In 2024, Betclic will launch its first carbon emissions measurement for the year 2023 and will use the results to set up a carbon reduction roadmap which will be published in URD 2024.

(1) *In 2023, FL Entertainment took a minority investment in The Independents.*

2.5 Information published in connection with the Taxonomy Regulation (EU) 2020/852

2.5.1 Context

The Taxonomy Regulation (EU) 2020/852 aims to establish a classification of economic activities considered environmentally sustainable on the basis of ambitious and demanding technical screening criteria. The introduction of this benchmark, designed to distinguish economic activities that contribute to the EU objective of carbon neutrality - the Green Deal - underlines the scale of the economic and industrial transformations that need to be accomplished, as well as the ambition of the European authorities in terms of sustainable finance and transparency. Based on its environmental, social and societal commitments, FL Entertainment is closely following the work of the European Commission to analyze activities and define technical screening criteria to guide public and private investments towards projects that contribute to the transition to a sustainable, low-carbon economy.

In accordance with the Regulation (EU) 2020/852 of June 18, 2020, on the establishment of a framework to promote sustainable investments in the European Union, the Group is required to communicate on, the share of its activities considered as eligible and aligned to the climate objectives, namely:

- Climate change mitigation;
- Climate change adaptation.

Additionally, the Group also has to report on its eligible activities for the other 4 environmental objectives of the EU Taxonomy, namely:

- Sustainable use and protection of aquatic and marine resources;
- Transition to a circular economy;
- Prevention and reduction of pollution;
- Protection and restoration of biodiversity and ecosystems.

For fiscal year 2023, the Group has calculated the share of its revenues, Capital Expenditures ("CapEx") and Operating Expenses ("OpEx").

The eligibility and the alignment assessment are based on a detailed analysis of all its activities carried out jointly by the Finance Department, and the business teams, with regards to:

- the Delegated Regulation (EU) 2021/2129 of June 4, 2021, its annexes supplementing Regulation (EU) 2020/852 by specifying the technical criteria for determining under which conditions an economic activity can be considered to contribute substantially to climate change mitigation or adaptation and its updates;
- the Delegated Regulation (EU) 2021/2178 of the European Commission of July 6, 2021 and its annexes supplementing Regulation (EU) 2020/852 specifying the manner in which the KPIs are calculated and the narrative information to be published and its updates;
- the Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems.

The methodological elements on which the Group has based its analysis are described below. The Group will revise its methodology, analysis and calculations as the EU Taxonomy is implemented, as certain activities are clarified by the regulator, and as these activities and the technical screening criteria that complement them evolve.

An economic activity is eligible when it is explicitly described in the list included at this stage in the annexes of the regulation and is likely to contribute substantially to one of the environmental objectives. It then becomes aligned once all of the following technical criteria and minimum safeguards are met:

- Substantial Contribution (SC);
- Do No Significant Harm (DNSH): Generic and Specific;
- Minimum Safeguards (MS).

2.5.2 Methodology and results

The Group has calculated the indicators in accordance with the provisions of Delegated Regulation (EU) 2021/2178 of the European Commission of July 6, 2021, its annexes, and updates on the basis of its existing processes and reporting systems and assumptions made by management.

The results cover all Group activities included in the scope of financial consolidation as of December 31, 2023.

The financial information used has been sourced through the accounting information reporting processes used for the preparation of the consolidated financial statements. It has been analyzed and checked jointly by the Finance Department and the business teams, to ensure consistency with the revenue and CapEx presented in the Consolidated Financial Statements.

Revenue indicator

FL Entertainment has two main business lines: Betclic and Banijay.

Betclic is a French online gaming company, and its main activity is offering including sports betting, online casino, and online poker. To date, this specific activity is not covered by the EU Taxonomy regulation.

Banijay is a French television production and distribution company. Its activities are covered by economic activity 13.3. "Production of motion pictures, videos and television programs; sound recording and music publishing of Delegated Act of Objective 2 – Climate Change Adaptation" subject to significantly contributing to preparing for climate change adaptation.

77% of Group's revenue relates to economic activities relating to the Production and Distribution of motion pictures, videos and television programs, but none corresponds to programs relating to programs contributing to preparing for climate change adaptation.

As a result, based on this analysis and considering the entertainment sector is not considered to make a substantial contribution to the six environmental objectives, FL Entertainment has not identified any eligible revenue for the 2023 fiscal year under the EU Taxonomy Regulation.

Capital expenditures indicator – CapEx

The EU Taxonomy defines the CapEx to be included in the indicator as the CapEx i) relating to assets or processes that are associated with Taxonomy-aligned economic activities ii) part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ('CapEx plan') and; iii) related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions. provided that such measures are implemented and operational within 18 months.

As of December 31, 2023, the Group has no Taxonomy-aligned economic activity or CapEx plan. Therefore, the analysis of the eligibility of CapEx has solely focused on identifying those defined in the Taxonomy above as "individual measures".

Based on analysis, the eligible CapEx corresponds to rights of use calculated in accordance with IFRS 16, mainly associated with building leases as "individual measures". These investments correspond, in accordance with the provisions of the EU Taxonomy, to activity 7.7 "Acquisition and ownership of buildings" under the climate change mitigation objective.

FL Entertainment has also considered the eligibility to the activity "Acquisition and ownership of buildings" under the other objectives. The activity is also referenced under activity 7.7 in the climate change adaptation objective. However, as per FAQ 18 on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (second Commission Notice), with respect to adapted activities, for assessing the Taxonomy-eligibility of activities for CCA in accordance with Article 11(1)(a) of the Taxonomy Regulation, the title or the description of the economic activity spelled out in Annex II to the Climate Delegated Act is not decisive in itself for making a substantial contribution to CCA. A reporting undertaking should rather consider the adaptation solutions that it puts in place that could make the economic activity adapted/more resilient to climate change. To demonstrate the Taxonomy-eligibility of an activity, an undertaking has to perform a climate risk and vulnerabilities assessment of the most important physical climate risks that are material to its economic activity. In addition, the undertaking must put in place a plan outlining how and by when adaptation solutions will be put in place to counter these physical risks.

In the absence of climate risk and vulnerabilities assessments and adaptation solutions plan, FL Entertainment does not have any eligible CapEx regarding activity 7.7 under climate change mitigation objective.

As required by the delegated act (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to one or more of the other four objectives, the group has to disclose its eligibility KPIs to the other four environmental objectives.

Based on our analysis, none of the group's activities fall under the scope of the aforementioned delegated act hence none of the group's activities is eligible to the 4 other environmental objectives.

The CapEx indicator is defined as the total of the individual measures eligible for the Taxonomy (numerator) divided by the total capital expenditure of the period (denominator).

Total capital expenditure comprises purchases of property, plant and equipment and intangible assets (excluding goodwill) during the period, before depreciation and amortization and excluding changes in fair value. It also includes assets related to rights of use (IFRS 16).

Total capital expenditures can be reconciled to the financial statements in notes 13, 14, and 15. They correspond to following:

- Additions in PPE: €39 million;
- Addition in intangible assets (excluding goodwill): €61.6 million;
- Additions in right of use (IFRS 16): €55.8 million.

CAPEX ELIGIBILITY FY23

Therefore, the CapEx eligibility amounts to 35.7%:

	CapEx indicator eligibility
Eligibility	CapEx linked to rights of use
Numerator (eligibility)	€55.8 million
Denominator	€156.4 million
Indicator (%)	35.7%

Operating expenses indicator – OpEx

The analysis of operating expenses (OpEx) led to the conclusion that the OpEx as per defined by the EU Taxonomy are not material regarding FL Entertainment business model. The value of the OpEx denominator as per EU Taxonomy definition amounts to €88.9 million (which represents 0.2% of Group's total OpEx) and mainly relates to short-term leases of television sets under Banijay activity. The Group has therefore decided to apply the OpEx materiality exemption and to not calculate the OpEx numerator.

2.5.3 Calculation of alignment KPIs

As the Group has not identified eligible revenue and has applied the materiality exemption for its OpEx, these KPIs have not been subject to an alignment analysis.

The Group has led an analysis on the eligible CapEx regarding their substantial contribution to climate change mitigation.

The Group does not have any policy yet regarding the analysis of the energy performance class or the primary energy demand of a building when taking a new lease.

Furthermore, the Group does not conduct yet any climate risk analysis and vulnerability assessments to screen if a physical climate risk could affect the performance of FL Entertainment's activities when leasing a new office, which is an essential criterion under DNSH adaptation for a CapEx to be aligned.

Therefore, the Group CapEx are not aligned to the EU Taxonomy criteria.

However, the Group will continue to develop its strategy regarding climate change and accordingly will consider the requirements of the EU Taxonomy regulation in its future investments.

Regulatory tables

REVENUE *(in € million)*

Financial Year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	**Code (2)**	**Turnover (3)**	**Proportion of Turnover, year N (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which Transitional		0	0%	0%						N	N	N	N	N	N	N	0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. TURNOVER OF TAXONOMY ELIGIBLE ACTIVITIES (A.1+A.2)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
B. Taxonomy-non-eligible activities																			
Turnover of Taxonomy-non-eligible activities		4,318	100%																
TOTAL (A. + B.)		**4,318**	**100%**																

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CAPEX *(in € million)*

Financial Year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	**Code (2)**	**CapEx (3)**	**Proportion of CapEx, year N (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which Transitional		0	0%	0%						N	N	N	N	N	N	N	0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Acquisition and ownership of buildings	CCM 7.7	56	35,7%	36%	N/EL	N/EL	N/EL	N/EL	N/EL								24,2%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		56	35,7%	35,7%	0%	0%	0%	0%	0%								24,2%		
A. CAPEX OF TAXONOMY ELIGIBLE ACTIVITIES (A.1+A.2)		**56**	**35,7%**	**35,7%**	**0%**	**0%**	**0%**	**0%**	**0%**								**24,2%**		
B. Taxonomy-non-eligible activities																			
CapEx of Taxonomy-non-eligible activities		100	64,3%																
TOTAL (A. + B.)		**156**	**100%**																

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	0%	35.7%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

OPEX *(in € million)*

Financial Year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	**Code (2)**	**OpEx (3)**	**Proportion of OpEx, year N (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which Enabling		0	%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which Transitional		0	%	0%						N	N	N	N	N	N	N	0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. OPEX OF TAXONOMY ELIGIBLE ACTIVITIES (A.1+A.2)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
B. Taxonomy-non-eligible activities																			
OpEx of Taxonomy-non-eligible activities		88,9	100%																
TOTAL (A. + B.)		**88,9**	**100%**																

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

2.6 Methodology

2.6.1 Reporting scope

The reporting scope was established in accordance with NFR 2014/95/UE. Changes in reporting scope are the result of acquisitions and/or disposals of consolidated business for the reporting year, between 1 January 2023 and 31 December 2023:

- for an acquisition during the reporting year: the data for the company will be fully consolidated into the reporting as from the following year. Exception can happen if this company can provide the required information for the reporting year. However, the acquired company's headcount is incorporated into the scope of the current reporting year;
- for a disposal during the reporting year: the data for the company are not recognised in the scope of that year.

Data is not always available in real time or immediately after quarter close. In these cases, data are extracted, consolidated and controlled on request.

The reporting scope covers all Group's operations around the world. When the scope covered concerns only one country, this is mentioned. The term "Group" means FL Entertainment, its subsidiaries, and all its operational and functional entities present on 31 December 2023 and in which FL Entertainment's interest is 50% or greater.

2.6.2 Methodology used for ESG risks

The mapping of FL Entertainment's ESG risks is based on a rigorous risk analysis methodology. This methodology was implemented with the support of a specialised firm. The following methodology was used to identify and assess ESG risks:

Twenty-five ESG challenges were listed on the basis of preliminary interviews, a benchmark of the industries (entertainment, media, and gaming), and an analysis of existing internal documentations. These ESG challenges cover all the Group activities on the following dimensions: environmental, social, employee-related matters, respect of human rights, and anti-corruption and bribery matters.

Twenty interviews were conducted with both the Senior Management Members and members of the management teams of Banijay and Betclic.

All the challenges submitted for consultation were assessed through reputational, financial, and regulatory prisms.

In 2023, a review of this materiality analysis has been conducted, and no major changes have been identified.

2.6.3 Reference frameworks

The reporting of non-financial information is based on national and international references: the European Regulation NFR 2014/95/UE, the SASB (Sustainability Accounting Standards Board) Standards and its industry-based standards.

This reporting framework for FL Entertainment will be updated annually, to ensure consistent application of definitions Group wide, and rules for data reporting, consolidation, and validation.

2.6.4 Reporting tools, consolidation, and controls

Data collection platforms financial data collect all consolidated and controlled data at various levels. These platforms are designed to include mathematical, and coherency checks data for consistency during the input process. An initial validation and consistency checks are performed by each reporting entity. Excel tool is used for non-financial data such as HR related ones. The Finance department at central level performs a second coherency check and validation during the consolidation process.

2.6.5 Methodological limits

Environmental, social, and governance indicators may generally reflect methodological limits due to the lack of harmonization of international and national definitions and legislation, or due to the qualitative and therefore subjective nature of certain data.

2.6.6 SASB concordance table

Media Entertainment – SASB tables

Table 1. Sustainability disclosure topics & accounting metrics

Topic	Accounting metric	Category	Unit of measure	Code SASB	Information disclosed for Banijay	URD section
Media Pluralism	Percentage of gender and racial/ethnic group representation for (1) management, (2) professionals, and (3) all other employees(1)	Quantitative	Percentage (%)	SV-ME-260a.1	N/A for Banijay	N/A
	Description of policies and procedures to ensuring pluralism in news media content	Discussion and Analysis	n/a	SV-ME-260a.2	N/A for Banijay	N/A
Journalistic Integrity & Sponsorship Identification	Total amount of monetary losses as a result of legal proceedings associated with libel or slander(2)	Quantitative	Reporting currency	SV-ME-270a.1	N/A for Banijay	N/A
	Revenue from embedded advertising	Quantitative	Reporting currency	SV-ME-270a.2	N/A for Banijay	N/A
	Description of approach for ensuring journalistic integrity of news programming related to: (1) truthfulness, accuracy, objectivity, fairness, and accountability, (2) independence of content and/or transparency of potential bias, and (3) protection of privacy and limitation of harm	Discussion and Analysis	n/a	SV-ME-270a.3	N/A for Banijay	N/A
Intellectual Property Protection & Media Piracy	Description of approach to ensuring intellectual property (IP) protection	Discussion and Analysis	n/a	SV-ME-520a.1	Yes	2.3.4. Customer satisfaction

(1) *Note to SV-ME-260a.1 – The entity shall describe its policies and programs for fostering equitable employee representation across its global operations.*

(2) *Note to SV-ME-270a.1 – The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.*

Table 2. Activity metrics

Activity metric	Category	Unit of measure	Code SASB	Information disclosed for Banijay	URD section
(1) Total recipients of media and the number of (2) households reached by broadcast TV, (3) subscribers to cable networks, and (4) circulation for magazines and newspapers(1)	Quantitative	Number	SV-ME-000.A	N/A	N/A
Total number of media productions and publications produced(2)	Quantitative	Hours	SV-ME-000.B	Yes	2.3.4. Customer satisfaction

(1) *Note to SV-ME-000.A – "Recipients of media" includes viewership, listenership, and readership, as measured by companies such as Nielsen for television and radio, and through sales for newspapers and publications.*

(2) *Note to SV-ME-000.B – Media productions and publications include book titles, movies, television programs, newspapers, blogs, and radio programs, among others.*

Casinos and gaming – SASB tables

Topic	Accounting metric	Category	Unit of measure	Code SASB	Information disclosed for Betclic	URD section
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	SV-CA-130a.1	N/A	N/A
Responsible Gaming	Percentage of gaming facilities that implement the Responsible Gambling Index	Quantitative	Percentage (%) by revenue	SV-CA-260a.1	Betclic uses its own tools developed internally to assess its applications and plateforms	2.3.2. Responsible gaming
	Percentage of online gaming operations that implement the National Council on Problem Gambling (NCPG) Internet Responsible Gambling Standards	Quantitative	Percentage (%) by revenue	SV-CA-260a.2	N/A	N/A
Smoke-free Casinos	Percentage of gaming floor where smoking is allowed	Quantitative	Percentage (%) of gaming floor area	SV-CA-320a.1	N/A since Betclic operates online only	N/A
	Percentage of gaming staff who work in areas where smoking is allowed	Quantitative	Percentage (%) of man-hours	SV-CA-320a.2	N/A since Betclic operates online only	N/A
Internal Controls on Money Laundering	Description of anti-money laundering policies and practices	Discussion and Analysis	n/a	SV-CA-510a.1	Yes	2.3.1. Compliance and integrity
	Total amount of monetary losses as a result of legal proceedings associated with money laundering(1)	Quantitative	Reporting currency	SV-CA-510a.2	N/A	N/A

(1) *Note to SV-CA-510a.2 – The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.*

Table 2. Activity metrics

Activity metric	Category	Unit of measure	Code SASB	Information disclosed for Betclic	URD section
Number of tables	Quantitative	Number	SV-CA-000.A	N/A since Betclic operates online only	N/A
Number of slots	Quantitative	Number	SV-CA-000.B	N/A since Betclic operates online only	N/A
Number of active online gaming customers(1)	Quantitative	Number	SV-CA-000.C	N/A	N/A
Total area of gaming floor	Quantitative	Square meters (m^2)	SV-CA-000.D	N/A since Betclic operates online only	N/A

(1) *Note to SV-CA-000.C – The number of active customers shall be considered as the number for which there was at least one financial transaction (bet, deposit, withdraw) with real currency within the reporting period, where real currency is defined by the U.S. Financial Crimes Enforcement Network.*

CHAPTER

03/ RISK FACTORS

3.1 Description of risk factors

The Group conducts its business in a constantly changing environment and is exposed to risks which, if they materialise, could have a significant adverse effect on the Group, its business, its financial position its results or its prospects and which are important for investment decisions.

The risks presented in Chapter 3 of this Universal Registration Document are not exhaustive and other risks, unknown or whose realization is not considered, as at the date of this Universal Registration Document, as likely to have a significant adverse effect on the Group, its business, its financial position, its results or its prospects, may exist or arise.

The main risks described in this chapter are those identified in the context of the Group's mapping of major risks, which assesses their criticality, i.e. their severity and probability of occurrence, after taking into account the risk prevention and management measures implemented by the Group. Moreover, non-financial risks are embedded in the main risks as described in this chapter, because ESG strategy of the Group resonates with current social, environmental and governance issues, and our non-financial risks must be in line with changes in our business.

Within each risk category, the risk factors that the Company considers to be the most significant as at the date of this Universal Registration Document are listed first. In addition, each risk is allocated between Strategic (S), Financial (F), Operational (O) and Compliance (C) risks.

Risks are presented in 5 categories:

(i) Risks relating to the business of the Group in general

(ii) Risks relating to the Group's Content production and distribution business

(iii) Risks relating to the Group's online sports betting and gaming business

(iv) Risks relating to taxation

(v) Risks relating to financial matters, capital structure and corporate structure of the Company and the Group

The Board of Directors and management seek to manage risks consistently with the Group's risk appetite. The Group's risk appetite varies depending on the type of risk and is the result of its geographical spread, prudent financial management and commitment to long-term value creation. The Group focuses on promoting integrity, sustainability and compliance with laws and regulations. The management and the Audit Committee define and allocate the risk appetite between Strategic risks, Operational risks, Financial risks and Compliance risks across the Group. The Board of Directors will then assess and approve such detailed analysis of the risk appetite.

Risk appetite is the type and amount of risk, on a broad level, that the two main businesses (Banijay Group and Betclic Group) are willing to accept to achieve their strategic objectives in accordance with the oversight of FL Entertainment, as the parent company. Developing the Risk Appetite Statements is an exercise in striking a balance between risk and opportunity. Risk appetite is considered at an operational level and strategic level with quantitative and qualitative components. These components are used during the assessment process to develop the residual risks and support risks escalated to the Audit Committee and the Board.

3.1.1 Risks relating to the business of the Group in general

The Group may not be able to retain key personnel or creative talents or to attract new talent, and it may not be able to maintain stable relationships with its consultants in certain strategic domains. (S)

The Group's business and its success have depended and will continue to depend on its creative talents, its management team and other key employees or partners, such as hosts, producers and local managers in its production companies. The loss of these managers, creative talent and key employees or partners, in particular to competitors, could result in a loss of skills and expertise as well as technical deficiencies, and thus affect the Group's activities and its development. This may, in turn, prevent the Group from successfully implementing its strategy.

Banijay Group's hosts, producers, creative talents, writers, senior management or other key employees possess strong skills that are critical to the creation and production of new formats and programmes as well as the operation of the Banijay Group's business. For example, Banijay Group relies on the knowledge of the sector and the experience of its manager, Mr Marco Bassetti, as he spent more than 30 years in this business. Banijay Group also benefited from the investment and expertise of Mr Stéphane Courbit, its Chairman, since he founded Banijay in 2007. The loss or an extended interruption in the services of one or more of these individuals could have a material adverse effect on its business, results of operations or financial condition, as demonstrated by the departure of Mr Charlie Brooker and Mrs Annabel Jones, the producers and writers of the series *Black Mirror,* from Banijay Group in 2020, which forced Banijay Group to conclude a long-term license with Netflix. The departure of Mr Charlie Brooker and Mrs Annabel Jones implied that this production was not produced by Banijay Group anymore, even though it kept the intellectual property rights. Banijay Group lost the revenue generated by the production of *Black Mirror,* which represented approximately 1% of the revenues of Banijay Group at the time, but in return collected fees from licensing the format to Netflix. Additionally, a limited number of Banijay Group's contracts with broadcasters contain "key man" provisions that would allow the counterparties to terminate agreements early or to take over the production of the programmes in case of the departure of a specific host or talent or key people, and any such departure may depend on factors beyond the Banijay Group's control. However, if the "key man" provision in any of these contracts were to be triggered individually, this would not materially impact the Banijay Group. If multiple "key man" provisions were to be triggered, this could materially affect Banijay Group's business. Banijay Group considers it unlikely that several such provisions will be triggered within a short period of time.

Considerable expertise could be lost or access thereto gained by competitors in the event of the departure of Banijay Group's creative talent and producers. Banijay Group aims to retain its key managers, hosts, producers and creative talent through various incentive plans based on their contribution to the success of the production company, non-compete and exclusivity clauses. However, due to intense competition within the Content production & distribution industry, there is a risk of losing creative talent or qualified employees to competitors or being unable to find a sufficient number of appropriate new talent or employees.

The Betclic Everest Group which operates Online sports betting & gaming business, relies on the knowledge of the sector and the experience of its manager and founder of Betclic, Mr Nicolas Béraud, the management team and certain personnel working in key areas such as information systems, digital marketing or trading. In addition, there is significant competition for employees in the Betclic Everest Group's business, particularly because of the specific expertise sought and the lack of qualified personnel. Several of the Betclic Everest Group's subsidiaries are based in Malta, where a large number of companies in the sector also operate. Consequently, the Betclic Everest Group cannot guarantee it will be able to recruit new employees and retain current employees.

In addition to retaining talent, the Group's future success depends in significant part on its ability to attract new managers and creative talent as well as contractors and skilled and distinguished freelancers. The Group may experience difficulties in attracting new personnel, it may not be able to hire the necessary personnel to implement its business strategy or it may need to pay higher compensation for employees or other partners than it currently expects. A shortage in the availability of qualified personnel and creative talents could limit the Group's ability to grow. It cannot ensure that it will succeed in attracting and retaining the personnel it needs to develop its business, which could have a material adverse effect on its future growth and profitability. The Group's inability to recruit and retain certain key personnel may have a material adverse effect on its business, results of operations or financial condition.

The revenues generated by the Group depend on positive reception by audiences, consumer preferences and trends in popular culture, media and technology, which can be difficult to predict and can be impacted by various factors that the Group does not control. (S)

The Group is active in the media and entertainment industry, with Banijay Group's core business being the development and production of programmes and formats that Banijay Group licenses to broadcasters and to digital platforms, and the Betclic Everest Group's key offering consisting of online sports betting, casino, poker and horseracing betting. As such, the revenue generated by the Group depends on positive reception by audiences of its products, consumer preferences and general trends in popular culture, media and technology which may impact viewer behaviour (for Banijay Group) and player engagement (for the Betclic Everest Group), which are factors that the Group does not control.

Banijay Group generates revenues not only from producing and licensing these programmes, but also from the further development of programmes (such as producing future seasons) and from secondary revenues such as the distribution in other countries or the licensing of related intellectual property rights (please also refer to the following risk factor "Intellectual property infringements may have a material adverse effect on Banijay Group's business"). Revenues from a programme, other than the initial license to a broadcaster or digital platform, depend on a programme's audience and its ratings. A significant portion of Banijay Group's revenue, for example, is dependent on the continued success and relevance of key formats such as the non-scripted formats *MasterChef* (4% of the 2023 total revenue) and *Big Brother* (7% of the 2023 total revenue). Any change in viewer behaviour impacting the continued viability of these formats globally may materially impact Banijay Group's revenue and profitability.

Once Banijay Group has produced a programme for a broadcaster, its success can be impacted by certain factors that it does not control. Decisions from broadcasters to terminate or not renew a programme, for example because it does not reach a sufficient audience, are discretionary. The success of Banijay Group's programmes and formats depends, in part, on unpredictable and volatile factors beyond its control including consumer preferences, changing trends in popular culture and media, geo-political events, the popularity and availability of other programmes, new technologies and the availability of other entertainment experiences. If Banijay Group inaccurately anticipates trends in popular culture and media, its current content may become less attractive to audiences and the ratings of its current programmes may decrease, which could lead to reduced demand for its programmes and formats. Trends in the television, digital content and live events sectors change quickly, so the ultimate appeal and popularity of content and products targeted to viewers can be volatile and Banijay Group may not be able to anticipate and react quickly enough to shifts in tastes and interests within its local markets. Any change in viewer and consumer preferences could cause Banijay Group's programming and its local brands to decline in popularity. Such changes in viewer preferences and habits could decrease Banijay Group's revenues and jeopardise the renewal of its contracts with broadcasters, distributors and other customers. Even if Banijay Group accurately anticipates new trends in the television, digital content and live events sectors, it may incur significant costs in adjusting to these new trends. For example, scripted programmes are increasingly popular but are also significantly more expensive to produce than non-scripted programmes, Banijay Group's core business. Adapting the Banijay Group's business model to such new expensive trends may have a material adverse effect on its business, results of operations or financial condition.

Viewers or visitors may also object to the content and/or live events that Banijay Group produces or distributes based on their religious, political or ideological positions. Although Banijay Group's customers are ultimately responsible for offering their viewers contents that are in line with the position of their target viewers, public objections may result in programmes or live events being cancelled, which could affect Banijay Group's business and results of operations. Viewers, interest groups, political parties and religious groups or other organisations may assert legal claims against Banijay Group's customers broadcasting its programmes or staging live events, seek to ban the airing of Banijay Group's media content, protest against its programmes and products or object in a variety of other ways. Any of the foregoing may require Banijay Group to expend substantial resources and/or to discontinue certain offerings, which could harm Banijay Group's reputation and have a material adverse effect on its business, operational results or financial condition.

For the year ending 31 December 2023, the top 20 shows of Banijay Group together contributed to 18.2% of its production revenue for the year ending 31 December 2023, with none of its shows contributing to more than 2.1% of its revenue for the year ending 31 December 2023 on an individual basis. While Banijay Group tries to reduce its dependency on any particular programmes' success, its business may be negatively impacted if any of its key programmes are no longer successful. Any of these factors could have a material adverse effect on Banijay Group's business, results of operations or financial condition.

The Betclic Everest Group depends on the appeal of its online sports betting and gaming offerings to its customers and players. The Betclic Everest Group's financial performance has been and will continue to be significantly determined by the success of its businesses in adding, retaining, engaging, and monetising active customers. If customers do not perceive the Betclic Everest Group's product offerings as enjoyable, relevant, and trustworthy, the Betclic Everest Group will be unable to attract or retain customers or otherwise maintain or increase the frequency and duration of their engagement. While the Betclic Everest Group's strategy is to increase engagement and retention of customers, in the future, the Betclic Everest Group's businesses could experience a reduction of its active customer base or engagement level among such customers. The customer engagement patterns of the Betclic Everest Group's businesses have changed over time, and customer engagement can be difficult to measure, particularly as businesses introduce new and different product offerings. If the Betclic Everest Group is not able to anticipate and react to changes in consumer preferences, this could have a material adverse effect on the Group's business, results of operations and financial position.

Furthermore, the Betclic Everest Group's future success is dependent, in part, on the success of the gaming industry as a whole in attracting and retaining players while facing competition in the entertainment market. Online sports betting and gaming may lose popularity as new leisure activities arise or as other leisure activities become more popular. Alternatively, changes in social customs and demographics could result in reduced acceptance of online sports betting and gaming as a leisure activity. If for any reason the popularity of online sports betting and gaming declines, it could have a material adverse effect on the Group's business, results of operations, and financial condition..

The Group may fail to successfully implement its business strategy or achieve any or all of the financial and non-financial objectives included in this Universal Registration Document, and if it does, its financial performance and growth could be materially and adversely affected. (S)

The Group's future financial performance and success are dependent in large part upon its ability to implement its business strategy. Its business strategy involves several initiatives, including organic growth across its activities with a focus on maintaining high standards from an environmental, social and governance (ESG) perspective by leveraging several identified levers for the Banijay Group (such as the scale of its Content production, distribution and live experiences business, the monetisation of its IP portfolio and its ability to attract creative talents) and the Betclic Everest Group (such as growing its player base, product innovation, expansion into new markets, responsible gaming and expanding on sustainability and ESG initiatives), inorganic growth through bolt-on acquisitions and transformative transactions and capitalising on the vast entertainment industry experience of its founder and the high development potential markets in which it operates. Please refer to Section 1.2 (Key strengths and strategy) on page 51 of this Universal Registration Document for more information on the Group's business strategy.

The Group has set a number of financial objectives, including with respect to Adjusted EBITDA and revenue which are described in Section 1.2.2 on page 56 and Chapter 5 (Operating and financial review) on page 173 of this Universal Registration Document. Its ability to achieve these financial objectives depends on its ability to successfully execute its strategy and on the accuracy of a number of assumptions upon which they are based. These assumptions involve factors that are substantially or entirely beyond the Group's control and are subject to known and unknown risks, such as arrival of new competitors, M&A integration, and the ability to retain talent. Moreover, the Group could face uncertainties and other factors that may result in the Group's inability to achieve its financial objectives. If one or more of the assumptions that the Group has made in determining its strategy or setting its financial objectives is inaccurate, the Group may be unable to implement its strategy or achieve one or more of its financial objectives.

Implementation of the Group's initial or revised business strategy could also be affected by a number of factors beyond its control, such as increased competition, increased competition for talent and intellectual properties, legal developments, government regulation, geo-political events, general economic conditions, or increased operating costs or expenses. In addition, to the extent the Group has misjudged consumer trends as well as the nature of its competition, it may have difficulty in achieving its strategic objectives. Any failure to successfully implement its business strategy may adversely affect its business, results of operations or financial condition.

The Group faces substantial competition and if it is unable to compete effectively with existing or new competitors, its market share and sales could decline or not grow as rapidly as expected. (S)

The Group operates in the Content production and distribution market and in the Online sports betting & gaming market, which are both highly competitive.

Banijay Group's results of operations in the Content production and distribution business are sensitive to, and may be adversely affected by, competitive pricing, promotional pressures, additional competitor offerings and other factors such as the potential lack of flexibility in Banijay Group's production costs, many of which are beyond Banijay Group's control. Banijay Group's key markets are mature and competition is significant, resulting in continued price pressure. Banijay Group's primary competition comes from competitors such as BBC, ITV Studios and Fremantle, the in-house production units of large broadcasters and a large number of local production companies. In a very fragmented content production market, Banijay competes with a few key worldwide independent production players, such as Fremantle ($2bn revenue[1]) or production studios such as ITV Studios ($2.1bn[1] revenue), BBC Studios ($2bn[1] revenue), and All3Media ($1bn[1] revenue). Broadcasters may choose to produce their own content in-house rather than licensing Banijay Group's programmes or commissioning a producer. For example, Banijay Group's competition in the United Kingdom may increase if Channel 4 becomes authorised to produce its content in-house once the UK Media Bill, introduced in November 2023 is passed into law. Potential competitors may also develop innovative formats or blockbusters and have greater name recognition, industry contacts and more extensive customer bases that could be leveraged to accelerate their competitive activity. Moreover, potential competitors may establish future cooperative relationships among themselves and with third parties, such as investment funds, recent examples including KKR backing Mediawan and Blackstone backing Candle Media. Potential competitors may also merge into or acquire one another, to enhance their programmes in the television and digital

(1) Source: publicly disclosed information from the competitors for FY2022.

marketspace. In recent years, the production market has experienced consolidation among its major competitors, such as Fremantle, Mediawan and Sony, through a series of acquisitions, which allow for growth in international sales and distribution divisions through the growth of content libraries over which they have acquired ownership and control. Consequently, competitors or alliances may emerge and rapidly acquire significant market share. In addition, if public funds available for public broadcasters were to decrease in one or more markets where Banijay is active, this could put additional pressure on their budget to produce internally, which could increase competition for the business of these public broadcasters and result in Banijay experiencing a decrease or loss of such public broadcasters as a customer. The Banijay Group cannot ensure that it will be able to compete effectively with any competitor for market share or for acquisition opportunities or that the competitive pressures faced by it will not adversely affect its business. Such intense competition could limit the Banijay Group's opportunities to gain new customers and could have a material adverse effect on the Group's business, results of operations or financial condition.

The Betclic Everest Group is active in the Online sports betting & gaming market, which is highly competitive, both globally and in certain geographical areas or countries. The Betclic Everest Group faces competition from major global operators such as Bet365 (which reported revenue of £3,389 million for the year ended March 2023), Unibet (brand of the Kindred Group which reported revenue of £1,210.5 million for the year ended 31 December 2023), Flutter (which reported a net revenue of €9,514 million for the year ended 31 December 2023) and 888 (which reported revenue of £1,711 million for the year ended 31 December 2023). For the year ended 31 December 2023, the Betclic Everest Group reported €996 million in revenue. These operators are active in several geographical areas and have resources that are greater than the Betclic Everest Group's resources. In addition, these operators have experience in the market and have the technology and resources to rapidly launch competitive products. These operators, who are already present in some of the countries in which the Betclic Everest Group operates, could, in the future, extend their operations to other countries in which the Betclic Everest Group operates. The Betclic Everest Group also competes with local operators, such as Winamax in France, Betano in Portugal or Fortuna and STS in Poland. These operators can benefit from a better exposure to the local market and therefore present a more attractive offer to players. Finally, new operators may enter the market and compete with the Betclic Everest Group. In addition, in all geographic markets, the Betclic Everest Group competes with a large number of companies that operate without prior authorisation or license. It is difficult for regulators to block these operators or their activities or to sanction them. The Betclic Everest Group may not be able to anticipate the strategies of its competitors or have the necessary resources to deal with the development of its competitors. In addition, the Betclic Everest Group may not be able to maintain a significant presence in its strategic markets or may lose market share to its existing competitors or to new entrants. Due to consolidation, the online sports betting & gaming sector is becoming increasingly concentrated and if the Betclic Everest Group is unable to compete with, or participate in this consolidation, it may impact its ability to attract new players and it may lose market share. In addition, certain geographic markets have high barriers to entry, in particular due to applicable regulations or taxation. Finally, in certain markets, the Betclic Everest Group faces competition from certain national monopolies, in particular in France from Française de Jeux (FDJ) and Pari Mutuel Urbain (PMU), in Portugal from Placard and in Poland from the national monopoly on online casino. It is possible that national regulatory authorities could take measures to encourage national monopolies. This competition could limit the Betclic Everest Group's market share and its growth prospects and could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group is subject to risks associated with acquisitions, joint ventures and the presence of minority shareholders. (S)

The Group has made or entered into, and will continue to pursue, various acquisitions, business combinations and joint ventures intended to complement or expand its business, including both larger, transformative acquisitions and smaller, bolt-on transactions. Given that discussions or activities relating to potential acquisitions range from private negotiations to participation in open bid processes, the timing of any such acquisition is uncertain. Although the Group actively and regularly engages in discussions and activities with respect to possible acquisitions and investments, it has no present agreements or understandings to enter into any material transaction.

In addition, the Group may encounter difficulties integrating acquired assets into its existing operations, may not be able to achieve the anticipated synergies and may not realise the expected benefits at the time it enters into agreements for these types of transactions.

For example, the Banijay Group acquires production companies to, among other things, expand into new markets or genres in a particular market, access talents and acquire intellectual property rights of formats and programmes developed by such companies and to benefit from the expertise of creative talents or producers at such companies (please also refer to the following risk factor "Intellectual property infringements may have a material adverse effect on the Banijay Group's business"). If broadcasters are no longer interested in the programmes or formats resulting from these acquisitions, or if certain talents may be less in demand or decide to leave, the Banijay Group may not be able to realise the expected revenues and it may fail to recoup its investments. As part of it's business strategy, the Banijay Group complemented and expanded it's existing business by acquiring a 51% controlling interest in a live entertainment business, Balich Wonder Studio, in September 2023. Balich Wonder Studio is a live experiences creator and service provider operating in Europe and the Middle East, most known for producing large scale ceremonies, including the opening ceremonies for the 2022 Qatar FIFA World Cup, 2016 Rio Olympic Games, and 2023 Pan-American Games as well as brand and destination experiences, and immersive shows. The live experiences business is an entirely new business line for the Banijay Group and although the Group has a highly experienced management team, they may not possess all the industry knowledge and skills required to achieve the expected synergies and business performance, which could have a material adverse effect on the Group's business, results of operation and financial condition.

In addition, the Group does not wholly own some of the entities that operate its businesses, for instance The Natural Studios, Mam Tor or ES Boomdog Mexico. In a logic of acquisition and build-up in the industry, Banijay may make some strategic investments in some JVs or with a presence of minority shareholders but as much as possible, Banijay tries to keep the control of the acquired company (please refer to Section 1.1.1.4 for the transactions in 2023). The Group might have interests and views on certain issues that differ from those of the other shareholders in these entities, such as business strategy and financial policy, including regarding payment of dividends. In some cases, the Group's indirect interest is less than a majority. In some cases, the Group is party to agreements with the other shareholders prescribing governance rights and other matters which may limit its ability to control such entities. Further, the Group may be negatively impacted by actions or decisions of the local managers of these entities that may not be in line with the values and principles of the Group. The Group may not be able to implement certain of its strategies if it fails to obtain consent from other shareholders as may be necessary.

For example, although the Banijay Group is the largest shareholder (directly or indirectly) in most of its operating subsidiaries, minority shareholders usually get certain standard protections aiming at ensuring the protection of their investment. Any protective provisions in favour of the Group's partners or dependency on its partners could have a material adverse effect on the Group's business, results of operation and financial condition.

Similarly, as at 31 December 2023, the Betclic Everest Group holds only 53.9% of the shares in Bet-at-home, which is a German company also operating in the field of online sports betting and gaming. Bet-at-home is listed on the Frankfurt Stock Exchange and operates independently. There is no control agreement or other similar agreement in place between Betclic and Bet-at-home or any of Bet-at-home's other shareholders. However, due to the controlling stake, the Betclic Everest Group consolidates Bet-at-home into its financial statements. The Betclic Everest Group may have interests and views on certain issues that differ from those of the other shareholders in Bet-at-home, which could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's acquisition strategy also exposes it to other risks, including that it may fail to identify suitable acquisition or joint venture opportunities, it may face competition (which competition is expected to increase as the markets in which it operates undergo continuing consolidation) for certain acquisitions or joint venture opportunities that it may consider beneficial, it may incur costs associated with developing appropriate risk management and internal control structures for acquisitions in a new market, or understanding and complying with a new regulatory scheme, it may face legal constraints and liabilities that were unforeseeable or not adequately assessed during the due diligence phase of the acquisition, and it may have a reduced ability to predict its performance or expenditures in the event it has less experience in the market of the acquired business than in the markets in which it previously operated.

Any of the foregoing could have a material adverse effect on the Group's business, results of operations or financial condition.

Increased employment costs may have a material adverse effect on the Group's business, results of operations or financial condition. (F)

The Group's labour costs (including payments to freelancers or writers in case of the Banijay Group or contractors for Betclic) represent a significant part of the Group's expenses and may rise faster than expected in the future as a result of a larger workforce, salary increases and headcount increases. Over the year ended 31 December 2023 the Group's staff costs represented 33.0% of its revenue. In 2022, the Group's staff costs represented 35.5% of its revenue. Further, an increase in spending in the sector has resulted in inflation of costs relating to talent acquisition and retention. The intense competition for talent in the Group's industries together with the recent rise in inflation levels in the countries in which the Group operates may also lead to an increase in the Group's labour costs. The Group may be unable to offset the increase in labour costs through its revenues.

The Banijay Group incurs costs for its creative talents, including format creators, hosts, writers, show-runners and producers, who create its original programming. Some of the Banijay Group's original programming and its creative talents have achieved significant popularity and critical acclaim, which has increased and could continue to increase the costs of such programming in the future. In addition, from time to time, the Banijay Group has disputes with writers, actors and other creative talents over the amount of royalty and other payments to be made. Freelancers may seek to have their relationship with the Banijay Group reclassified as an employment relationship, which could lead to an increase of costs related to, among others, minimum wage, holiday pay or pensions costs and could have a financial impact on the Banijay Group. The Banijay Group believes that disputes of this type are endemic to its business and similar disputes may arise from time to time in the future.

Staff costs form a significant part of the Betclic Everest Group's total expenses, as it operates in a sector where specific expertise and experience of employees is relatively scarce, compared to other sectors. A large part of the Betclic Everest Group's workforce are IT related (mainly developers), digital marketing resources and sports betting traders, which are all very competitive markets for employees. In the past years, it has become more difficult for the Betclic Everest Group to attract new qualified personnel and to retain them, as the markets for skilled employees are getting increasingly more competitive, especially in Malta and France. As a result, the employee benefit packages in the Betclic Everest Group's sector have been and are still growing, which result in an increase in staff costs for the Betclic Everest Group. In order to cope with the lack of qualified personnel, the Betclic Everest Group may use external independent service providers to perform certain tasks, particularly in the area of IT or trading. The cost of these external service providers may be higher than the cost of an employee, which increases the Betclic Everest Group's costs. In addition, the Betclic Everest Group's inability to maintain long-term relationships with these service providers could affect its ability to conduct and develop its activities and, thus, achieve its strategy. Finally, service providers could seek to have their relationship with the Betclic Everest Group reclassified as an employment relationship, which could lead to an increase of costs related to, among others, minimum wage, holiday pay or pensions costs and could have a financial impact on the Betclic Everest Group. If any of these risks were to materialise, this could have a material adverse effect on the Betclic Everest Group's business, results of operations and financial condition.

If labour costs increase further, the Group's operating costs will also increase, which could, if the Group is unable to recover these cost increases from its customers and players through increased prices or offset such cost increases through labour productivity gains or other measures, have a material adverse effect on its business, results of operations or financial condition.

Negative events may affect the Group's reputation, which could have an adverse effect on the Group's reputation and business, results of operations and financial condition. (O)

The Group's business and operations have depended in the past, and will continue to depend in the future, on the reputation of the businesses operated by the Banijay Group and the Betclic Everest Group, and on the reputation of the Group as a whole.

The Banijay Group is committed to safeguarding the personal welfare, safety and general well-being of all people involved in the development, production and broadcasting of its programmes and staging of live events. However, the well-being of participants may, for example, come under pressure in programmes that are potentially life-changing, or where a participant's character, personality and/or personal life may be exposed or subject to public scrutiny. In recent years, the Banijay Group's production companies have been subject to scrutiny as to the well-being of the participants in the Banijay Group's non-scripted programmes, and its reality programmes in particular, and the effect of its programmes on the public. More specifically, some of its customers have come to sets of its non-scripted programmes or have sent auditors to inspect the processes in place to ensure the well-being of the participants is ensured. The Banijay Group has established participant welfare guidelines, offers participant welfare training sessions and aims to assist participants in its non-scripted programmes with mental health and psychological support through the production process and after the production is complete, but if it is unable to address these issues appropriately, this could result in litigation claims, reputational damage and otherwise have a material adverse effect on its business, results of operations or financial condition. The Live Events business creates large scale immersive experiences for its customers which requires the use of highly skilled technicians in the construction of the events. The live events business uses third party suppliers to provide the people to construct the events, Banijay is committed to using only suppliers that operate with the Health & Safety standards and in compliance with all local employment laws, expected for Banijay employees.

The Betclic Everest Group's reputation is critical to the presentation of its products and services offering and to its strategy of attracting new customers and retaining existing ones. The gaming industry receives a lot of media exposure and suffers from reputation issues due to cultural and moral historical considerations due and the risk the addiction it can create among a small portion of players, the risks associated with gaming by minors and the risks in terms of fraud, corruption and money laundering that prevailed before regulation. The Betclic Everest Group has procedures in place and follows the highest standards. It is subject to various regulations which aim at controlling these risks. However, by operating in this sector of activity, the Betclic Everest Group is exposed to mistrust and criticism resulting from this reputation. Any accusations against the Betclic Everest Group, its employees or its contractors, whether publicly or in the context of administrative, legal or arbitration proceedings, whether founded or not, could affect the Betclic Everest Group's reputation, lead to increased scrutiny of its activities by the relevant authorities and could dissuade its potential and existing clients from using the products and services it offers, which could have a material adverse effect on the Betclic Everest Group's business, results of operations and financial condition.

The Betclic Everest Group's core activity is based on sporting competitions through sports betting. These sporting events often involve certain sports ethics that must be observed during sports betting, for example that professional athletes or their entourage are prohibited from engaging in betting activities in their own discipline. If such sports ethics terms are breached in the sports betting offerings of the Betclic Everest Group, the image and reputation of the Betclic Everest Group could be affected. The Betclic Everest Group has also invested in some sport sponsorships in the different countries where it operates. If the Betclic Everest Group's partners do not observe the terms of sports ethics, for example when matches are fixed, athletes or teams are found to have used doping or leaders of sporting federations are suspected of corruption, the image and reputation of the Betclic Everest Group could also be affected. One or more events in which the ethics of the sports sector are negatively implicated could undermine the image and reputation of the Betclic Everest Group and cause a drop in its revenue, which could lead to a decline in its results and prospects.

The Group may also be subject to negative publicity concerning its key managers, talent or other individuals that the Group is associated with, even if the events giving rise to such negative publicity are not related to the Group's business activities. Negative events or negative media coverage on the Group or on the markets the Banijay Group and the Betclic Everest Group operate in, could affect the Group's reputation and thus have a material adverse effect on its business, results of operations, and financial condition.

Litigation and liability issues may have a material adverse effect on the Group's business, results of operations and financial condition. (O)

Substantial, complex or extended litigation could cause the Group to incur large expenditures. For example, lawsuits by broadcasters, licensors or other customers, consumers, players, employees, competitors, partners/shareholders or the social or tax authorities could be very costly and disrupt business. The provisions recorded by the Group in its financial statements in this respect could prove to be insufficient, which could have a material adverse effect on the Group's business, results, financial condition, liquidity and prospects, regardless of whether or not the underlying claim is well-founded. In addition, the Group may incur significant litigation costs with respect to international disputes, particularly if disputes occur in jurisdictions in which the Group does not operate or if disputes result in arbitration. While disputes from time to time are not uncommon, the Group may not be able to resolve such disputes on terms favourable to it. As a result, the Group may face substantial expenses and monetary damages, damage to its reputation and brands, and decreased demand for its content, all of which could also have a material adverse effect on the Group's business. In the event of an unfavourable decision, these proceedings could have a material adverse effect on the Group's activities, financial position, results and prospects.

For example, legal proceedings in connection with accidents, incidents or misbehaviour during the production process of the Banijay Group's programmes and formats may disrupt its business. Certain of the Banijay Group's programmes are adventure-based shows, reality shows and physical game shows and may be produced outdoors and in remote locations. While the Banijay Group takes its duty of care owed to participants seriously and always aims to implement all the necessary security measures, the Banijay Group may not be able to prevent accidents, injuries, casualties, unexpected incidents or misbehaviour that may be costly and may significantly impact its business in terms of image and reputation but may also affect the success of the Banijay Group's key formats and may result in the loss of production of its programmes.

In addition, as a producer and distributor of original and third-party media content, the Banijay Group faces potential liability based on a variety of causes of action, including defamation, libel, invasion of privacy, negligence, copyright or trademark infringement and other claims based on the nature, content, creation or distribution of such content. These types of claims could be brought against the Banijay Group and other producers and/or distributors of media content. The Banijay Group's insurance may not be adequate to cover any such liability that results from any of the foregoing claims. Irrespective of the validity or the successful assertion of such claims, investigating and defending these types of claims is expensive and could subject the Banijay Group to significant monetary costs or cause a change in business practices or reputation that could negatively impact its ability to compete and grow its business.

The Betclic Everest Group is also involved in a number of administrative, legal or arbitration proceedings related to its Online sports betting & gaming business. For example, in December 2021 the Betclic Everest Group received a proposal for rectification from the French Tax authorities regarding the payment of value added tax (VAT) on sports betting for the years 2018 and 2019 and in May 2022 a proposal for rectification from the French Tax authorities regarding the payment of VAT on sports betting for the year 2020, which the Betclic Everest Group is currently contesting. Please refer to 3.1.4 (Risks relating to taxation —*The Betclic Everest Group has been subject to a VAT reassessment with respect to its activities of sports betting in France*) on page 133 for more information on this dispute between the Betclic Everest Group and the French Tax authorities.

For a more elaborate description of certain key ongoing material litigation, please refer to Section 3.4 (Legal proceedings) on page 146 of this Universal Registration Document. The ultimate outcome of such proceedings or claims could have a material adverse effect on the Group's business, results of operations or financial condition in the period in which the impact of such matters is determined or paid.

It cannot be excluded that in the future new proceedings, whether related to those currently in progress or not, may be initiated against the Group. Such proceedings could represent a significant cost and require the involvement of management. In addition, in the event of an unfavourable decision, these proceedings could have a material adverse effect on the Group's business, financial condition, results and prospects.

Changes in global or regional economic and geo-political conditions could adversely affect the Group's business, results of operations or financial condition. (O)

Changes in the economic, financial and political environment of the Content production and distribution business and Online sports betting & gaming industry as well as in the different geographies or segments in which the Group operates may have an impact on its business.

The war in Ukraine has resulted in a humanitarian disaster and a significant economic disturbance in Europe. In response to the war, a large number of countries have imposed sanctions on Russia, Russian businesses and Russian individuals. As at 31 December 2023, there remains a single dormant Banijay legal entity in Russia which is in the process of being dissolved but this is not expected to be completed until January 2025. On 14 June 2023, the 51% Banijay ownership of the Weit Media joint venture, was sold to the 49% owned joint venture partner after which, there are no Banijay production operations in Russia. For the year ended 31 December 2023, the Banijay Group generated 0% of its revenues in Russia.

The current conflict between Israel and Gaza has also resulted in a significant humanitarian disaster. The Banijay Group has two direct affiliates in Israel. To date, there has been negligible business impact on these businesses. For the year ended 31 December 2023, the Banijay Group generated 1% of its revenues in Israel.

Furthermore, it is not possible to predict the broader implications of the conflicts in Ukraine and Israel, but it could lead to the imposition of further sanctions and embargos, more regional instability, geopolitical shifts, more increases in prices, lead to significantly higher inflation, cause significant fluctuations in currency exchange rates and lead to dislocations in global financial markets, which could prevent the Group from operating in other countries in addition to Russia, and also adversely impact the ability of the Group to seek external financings or refinance its existing indebtedness at acceptable terms, or at all, and therefore could negatively affect its business, financial condition and results of operations.

More in general, the political environment in the countries in which the Group operates may have an impact on the formats and programmes it can produce and distribute and its online sports betting and gaming services in certain countries. The presence of corruption or the absence of good diplomatic relations between the countries in which the Group operates may restrict the Group's operations or investments in certain countries, as for example, the Group may not be able to obtain licenses or permits it requires to operate in such country. Certain countries may restrict the ability of foreign companies to conduct business, impose restrictions on expatriating cash or other assets, or (for the Banijay Group) may impose content-related limitations or restrictions (such as government censorship). In addition, for the Banijay Group, in certain countries in which the Banijay Group operates, including France and Italy, production quotas apply which oblige broadcasters or streamers to secure a minimum number of European projects and they must fulfil such obligation in majority from independent producers. Please refer to Section 1.4.1 (Banijay's regulatory environment) on page 61 of this Universal Registration Document. These quotas typically have a favourable impact on the operations of the Banijay Group and if these quotas are reduced, this may negatively impact the Banijay Group's business.

The Group may also be adversely impacted by domestic and/or international economic downturns in the global markets in which it operates. Depressed economic conditions can impair the ability of the Group's business partners to satisfy their financial obligations. There can be no assurance that the Group will be capable of executing or furthering, to any meaningful degree, its business plans during economic downturns and it may not be able to recoup investments it has made. Any such failure could have a material adverse effect on the Group's business, results of operations or financial condition.

Multiple countries, including the countries in which the Group operates, have experienced significant inflation and costs increases. These inflation levels may reduce the demand for the television and digital content products the Group offers and the Group's online sports betting and gaming services. For the Banijay Group in particular, an increase in price levels could reduce the amount consumers are willing to spend on premium television show offerings and digital content and increase its costs of production. For the Betclic Everest Group, player's disposable income may decline, and marketing costs have increased significantly and may continue to increase as a result of inflationary pressures. The Group's costs have been, and may continue to be, adversely affected by the rise in inflation levels, and the Group may be unable to pass these increased costs on to customers or to players by increasing its pricing levels.

In addition, for the Banijay Group, changes in global or regional economic and political conditions may also have a negative impact on the public financing of state-owned broadcasters, such as France Télévisions in France and BBC in the United Kingdom, which could reduce demand for the Banijay Group's programmes and cause such broadcasters to decide to not renew certain programmes, result in postponements or the cancellation of projects and production orders, or lead to unfavourable renegotiations of production budgets, all of which could result in a reduction in the Banijay Group's revenues.

For the Betclic Everest Group, the impact of economic developments, and the effect on players' habits, may be difficult to anticipate, as economic and financial crises may lead players to reduce their activity due to a decrease in their financial capacity, or to increase such activity due to the expectation of winning. In addition, economic difficulties may lead governments to adopt stricter regulations on the gaming industry in order to protect at-risk populations.

The Group cannot guarantee that the markets in which it operates will continue to grow in the future, either globally or in the various countries in which it operates. Further inflation, a decline in demand in any of the Group's markets or a decline in economic conditions in general could have a material adverse effect on its business, results of operations or financial condition.

Any natural disasters, adverse weather conditions, pandemics and other catastrophic natural or manmade calamities and the global efforts to contain any such events may harm the Group's business, results of operations and ability to operate in any respect. (O)

The Group's production business is vulnerable to damage or disruption from severe weather events, such as rain, snow, wind, storms, hurricanes or other natural disasters, such as flooding, earthquakes, volcanic eruptions, nuclear disasters or a combination thereof, as well as other events, such as fire or war, which may negatively impact the Group's business. If any such events were to directly damage, destroy or disrupt the operation of its production activities, it could delay production, completion and distribution of formats and programs in a timely fashion or at all, or result in significant remedial costs, any of which could negatively impact the Group's business. The impact of any of the foregoing could have a materially adverse effect on the Group's business, financial condition, results of operations and prospects.

The COVID-19 pandemic has impacted worldwide economic activity since early 2020. Government authorities and businesses throughout the world have implemented numerous measures intended to contain and limit the spread of COVID-19, including travel bans and restrictions, quarantines, self-isolation, lock-down orders and business restrictions. The COVID-19 pandemic and responses thereto have led to a material deterioration in both the global economy and the national economies of the countries where the Group operates.

As a result of the COVID-19 pandemic and government restrictions several of the Banijay Group's productions were delayed because it was not able to film any of its programmes from March 2020 to May 2020 in many countries in which the Banijay Group operates. Filming of a limited number of programmes was also postponed in the following months, mainly due to travel restrictions and constraints in casting of actors, candidates or hosts for its productions. Once it was able to resume the filming of these productions, the government restrictions led to an increase in the Banijay Group's production costs (for example by having to increase sanitary precautions). Although these costs were mainly covered by the Banijay Group's customers, they were not included in the basis of calculation of its production fees and reduced its margin rates. For such events, we cannot predict the impact that any future developments (including any resurgence) relating to it may have on the Group's business.

Government restrictions led to the suspension or cancellation of substantially all racing and sporting events during some periods of time, which has negatively affected sales in the Betclic Everest Group's sports betting operations in six months ended 30 June 2020. A significant majority of the Betclic Everest Group's betting business relates to sports betting, and in the three months following the cancellation of sporting events, the Betclic Everest Group noticed a decrease of around 70% in number of placed bets. In the six months ended 31 December 2020, the Betclic Everest Group actually noticed an increase in players, as a result of the various measures that were implemented to try to contain the virus, including travel bans and restrictions, lockdowns, quarantines and shutdowns of businesses. It is not likely that the number of the Betclic Everest Group's players will increase at the same rate, or at all, given that these factors are subsiding. Furthermore, while many events, leagues, and sporting events have now resumed, further suspensions and cancellations could take place in the future, for example if a new pandemic would develop, which could have a significant impact on the betting and gaming revenues.

Any of the above factors could result in a material adverse effect on the Group's business, results of operations, and financial condition.

A substantial amount of the Group's assets represents goodwill and other intangible assets, in case of impairment, it could reduce the Group's income and equity. In case of a change in the ability of the Group to recover its deferred taxes, an impairment of those deferred taxes could also reduce the Group's income and equity. (F)

The Group generates goodwill in acquisitions where the cost of an acquisition exceeds the fair value of the net tangible and identifiable intangible assets it acquires. Goodwill is subject to an impairment analysis at least annually based on a comparison of the recoverable value of the cash generating unit to which the goodwill relates and the value of the goodwill carried on the Group's statement of financial position for that cash generating unit. Currently, the goodwill is allocated to two cash generating units, namely "Content production and distribution" and "Online sports betting & gaming". For the last three years, the value-in-use resulting from the impairment tests was significantly higher than the amount included in the Group's statement of financial position: each cash generating unit taken individually showed a headroom of more than 50% of the carrying value. In addition, as part of the Group's business activities, it develops, acquires and holds certain intangible assets related to, among other things, broadcast rights, distribution advances that it has to pay to obtain distribution rights on third-party scripted shows, trademarks and other content-related assets, which are also subject to impairment. For example, if the Banijay Group is not able to recover any advances made in connection with its distribution business, these distribution advances will be subject to impairment. As at 31 December 2023, goodwill represented €2.8 billion, or 49% of the Group's total assets. The Group could be required to recognise expenses in its consolidated income statement caused by the impairment of goodwill or other intangible assets, which if significantly impaired, could materially and adversely affect its results of operations. Any future impairment of goodwill or other intangible assets, or the depreciation of receivables, may result in material reductions of the Group's income and equity under International Financial Reporting Standards as adopted by the European Union (IFRS). Due to the amount of intangible assets and goodwill on the Group's balance sheet, any significant impairment could have a material adverse effect on its business, financial condition or results of operations in the year in which such charges are recorded.

In addition, as at 31 December 2023, net deferred tax assets in the Group's statement of financial position amounted to €58.4 million. These deferred tax assets are recognised in the statement of financial position in an amount that the Group believes it will be able to recover within a reasonable period and, in any event, prior to the possible expiration of the losses for the portion of the deferred tax assets related to tax loss carry forwards. Nevertheless, the Group may be unable to realise the expected amount of deferred taxes if its future taxable income and related taxes are lower than expected. The Group also bases its estimates of the use of deferred taxes on its understanding of the application of tax regulations, which could be challenged, however, either by changes in tax and accounting regulations or different interpretation of these regulations by courts or further by tax audits or tax litigation that could affect the amount of its deferred taxes. The Group may not be able to realise its deferred tax assets in future years which could have a material adverse effect on its business, results of operations and financial condition.

In addition, we do not deem climate-related risks to have a material impact on the financial reporting judgements, estimates or assumptions as at the date of publication of this Universal Registration Document.

The Group's success is dependent, in part, upon the integrity of its management and employees, and its risk management and internal controls may not prevent or detect violations of law. (C)

The Group's business operations involve risks associated with theft, fraud, bribery and corruption, or allegations thereof, including with respect to its own employees as well as its customers and suppliers. Please refer to Section 3.4 (Legal proceedings) on page 146 for a description of a fraud case that involved the former CEO and former CFO of one of the Group's subsidiaries. Banijay's customers are occasionally government funded broadcasters, government departments or agencies and government owned commercial entities and Banijay employees may, in these cases, have interactions with government officials, for example, in order to apply for permits and licences. Although, to the best of its knowledge, the Company is not currently faced with any other theft, fraud, bribery or corruption incident, the Group could be faced with such incidents in the future. The Group has compliance processes and controls in place, but these may not be sufficient to prevent or detect inadequate practices, theft, fraud and violations of law by its management, employees or agents, or its customers, as applicable. Compliance and controls systems in certain countries in which the Group operates may be incomplete, unreliable, or inaccurately transmit data due either to technical shortcomings which may or may not be in the Group's control, or malicious efforts of internal staff and third parties. Such malicious efforts may include false invoices to shell entities that do not provide any services to the Group or inappropriate use of petty cash in the context of productions. Therefore, the Group may be unable to detect or prevent every instance of theft, fraud, bribery and corruption involving its employees, management, Directors, agents or other third parties in the future. Banijay is subject to a variety of other applicable local, national and multinational regulations and laws, to the extent the Group is not successful in remaining compliant with such laws, the Group may be subject to civil and criminal penalties and to reputational damage as a result of such occurrences. Allegations, proceedings and convictions of certain crimes including, among others, theft, fraud, bribery and corruption may make it more difficult for the Group to obtain or acquire new customers, to obtain necessary approvals and licenses for the operation of its business or render the Group ineligible to participate in public tenders. The involvement or association of the Group's employees, management, Directors or agents with theft, fraud, bribery or corruption and other crimes committed in relation to its activities, or allegations or rumours relating thereto, could have a material adverse effect on its reputation, business, results of operations and financial condition.

The Group's revenues and results of operations are subject to volatility and periodical and seasonal fluctuations. (F)

The revenues generated by the Content production and distribution business and the Online sports betting & gaming business of the Group are subject to periodical and seasonal fluctuations.

The revenues and results of operations from the Content production and distribution businesses of the Banijay Group may fluctuate from period to period. As a result of the broadcasting schedules of television networks and the fact that broadcasters typically premiere shows in the second half of the calendar year, the Banijay Group generally reports higher sales in the fourth quarter of the calendar year. Furthermore, revenues from the sale of a programme to a broadcaster are generally recognised at the time of the programmes' delivery, which creates a mismatch between the moment the Banijay Group actually receives revenues in connection with such sale and the moment that the Group recognises such revenue in its financial statements. Any delays in the production of a programme can delay the Banijay Group's distribution revenues since the Banijay Group is unable to distribute a programme until it has been finalised. For example, government restrictions imposed in connection with the COVID-19 pandemic have impacted, and may in the future impact, the Banijay Group's production organisation, timing and costs and cause delays in the delivery of its programmes. The live experiences business revenues are skewed towards Q4, primarily due to live experiences being predominantly staged between October and March. A delay in the delivery of events can result in some expected revenues only being recognised in the following calendar year which can have a material impact on the current year expected business revenues and results.

A significant part of the revenue of the Online sports betting & gaming business of the Betclic Everest Group is generated by the sports betting activities, which represented 77% of the Betclic Everest Group's revenue in the year ended 31 December 2023. As a result, the Betclic Everest Group is dependent on the demand for and development of these activities. Sports betting is subject to significant seasonality related to the occurrence of major sporting events and the identity of the participants in these events. Years in which major sporting events take place see more activity. Even-numbered years see more activity with the organisation of the FIFA World Cup or the European Football Championship, with the exception of the European Football Championship 2020, which took place in 2021. In addition, because the Betclic Everest Group's business is dependent on the sports calendar, revenues are lower during the period from May to August, when there are fewer sporting events. In casino games and in online poker, business volumes are generally stable over a calendar year, with a slight upturn in activity in winter, and are impacted by the activity of the largest players. As a result of these seasonal fluctuations, the Betclic Everest Group typically generates a substantial part of its revenue in the fourth quarter of the calendar year. As a consequence, events or circumstances that adversely affect the Betclic Everest Group's business during the winter period or during the period from September to April are likely to have a disproportionally adverse effect on the Betclic Everest Group's results of operations for the full year.

In addition, the sports betting margin (i.e., the difference between bets and winnings) is highly volatile, as it is affected by sports results: if all the favourites win, the Betclic Everest Group loses bets to the players and its margin falls. Conversely, in the event of unexpected results, the Betclic Everest Group will win more bets from players and its margin will increase. This effect is aggravated by the taxation applicable to online sports betting and gaming, particularly in Poland and Portugal: betting taxes are applied to wagers. As a result, in the event of high stakes but unfavourable results for the Betclic Everest Group, the margin rate will be low and the Betclic Everest Group's profitability will be affected accordingly, which could have a material adverse effect on its business, results of operations and business.

Please refer to Chapter 5 (Operating and financial review) on page 173 of this Universal Registration Document for more information on the fluctuations that the Group experiences in its revenue. Due to these seasonal and periodical fluctuations and volatility, annualising the results of any single quarter may not be a reliable proxy for the Group's full year results and any quarterly fluctuations that the Group reports in the future may not match the expectations of market analysts and investors. In addition, events or circumstances that adversely affect the Group's business during the period from September to April, and specifically also the fourth quarter of the calendar year, are likely to have a disproportionally negative impact on the Group's financial performance, cash flows and results of operations for the full year due to these seasonal and periodical fluctuations and volatility.

3.1.2 Risks relating to the Group's Content production and distribution business

Customers may request to obtain intellectual property rights to the formats the Banijay Group creates and programmes the Banijay Group produces, which may have a negative impact on the Banijay Group's revenues. (S)

Broadcasters have increasingly requested intellectual property rights to the formats and programmes for which they fully fund the production. This trend is particularly strong in the United States and the Banijay Group has observed a similar trend in other territories like Germany and Australia, where broadcasters tend to impose a "producer for hire" approach (i.e., the producer is an independent contractor managing the production process, without any intellectual property rights to the programme) and where it has become increasingly difficult for producers to retain any intellectual property rights or a share of revenues from future licensing or sale, even when the producer has originally developed the format or the programme.

The trend towards a "producer for hire" model is also the general approach of Facebook Watch, Apple TV, Amazon Prime Video, Netflix and Google's Android TV, both in the United States and in Europe, which generally try to impose such a model and require the transfer of ownership over all rights to the formats and programmes that they finance, at least for original productions (i.e. programmes based on new formats or ideas developed for such clients). By taking worldwide rights, including distribution, these streaming video on demand (SVOD) platforms generally prevent the circulation of the formats and of the programmes, therefore adversely impacting the ability of the Banijay Group to sell them across the globe and to produce programmes in other territories based on these formats. In addition, the Banijay Group is not always able to secure the right to produce further seasons of a successful show in a territory or to produce spin-offs or local versions if these clients decide to launch versions in other territories. Furthermore, especially for scripted programmes, global SVOD platforms (as well as SVOD platforms that cover several territories), might not be willing to commission local versions of a successful show since their model is to make the original version available to all their viewers across their territories and platform, thereby limiting the ability of the Banijay Group to produce other local versions based on the format and to derive revenues thereof.

In the United States, producers may be required to finance at least part of the programme, even for non-scripted business, to ensure that they are able to retain intellectual property rights to the format, which is contrary to the market standard of fully funded non-scripted business. In Europe, broadcasters have also started to ask for a share of ownership of the formats or programmes when they fully fund the production, whereas in certain countries, such as the Nordic countries (Denmark, Finland, Norway and Sweden) and Italy, according to market practice, broadcasters generally co-own the content. For example, in markets such as Germany, where broadcasters traditionally fully fund the production of programmes, the Banijay Group may not be able to retain intellectual property rights over the formats such broadcasters have produced, as such rights would be required by the broadcasters as a condition to funding.

In addition, broadcasters may ask for longer license periods in many territories or they may require unlimited runs to air the programmes. Broadcasters have become reluctant to share revenues generated by intellectual property rights that they used to share in the past. For example, unlimited video on demand rights are now considered to be "primary rights" in many markets and are granted to broadcasters for the entire license period without sharing any additional revenues with the producer. Broadcasters may also require extensive holdbacks to ensure that certain formats will not be used in the market in which they operate for a certain period of time, even after they stop to commission new programmes, and may require that none of their local competitors be allowed to capitalise on these formats. When the Banijay Group is not able to retain sufficient ownership of the intellectual property rights of the formats it creates and programmes it produces, it may lose control over its formats and programmes and a portion of the distribution and secondary revenues. Negotiations with customers are done on a contract-by-contract basis, and the effects of this trend on the Banijay Group's business depend on its ability to otherwise protect its intellectual property rights for each specific contract. While the Banijay Group strives to retain maximum intellectual property rights when negotiating with broadcasters, it may not be able to do so and, if this trend further develops, it could have a material adverse effect on its business, results of operations or financial condition.

Some of the formats produced by the Banijay Group are owned by third parties and the Banijay Group's access to these formats depends on the terms of the licenses for these formats. (O)

For certain formats that are produced by the Banijay Group, the Banijay Group is dependent on the licenses that it obtains for these formats and it distributes such formats and/or produces programmes based on them. The formats are owned by third parties and the ability of the Banijay Group to access these formats depends on the terms of the license.

There are two main situations concerning third party formats exploited within Banijay Group: the formats which for distribution rights are secured and exploited at a global level by Banijay's distribution arm, Banijay Rights, and the formats for which licensed rights are directly secured and exploited at a territorial level.

Key third party licenses controlled by the Group include formats such as MasterChef and Lego Masters. If the distribution rights were terminated and the Banijay Group were to lose access to these key licenses, this could affect its ability to distribute the corresponding formats and/or produce programmes based on the related formats and therefore adversely impact its revenues. However, these key formats combined represented less than 5% of the Banijay Group's revenue in Financial Year 2023 and the loss of access to any individual format is not significant for the Group.

These key formats are distributed worldwide by Banijay Rights, and when Banijay wants to produce a local version in one of its territories, the production company closes a format license agreement with Banijay Rights acting as distributor. For those formats, distribution rights are secured for several years and in most of the cases, even at the expiry of the distribution term (which can be renewed/extended), Banijay is allowed to continue the production of its active local versions. Regarding MasterChef and Lego Masters, both formats have different third-party owners and neither of these format distribution agreements expire within the next four years with the largest single format having a rolling option to produce further local series even beyond the expiration date of the distribution agreement.

Local Banijay production companies will, from time to time, produce local shows based on formats owned and controlled by a third party, for which global distribution rights are not secured by the Group. In such cases, they close a format license agreement directly with the owner/distributor, and in most of the cases, they are offered rolling options to produce further seasons as long as the commissioning broadcaster orders new seasons.

No locally produced third party licenses are material to the Group, with no single license representing more than 2% of Group revenue in Financial Year 2023. Locally produced third party shows are spread across the Banijay Group territories and in most cases each have different third-party owners.

The Banijay Group's business may be impacted by misconduct of management, employees, performers or other persons acting in connection with its productions. (C)

In the entertainment industry, instances of sexual harassment and other forms of harassment and bullying are increasingly brought to light. As a matter of example, in the Netherlands there has been significant media coverage after the programme of a competitor of the Banijay Group received allegations of sexual misconduct and abuse of power in January 2022. The programme was suspended, and an independent investigation was initiated into the allegations. The Banijay Group and its productions may also become subject to allegations of the misconduct of its management, employees, performers (including actors and/or actresses and participants) or other persons acting in connection with its productions (including producers and hosts) or with third parties' productions financed by the Banijay Group, which may lead to the suspension or cancellation of the Banijay Group's programmes, litigation and reputational damage.

In the past, several productions of the Banijay Group have been involved in alleged instances of misconduct. For example, in 2019 a contestant on *Big Brother* in Spain claimed that she had been sexually assaulted by another contestant while she was unconscious during the show two years before and that she had then been forced to watch the attack, which had a negative impact on the reputation of the production and image of the show. Any allegations of sexual harassment and other forms of harassment and bullying or misconduct of any form of the Banijay Group's management, employees, performers (including actors and/or actresses and participants) or other persons acting in connection with its productions (including producers and hosts) or with third parties' productions financed by the Banijay Group may result in substantial costs and may have a material adverse effect on its business, results of operations or financial condition or on the reputation of the Banijay Group or of its formats and programmes.

The Banijay Group has several measures in place to prevent sexual harassment and other forms of harassment and bullying and misconduct in general. For example, it has a code of conduct detailing the Banijay Group's policy on harassment and bullying including instructions on how to deal with and report these issues. Several Banijay Group Companies have appointed an internal or external confidential representative who is specifically trained to provide confidential support and advice. There is also a third-party hotline which is accessible 24 hours a day, 365 days a year, where reports can also be submitted anonymously. Each format of the Banijay Group has a "bible" setting out the rules for working on these formats (each tailored to the respective format). The Banijay Group also has safety protocols (including participant welfare guidelines), internal groups to share experience and best practices (including participant welfare training sessions) across all of the Banijay Group's productions, an escalation protocol and provides assistance on set. However, the Banijay Group cannot control the actual behaviour of employees, performers and persons, in particular not outside of the set. Any misbehaviour outside of the set could also have an impact on Banijay's reputation and consequently on its business, results of operations or financial condition or on the reputation of the Banijay Group or of its formats and programmes.

In addition, although Banijay Group strives to have appropriate insurance in place covering its productions and other activities (including at corporate level), these insurance policies might not adequately cover all types of misconducts. In particular, Banijay Group does not currently have any death and disgrace insurance policy in place. Although the Banijay Group is currently looking for such policy in the insurance market, such policy might not be available to it given the nature of its activities, or the coverage might not adequately cover all its activities, or the insurance premium might be very expensive or the policy might provide for other onerous terms (including high deductible), therefore inadequately covering all misconducts events.

The Banijay Group may need additional capital to fund its growing operations, especially for the production of scripted programmes. If the Banijay Group is not able to obtain sufficient capital, it may be forced to limit the scope of its operations. (F)

The production, completion and distribution of television and digital programmes, particularly scripted programmes, are subject to a number of uncertainties, including delays and increased expenditures due to disruptions or events beyond the Banijay Group's control. Risks such as the death or disability of star performers, technical complications with special effects or other aspects of production, shortages of necessary equipment, damage to film negatives, master tapes and recordings, misbehaviour of performers (including actors and/or actresses), employees, participants or other persons acting in connection with the Banijay Group's programmes, adverse weather conditions, a pandemic and the political situation in the regions in which the Banijay Group operates may cause cost overruns and delay or frustrate the completion or funding of a production or its return on investments. While the Banijay Group endeavours to respect its broadcaster customers' budgets and has a strong reputation for achieving this goal, if a television production incurs budget overruns, it may have to use its own cash reserves or seek additional financing from outside sources to complete production. With respect to distribution, if the Banijay Group is unable to accurately predict consumer preferences toward its programmes or third-party programmes for which it has the distribution rights, it may lose its investments, especially for scripted programmes for which it typically makes upfront investments and relies on distribution revenues to recoup this investment. Instances of sexual harassment or other forms of serious misconduct, even if not relating to or occurring during the filming of programmes, may result in the cancellation by the Banijay Group's customers of sales or undermine the ability to sell the programme internationally, notably if such misconducts are from key on-screen talents.

While the Banijay Group believes that it will be able to fund its business through operating cash flow generated through its business model, if the generation of its cash flow is lower than anticipated or they do not come to fruition in the anticipated time frame, it could require additional debt financing to sustain the Banijay Group's operations. If the Banijay Group is unable to obtain adequate additional debt financing on reasonable terms or at all, it may not be able to continue to develop its business, especially the production of scripted programmes which requires larger investments, especially in the development phase, and it would have to modify its business plan and projections accordingly. If adequate financing is not available, or unavailable on acceptable terms, the Banijay Group may find that it is unable to fund expansion or finance its scripted programmes through distribution advances, continue to offer products and services, take advantage of acquisition opportunities, develop or enhance the Banijay Group's products or services, or respond to competitive pressures in the industry, all of which may jeopardise its ability to continue operations successfully and profitably.

As an audiovisual production company, the Banijay Group benefits from various subsidies and tax incentives in European and non-European countries which support its productions, and changes in tax laws, regulations or other conditions underlying these subsidies could have a material impact on the Banijay Group's results of operations. (F)

As an audiovisual production company, the Banijay Group benefits from different sets of subsidies and tax incentives in France, other European countries (such as the United Kingdom, Belgium, Spain and Italy) and non-European countries (such as Canada, Australia and the United States) for a total amount of €144 million in the Financial Year 2023, which support its productions. For example, in France, the Banijay Group benefits from government subsidies and other financial incentives to support the production of documentaries, fiction, live entertainment, magazines of cultural interest and animation movies. The French audiovisual fund *(fonds de soutien audiovisuel)* automatically allocates funding to the production, development and writing of pilots under several conditions linked to the producer acting as the executive producer, the length and cost of the production, language shooting requirements (whether authors, actors and crews are EU nationals and/or residents in a member state of the EEA (a "Member State") or shooting location. They are capped at a certain percentage of the production budget and the Banijay Group must obtain prior approval from the National Center of Cinema (Centre national du cinéma). The Banijay Group may also benefit from foreign audiovisual tax credits which follow similar principles, when it acts as a producer or as a producer for hire for foreign executive producers. The Banijay Group also relies on tax laws and regulations to benefit from tax credits and it monetises those tax credits in some of the countries in which it operates in accordance with local laws. Any difficulty in collecting tax incentives from the competent authorities could have a material impact on the Banijay Group's results of operations. Changes in tax laws and regulations or other conditions underlying subsidies in these countries may prevent the Banijay Group from benefitting from these tax credits and subsidies, partly or at all, and it may not be able to continue to monetise tax incentives or subsidies in these jurisdictions. Since certain productions are dependent on the tax incentive schemes and subsidies and productions may not otherwise be profitable, those changes could have a material impact on the Banijay Group's results of operations.

The Banijay Group also raises financing from companies dedicated to the financing of cinema and the audiovisual industry *(sociétés de financement de l'industrie cinématographique et de l'audiovisuel),* or other similar foreign companies, which are investment firms that collect private funds dedicated to finance cinematographic and audiovisual productions by offering a personal income tax incentive to private individual investors. The Banijay Group's production expenditures also benefit from a favourable amortisation regime allowing to deduct from the Banijay Group's taxable basis, under specific conditions, the net income generated by a specific production in a given financial fear. If, at the end of a given financial year, such income is not sufficient to fully consume the amortisation right that relates to such production, income arising out of other productions can be used to be offset against the outstanding amount of amortisation allowances. The above subsidies and incentives have a positive impact on the Banijay Group's production costs and capacity to raise financing. Any changes in the conditions underlying the benefit of these subsidies and incentives, or any request from clients to also benefit from these subsidies and incentives, may affect the Banijay Group's business, financial condition and results of operations.

Intellectual property infringements may have a material adverse effect on the Banijay Group's business. (O)

The Banijay Group's ability to compete in its industry depends, in part, upon successfully protecting and retaining its proprietary and intellectual property, especially with respect to formats, which are more difficult to protect than rights to a programme, because a programme is a finished product that has already aired rather than a formalised concept. The Banijay Group protects its intellectual property rights to its formats and programmes through available copyright and trademark laws. The Banijay Group then licenses and distributes these rights to reputable companies in specific territories for limited durations. Despite these precautions, existing copyright and trademark laws offer only limited practical protection for formats in certain jurisdictions. Unlike patents or trademarks for which registration is required, copyright does not require any registration and provides limited protection as it is more difficult to prove and protect, especially for formats. Despite the fact that intellectual property laws have a comparable approach around the world, each country has particularities in terms of the protection of formats or whether a programme can be deemed original, and each country has a strong judiciary approach. As a result, copyright infringement is more difficult to defend in parts of the world with less effective copyright and technical protective measures to prove copyright, or with less effective means for enforcing such measures. Whether the intellectual property of the Banijay Group is being infringed may be difficult to prove as the question whether programmes are similar is subjective. The interpretation of copyright, privacy and other laws as applied to the Banijay Group's content, and piracy detection and enforcement efforts, is continuously subject to change. The failure to strengthen or the weakening of existing intellectual property laws could also make it more difficult for the Banijay Group to adequately protect its intellectual property and negatively affect its value.

It may also be possible for unauthorised third parties to copy the Banijay Group's formats or portions of its formats without entering into a format license agreement with the Banijay Group or to exploit its programmes, or part of its programmes, without entering into a license agreement for one of the Banijay Group's programmes. Unauthorised distribution of the Banijay Group's formats or programmes has an adverse effect on its business because it reduces the revenues that the Banijay Group is able to receive from the legitimate sale and distribution of its formats or programmes. It undermines lawful distribution channels and inhibits the Banijay Group's ability to recoup or profit from the costs incurred in creating such works. The Banijay Group's failure to protect its intellectual property rights in a meaningful manner or challenges to related contractual rights could also result in erosion of its local brands. Although there have not been any significant incidents with copyright infringements in the past, the Banijay Group cannot exclude the possibility that this will occur in the future. The Banijay Group incurs significant costs in order to protect intellectual property rights to its formats, to monitor copyright infringement and to engage legal proceedings when necessary, which may affect its profitability, and the Banijay Group may not be successful in preventing harm to its business.

In addition, it is an inherent risk in the Banijay Group's industry that people may claim to have developed a format similar to, and/or own intellectual property rights with respect to its formats and programmes, whether or not such claims are well founded. The Banijay Group may have to resort to litigation, arbitration or other legal proceedings in order to enforce its intellectual property rights, protect its trade secrets, determine the validity and scope of the proprietary rights of others or defend against claims of infringement or invalidity. Any such litigation or arbitration proceedings could result in substantial costs, including costs for obtaining rights or the loss of the opportunity to earn revenues from the intellectual property that is the subject of such proceeding, and the resulting diversion of resources and management's attention could have a material adverse effect on the Banijay Group's business, results of operations or financial condition.

Labour disputes involving the Banijay Group's own employees may disrupt its operations and adversely affect its results of operations. (O)

Labour regulations may have an impact on the Banijay Group's operations. In certain jurisdictions in which the Banijay Group operates, such as France, the status of participants in reality television programmes has been challenged and they have been recognised as employees, which has required the Banijay Group to enter into specific agreements with them and pay additional associated costs. The Banijay Group's industry relies heavily on freelancers and, in multiple jurisdictions, contracts with freelancers can allow them to claim the status of permanent employees and to benefit from the rules attached to such status, which has a cost for the Banijay Group. There can be no assurance that new employment regulations will not significantly impact the Banijay Group's business and result in a material increase in costs, which may have a material adverse effect on the Banijay Group's results of operations or financial condition.

There are a few works councils in Banijay subsidiaries (i.e. the Banijay Netherlands and some Banijay France labels) which are informed and consulted when legally required. While strikes or other disturbances by the Banijay Group's workforce could disrupt its operations, it may result in increased wages and benefits or otherwise have a material adverse effect on its business, results of operations and financial condition. However, Banijay is currently not involved in any ongoing labour disputes.

In most of the jurisdictions that the Banijay Group operates in, the Banijay Group needs to work with local labour unions/organisations for collective employee rights. For example, for some productions in the United States, the Banijay Group has to conclude an agreement with a labour union. These agreements generally cover topics such as: employee wages and other compensation, working hours, positions, titles, the hiring process, the minimum working conditions and other requirements. Unionisation activities may disrupt the Banijay Group's operations and affect its profitability. Strikes and other union job actions, may impact its ability to deliver content as agreed with its customers. Currently, Banijay Group has term labour agreements in place with SAG-AFTRA, DGA, and WGA labour unions. A labour agreement with the IATSE (International Alliance of Theatrical Stage Employees) labour union has expired and there has been no replacement/successor term agreement however, the IATSE industry agreement with the Alliance of Motion Picture and Television Producers (AMPTP), is still in place until July 31st, 2024. Banijay Group shows produced in the US continue to be produced under the terms of the expired IATSE agreement or under an agreement for a specific show based on the IATSE Industry agreement. It is not possible to predict the outcome of the upcoming IATSE Industry agreement renewal process, but in the event of an impasse, it could lead to calls for strike action which could broaden to the other industry labour unions. Such an eventuality could be very disruptive for the US productions and could negatively affect its business, financial condition and results of operations. In the future the Banijay Group could also be requested to sign additional agreements with labour unions, which may impact its operations and affect its profitability.

The Banijay Group's business may be affected by the default of counterparties in respect of money owed to the Banijay Group. (F)

In the ordinary course of the Banijay Group's business, the Banijay Group is often owed significant amounts of money from numerous customers and from countries in which it is entitled to receive subsidies. If a customer undergoes financial difficulties, payments may be significantly delayed and, ultimately, the Banijay Group may not be able to collect amounts payable to the Banijay Group under its agreements. As at 31 December 2023, overdue receivables for more than one year represented 1% of the total receivables. In addition, after the delivery of a programme, it is possible that the Banijay Group's customers may retrospectively try to renegotiate the commercial arrangements entered into with the Banijay Group, including arrangements that deal with the amounts payable to it. This is particularly true for the Banijay Group's distribution business, whose customers are not necessarily large broadcasters and come from all around the world. For example, if, after the Banijay Group has finished a production, a customer indicates that it is not willing to pay the amount due under the commercial arrangement, the Banijay Group may prefer to come to a mutual understanding with such customer in order to avoid damaging the relationship with the customer. Such renegotiations have not had a significant impact to the Banijay Group in the past, are very uncommon and did not occur in the year ended 31 December 2023. However, any inability to collect amounts due could require the Banijay Group to write off significant debts, which may have a material adverse effect on its business, results of operations or financial condition.

A failure to honour the Banijay Group's obligations under the terms of its agreements with broadcasters could have a material adverse effect on its business. (O)

The Banijay Group relies on contracts with broadcasters to pay for its production costs, use its intellectual property rights (see risk factor on "Intellectual property infringements may have a material adverse effect on the Banijay Group's business") and ultimately to grow its business. There can be no assurance that the Banijay Group will continue to be able to meet broadcasters' growing demands, reduced budgets and timelines, and this may increase its programmes' production costs and future prospects with the same or new broadcasters. If the Banijay Group is not able to honour its obligations with broadcasters, this may negatively impact its production companies' reputations in their respective markets or affect its formats and programmes. In addition, the Banijay Group's relationship with certain broadcasters may be jeopardised and lead to a reduction in, or termination of, its business with them if the Banijay Group is unable to honour its obligations in a timely manner or at all, which could have a material adverse effect on its business, results of operations or financial condition.

3.1.3 Risks relating to the Group's Online sports betting and gaming business

Activities related to Online sports betting and gaming are subject to an uncertain and rapidly evolving regulatory regime which varies significantly among countries. (C)

The Betclic Everest Group's activities include sports betting, casino games, poker and horse racing betting. Due to their nature and the risks associated with them, these activities are subject to a restrictive regulatory framework. For a description of the regulatory framework in the countries in which the Betclic Everest Group is active, please refer to Section 1.4.2 (Betclic's regulatory environment) on page 62.

At the international level, Online sports betting & gaming activities are not subject to any standardised regulation, which creates uncertainty as to the conditions under which these activities can be carried out. In the absence of a standardised regulatory framework, each country is free to regulate online sports betting and gaming. The countries in which the Betclic Everest Group operates the majority of its Online sports betting & gaming business, including France, Italy, Malta, Poland, Portugal, Ivory Coast, Senegal, Benin and Germany, require a license for online sports betting and gaming. Please refer to Section 3.1 (Description of risk factors — *The Betclic Everest Group's growth prospects and market potential depend on obtaining, maintaining and renewing the licenses required by applicable national rules and regulations. The loss and/or revocation of such licenses could have a material adverse effect on the Betclic Everest Group's business*) on page 125 for a description of the risks related to the Betclic Everest Group's ability to obtain or maintain licences. Compliance with gaming regulations is critical for the Betclic Everest Group, not only for the grants and the renewal of licenses but also in the day-to-day conduct of its business activities.

More and more restrictions are imposed by national regulators that can affect the development of the activity. Certain recurring reporting obligations are required to be performed regularly (on a weekly, monthly or annual basis) on financial or non-financial data, such as tax, players' transactions, responsible gaming or anti-money laundering. In addition, marketing is restricted by regulators, which define marketing guidelines and effectively monitor compliance with such guidelines. Restrictions can also be imposed to promote responsible gaming. The Betclic Everest Group must therefore comply with the relevant laws and regulations and, in the event of non-compliance, could be subject to sanctions, including civil and/or criminal fines and temporary or permanent suspension of its activities.

As a result of the limitations described above, the Betclic Everest Group may not be able to freely develop its activities in new geographical areas or in new business sectors. In addition, for a small part of the Betclic Everest Group's business, representing approximatively 1.4% of its revenue over the year ending 31 December 2023, the Betclic Everest Group offers online sports betting and gaming through .com licenses in countries where online sports betting and gaming is not regulated locally, or in countries where the Betclic Everest Group has chosen not to apply for a licence and in some cases where the Betclic Everest Group, as many operators, is blacklisted, but still operates as it considers local law to be non-compliant with European regulations. The .com licenses are granted by the Maltese regulator and allow the Betclic Everest Group to operate in Europe in countries without local regulation or where it has otherwise not obtained a local license, but in which countries it is not forbidden to operate with a (foreign) .com license. The countries in which the Betclic Everest Group operates under its .com license are among others Switzerland, Luxembourg and Malta. For this part of the Betclic Everest Group's business, the risk of sanctions, civil and/or criminal fines, which may be significant, is even higher and if that were to happen this could have a material adverse effect on the Betclic Everest Group's business, results of operation or financial condition.

The current regulatory framework could change and online sports betting and gaming could be subject to European regulation aimed at restricting the conditions under which such activities can be carried out. In addition, Member States could adopt regulations to restrict the ability of online sports betting and gaming operators to operate in their territories or amend existing regulations to strengthen the constraints or taxation on online sports betting and gaming operators. If these restrictions were to be applied in one or more of the markets in which the Betclic Everest Group operates, it may have to cease some of its activities or operate them under less favourable conditions because of new constraints or higher taxation.

Even if these restrictions could be challenged on the basis that they are contrary to European regulations, their adoption and application, even temporarily, could force the Betclic Everest Group to operate its Online sports betting & gaming business under less favourable conditions or to cease some of its activities or limit its development plan. If European regulation would be introduced which negatively affects the Betclic Everest Group's online sports betting and gaming offering, this could have a material adverse impact on the Betclic Everest Group's business, results of operations and financial condition as 99% of its revenue in the Online sports betting & gaming business are generated within locally regulated markets in 2023.

The Betclic Everest Group's growth prospects and market potential depend on obtaining, maintaining and renewing the licenses required by applicable national rules and regulations. The loss and/or revocation of such licenses could have a material adverse effect on the Betclic Everest Group's business. (C)

The Betclic Everest Group conducts its sports betting, casino games, poker and horse racing betting activities in countries where such activities are subject to licensing by local authorities, including France, Italy, Malta, Poland, Portugal, Germany, Ivory Coast, Senegal and Benin. As a result, the conduct of the Betclic Everest Group's Online sports betting & gaming activities and their future development depend on its ability to obtain, maintain and renew the required licenses.

Obtaining licenses is subject to various conditions that vary depending on the country concerned, and which relate in particular to management, competence and capacity (particularly financial and technical) to carry out the activities concerned, or compliance with applicable laws and regulations. Once the licenses are obtained, the Betclic Everest Group must comply with the regulations applicable in the countries concerned. Licenses are granted for a given country and for a specific activity. Within the period of validity of the license, the Betclic Everest Group shall maintain strict compliance process and proceed to homologation for every major change to its platform, run regular external audits and in some cases to a yearly certification performed by independent and approved Auditors. In addition, some licenses may include commitments regarding the managers or shareholders, direct and indirect, of the companies concerned, including their ultimate economic beneficiaries. However, these are outside the Betclic Everest Group's control and the Betclic Everest Group cannot guarantee that these commitments or restrictions will be respected. The Betclic Everest Group is subject to regular controls by the competent authorities to verify compliance with these constraints.

Failure to comply with the applicable regulations or the limitations provided for in the licenses granted to it could result in penalties, including fines, a temporary suspension of its sites or activities or, where applicable, the loss of the license, or the publication of the decision of conviction. The Betclic Everest Group cannot guarantee that it will not be subject to such penalties in the future.

Licenses are granted for limited periods. For example, Portuguese licenses are granted for a period of three years, French licenses are granted for a period of five years and the Polish license was granted for a period of six years. The Betclic Everest Group's sportsbook license in Italy was extended in 2022 for two years, and the Betclic Everest Group renewed its sportsbook and casino licenses in Portugal in 2022 for three years. Polish license will be due for renewal in 2024. As for France, the sportsbook and horse racing licenses will have to be renewed in September 2025. Renewal of the licenses is not automatic and must be requested, which will be assessed by the competent authorities on the basis of the same criteria as those described above. If the Betclic Everest Group is unable to meet these criteria, or if it does not obtain the renewal of its licenses or obtains its licenses on different terms, it will be forced to cease or restrict its activities in the countries concerned. In addition, the renewal of licenses could be obtained but for reduced activities or on less favourable terms, which could affect the conditions under which the Betclic Everest Group operates its activities and its development.

Furthermore, failure to comply with regulatory requirements in a particular jurisdiction, or the failure to successfully obtain a license or permit applied for in a particular jurisdiction, could cause the rejection of license applications or cancelation of existing licenses in other jurisdictions, or could cause financial institutions, online and mobile platforms and advertisers to stop providing services to the Betclic Everest Group which it relies upon to receive payments from, or distribute amounts to, its users, or otherwise to deliver and promote its services. The reputation that the Betclic Everest Group has in a certain jurisdiction may be taken into account by other service providers or regulators in other jurisdictions. For example, the Betclic Everest Group has a good reputation in France, which is known for having a tough regulatory framework, and subsequently was the first operator to obtain a sportsbook license in Portugal and the first non-Polish operator to obtain a license in Poland. Similarly, if an operator is known to receive sanctions in a certain jurisdiction, other regulators may be less inclined to grant licenses depending on the severity of the breach. The Betclic Everest Group could fail in successfully obtaining a license in new countries targeted, as a result of which it would not be able to operate in those countries, which could impact the Betclic Everest Group's ability to execute its international expansion strategy and could have a material impact on the growth perspective of the Betclic Everest Group.

In addition, the operation of the Betclic Everest Group's activities under the licenses requires the involvement of the Betclic Everest Group's partners, particularly suppliers of technical solutions. Applicable regulations or competent authorities may require these third parties to hold a license or impose other constraints on them. For example, in Malta, technical solution providers for casino activities must be licensed by the local regulators, and in France, external platform providers used for poker and horse race betting activities must comply with regulations of the French National Gaming Authority (Autorité nationale des jeux).

In case a third-party (for which a license is not required) does not meet the constraints imposed by regulators, the liability falls to the operator that holds the license. As a result, the Betclic Everest Group is dependent on the relationships with its partners for the conduct of its business under the licenses granted. In the event of a change of service provider, the Betclic Everest Group must ensure that the new service provider is licensed by the relevant authorities. If the Betclic Everest Group's partners fail to comply with their obligations under the licenses granted or the partnerships established, or if relations with its partners are terminated, the Betclic Everest Group could be exposed to sanctions or the licenses granted to it could be affected, which could have a material adverse effect on its business, results of operation and financial condition.

The Betclic Everest Group's success depends on its ability to attract and retain new users, which may be negatively impacted by prohibitions, constraints and restrictions on marketing activities as well as other applicable regulations. The loss of Betclic Everest Group's users, failure to attract new users in a cost-effective manner, or failure to effectively manage the Betclic Everest Group's growth could adversely affect its business, financial condition, results of operations and prospects. (O)

The conduct and development of the Betclic Everest Group's business depends on its ability to attract new players and retain its players and, therefore, on the Betclic Everest Group's ability to conduct marketing activities and the results of such activities. The Betclic Everest Group is dependent on access to the media, both online and offline, and to communication networks in order to conduct its marketing activities. The inability to access these media or the application of limits or restrictions (in particular due to legislative or regulatory constraints) could affect the Betclic Everest Group's ability to promote its offerings and its image. In Italy, where the Betclic Group operates, all marketing activities for operators are prohibited. Other countries that do not prohibit operators from conducting marketing activities at the date of this Universal Registration Document impose constraints and restrictions for commercial communication and may reinforce these restrictions in the future. As a result, the Betclic Everest Group could be constrained in the marketing activities it conducts and not be able to attract new players and retain its players. In addition, in the event that the Betclic Everest Group's marketing activities are carried out in breach of existing regulations, in or outside the countries in which the Betclic Everest Group conduct its activities, the competent authorities could impose sanctions on the Betclic Everest Group.

All of the Betclic Everest Group's sports betting, casino games, poker and horse racing betting activities are conducted on its internet or mobile sites. As such, the Betclic Everest Group is required to comply with regulations relating to cookies and other tracking devices placed on the terminals of internet users via its websites, which could negatively impact its ability to attract new and retain current users and failure to comply with the applicable regulations could result in the Betclic Everest Group being subject to sanctions.

In addition, in order to conduct the Betclic Everest Group's marketing and customer relationship management activities, the Betclic Everest Group may enter into service contracts with various operators. In order to increase the visibility or awareness of its brand, the Betclic Everest Group may enter into partnerships with third parties (for example, sportsmen or sports clubs) or into affiliation agreements. The Betclic Everest Group may also work with online advertising and media companies, such as Google or Facebook, in connection with its digital marketing activities. These service providers or partners may not respect their contractual obligations, may be in breach of applicable laws and regulations or may commit fraud. In this case, the Betclic Everest Group's reputation and its ability to attract new players and retain its players could be affected. In addition, the Betclic Everest Group could be held liable by the relevant authorities. These service providers or partners may also decide not to work for operators in the online betting and gaming industry anymore. In this case, the Betclic Everest Group's ability to attract new players and retain its players could be affected.

Finally, marketing activities have a cost, which impact significantly the financial position of the Betclic Everest Group. If these investments carried out did not allow the Betclic Everest Group to achieve its targets and attract new players in a cost-effective manner, these amounts could result in a loss for the Betclic Everest Group.

If any of these risks were to materialise, this could have a material adverse effect on the Betclic Everest Group's business, results of operations and financial condition.

The Betclic Everest Group's growth prospects may suffer if the Betclic Everest Group is unable to develop successful offerings, if it fails to pursue additional offerings or if it is unable to anticipate it competitors' developments. In addition, if the Betclic Everest Group fails to make the right investment decisions in its offerings and technology platform, the Betclic Everest Group may not attract and retain key users and its revenue and results of operations may decline. (O)

The development of the Online sports betting & gaming industry has been accompanied by increasingly intense competition from operators. Existing companies are expanding at a high rate and increasing the geographic scope of their activities. In addition, new players may seek to enter certain markets. These players are seeking to offer a variety of products and services to attract the largest possible number of players, whose expectations are increasing accordingly.

The Betclic Everest Group must be able to anticipate the developments of its competitors as well as the expectations of players to offer products and services that are increasingly competitive and attractive, and to offer players a strong experience. In particular, the Betclic Everest Group must constantly offer players new products and services, such as a wide range of games, various betting methods—pre-live or live—or a streaming offer, as well as more attractive playing conditions and competitive conditions.

The Betclic Everest Group cannot guarantee that it will succeed in developing new product and service offerings. The launch of new product and service offerings by the Betclic Everest Group's competitors could divert players from its products and services. In addition, any new solution or product and service offering by the Betclic Everest Group could require long development periods and may not be launched in a timely manner. Finally, any new solution or product and service offering may not be well received by the market. If any of these risks were to materialise this could have a material adverse effect on the Betclic Everest Group's business, results of operations and financial condition.

The development of new activities or new products could require organisational and operational changes as well as financing, which the Betclic Everest Group may not be able to carry out or implement. The Betclic Everest Group's inability to manage its organic growth could have a material adverse effect on its ability to grow and thus achieve its strategy.

The Betclic Everest Group's Online sports betting & gaming businesses may not be able to respond to changes in technology to satisfy the future technological demands of its customers. (O)

The gaming industry is characterised by rapidly changing technology, including the increasing importance of online and mobile channels, which has accelerated as a result of the COVID-19 pandemic and lockdowns. The future competitiveness of the Betclic Everest Group's businesses depends on its ability to respond to technological changes effectively. The Betclic Everest Group is not able to foresee all possible causes of technological advances. These may be developed by Betclic's competitors or may be a result of a change in the technology more broadly and to the extent Betclic cannot predict these, it might have difficulties in adapting to those.

The Betclic Everest Group may not be successful in achieving the necessary technological advances, and it may not have the financial or other resources needed to introduce or licence new products or services. For example, if the Betclic Everest Group is not able to retain its personnel involved in the development of its products and is not able to attract new talents, it could be difficult to adequately respond to technological changes. Please also refer to Section 3.1 (Description of risk factors — Risks relating to the business of the Group in general — *The Group may not be able to retain key personnel or creative talents or to attract new talent, and it may not be able to maintain stable relationships with its consultants in certain strategic domains*) on page 109 for a description of the risk of not being able to retain key personnel. In general, the Betclic Everest Group's ability to compete effectively in the Online sports betting & gaming industry will depend on the acceptance by its customers of the technologies the Betclic Everest Group offers, the platforms through which it provides them, as well as approval by the relevant regulators for the new technology utilised. As handheld and mobile device penetration and usage increases, it is expected that an increasing percentage of the Betclic Everest Group's customers will access the Internet and the online platforms of its businesses through mobile devices and mobile applications. The Betclic Everest Group may not be able to successfully operate and develop new betting offers and games online and for mobile devices. Any failure to develop new gaming technology platforms and enhance its product offerings could have a material adverse effect on the Betclic Everest Group's business, results of operations, and financial condition.

Development of new gaming technology for rapidly evolving mobile device technology and platform hardware and software could lead to errors only becoming apparent after the technology is deployed and accessed by customers. Such errors could harm the Betclic Everest Group's reputation, jeopardise its ability to protect proprietary data and have a material adverse effect on its business, results of operations, and financial condition. Furthermore, the development and use of new technology, particularly online, may expose the Betclic Everest Group to additional regulatory risks.

As an online business, the Betclic Everest Group depends on the reliable functioning of the internet and information technology and equipment systems. Failure in IT systems and serious interference with IT systems, particularly through adverse external influences such as hacker attacks, may have a negative impact on the Betclic Everest Group's financial position, financial performance and cash flows. (O)

The Betclic Everest Group generates all of its revenues online.

Product and service offerings in the sports betting, casino games, poker and horse racing betting businesses are offered through the Betclic Everest Group's websites or mobile sites. These activities are supported by dedicated technical platforms, developed by the Betclic Everest Group or provided by external suppliers. The Betclic Everest Group uses a number of software products in its online activities. The Betclic Everest Group mainly uses external providers to supply and host the IT systems on its platforms for its Online sports betting & gaming activities. The Betclic Everest Group also uses external providers to host its platforms and certain services. For more information on the services for which the Betclic Everest Group relies on external IT suppliers, Please also refer to Section 3.1 (Description of risk factors) — *The Betclic Everest Group relies on other third-party service providers and if such third parties do not perform adequately or terminate their relationships with the Betclic Everest Group, the Betclic Everest Group's costs may increase and its business, financial condition and results of operations* *could be adversely affected* on page 132.

The Betclic Everest Group must, through its platforms, be able to offer its players accurate and reliable information in real time, in particular the odds offered to players in the context of sports or horse racing bets or players' stakes in part of poker games. The Betclic Everest Group must also ensure the secure transmission of a large amount of information (in particular, the identity and bank details of players) through its IT systems. Finally, the performance, efficiency and security of mobile game applications is particularly sensitive with regard to the Betclic Everest Group's strategy of developing its mobile offering. Betclic Everest Group is therefore dependent on the internet, its operation and its security and it is essential for the Betclic Everest Group to maintain permanent, efficient and secure access to the internet.

The IT systems on which the Betclic Everest Group relies could fail. The Betclic Everest Group's IT systems may not be compliant with the equipment used by its customers. In particular, the Betclic Everest Group's mobile applications offered may not function properly or may not be compliant with the various systems developed by cell phone designers. In addition, IT systems could be subject to malicious acts (hacking, viruses, malware, data theft) or IT attacks (cyber-attacks), which could have the effect of blocking access to the Betclic Everest Group's websites. Although the Betclic Everest Group has implemented measures and made investments to improve the security of its IT systems, there can be no assurance that the Betclic Everest Group has the resources or the technical sophistication to anticipate or prevent all cyberattacks. Finally, Betclic Everest Group's IT systems could be subject to damage or interruption from various external sources (such as fires, floods and other *force majeure* events). Any business interruptions or data breaches with disclosure of confidential information could have a material adverse effect on the Betclic Everest Group's financial condition, results of operation and its reputation.

Finally, the Betclic Everest Group may have to upgrade and adapt its IT systems to anticipate and meet increasing requirements in terms of security, speed, accessibility and reliability, or to accommodate the growth of its business due to an increase in the number of players or an increase in the volumes or sectors of activity covered. If the Betclic Everest Group experiences malfunctions and operational failures when upgrading its IT systems, its business could be interrupted, either temporarily or permanently, and the quality of its services and products could decline. In addition, upgrading or adapting IT systems requires significant investments.

The Betclic Everest Group's customers also must have permanent, efficient and secure access to the internet in order to access the Betclic Everest Group's products and services. Any failure or interruption of the internet generally or of the Betclic Everest Group's IT systems could result in connection delays, temporary or permanent interruption of access to the Betclic Everest Group's websites and, consequently, of its activities. In addition, such a failure could affect the Betclic Everest Group's reputation and its ability to retain its customers or attract new customers and could have a material adverse effect on its business, results of operations and financial condition.

In addition, the Betclic Everest Group is subject to regular audits of its IT systems by the competent Regulatory authorities. In the event of a violation of the regulations, the Betclic Everest Group could be subject to sanctions.

Actual or alleged procedural errors in the processing of online sports betting and gaming orders and the payment of winnings could result in claims for damages by customers for lost income from online sports betting or gaming in regulatory risks and could have a material adverse effect on the Betclic Everest Group's business and reputation. (C)

The Betclic Everest Group uses automated procedures for the processing of online sports betting and gaming offers, which are carried out via complex hardware and software. The Betclic Everest Group cannot guarantee that the acceptance and processing of online sports betting and gaming orders will always function without problems. Even without the above-mentioned damage to business activities, this could lead in particular to online sports betting and gaming orders not being recorded and processed at all or being recorded and processed incorrectly, with the result that a customer either does not participate in a game at all or participates with different content. Although customers usually receive a confirmation of their order in which the content of their order is reproduced, customers may either not take note of this or not check the content. In particular, if an order that was placed but not properly processed would otherwise have generated a high profit, the Betclic Everest Group's reputation could be significantly harmed if such an error were to become public knowledge. It also cannot be ruled out that customers claim and publicly disclose that they have submitted an order that was not transmitted, or have submitted it and have not received the winnings to which they are supposedly entitled, even when there are no procedural errors on the Betclic Everest Group's part. In this case, too, the Betclic Everest Group's reputation could be damaged. In such cases, customers could also assert claims for damages against the Betclic Everest Group, in particular for lost gaming winnings. Loss of reputation could lead to a decline in online sports betting and gaming participation by existing customers and to a lower number of new registrations, which in turn could have a material adverse effect on the Betclic Everest Group's business, results of operations and financial condition. Furthermore, procedural errors in the processing of online sports betting and gaming orders and the payment of winnings may expose the Betclic Everest Group to additional regulatory risks.

The Betclic Everest Group, despite significant efforts, may not be able to guarantee that all customers may not be at risk. (O)

The risks associated with online sports betting and gaming are a major issue for national legislators and regulators. The notion of responsible gaming has therefore gradually developed. The subject covers, in particular, the fight against gaming addiction and the fight against underage gaming practices.

The promotion of entertainment is one of the founding values of the Betclic Everest Group, and it is determined to ensure that gaming remains above all a pleasure. The Betclic Everest Group is aware of its responsibility and it makes sure to implement all possible means to reduce the negative impact that gaming may sometimes have on a limited number of clients, their family, their social and professional lives. To achieve this, the Betclic Everest Group believes in an inclusive and collaborative approach with all parties stakeholders in the sector: operators, regulators, healthcare and player assistance professionals, associations of players, researchers, etc.

The Betclic Everest Group's responsible gaming action plan is part of a dynamic of continuous effort to improve and strengthen features that it has implemented. The Betclic Everest Group has a policy based on two pillars, the first being awareness and prevention and the second being detection and support. For detection and support, Betclic has built advanced detection machine learning algorithm for the monitoring of players, whether at the time of account opening, during transactions carried out by players on their accounts or during the games themselves. However, the Betclic Everest Group cannot guarantee that these controls will prevent all risk situations, that failures in the control systems will not occur or that errors will not be made. As a result, a person could be allowed to gamble online when he or she should have been prohibited on another operator platform, or a person in an addictive situation could be allowed to continue gaming.

The Betclic Everest Group faces regular audits from the regulatory authorities. The Betclic Everest Group may thus face sanctions in case it fails to comply with its obligations, whether legislative or regulatory. For example, in France, the Betclic Everest Group is obligated to submit its responsible gaming action plan for approval by the ANJ. This action plan must reflect on the Betclic Everest Group's responsible gaming efforts of the previous years, and its commitments to improve responsible gaming for the upcoming year. No such obligation currently exist in Poland or Portugal.

In addition, failure to demonstrate that the Betclic Everest Group has effectively implemented the necessary controls could affect its reputation and its ability to attract and retain players, which could have a material adverse effect on its business, results of operations and financial condition.

The Betclic Everest Group is subject to laws aimed at preventing money laundering, bribery and the financing of terrorism. Failure to comply with these laws could have a negative effect on the Betclic Everest Group's business and reputation. (C)

The Betclic Everest Group's business is subject to laws aimed at preventing money laundering (AML), bribery and the financing of terrorism (CFT). In addition, the Betclic Everest Group is subject to sanctions laws and regulations which prohibit transmitting money to certain specified countries or to or on behalf of certain individuals. Due to its nature, the Online sports betting & gaming sector is exposed to the risk of fraudulent, illegal or illicit transactions, including corruption or money laundering. The Betclic Everest Group's activities, whether in online sports betting or gaming, involve the mobilisation and transfer of large sums of money and generate a large number of transactions and financial flows that facilitate such fraudulent, illegal or illicit activities. The Betclic Everest Group could also be targeted by third parties, including criminal organisations, for using its betting services to engage in money laundering. Although the Betclic Everest Group has procedures in place to ensure compliance with applicable laws and regulations, it cannot guarantee that the risk of non-compliance is completely mitigated. Criminal sanctions, fines and penalties, which may include the shutting down of operations, could be imposed in the countries in which the Betclic Everest Group operates, and more stringent AML, CFT, sanctions or anti-bribery legislation could create the need for increased resources devoted to the Betclic Everest Group's compliance functions. Any failure, or suspected failure, by the Betclic Everest Group to comply with its obligations relating to AML, CFT, sanctions or anti-bribery, could not only have a material adverse effect on the Betclic Everest Group's business, financial condition and results of operations but could also have a material adverse effect on its reputation in general.

The Betclic Everest Group relies on the ability and integrity of its management and employees to properly comply with laws and regulations procedures. If the Betclic Everest Group fails to train and manage its employees properly, its internal controls and procedures may be ineffective and the Betclic Everest Group may be at an increased risk of non-compliance with applicable laws and regulations, which could have a material adverse effect on its business, results of operations and financial condition.

The Betclic Everest Group is exposed to risks of fraud or cheating and fraudulent activities. (C)

The Betclic Everest Group's customers may attempt to commit, or actually commit, fraud, cheat, or use impermissible methods in violation of the game's terms and conditions of use, for example by fixing matches. Acts of fraud or cheating may involve various tactics, possibly in collusion with employees or other customers. Employees could also engage in acts of cheating, including through collusion with programmers and other personnel. Successful exploitation of the systems of the Betclic Everest Group's businesses could have negative effects on its products, services, and user experience. Failure to discover such acts or schemes in a timely manner could result in harm to the Betclic Everest Group's operations. In addition, negative publicity related to such schemes could have an adverse effect on the Betclic Everest Group's reputation, potentially causing a material adverse effect on its business, financial condition, and results of operations. In the event of the occurrence of any such issues with the Betclic Everest Group's businesses' product offerings, substantial engineering and marketing resources, and management attention, may be diverted from other projects to correct these issues, which may delay other projects and the achievement of the Betclic Everest Group's strategic objectives.

The Betclic Everest Group could also be targeted by third parties, including criminal organisations, for fraudulent activities, such as attempts to compromise the systems that process and collect payment information, or to use its online sports betting and gaming services to engage in fraud. The Betclic Everest Group may fail to detect non-compliance with applicable laws or their policies. To the extent that it is not successful in detecting and preventing fraud, or it fails to comply with applicable regulations, the Betclic Everest Group and its Directors could be subject to criminal sanctions or administrative and civil fines and could directly suffer loss, the revocation of concessions and licences, operational bans, or lose the confidence of their customer base. Any of these factors could have a material adverse effect on the Betclic Everest Group's business, results of operations, financial condition and reputation.

Due to the nature of its business, the Betclic Everest Group processes a significant amount of consumer data. The Betclic Everest Group's inability to protect consumer data may lead to reputational damage and regulatory scrutiny or penalties, which could adversely affect the Betclic Everest Group's business, financial condition and results of operations. (C)

In the Betclic Everest Group's business, it accesses and manages a significant amount of personal data relating to players, including information relating to the identity of players and banking information (in particular, credit card numbers or bank details).

As a result, the Betclic Everest Group is subject to legislative and regulatory obligations relating to the holding and management of players' personal data.

Firstly, the regulations require the Betclic Everest Group to keep the data of active players as well as inactive players for a certain period of time. For example, in France, the Betclic Everest Group must observe a period of twelve months before considering that an account has become inactive. A new period of six years must be observed to close the account.

Secondly the Betclic Everest Group is subject to Regulation (EU) 2016/679 of the Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (GDPR). Accordingly, when processing players' personal data the Betclic Everest Group is required to apply the fundamental principles relating to the protection of personal data. In particular, the principle of fair and transparent processing requires the Betclic Everest Group to inform players of the existence of the processing operation, its purposes and the players' rights.

The Betclic Everest Group may not comply with all the obligations that apply to it in connection with the holding and processing of personal data, particularly given the history of its activities or the age of certain data. Failure to comply with applicable regulations on the protection of personal data may result in administrative or, in rare cases, criminal sanctions. The Betclic Everest Group may also be ordered to cease the unlawful processing of data temporarily or permanently. In addition, the Betclic Everest Group's reputation and image depend on its ability to keep its customers' personal data confidential. The Betclic Everest Group may be subject to audits from various local data protection authorities. An infringement of the protection of its customers' personal data could result in liability and potential lawsuits from the Betclic Everest Group's customers, or even the loss of licenses. From time to time the Betclic Everest Group uses external service providers to process players' personal data. As subcontractors, these service providers may, where applicable, be subject to applicable data protection regulations. In the event of a breach by these subcontractors of the regulations applicable to them, the Betclic Everest Group could be held liable for any shortcomings in the measures implemented by the subcontractors with regard to data protection.

In addition, the Betclic Everest Group could be subject to malicious acts, in particular acts of intrusion into players' accounts or fraudulent access to information relating to players and their banking information, particularly with a view to appropriating it. The Betclic Everest Group could also be subject to theft or appropriation of player data by its own employees or suppliers, who could then pass it on to competitors. The occurrence of such acts could affect the Betclic Everest Group's reputation and its ability to retain customers or attract new customers, which could have a material adverse effect on the Betclic Everest Group's business, results of operation and financial condition.

The Betclic Everest Group is subject to banking regulations due to deposits made by customers. (C)

In order to be able to access the Betclic Everest Group's activities, whether sports betting, horse racing betting, poker or casino games, customers must open an account and deposit funds there. These funds, supplemented, if necessary, by new deposits, are then used to wager in the context of sports betting or horse race betting or to participate in poker or casino games.

The receipt and withdrawal of funds from clients may be subject to varying regulations depending on the country. These payments may in particular be assimilated to deposits. However, the acceptance of deposits is a regulated activity in many countries which generally requires authorisation from the competent authorities as a financial institution.

Consequently, the conduct of activities requires obtaining the necessary authorisations in the various countries concerned. The issuance of these authorisations is subject to various conditions concerning in particular the managers, the competence and the capacity (in particular financial and technical) to carry out the activities concerned or compliance with the applicable laws and regulations. If the Betclic Everest Group were unable to comply with these conditions, authorisation requests could be rejected and the Betclic Everest Group would not be able to receive funds from its customers and therefore to conduct its activities.

Once the authorisations have been obtained, the Betclic Everest Group must comply with the regulations applicable in the countries concerned. In particular, the Betclic Everest Group is subject to regular checks by the competent authorities. Failure by the Betclic Everest Group to comply with the applicable regulations could lead the Betclic Everest Group to bear penalties, in particular fines or the withdrawal of the authorisations granted.

In addition, authorisations are granted for limited periods. The renewal of authorisations is not automatic and must be the subject of a request from the Betclic Everest Group, which will be assessed by the competent authorities on the basis of the same criteria as those described above. In the event that the Betclic Everest Group would not be able to meet these criteria or would not obtain the renewal of its authorisations, the Betclic Everest Group would no longer be able to receive deposits from its customers and would be forced to cease its activities within the countries concerned, which could affect the conduct of its activities and have a significant impact on its financial position, its results or its prospects. In addition, the renewal of authorisations could be obtained but under less favourable conditions for the Betclic Everest Group, which could affect the conditions under which the Betclic Everest Group carries out its activities and their development.

The Betclic Everest Group may not be able to adequately protect or enforce its intellectual property rights, or third parties may allege that the Betclic Everest Group is infringing their intellectual property rights. (O)

The Betclic Everest Group's business depends on its ability to effectively protect its intellectual property rights.

The Betclic Everest Group owns a number of trademarks and trade names, which, along with related internet domain names, are crucial to the Betclic Everest Group's business. These trademarks and domain names have been registered with the relevant authorities. However, the Betclic Everest Group may not be able to protect its intellectual property rights or guarantee their maintenance or renewal, which could affect the conduct of the Betclic Everest Group's business or allow its competitors to offer products or services under conditions that infringe the Betclic Everest Group's intellectual property rights. In addition, despite their registration, third parties could use or attempt to use the Betclic Everest Group's intellectual property rights. Such infringements could cause the Betclic Everest Group commercial and image damage.

The Betclic Everest Group has registered its trademarks at the European level and with local authorities, including in France, Portugal, Brazil and Canada and with the African Intellectual Property Organization which has 17 member countries including Senegal, Benin and Ivory Coast, but not on a more global scale. As a result, the Betclic Everest Group's intellectual property rights could be used in countries where they are not protected. The Betclic Everest Group might be required to spend significant resources to monitor and protect its intellectual property rights. The Betclic Everest Group may initiate claims or litigation against others for infringement, misappropriation or violation of its intellectual property rights or proprietary rights or to establish the validity of such rights. Despite the Betclic Everest Group's efforts, the Betclic Everest Group may be unable to prevent third parties from infringing upon, misappropriating or otherwise violating its intellectual property rights and other proprietary rights.

In addition, the Betclic Everest Group may receive in the future, communications alleging that its products or services infringe intellectual property rights or other proprietary rights of third parties. Such claims, whether or not meritorious, could result in significant additional expenses and redirect management attention. The realisation of any of such risks, alone or in combination, could have a material adverse effect on the Betclic Everest Group's business, financial condition and results of operations.

The Betclic Everest Group relies on other third-party service providers and if such third parties do not perform adequately or terminate their relationships with the Betclic Everest Group, the Betclic Everest Group's costs may increase and its business, financial condition and results of operations could be adversely affected. (O)

The Betclic Everest Group uses various suppliers to conduct its Online sports betting & gaming business and may be dependent on some of them or the solutions they offer.

The Betclic Everest Group relies on the services of its IT suppliers, for the provision of various ancillary services. For online poker, the technical platform is provided by Playtech; for horse racing betting, the technical platform and content are provided by Zetote. In addition, in some areas, a limited number of suppliers have the necessary expertise and skills to offer equivalent solutions to operate. Finally, the Betclic Everest Group has entered into contracts with Amazon and Microsoft to offer online data storage systems (cloud) to players. If the Betclic Everest Group's IT suppliers fail to provide adequate maintenance or development of the Betclic Everest Group's technology platform, or exercise their right to terminate their contract with the Betclic Everest Group, this could have a material adverse effect on the Betclic Everest Group's ability to operate its business and provide its services to its customers. Please refer to Section 3.1 (Description of the risk factors) — *As an online business, the Betclic Everest Group depends on the reliable functioning of the internet and information technology and equipment systems. Failure in IT systems and serious interference with IT systems, particularly through adverse external influences such as hacker attacks, may have a negative impact on the Betclic Everest Group's financial position, financial performance and cash flows*) on page 127 for a description of the risks related to the functioning of the Betclic Everest Group's IT systems. Any change in the availability of the services provided by the Betclic Everest Group's IT suppliers, or an increase in the fees charged by them, could have a significant impact on the Betclic Everest Group's business.

Furthermore, the Betclic Everest Group relies on two external service providers, Betgenius and Betradar, for the provision of odds for the Betclic Everest Group's sports betting. The provision of relevant odds in a timely manner and for all events covered, is essential to the Betclic Everest Group's ability to offer its sports betting business. An interruption in the provision of odds or the provision of irrelevant odds could affect the Betclic Everest Group's ability to offer its sports betting business or to do so on a sustainable basis or in compliance with applicable regulations. The Betclic Everest Group's reputation could be affected and it could lose customers. The Betclic Everest Group could suffer financial losses due to erroneous odds or be exposed to sanctions by the relevant authorities.

The Betclic Everest Group is also dependent on maintaining its relationships with the banks and various payment services that process transactions between the Betclic Everest Group and players. The ability of the control and payment systems to provide fast and efficient services in which customers have confidence is crucial to the smooth operation and development of the Betclic Everest Group's business. Any deterioration in the relationship with the providers of these services, as well as any new legislation or regulations restricting financial transactions with online gaming operators, could restrict the Betclic Everest Group's ability to accept and process payments from its customers. In addition, deterioration in the quality of control and payment systems, their interruption or termination, or their inability to handle requests could result in the Betclic Everest Group losing players who will be dissuaded from using its services. Finally, the Betclic Everest Group could be significantly affected if some of its financial partners withdraw their services due to a change in banking legislation or regulations prohibiting banking institutions from providing services to companies operating in the Online sports betting & gaming sector. Although such circumstances have not had material implications in the past, the Betclic Everest Group considers that they may have a material effect on its business in the future.

Contracts entered into with third-party service providers generally contain clauses authorising the parties to terminate the contract in the event of the occurrence of certain events. These events may include, in particular, a breach of the parties' contractual obligations, a breach of the applicable regulations or licenses, loss of the licenses, a change in the shareholding (direct or indirect), or a change in market conditions. In addition, the contracts with the Betclic Everest Group's suppliers are generally concluded for specific periods. These terms are generally short and, once the term has expired, the contracts are renewed by tacit agreement. If the contracts concerned were to be terminated or not renewed, the Betclic Everest Group might no longer be able to conduct its business under conditions at least equivalent to those prevailing at the date of this document. This could have a material adverse effect on the Betclic Everest Group's business, results of operations or financial condition.

The Betclic Everest Group's Bet-at-home.com business is subject to additional risks. (O)

Bet-at-home, in which the Betclic Everest Group holds 53.9% of the shares, is a German company also operating in the field of online betting and gaming. Bet-at-home is listed on the Frankfurt Stock Exchange and operates independently. See *"Risks relating to the business of the Group in general—The Group is subject to risks associated with acquisitions, joint ventures and the presence of minority shareholders."* for the risks related to the fact that Bet-at-home is not wholly owned by the Betclic Everest Group.

Over the financial year ended 31 December 2023, the revenue of Bet-at-home represented approximately 4% of the Betclic Everest Group's total revenue. The business of Bet-at-home faces similar risks as the Betclic Everest Group's betting business as the nature of the business is the same, but is also subject to additional risks as it operates in a different manner and in other jurisdictions than the Betclic Group does. To the extent the Betclic Everest Group is aware given the independent operation of the Bet-at-home business, the Bet-at-home business is subject to the following additional risks that the Group considers to be material.

Bet-at-home is involved in legal proceedings with Austrian and German players who have claimed reimbursement for their gaming losses that they incurred with unlicensed operators. After the online casino had been discontinued by end of 2021 in Austria, the effected Maltese entity was no longer in a position to service its liabilities from existing or independently generated funds. As a consequence a winding-up by courts proceedings in respect of this Maltese entity were initiated and approved by the competent court in Malta. Since that time customers have been trying to claim for damages against the other companies of the Bet-at-home group. As at 31 December 2023, reimbursement claims with a total dispute value of €6.2 million are pending in court.

As at 31 December 2023, 3.8% of the assets on the Betclic Everest Group's balance sheet represented the goodwill generated in connection with its interest in Bet-at-home. Other unfavourable evolutions in these legal proceedings may lead to an impairment of the goodwill representing the Betclic Everest Group's interest in Bet-at-home.

3.1.4 Risks relating to taxation

The Betclic Everest Group has been subject to a VAT reassessment with respect to its activities of sports betting in France. (C)

The Betclic Everest Group, like many other local operators, considers that its activities of sports betting in France are not subject to VAT. This is based on the VAT exemption provided for in Article 261E of the French Tax Code *(Code général des impôts).* On 9 April 2015, the French Association of Online Games (*Association française des jeux en ligne*) (AFJEL) requested a ruling from the French tax authorities regarding the VAT regime for sports betting services provided to French players. On 13 March 2019 the French tax authorities issued a ruling (the "VAT Tax Ruling"), in which the French tax authorities came to the conclusion that the betting at odds operations should be viewed as an activity of the organiser of those games and betting activities and thus be subject to VAT. The organiser cannot benefit from the exemption in Article 261E of the French Tax Code. On 11 January 2021, the AFJEL filed a complaint with the EU Commission, considering the VAT Tax Ruling as being non-compliant with EU legislation. Following the VAT Tax Ruling, the Betclic Everest Group received in December 2021 a notice of adjustment from the French tax authorities for a total amount of €52.4 million (wilful misconduct and interest for late payment included) related to the VAT to be collected and paid in respect of income resulting from sports bets placed by players residing in France (for the years 2018 and 2019). On 13 May 2022, the Betclic Everest Group received (i) a rectification on the notice of adjustment from December 2021, decreasing the amount of €52.4 million to €37.3 million (wilful misconduct and interest for late payment included) and (ii) a new notice of adjustment from the French tax authorities for a total amount of €25.8 million (wilful misconduct and interest for late payment included) related to the VAT to be collected and paid in respect of income resulting from sports bets placed by players residing in France for the year 2020. On 25 May 2022, the AFJEL received the decision from the EU Commission to close the complaint. On 27 Sep 2023, the French Tax Administration notified Betclic Everest Group of the cancellation of the willful misconduct penalty, for the years 2018 and 2019 only, decreasing the adjustments from €37.3 million to €27.1 million.

The Betclic Everest Group, with the support of its legal and tax advisers, still considers the bases for adjustment are erroneous and that the position of the tax authorities is not in conformity with various general principles of VAT, in the same way as the other online gaming operators in France that are part of the AFJEL. The Betclic Everest Group will challenge this adjustment in France, with the tax authorities and, if necessary, the French courts, but also with the Court of Justice of the European Commission if a French Court decides to make a request for a preliminary ruling. No provision relating to this litigation has been recorded, however, it cannot be excluded that the Betclic Everest Group will not succeed in these proceedings. If the courts rule that the French tax authorities may apply VAT to sports betting activities in France, the application of VAT to the Betclic Everest Group's sports betting activities in France could therefore result in a higher overall tax liability and have a significant adverse effect on the Betclic Everest Group's profitability and financial position, both for the previous years as well as for the years to come.

As a significant portion of the Betclic Everest Group's revenues are generated in a limited number of geographies, a change in the taxation applicable to online sports betting and gaming may have a significant adverse impact on the profitability of the Betclic Everest Group. (C)

The Betclic Everest Group is sensitive to the taxation of online sports betting and gaming in the various jurisdictions in which it operates. Indeed, a significant portion of the Betclic Everest Group's revenue is generated in five countries: France, Germany, Italy, Portugal and Poland. These five countries represented 94% of the revenue generated by the Betclic Everest Group during the Financial Year 2023. However, France, Portugal and Poland are among the countries that tax online gaming the most. For example, in France, taxes are applied to sports betting, poker betting and horse racing betting, to which may be added betting rights or a VAT charge.

In France, since January 2020, the betting taxes on sports betting are applied at a rate of 54.9% of the gross generated revenue minus bonuses. Previously, the taxation was based on betting stakes, at a rate of 9.3%..

In Portugal, taxation for sports betting is based on stakes. Previously, it was a minimum of 8% tax, with a progressive tax, increase depending on the final annual sportsbook turnover and the Betclic Everest Group was paying an average of 15% tax on sportsbook turnover. Since April 2020, Portugal applies a flat tax of 8% on sportsbook stakes.

As a result, any increase in the taxation applicable to online sports betting and gaming, particularly in France, Germany, Italy, Poland and Portugal, may have a significant adverse impact on the profitability of the Betclic Everest Group's operations.

Successful challenge of the Group's tax position could adversely affect its results of operations or financial condition. (F)

The Group is subject to complex tax laws in each of the jurisdictions in which it operates. Changes in tax laws or regulations could adversely affect the Group's tax position, such as its effective tax rate or tax payments and thus its financial results. The various applicable regulations may also be a source of risk due to their imprecision, difficulties in their interpretation, or changes in their interpretation by local tax authorities. The compliance of the Group with all these different rules or interpretations may result in unforeseen tax consequences. Any significant failure to comply with applicable tax laws and regulations in all relevant jurisdictions could give rise to substantial penalties and liabilities. The multiple tax regimes to which the companies of the Group are subject as well as their uncertain developments may have a significant adverse effect on the Group, its activities, its financial position, its results or its perspectives.

For example, the current incorporation into French tax law of the Organisation for Economic Cooperation and Development's (the "OECD") principles related to base erosions and profit shifting (BEPS) included in the final reports released by the OECD as well as the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS signed in Paris on 7 June 2017, may increase the administrative burdens within the Group's business and impact existing structures. Moreover, His Majesty's Revenue and Customs (HMRC) has contested Endemol Shine's growth securities ownership plan operated by Endemol Shine UK Ltd. and Tiger Aspect Productions Ltd as a tax avoidance scheme, the appeal of which was unsuccessful. The Group has conceded and paid accordingly in January 2023.

Challenges to the Group's transfer pricing positions could adversely affect its results of operations or financial condition. (C)

The Group conducts operations in multiple tax jurisdictions, and the tax laws of those jurisdictions generally require that the transfer principles between affiliated companies in different jurisdictions be the same as those between unrelated companies dealing at arm's length, and that such prices are supported by contemporaneous documentation. While the Group believes that it operates in compliance with applicable transfer pricing laws and intends to continue to do so, its transfer pricing procedures are not binding on applicable tax authorities. If tax authorities in any of these jurisdictions were to successfully challenge the Group's transfer prices as not reflecting arm's length transactions, they could require the Group to adjust its transfer prices and thereby reallocate its income to reflect these revised transfer prices, which could result in a higher overall tax liability, and possibly interest and penalties, and could adversely affect the Group's business, results of operations and financial condition.

In particular, the Betclic Everest Group (other than Bet-at-home), like many online sports betting and gaming operators, is established in France and has subsidiaries in various countries, including Gibraltar and Malta, where most of its Trading, Finance, Customer Service, Fraud, Anti-Money Laundering and Responsible Gambling departments and some key personnel are located. Bet-at-home is established in Austria and also has subsidiaries in Gibraltar and Malta. The Betclic Everest Group cannot exclude that the tax authorities successfully challenge the allocation of profits between the different entities within the Betclic Everest Group.

Changes in corporate income tax rates could adversely affect its results of operations or financial condition. (F)

Another area of uncertainty concerns the sustainability of the statutory corporate income tax rate applicable in the countries in which the Group operates. For example, the corporate income tax rates in the three main jurisdictions are for France 25.83%, for the United States 24% and for the United Kingdom 25% since 1 April 2023. Until March 31 2023, the United Kingdom statutory corporate income tax rate was 19%. However, for Financial Year 2023, no significant impact on the Group's results of operations resulted from this increase.

Changes as a result of EU rules could adversely affect its results of operations or financial condition. (C)

Furthermore, the European Union continues to harmonise the tax legislation of the Member States. In this respect, the Council of the European Union adopted a directive *"laying down rules against tax avoidance practices that directly affect the functioning of the internal market"* on 12 July 2016 (Council Directive 2016/1164) (the "ATAD"). The ATAD was later amended on 29 May 2017 by the Council Directive (EU) 2017/952 (the "ATAD 2"), which, inter alia, extends the scope of the ATAD to hybrid mismatches involving third countries. More recently, on 22 December 2021, the European Commission published a new proposal for a directive laying down rules to prevent the misuse of shell entities for improper tax purposes and amending Directive 2011/16/EU (the "ATAD 3 Directive").

ATAD 3 Directive proposal of 22 December 2021 introduces new reporting requirements for EU tax-resident companies with certain mobile and passive income streams and inadequate operational substance. In certain cases of inadequate substance, the benefits of tax treaties and EU Directives may be denied, resulting in an increased withholding tax burden as well as potential penalties for failure to report or incorrect reporting. Once the rules are adopted, Member States will need to implement the proposed measures into their domestic tax legislation and apply them by 1 January 2025 with a potential two-year look-back rule. In this respect the Group Companies' position as at 1 January 2023 May be a reference point. The Group income including significant passive income (interest, dividends and intellectual property royalties), resulting from cross-border operations, some of its companies might be presumed as shell companies concerned by reporting purposes, subject to rebuttable presumption. Therefore, while the Group believes that it does not have aggressive or abusive structures, it may need to anticipate necessary operational changes to ensure that its operating companies have sufficient substance, notably in terms of allocated human resources in addition to incur additional administrative reporting burden which may mobilise higher internal and external resources, which may have an impact on the costs incurred and thus the Group's financial results.

Changes as a result of the reform of the international tax system could adversely affect its results of operations or financial condition. (C)

On 8 October 2021, the OECD issued updates on the major reform of international tax system, so-called two pillar solution, agreed on 1 July 2021, and aimed at aligning taxing rights more closely with local market engagement (Pillar 1) and at implementing as from 2023 a minimum 15% taxation rate in each country where the groups operate (Pillar 2). On 20 December 2021, the OECD released the Pillar 2 15% minimum effective tax rate Model Rules referred to as "Tax Challenges Arising from the Digitalisation of the Economy—Global Anti-Base Erosion Model Rules".

On 14 December 2022, the European Union member states unanimously agreed to adopt the Council Directive (EU) 2022/2523 introducing a global minmum corporate income tax rate of 15% that will come into force in 2024, in accordance with the model framework of OECD Pillar 2. On 29 December 2023, the article 4 of the French finance bill 2024 transposed in French law the Council Directive with effect from 31 December 2023.

On 8 November 2023, the European Union has endorsed the "International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12" (the Amendments) issued by the IASB in May 2023. The Amendments provide for a temporary relief from accounting deferred taxes arising from the OECD's international tax reform. Consequently, the Group applied for this temporary exemption.

As the law is effective for the Group starting from financial year 2024, the Group has performed a first assessment of its potential exposure to Pillar 2 notably based on transitional CbCr Safe Harbour and introduced resources to ensure its compliance with all the requirements.

Based on the first impact assessment, a limited number of jurisdictions has an effective tax rate below 15%, likely to trigger an additional taxation for the years ahead. However, figures at this stage do not indicate any material exposure. The Group will continue to monitor potential impacts.

The adoption by the Council of the European Union of an EU List of non-cooperative jurisdiction for tax purposes and the use of this list in the jurisdictions where the Group operates may impact its financial results. (C)

The Council of the European Union adopted on 5 December 2017 its conclusions on the EU List of non-cooperative jurisdictions for tax purposes (the "Council Conclusions") which is composed of two sub-lists (respectively, annex 1 of the list of non-cooperative tax jurisdictions, adopted by the Council of the European Union on 5 December 2017, as amended (the "Black List") and annex 2 of the list of non-cooperative tax jurisdictions, adopted by the Council of the European Union on 5 December 2017, as amended (the "Grey List"), together referred to as the "EU List"). The EU List was established following a screening and a dialogue conducted by a code of conduct working group appointed by the Council during 2017 with a large number of third country jurisdictions. The Black List, which is updated twice a year since 2020, is currently (according to the list as at 20 February 2024 and as published in the Official Journal of the European Union (C/2024/1804) on 26 February 2024) composed of twelve jurisdictions (American Samoa, Anguilla, Antigua and Barbuda, Fiji,Guam, Palau, Panama, Russia, Samoa, Trinidad and Tobago, US Virgin Islands, Vanuatu). Furthermore, the Council published a Grey List of screened jurisdictions that committed to introduce changes in their tax legislation in order to comply with the European Union screening criteria. Though there is no applicable sanction yet, Member States are encouraged by the Council Conclusions to agree on coordinated sanctions to apply at national level against these listed jurisdictions, such as increased monitoring and audits, withholding taxes, special documentation requirements and anti-abuse provisions.

A French law that aims at fighting fraud was published on 24 October 2018 (Law 2018-898 of 23 October 2018) and expands under certain conditions the French tax regime regarding the Non-Cooperative States and Territories to certain states and jurisdictions included into the Black List. As a result, services, royalties or interest paid or accrued to persons domiciled or established in certain states and jurisdictions included into the Black List or paid on an account opened in a financial institution located in such states and jurisdictions may be subject to a 75% withholding tax in France and not be deductible for purposes of the computation of the debtor's corporate income tax liability, unless it can be demonstrated the economic reality of the operations and that their remuneration is not abnormal or exaggerated, the burden of the proof being on the taxpayer. The new provisions apply to states and jurisdictions after their inclusion by order *(arrêté)* on the list of Non-Cooperative States and Territories. The list published on 17 February 2024 contains 16 jurisdictions, which comprise Anguilla, Seychelles, Bahamas, Turks and Caicos Islands, Vanuatu, Antigua and Barbuda, Belize, Fiji, Guam, US Virgin Islands, Palau, Panama, Russia, Samoa, American Samoa, Trinidad and Tobago.

Even though this is currently not the case, some of the productions of the Banijay Group such as adventure or reality shows have in the past been and may in the future be shot in such countries which are or may become listed as Non-Cooperative States and Territories. For example prior to becoming a Non-Cooperative State, productions by the Banijay Group have been shot in Fiji, which is currently identified as a Non-Cooperative State. The shooting of productions in Non-Cooperative States and Territories may require, due to the burden of the proof being on the Group, additional compliance, disclosure and administrative requirements and thus costs to sustain towards the tax authorities the economic reality of the operations. To avoid dealing with the risks associated with shooting in Non-Cooperative States and Territories, the Banijay Group may choose to relocate the set to other countries that are not identified as Non-Cooperative State or Territory. While the Group believes it is compliant and intends to remain compliant in all instances, the tax authorities is not bound by the evidence given by the Group and a challenge by the tax authorities could lead to adverse tax consequences, including penalties which may impact the Group's results of operations and financial condition.

The Group may become subject to social security contributions reassessments. (F)

The development and the success of the Group's business have, inter alia, been built through the acquisition of companies from third parties and the recruitment of creative talents, key management team and other partners, upon which the Banijay Group and the Betclic Everest Group have issued securities (such as share subscription Warrants *(bons de souscription d'actions)* or preference shares) to, or entered into contractual agreements with, individuals who have become their employees or legal representatives. Each time, the issuance or subscription price, the exercise price and the sale price of these securities as well as the financial terms of the contractual agreements have been set at fair market value as determined in accordance with a valuation report issued by an independent appraiser and therefore, the Group is of the opinion that these securities and contractual agreements have not been issued or implemented under preferential conditions.

In principle, gains made by individual holders of Warrants are qualified as capital gains at the level of the holder for tax and social security contributions purposes. However, according to recent French case law (decision of the French Civil Supreme Court no. 17-24.470 dated 4 April 2019 and decision of the French Administrative Supreme Court no. 437498, no. 428506 and no. 435452 dated 13 July 2021), gains made by individual holders of Warrants who are also employees and/or legal representatives of the granting company or of the Group of that granting company, might be requalified as employment income for tax and social security contributions when Warrants are granted as consideration for or in the course of work and under preferential conditions, or when their source are essentially the exercise by the holder of his/her functions as a legal representative or employee.

Though the aforementioned case-law solely relates to the grant and exercise of Warrants, one cannot exclude that the requalification into employment income for tax and social security contributions might be extended to gains derived from shares, including the disposal of shares in execution of contractual agreements, subscribed at fair market value as soon as the shareholder also acts as employee and/or legal representative of the Company or Group.

As a consequence, based on the above case law, the Group is of the opinion that the gains realised in connection to the issuance and disposal of such securities, or the execution of such contractual agreements, by certain of its employees and/or legal representatives, should not be subject to social security contributions. However, given the actual focus of the French tax and social authorities on these matters, the Group cannot exclude that all or part of these gains would be requalified into employment income and would be subject to social security contributions.

If these gains were to be requalified into employment income and would be subject to social security contributions, the Group's overall effective social security contributions expense could materially increase, which could have a material adverse effect on the Group's results of operations, financial condition and prospects.

The Company intends to be treated exclusively as a resident of France for tax purposes, but the Company also is a resident of the Netherlands for certain Dutch tax purposes, and other tax authorities may seek to treat the Company as a tax resident of another jurisdiction, as a result of which the Company could be subject to increased and/or different taxes. (F)

As an entity incorporated under Dutch law the Company is deemed to be a tax resident of the Netherlands for purposes of the Dutch Corporate Income Tax Act *(Wet op de vennootschapsbelasting 1969),* the Dutch Dividend Withholding Tax Act *(Wet op de dividendbelasting 1965)* and the Dutch Withholding Tax Act *(Wet bronbelasting 2021).* However, the Company intends to maintain its management structure and governance in such a manner that (i) its place of effective management is and remains in France and it should be regarded as a tax resident of France under French domestic tax laws, (ii) it should be considered to be exclusively tax resident in France for purposes of the 1973 Convention between the Kingdom of the Netherlands and the French Republic for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital (the "French-Dutch Tax Treaty"), as amended pursuant to the MLI (as defined below), and (iii) it should not be regarded as a tax resident of any other jurisdiction either for purposes of the domestic tax laws of such jurisdiction or for purposes of any applicable tax treaty. The determination of the Company's tax residency depends primarily on its place of effective management, which is largely a question of fact, taking into account all the relevant circumstances, rather than a question of law. Therefore, no assurance can be given regarding the final determination of the Company's tax residency by any relevant tax authority. In addition, the applicable tax laws and tax treaties or the interpretations thereof may change, including the MLI Tie-Breaker Reservation (as defined below). Such changes, and changes to applicable facts and circumstances (for example, a change of Managing Directors or the place where Management Board meetings take place), may affect the determination of the Company's tax residency and the consequent tax treatment.

If the competent tax authorities of a jurisdiction other than France take the position that the Company should be treated as (exclusively) tax resident of that jurisdiction for purposes of an applicable tax treaty, it could be subject to corporate income tax and all distributions made by it to its shareholders could be subject to any applicable dividend withholding tax in such other jurisdiction(s) as well as in France. This could include the competent tax authorities of the Netherlands, although the Company believes that the competent tax authorities of the Netherlands should view it as exclusively tax resident of France under the French-Dutch Tax Treaty on the basis of its management structure and governance, the current tax laws of the Netherlands and France and the current form of the French-Dutch Tax Treaty, as amended pursuant to the MLI. To resolve any issues in relation to dual tax residency, the Company may have access to a mutual agreement procedure and/or dispute resolution mechanisms under an applicable income tax treaty and (if it is an EU jurisdiction) the dispute resolution mechanism under Council Directive (EU) 2017/1852 of 10 October 2017 on tax dispute resolution mechanisms in the European Union, or the Company could submit its case for judicial review by the relevant courts. These procedures would require substantial time, costs and efforts, and it is not certain that double taxation issues can be resolved in all circumstances.

In case the Company would be considered resident in more than one jurisdiction, and this is not resolved under an applicable (tax) treaty, the Company's overall effective income tax rate and income tax expense could materially increase, which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects, which could cause the Company's share price and trading volume to decline.

The Company's exclusive tax residency in France for the purposes of the French-Dutch Tax Treaty is subject to the application of the provisions on tax residency as stipulated in the French-Dutch Tax Treaty as effective as at the date of this document and as amended pursuant to the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting ("MLI"). As France has made a reservation under Article 4(3) of the MLI ("MLI Tie-Breaker Reservation"), the exclusive tax residence of the Company under the French-Dutch Tax Treaty continues to be determined on the basis of where the Company's place of effective management is located, as set forth in Article 4(4) of the French-Dutch Tax Treaty. If France changes the MLI Tie-Breaker Reservation, the tie-breaker provision included in Article 4(1) of the MLI may replace the tie-breaker provision in Article 4(4) of the French-Dutch Tax Treaty. In that event, the competent authorities of France and the Netherlands will have to determine the exclusive tax residency of the Company by mutual agreement. During the period in which a mutual agreement between both states is absent, the Company may not be entitled to any relief or exemption from tax provided by the French-Dutch Tax Treaty and there would be a risk that both France and the Netherlands could levy withholding tax on all distributions by the Company, in addition to the risk of double taxation on the Company's profits. This could have a material adverse impact on the financial position of the Company and investors.

Furthermore, under the MLI the Company will only be entitled to the benefits of the French-Dutch Tax Treaty if the establishment of the Company's tax residency in France did not have as one of its principal purposes the obtaining of treaty benefits (the "Principal Purpose Test").

The Company believes it meets the Principal Purpose Test and therefore should be entitled to the benefits of the French-Dutch Tax Treaty. However, it cannot be excluded that competent Dutch tax authorities will be able to establish otherwise. A failure to meet the Principal Purpose Test would mean that the Company is not entitled to any relief or exemption from tax provided by the French-Dutch Tax Treaty and there would be a risk that both France and the Netherlands would levy withholding tax on all distributions by the Company, in addition to the risk of double taxation on the Company's profits. This could have a material adverse impact on the financial position of the Company and investors.

Dividends distributed by the Company may be subject to dividend withholding tax in both France and the Netherlands. (F)

As the Company intends to maintain its management structure and governance in such a manner that it should be treated as (exclusively) tax resident of France under French domestic tax laws and for purposes of the French-Dutch Tax Treaty, dividends distributed by the Company are generally subject to French withholding tax. In addition, because it is an entity incorporated under Dutch law, any dividends distributed by the Company are also subject to Dutch dividend withholding tax on the basis of Dutch domestic law (for a discussion of the expression "dividends distributed" for Dutch dividend withholding tax purposes, please see "*Taxation—Material Dutch tax considerations—Dividend withholding tax*"). However, pursuant to the Withholding Tax Restriction (for a discussion thereof, please see *"Taxation—Material Dutch tax considerations—Dividend withholding tax"*) the Netherlands will be restricted in imposing Dutch dividend withholding tax on dividends distributions made by the Company to holders of Ordinary Shares other than Dutch Nexus Investors (as defined in the section *"Taxation—Material Dutch tax considerations—Dividend withholding tax"*). If, for any reason, Dutch dividend withholding tax is withheld from a dividend distribution made by the Company to holders of Ordinary Shares other than Dutch Nexus Investors, such holders may apply for a refund of such Dutch dividend withholding tax levied.

As a result of the foregoing, upon a distribution of dividends, the Company is required to identify its shareholders in order to assess whether there are Dutch Nexus Investors among them, in respect of which Dutch dividend withholding tax then needs to be withheld. Such identification may be problematic and not always possible in practice. If the identity of the Company's shareholders cannot be timely determined, withholding of both French and Dutch dividend withholding tax would occur upon a dividend distribution to any investor.

Furthermore, if the Company would (temporarily) not be entitled to the benefits of the French-Dutch Tax Treaty (for example if France changes its MLI Tie-Breaker Reservation or pursuant to the application of the Principal Purpose Test; reference is made to Section 3.1 (Description of risk factors) — *The Company intends to be treated exclusively as a resident of France for tax purposes, but the Company also is a resident of the Netherlands for certain Dutch tax purposes, and other tax authorities may seek to treat the Company as a tax resident of another jurisdiction, as a result of which the Company could be subject to increased and/or different taxes* on page 137) the Withholding Tax Restriction referred to above would not apply. Consequently, any dividends distributed by the Company during the period it is not entitled to the benefits of French-Dutch Tax Treaty may be subject to both French and Dutch dividend withholding tax.

In addition, it is not entirely clear whether the Withholding Tax Restriction applies if a distribution by the Company qualifies as a dividend for the purposes of Dutch tax laws while it does not qualify as a dividend for the purposes of French tax laws. On the basis of a literal reading of the French-Dutch Tax Treaty, a distribution that qualifies as a dividend under the tax laws of the Netherlands but that does not as a dividend under the tax laws of France, is not in scope of the Withholding Tax Restriction. Since France and the Netherlands may have a differing concept of what constitutes a dividend under their domestic tax laws, which could also be subject to change, it cannot be entirely excluded that certain acts of the Company vis-à-vis investors constitute a dividend under the tax laws of the Netherlands while they do not constitute a dividend under the tax laws of France, in which case the Netherlands may not be precluded from levying Dutch dividend withholding under the Withholding Tax Restriction. Consequently, the Netherlands would under the French-Dutch Tax Treaty be entitled to levy Dutch dividend withholding tax in relation to all investors (in addition to any French tax that may become due), although the Netherlands might then still be precluded from levying Dutch dividend withholding tax under a double tax treaty concluded between the Netherlands and the jurisdiction of residence of a relevant investor depending on the provisions of the double tax treaty and the specific situation of the investor.

As of 1 January 2024, a Dutch conditional withholding tax will be imposed on dividends distributed by a Dutch company to related recipients in low-tax jurisdictions and in abusive situations. Under this Dutch conditional withholding tax a recipient of dividends that is related to the Company for purposes of the Dutch conditional withholding tax and that (i) is established or has a permanent establishment (to which the dividend payment is allocated) in a jurisdiction that has a statutory corporate tax rate below 9% or in a jurisdiction included on the EU's Black List of non-cooperative jurisdictions, (ii) is a hybrid entity or a reverse hybrid entity or (iii) is interposed to avoid tax otherwise due by another entity, will be subject to a conditional withholding tax on dividends at the highest

Dutch corporate income tax rate (currently 25.8%), as a result of which such holders of Ordinary Shares would receive lower after-tax dividends as of 1 January 2024. The Dutch conditional withholding tax on dividends will be reduced, but not below zero, by any regular Dutch dividend withholding tax withheld in respect of the same dividend distribution. Holders of Ordinary Shares should seek their own tax advice on the consequences of this Dutch conditional withholding tax on dividends.

As set out in the section *"Taxation—Material Dutch tax considerations—Dividend withholding tax",* it cannot be excluded that proceeds of a redemption of the Warrants, proceeds of a repurchase of the Warrants, or a full or partial cash or cashless settlement of the Warrants fall within the scope of the expression "dividends distributed", as a result of which the matters set out in this risk factor could also apply with respect to holders of Warrants (and references to "holders of Ordinary Shares" should then be read as "holders of Ordinary Shares and/or Warrants").

3.1.5 Risks relating to financial matters, capital structure and corporate structure of the Company and the Group

The Company relies on its operating subsidiaries to provide the Company with funds necessary to meet its financial obligations and the Company's ability to pay dividends may be constrained. (F)

(i) the 2020 Banijay Senior Facilities Agreement entered into on 7 February 2020 as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time, latest on 25 April 2025, by and among, inter alios, Banijay Group SAS as topco, Banijay Entertainment SAS ("Banijay Entertainment") as company, the original lenders (as named therein), U.S. Bank National Association as agent and Elavon Financial Services DAC as security agent, pursuant to which the (x) euro-denominated term loan in an aggregate principal amount of €555 million (the "2020 Banijay Facility B (EUR)", (y) the US dollar-denominated term loan in an aggregate principal amount of $560 million (the "2020 Banijay Facility B (USD)") and (z) the €170 million (equivalent) senior secured revolving credit facility (the "Revolving Credit Facility" and together with the 2020 Banijay Facility B (EUR) and 2020 Banijay Facility B (USD) the "2020 Banijay Facilities B") have been made available to the borrowers by the lenders (the "2020 Banijay Senior Facilities Agreement"), and

(ii) the Tranche A of the senior secured credit facility entered into on 23 June 2020, by and among, inter alios, Betclic Group SAS as borrower, Betclic as parent and Guarantor, Mangas Lov (as defined under *"—Covenants of the Parties to the Business Combination Agreement—Lov Reorganisation"*) as Guarantor, BNP Paribas, Natixis and Société Générale as mandated lead arrangers and Société Générale as agent and security agent and Natixis as documentation agent as amended, restated or modified in whole or in part from time to time, pursuant to which the euro-denominated term loan in an aggregate principal amount of €165 million and the Tranche B of the senior secured credit facility entered into on 22 May 2023, by and among, inter alios, Betclic Everest Group SAS as borrower (following the merger between Betclic Group and Betclic Everest Group), the Company as Guarantor, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Crédit Lyonnais, Goldman Sachs Bank Europe SE, Natixis as mandated lead arrangers and Société Générale as agent and security agent as amended, restated, modified in whole or in part from time to time, pursuant to which the euro-denominated term loan in an aggregate principal amount of €150 million has been made available by the lenders to the borrower (the "2023 Betclic Group Senior Credit Facilities" and together with the 2020 Banijay Facilities B, the "Senior Credit Facilities"), and

(iii) the €400 million in aggregate principal amount 6.500% senior notes due 2026 (the "2020 Banijay Senior Notes") issued under the indenture entered into on 11 February 2020 by and among, inter alios, Banijay Group SAS as issuer and U.S. Bank Trustees Limited as trustee (the "2020 Banijay Senior Notes Indenture"), and

(iv) the €540 million in aggregate principal amount of 7.00% senior secured notes due 2029 and the US $400 million in aggregate principal amount of 8.125% senior secured notes due 2029 both issued under the senior secured notes indenture on 19 September 2023 (the "2023 Banijay Senior Secured Notes" and together with the 2020 Banijay Senior Notes, the "Banijay Notes") entered by and among, inter alios, Banijay Entertainment., as issuer and U.S. Bank Trustees Limited as trustee (the "2023 Banijay Senior Secured Notes Indenture" and together with the Senior Notes Indenture the "Banijay Indentures").

(v) FL Entertainment as borrower, BNP Paribas, Deutsche Bank Aktiengesellschaft, Goldman Sachs Bank Europe SE and Natixis as mandated lead arrangers, and Natixis as agent, security agent and documentation agent entered enter into the FL Entertainment Multicurrency Revolving Facility Agreement of a principal amount of €50 million (equivalent) (the "2023 FLE RCF").

Distributions may also be subject to withholding taxes in the Group Companies' respective country of incorporation that may reduce funds ultimately received by the Group. As an equity investor in the Company's subsidiaries, the Company's right to receive assets upon a subsidiary's liquidation or reorganisation will be effectively subordinated to the claims of such subsidiary's creditors. To the extent that the Company is recognised as a creditor of a subsidiary, the Company's claims may still be subordinated to any security interest in or other lien on such subsidiary's assets and to any of its debt or other obligations that are senior to the Company's claims.

The payment of future dividends on Ordinary Shares, if any, and the amounts thereof, depends on a number of factors, including, among others, the amount of distributable profits and reserves, the Company's earnings, level of profitability and financial conditions, capital requirements, capital expenditure and investment plans, financial covenants, ratio of debt to equity, any credit ratings, applicable restrictions on the payment of dividends under applicable laws as well as contractual restrictions, the level of dividends paid by other comparable listed companies, general economic and market conditions and such other factors as the Board may deem relevant from time to time. There can be no assurance that the abovementioned factors will allow adherence to the Company's dividend policy, or any payment of dividends. In particular, the Company's ability to pay dividends may be impaired if any of the risks described in this section *"Risk factors"* were to occur. As a result, the Company's ability to pay dividends in the future may be limited and the Company's dividend policy may change. See *"Dividend policy"*.

The Group's significant leverage may make it difficult for the Group to operate its businesses. (F)

The Group currently has a significant amount of outstanding debt with substantial debt service requirements. As at 31 December 2023, the Group's total Net Debt(1) amounts to €2,280.0 million and the Leverage(1) is 3.1x. The Group's significant leverage could have important consequences for its business and operations, including, but not limited to:

- satisfying the obligations of the Group with respect to the Banijay Indentures, the Senior Credit Facilities and other debt and liabilities the Group may incur;
- requiring the Group to dedicate a substantial portion of its cash flow from operations to payments on its debt, thus reducing the availability of its cash flow to fund acquisitions or organic growth projects and for other general corporate purposes (in this respect, the Group plans to pay a yearly amount of interests of approximately €195 million in respect of its existing indebtedness);
- increasing the Group's vulnerability to a downturn in its business or general economic or industry conditions;
- placing the Group at a competitive disadvantage relative to competitors that have lower leverage or greater financial resources than the Group has;
- limiting the Group's flexibility in planning for or reacting to competition or changes in its business and industry;
- negatively impacting credit terms with the Group's creditors;
- restricting the Group from pursuing strategic acquisitions or taking advantage of certain business opportunities; and
- limiting, among other things, the Group's ability to borrow additional funds or raise equity capital in the future and increasing the costs of such additional financings.

Any of these or other consequences or events could have a material adverse effect on the Group's business, results of operations or financial conditions and the ability of the Group to satisfy its debt obligations. The Group's ability to make payments on and refinance its debt and to fund acquisitions, working capital expenditures and other expenses will depend on the Group's future operating performance and ability to generate cash from operations. The Group's ability to generate cash from operations is subject, in large part, to general economic, competitive, legislative and regulatory factors and other factors that are beyond the Group's control. The Group may not be able to generate sufficient cash flow from operations, to meet its payment obligations or obtain enough capital to service its debt or to fund its future acquisitions or other working capital expenditures. Thus, the Group may be forced to reduce or delay planned expansions or capital expenditures, sell significant assets, discontinue specified operations, obtain additional funding in the form of debt or equity capital or attempt to restructure or refinance all or a portion of its debt on or before maturity. However, no assurance can be given that the Group would be able to accomplish any of these alternatives on a timely basis or on commercially reasonable terms, if at all. The terms of the debt of the Group, including the Senior Credit Facilities Agreements and the Notes, will limit the ability of the Group to pursue these alternatives.

In addition, the Group may be able to incur additional debt in the future, including debt in connection with future acquisitions. Although the Senior Credit Facilities Agreements and the Banijay Indentures contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions and, under certain circumstances, the amount of indebtedness that could be incurred in compliance with these restrictions could be substantial. If the Group incurs new indebtedness in addition to its current indebtedness, the risks associated with the Group's Leverage would intensify.

Failure to comply with the covenants or other obligations contained in the Banijay Indentures and in the Senior Credit Facilities Agreements could result in an event of default. Any failure to repay or refinance the outstanding debt when due could materially and adversely affect the Group's business. (F)

The Group has incurred indebtedness pursuant to which the Group may be required to maintain specified covenants (including financial ratios) such as the prohibition to make certain payments (including dividends and other distributions), to make certain investments or acquisitions, to prepay or to redeem subordinated debt, or to transfer or sell certain assets (see *"Operating and financial review of the Group—Indebtedness"* for further details of such indebtedness). For example, the Group is subject to covenants relating to its compliance with sanctions and any non-compliance with sanctions may lead to a breach of the Group's covenants. The ability of the Group to satisfy these covenants could be affected by any deterioration in the operating results of the Group, as well as by events beyond the control Group. Even though the Group is currently in compliance with all of the covenants under the

(1) Please refer to Section 5.2.2 (Other financial information) on page 176 for more information on Alternative Performance Measures (APM).

Senior Credit Facilities Agreements and the Banijay Indentures (and benefits from sufficient headroom to comply with its most important covenants) and/or has obtained any required waivers, authorisations or approvals from its creditors hereunder, if there is an event of default under the Senior Credit Facilities Agreements that is not cured or waived in accordance with the terms of the applicable agreement or following the occurrence of a change of control event under any of the Senior Credit Facilities Agreements or the Banijay Indentures, the creditors under these agreements could terminate commitments to lend and/or cause all amounts outstanding with respect to the loans granted or Notes subscribed thereunder to become due and payable immediately. In such a situation, creditors could seek to enforce upon the security and collateral from which they benefit, including the security over shares in the direct and indirect material subsidiaries of the Group. See *"Operating and financial review of the Group—Indebtedness"* for a description of the terms of the indebtedness incurred by the Group.

The Group's assets and cash flow may not be sufficient to fully repay its outstanding debt under the Senior Credit Facilities or the Notes when due whether upon an acceleration of the loans granted under the applicable agreement or on the maturity date of any of the agreements. Upon an acceleration of the Senior Credit Facilities or the Notes or upon the final maturity date of the Senior Credit Facilities or the Notes, there can be no assurance that the Group would be able to refinance the agreements or that the Group's assets would be sufficient to repay that indebtedness in full and allow the Group to continue to make the other payments that it is obliged to make, which would impair the Group's ability to run its business, could result in insolvency proceedings or reorganisation and could result in investors losing all or a substantial portion of their investment. In addition, a default under any of the Senior Credit Facilities or the Notes could result in a default under the Group's other financing arrangements and could cause or permit lenders under those other financing arrangements to accelerate such financing arrangements, causing the amounts owed under those arrangements to become immediately due and payable.

Furthermore, there is no guarantee that the Group will continue to be able to meet its debt service obligations under the Senior Credit Facilities Agreements or the Banijay Indentures. Any inability to meet the Group's debt payment obligations could result in insolvency proceedings or debt or other restructuring and could result in investors losing all or a substantial portion of their investment.

The Group is subject to restrictive covenants which could limit its operating, strategic and financial flexibility. (F)

The Senior Credit Facilities Agreements and the Banijay Indentures contain covenants which could impose significant restrictions on the way the Group can operate, including restrictions on its ability to:

- incur or guarantee additional debt and issue preferred stock;
- make certain payments, including dividends or other distributions;
- make certain investments or acquisitions, including participating in joint ventures or undertaking capital expenditures;
- prepay or redeem subordinated debt;
- engage in certain transactions with affiliates;
- create unrestricted subsidiaries;
- agree to limitations on the ability of the Group's subsidiaries to make distributions;
- sell assets, consolidate or merge with or into other companies;
- sell or transfer all or substantially all of the Group's assets or those of its subsidiaries on a consolidated basis;
- issue or sell share capital of certain subsidiaries;
- impair the security interests granted for the benefit of the holders of the Notes or the Creditors under the Senior Credit Facilities; and
- create or incur certain liens.

The 2023 FLE RCF contains covenants and information undertakings which could impose significant restrictions on the way the Group can operate, including restrictions on its ability to: limitations on indebtedness, limitations on dividends distribution except the permitted distribution, limitation on acquisitions or investments except the permitted joint venture and acquisitions, limitation on loans except permitted loan, compliance with laws, negative pledge, merger, insurances, intellectual property, center of main interests, compliance with sanctions and anti-corruption laws, conduct its business as a holding company, taxation, dividend distribution policy, pari passu ranking, compliance with a leverage ratio covenant.

These covenants currently have a limited impact on the ability of the Group to conduct its business and mainly impose significant restrictions on the ability of the Group to make certain payments to its shareholders (including by way of dividends). These covenants could in the future affect the Group's ability to operate its business and may limit its ability to react to market conditions or regulatory developments or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect the Group's ability to finance its operations, pursue future acquisitions, investments or alliances, enter into transactions or carry on its activities in certain prohibited territories and/or with potential prohibited counterparties (due to applicable sanctions provisions), restructure the Group's organisation or finance the Group's capital needs or such acquisitions.

The Group is exposed to interest rate risks, and such rate may adversely affect its debt service obligations. (F)

A significant portion of the Group's debt bears interest at variable rates, and the Group is exposed to the risk of fluctuations in interest rates. The Senior Credit Facilities bear interest at a variable rate based on the Euro Interbank Offered Rate (EURIBOR) in respect of utilisations in euros, the Secured Overnight Financing Rate (SOFR) in respect of utilisations in US dollars (it being specified that some of the group entities have loans for which LIBOR is still applicable despite the disappearance of LIBOR: transition mechanisms to alternative reference rate have been already incorporated into such loan agreements in order to mitigate any risks associated with the disappearance of LIBOR), the Sterling Overnight Index Average (SONIA) in respect of utilisations in Sterling pounds (with a credit spread adjustment) or the Swiss Average Rate Overnight in respect of utilisation in Swiss francs (in each case, subject to a 0% per annum floor except for SOFR 1% per annum), as applicable, and in each case plus an applicable margin. These interest rates could rise significantly in the future, increasing the Group's interest expense associated with these obligations, reducing cash flow available for capital expenditures.

Although the Group entered into and maintain certain hedging arrangements designed to fix a portion of these rates until the maturity of the Senior Credit Facilities, there can be no assurance that hedging will be or will continue to be available on commercially reasonable terms. Hedging itself carries certain risks, including credit risks in relation to such hedging counterparties and the risk that the Group may need to pay a significant amount (including costs) to terminate any hedging arrangements. Further, there may be a mismatch between the successor rates applied in respect of the Group's floating rate debt and the successor rates applied in respect of hedging arrangements thereon, which may render such hedging arrangements ineffective in managing the Group's interest rate risks. To the extent interest rates were to increase significantly, the Group's interest expense would correspondingly increase, thus reducing cash flow.

Currency mismatches may have an adverse impact on the Group's financial position. (F)

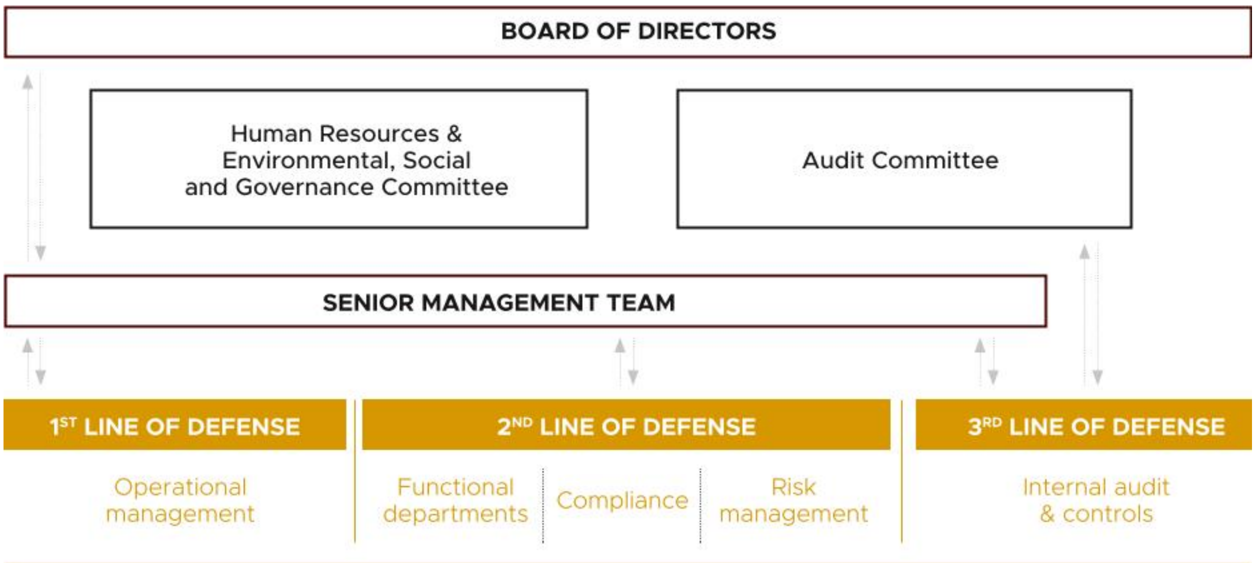
The Group generates part of its revenue in currencies other than the euro. Part of the Group's transactions are denominated in US dollars, Sterling pounds and zlotys, but the Group also operates in a large number of countries worldwide with differing and sometimes volatile currencies. In addition, the Group incurs debt and receives cash in currencies other than the euro from time to time. The Group therefore faces currency risks, particularly with respect to currency fluctuations. In the absence of hedging, currency fluctuations between the euro and the currencies of the various markets in which the Group operates may affect its results and make it difficult to compare performance levels in those markets from year to year. If the euro appreciates (or depreciates) against another currency, the euro value of the assets, liabilities, income and expenses initially recognised in that other currency will decline (or increase). To partially offset this exposure, the Group will continue its practice of utilising cash flows arising in a given currency to pay for expenses arising in the same currency wherever possible, and the Group may also engage in certain limited hedging transactions. However, there can be no assurance that these strategies will be sufficient to effectively limit the increased impact of fluctuations in foreign currency exchange rates on the Group's results of operations. For the year ended 2023 sales in US Dollars represented 17% of the Content production and distribution's revenues, in Great Britain Pounds represented 17% of the Content production and distribution's revenues. Changes in foreign currency exchange rates may have an adverse effect on the Group's business, results of operations and financial position.

3.2 Risk management and internal control system

3.2.1 Internal control general principles

The risk management and internal control system of the Company aims to provide reasonable assurance as to the achievement of operational objectives, compliance with the laws and regulations in force, the Group's ethical principles and standards, and in particular the reliability of financial and non-financial information. It consists of procedures and control systems which are implemented by the Senior Management Team of each business and complied with our staff. The ultimate responsibility for the risk management lies with the Board.

The Company has developed and implemented general guidelines for internal control that are largely based on the guidance published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).



The first line of defense

As the first line of defense, the operational staff is responsible for defining, maintaining and implementing an internal control system that is adapted to the risks of their activity and which enables them to achieve the level of internal control required by the Senior Team management.

The second line of defense

The second line of defense comprises the various risk management and compliance functions capable of assisting the operational functions in identifying and assessing the main risks in their area of expertise. These "risk specialist" functions contribute to the monitoring of first-line controls.

The third line of defense

The internal audit and controls departments adopt a systematic and methodical approach to assess the risk management, control and governance processes, and make proposals to improve their effectiveness.

For Content production and distribution the internal audit team (since November 2023) represents the third line of defense through planned and one-off spots audit as well as the Banijay risk manager through country visits including business review and focus on internal control processes.

For Online sports betting & gaming, the internal audit team represents the third line of defense through planned and one-off spot audits. The team provides assurance to senior management and boards that the first- and second-lines' efforts are consistent with expectations. The main difference between this third line of defense and the first two lines is its high level of organizational independence and objectivity as well as audit skills.

The assessments performed by the businesses are shared with FL Entertainment management and a follow-up of the recommendations will be carried out on a regular basis.

Internal control objectives

FL Entertainment's culture is underpinned by a set of corporate values (creativity, team spirit, proximity and engagement), ethical principles (trust, integrity, transparency and respect) and standards of responsible behaviour in business, derived mainly from its Code of Conduct, that govern interactions with its employees as well as its stakeholders, including its customers, shareholders, suppliers, and users.

The internal control measures employed are aligned with the Company's organization, culture, risk factors and operational characteristics. Internal control at FL Entertainment is a set of processes and measures that are defined by senior management and implemented by employees which serve to meet the following objectives:

- compliance with laws and regulations;
- prevention and control of operational risks, financial risks and the risk of error and fraud;
- proper operation of internal processes, especially those pertaining to the safeguarding of assets;
- reliability of financial and non-financial information;
- compliance with the Group's ethical principles and standards; and
- identification and analysis of risk factors that could compromise the achievement of the Company's objectives.

It should be noted that the rules and principles implemented cannot provide absolute assurance that all risks will be eliminated or controlled.

3.2.2 Risk monitoring and management

Organizational framework

FL Entertainment's business activities expose it to various risks. The main risks that have been identified are described in the "Risk factors" chapter of this Universal Registration Document. Risk management is a priority for the Company and is conducted both by the two main businesses (Banijay Group and Betclic Group) and the parent company, which monitor the business and act when necessary. Risk management serves to:

- develop a comprehensive, systematic, integrated and flexible method for identifying, assessing, analyzing and managing risks and for promoting risk control;
- develop risk management best practices; and
- prevent risks that threaten the Company and mitigate their consequences.

An overview of the financial risk management objectives of the Group are presented in Section 6.1.6 (Note 26 of the Consolidated Financial Statements) on page 287 of this Universal Registration Document.

Controls

The Company's audit and internal control system is overseen on an ongoing basis by the Internal Audit and Controls departments, which report directly to the Company's Finance department and on a functional basis to the Audit Committee. This system serves to provide the Company's management and its Board of Directors with reasonable but not absolute assurance that the Company's risks are controlled.

The Internal Audit and Controls departments ensure that the internal control system is mature by evaluating its effectiveness and efficiency, while encouraging its continuous improvement. Based on a risk assessment, the Internal Audit and Controls departments evaluate the internal control system's relevance and effectiveness by assessing the quality of the Company's control environment, the reliability and integrity of financial and operational information, operational effectiveness and efficiency, asset protection, and legal, regulatory and contractual compliance.

The 2024 audit plan for each business was presented to and approved by FL Entertainment Audit Committee during the first quarter of 2024. Three types of audit can be performed:

- audits on the compliance and effectiveness of processes and activities;
- audits on the maturity of internal control; and
- audits on the compliance or performance of specific themes selected by the Audit Committee.

3.2.3 Internal control procedures relating to the preparation and processing of accounting and financial information

FL Entertainment's Finance department is responsible for preparing the accounting and financial information. To increase the reliability of published accounting and financial information, the Consolidation department, the Senior Management Team and the Treasury and Financing department of each business, as well of the Investor Relations and the Accounting department of FL Entertainment perform essential tasks to ensure that FL Entertainment's financial information is consistent. These departments report to the Group's Chief Financial Officer. Their tasks thus include:

- preparing FL Entertainment's Company only financial statements and consolidated financial statements within the timeframes required by law and contractual obligations;
- managing the budgeting and forecasting process and preparing the quarterly management report, while ensuring that data is consistent;
- preparing the documents necessary to communicate financial results and to enable FL Entertainment's management to prepare its Management report;
- designing and implementing FL Entertainment's accounting and management methods, procedures and guidelines; and
- identifying and overseeing any changes to FL Entertainment's accounting and management information systems that may be necessary.

3.2.4 Board of Directors Control Statement

FL Entertainment publishes this Board of Directors Control Statement to demonstrate its accountability for Risk Management as stipulated in Principles 1.4 of the Dutch Corporate Governance Code.

By virtue of Principle 1.4 (Risk management accountability) of the Dutch Corporate Governance Code, FL Entertainment is required to account for the effectiveness of the design and the operation of the internal risk management and control systems as explained in Section 3.2 on page 143.

The Board of Directors states, in accordance with best practice provision 1.4.3 of the Dutch Corporate Governance Code, that:

- the Board of Directors report provides sufficient insight into any important deficiencies in the effectiveness of the internal risk management and control systems that may have been detected during the Financial Year 2023 and no major failings have been detected;
- the risk management and control systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies. Please refer to Section 3.2 on page 143 for more details;
- the financial reporting is prepared on a going concern basis;
- the Board of Directors report discloses all material risks and uncertainties, as described in Section 3.1 on page 108, that are relevant regarding the expectation as to the continuity of the Group for the 12-month period after the date of issue of this Universal Registration Document.

With reference to Section 5:25c sub 2c of the Financial Markets Supervision Act, the Board of Directors states that, to the best of its knowledge:

- the annual financial statements give a true and fair view of the assets, liabilities, financial position and loss of the company and the undertakings included in the consolidation taken as a whole; and
- the Board of Directors report provides a fair view of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that the Company faces.

CORPORATE GOVERNANCE STATEMENT

The information required to be included in this Corporate Governance Statement is incorporated in Chapter 4 (Corporate Governance) on page 149.

The main characteristics of the Company's internal risk management measures and control systems connected to its financial reporting process, as required by article are described in Section 3.2 on page 143.

COMPLIANCE WITH THE DUTCH CORPORATE GOVERNANCE CODE

FL Entertainment complies with all the provisions of the Dutch Corporate Governance Code, with the exception of best practice provisions 2.1.9, 2.3.2 et 4.3.4. The nature of and reasons for these deviations are explained in Section 4.1 (Dutch Corporate Governance Code, "Comply or explain") on page 152.

3.3 Insurances

FL Entertainment: Directors are insured under an insurance policy taken out by the Company against damages resulting from their conduct when acting in their capacities as Directors or officers.

Banijay Group: The Banijay Group has general liability and errors & omissions, Directors and Officers, Business Travel and Crime & Fraud insurance in place for the entire group and a production insurance scheme which is optional. Property, key man, workers' compensation, and other specific insurance coverage on a company level is taken out locally to the extent that it is legally required or appropriate for operating the local business. The Banijay Group cannot guarantee, however, that it will not incur losses beyond the limits or outside the coverage of its insurance policies. In addition, longer interruptions of business at one or more of its studios can, even if insured, result in the loss of sales, profit, customers and market share.

Betclic Group: The Betclic Group has property insurance, Directors' and officers' insurance, professional indemnity & general liability insurance and other specific insurances coverage in place, all to the extent that it believes is appropriate for operating its business. The Betclic Group cannot guarantee, however, that it will not incur losses beyond the limits or outside the coverage of its insurance policies.

3.4 Legal proceedings

Other than described below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Group is aware), during a period of 12 months before the date of this Universal Registration Document which may have, or have had in the recent past significant effects on the Group and/or the Group's financial position or profitability.

A summary of the most relevant current legal proceedings is provided below:

Dropped

Dropped is a format where two teams of athletes or former athletes are dropped in a remote location by helicopter and have to make their way back to civilisation without a map or a compass as quickly as possible. In 2014, Adventure Line Productions ("ALP") produced its first series in Argentina. ALP had subcontracted the logistics of the show to a specialised company, SAX Logistica ("SAX"). In 2015, two helicopters carrying three contestants collided with each other shortly after take-off causing the deaths of all the passengers aboard each helicopter.

Following the crash, two investigations were initiated: (i) an investigation under the direction of an Argentinean federal court (whereby ALP is not a suspect but witness) and (ii) a judicial inquiry in France investigating whether the offence can be qualified as "involuntary manslaughter by manifestly deliberate violation of an obligation of safety and prudence". In 2021, the French investigation judges decided to place ALP under investigation. The criminal investigations in Argentina and France are ongoing. The two former executives of ALP (respectively CEO and COO) as well as the director of ALP's Productions and the Director of the Production Dropped, who were in function at the time of the accident, have also been indicted. The investigating judges have issued a notice of termination of the investigation and ALP is currently waiting for the prosecutor's decision if the case will be dismissed or referred to a criminal court. Any trial before the criminal court is at this stage not expected to take place before the end of 2024.

The families of the five deceased employees of ALP have initiated separate civil actions against ALP and are requesting aggregate damages of approximately €3.8 million. One case is for the moment still suspended until completion of the criminal investigation, another is due to be heard by a court of appeal on 24 September 2024. In the other three cases, ALP was condemned in first instance, with the judgments having been upheld by the relevant Courts of Appeal, and this position has also been confirmed by the French supreme Court on 16 November 2023 in the first case brought before it. In the context of these proceedings, the families are asking that ALP is ordered to pay an increased amount for the pensions granted to them by the relevant health insurance funds (French "CPAMs"). The determination of the amount of the pension increase is complicated and depends on several parameters. In total, concerning the claims of employees' heirs, the maximum estimated risk is €7.3 million.

In addition, the families of two of the three athletes who died in the crash have filed civil claims against ALP for damages, with one claim amounting to €4.2 million and with the other family still estimating the damages incurred. Both cases have been deferred until the outcome of the criminal proceedings or until further actions from the plaintiffs. For the third athlete, the family is a civil party in the criminal proceedings and will likely seek their compensation in this context. The amount of the claims is much higher than the estimated risk.

The production risks insurer at that time, Liberty Syndicates Management Ltd. ("LSM"), paid €2.1 million to ALP in connection with this event. LSM then filed a civil claim against SAX, which was rejected by the Commercial Court of Paris. LSM appealed this decision in 2019. In 2021, the Paris Court of Appeal reversed the first instance judgment and ordered Sax to pay LSM €2.1 million. SAX appealed the decision and, by a ruling dated 13 December 2023, the French Supreme Court declared the ruling partially null and void and referred the case back to the Paris Court of Appeal (otherwise composed) on the point of quantifying the compensation due to the absence of an expert opinion on the determination of the amount of the loss. The other points of the Paris Court of Appeal's ruling are not affected and become thus final. This recent decision therefore mean that Sax could be considered liable and that LSM could effectively take actions against SAX. The amount of the loss still remains to be debated before the Paris Court of Appeal, which will have to hear and rule on the matter again.

Separately, ALP has filed a lawsuit against AXA based on the professional liability insurance at that time for any potential damages (subject to insurance limitations and exclusions) awarded to the families of the victims in connection with the pending civil actions. This case was deferred by the Court. Given the recent decision of the French Supreme Court, ALP will request to re-open the case.

Endemol Shine India

The acquisition of the Endemol Shine Group by the Banijay Group triggered, under the shareholders agreement of Endemol Private India Limited ("ES India"), a change of control put option to the benefit of CA Media Mauritius Holding ("CA Media"), the minority shareholder of ES India for the acquisition by Endemol Shine Opco Holding of CA Media' stake (49% of the share capital in ES India) at fair market value. Parties disputed the fair market value and the matter was put to arbitration. The arbitral decision was issued in February 2023. The decision ordered Banijay Benelux Holding B.V. to pay approximately €56 million plus interest, legal, arbitration costs, in total around €65 million, in exchange of CA Media's shares. This matter is now closed.

Koh Lanta

In 2013, a participant in *Koh Lanta* (the French version of *Survivor*), a reality programme produced in France through Adventure Line Productions, died as a result of a heart attack during the filming of the programme. Following his death, a French court opened a criminal investigation into whether anyone had caused the involuntary manslaughter of the participant. It has since been established that the participant suffered from a pre-existing heart condition. While the family and heirs of the participant have not initiated any civil proceedings, the criminal investigation is still pending. The Banijay Group expects the court to drop the case but is not a party to the investigation and therefore does not have access to court documents. Based on the information received to date, the Banijay Group will continue to argue that the death of the participant was the result of natural causes and that its production company was not in any way responsible.

Zodiak Belgium

In 2019, Banijay Belgium N.V., previously named Zodiak Belgium N.V. ("Banijay Belgium") initiated criminal proceedings against, among others, its former CFO and former CEO and Managing Director, on the basis of unlawful practices within Banijay Belgium, amounting to approximately €11 million over the course of eight years. In March 2019, Banijay Belgium terminated its agreements with the former CFO and former CEO, which the former CFO challenged before a commercial court. The former CEO has repaid €140,000 as compensation for cash he received. Banijay Belgium is also seeking, as part of its criminal claim, the reimbursement by its former CFO of all amounts improperly disbursed by him or certain related parties. Following the results of this investigation, the Banijay Group has also focused on improving its internal compliance and control mechanisms at its production companies. Banijay Belgium anticipates that the matter will be brought before the criminal court in 2024.

Endemol Shine Turkey

In 2017, external advisors of Endemol Shine concluded that Endemol Medya Prodüksiyon Tic. Ltd. Şti. ("Endemol Shine Turkey") was insolvent. The two members of the local management team were dismissed.

In 2017, the shareholders of Endemol Shine Turkey filed for bankruptcy with the Turkish court. Various creditors have filed claims against Endemol Shine Turkey. In 2020, the court dismissed the bankruptcy application and ruled that the court-appointed managing administrations who were authorised to carry out "urgent and financial" matter on behalf of Endemol Shine Turkey would remain in charge until the decision would become definite. Endemol Shine Turkey's appeals with the appeals court and highest court were rejected in 2021 and 2022 respectively. As a result of the latter decision, the managing administrators stepped down and Endemol Shine Turkey has since appointed a support manager to manage the day-to-day affairs of the company and assist in its closing. The exposure of the third-party creditors is as of the date hereof estimated to be approximately $5.2 million (provision already recorded). There are no debt vis-a-vis tax authorities.

In addition, a number of third-party criminal proceedings have been brought against Endemol Shine Turkey's representatives in connection with post-dated checks issued by former managers during such former managers' employment, all of which have been dismissed to date with one remaining subject to an appeal.

Finally, the creative team (directors, screenwriters and musicians) of Broken Pieces series and movies produced by Endemol Shine Turkey has initiated two lawsuits seeking the suspension of the sales of Broken Pieces and compensation from the international sales based on their alleged rights (currently, the only source of income of Endemol Shine Turkey is the licensing revenues generated from the sales of Broken Pieces, Intersection and Wintersun).

Wipeout

In November 2020, a contestant on Wipeout passed away after participating in the show. In December 2020, a letter was delivered to Endemol Shine North America notifying it of an upcoming wrongful death action by the contestant's family and demanding the preservation of evidence. No additional action has been taken as of December 2023 and this case is considered closed due to the statute of limitations.

Harassment Endemol USA Holdings, Inc.

Two persons claim that they had been sexually harassed and threatened with retaliation in 2016 and 2017 by a former employee of Endemol Shine Beyond (a former division of Endemol Shine North America). After mediation, where no settlement was reached, plaintiffs filed a lawsuit, with no specific amount claimed in January 2022. Following the hearing on demurrer in February 2023, all but one of claimants' claims were dismissed without leave to amend based on the statute of limitations. The judge denied defendant's demurrer on the remaining claim and determined that the claim would be better considered for dismissal at the summary judgement stage after more discovery is conducted. Discovery is ongoing.

Proceedings regarding compensation related to PMU's anticompetitive practices between 2010 and 2015

In February 2013, the French Competition Authority issued a decision that accepted and made binding the commitments made by PMU, a French horse racing betting company, in order to cease practices that raised competition concerns on the online horse race betting market. Following this decision, PMU committed to separate its online and offline stakes. On 18 June 2015, the Betclic Group filed a lawsuit against PMU to seek compensation for the damage suffered as a result of PMU's abuse of its dominant position from 2010 to the end of 2015, which consisted in the pooling of online stakes and stakes in physical outlets. The Paris Commercial Court and the Paris Court of Appeal held PMU liable for having abused its dominant position and ordered an expert report to assess the damages suffered by Betclic. The Parties came to an agreement and the procedure was definitively withrawn on 29 February 2024.

Proposal for rectification by French tax authorities

The Betclic Everest Group received in December 2021 a notice of adjustment from the French tax authorities for a total amount of €52.4 million (for an amount of €35,925,925 in principal, €2,122,007 for late interest payments and €14,370,370 for wilful misconduct) related to the VAT to be collected and paid in respect of income resulting from sports bets placed by players residing in France (for the years 2018 and 2019). On 13 May 2022, the Betclic Everest Group received (i) a rectification on the notice of adjustment from December 2021, decreasing the amount of €52.4 million to €37.3 million (€25,646,412 in principal, €1,442,760 for late interest payments and €10,258,565 for wilful misconduct) and (ii) a new notice of adjustment from the French tax authorities for a total amount of €25.8 million (€17,989,494 in principal, €575,664 for late interest payments and €7,195,796 for wilful misconduct) related to the VAT to be collected and paid in respect of income resulting from sports bets placed by players residing in France for the year 2020. On 27 September 2023, the French Tax Administration notified Betclic Everest Group of the cancellation of the wilful misconduct penalty, for the years 2018 and 2019 only, decreasing the adjustments from €37.3 million to €27.1 million.

The Betclic Everest Group, like many other local operators, considers that its activities of sports betting in France are not subject to VAT. This is based on the VAT exemption provided for in article 261E of the French tax code *(Code général des impôts)*. On 9 April 2015, the French Association of Online Games (*Association Française des jeux en Ligne*) (AFJEL) requested a ruling from the French tax authorities regarding the VAT regime for sports betting services provided to French players. On 13 March 2019 the French tax authorities issued a ruling (the "VAT Tax Ruling"), in which the French tax authorities came to the conclusion that the betting at odds operations should be viewed as an activity of the organiser of those games and betting activities and thus be subject to VAT. The organiser cannot benefit from the exemption in article 261E of the French tax code. On 11 January 2021, the association AFJEL filed a complaint with the EU Commission, considering the VAT Tax Ruling as being non-compliant with EU legislation On 25 May 2022, the association AFJEL received the decision from the EU Commission to close the complaint.

The Betclic Everest Group, with the support of its legal and tax advisers, still considers the bases for adjustment are erroneous and that the position of the tax authorities is not in conformity with various general principles of VAT, in the same way as the other online gaming operators in France that are part of the association AFJEL. The Betclic Everest Group will challenge this adjustment in France, with the tax authorities and, if necessary, the French courts, but also with the Court of Justice of the European Commission if a French Court decides to make a request for a preliminary ruling. No provision relating to this litigation has been recorded (for a discussion thereof, please refer to Section 3.1 (Description of risk factors) — *Risks relating to Taxation—The Betclic Everest Group has been subject to a VAT reassessment with respect to its activities of sports betting in France*) on page 133.

Claims from customers for reimbursement of losses on casino in Austria

Bet-at-home is involved in legal proceedings with Austrian and German players who have claimed reimbursement for their gaming losses that they incurred with unlicensed operators. After the online casino had been discontinued by end of 2021 in Austria, the effected Maltese entity was no longer in a position to service its liabilities from existing or independently generated funds. As a consequence, a winding-up by courts proceedings in respect of this Maltese entity were initiated and approved by the competent court in Malta. Since that time customers have been trying to claim for damages against the other companies of the Bet-at-home group. With year-end 2023 reimbursement claims with a total dispute value of €6.2 million are pending in court.

In February 2022, two separate actions were filed before the Austrian courts by two Austrian gamblers against the Betclic Everest Group for €50,000 and €37,837.40. Claimants allege that Bet-at-home Entertainment has violated the Austrian gambling monopoly and that in turn, Bet-at-home and Betclic Everest Group in their capacity as direct and indirect majority shareholders of Bet-at-home Entertainment, have violated this so-called "protection law". In May 2022 court settlements were approved and concluded. No other lawsuits have been filed against Betclic Everest group relating to reimbursement of losses on the online casino of Bet-at-home.

CHAPTER

04/

CORPORATE GOVERNANCE

The Board of Directors

From left to right : Mr Albert Manzone, Mr Marco Bassetti, Mrs Sophie Kurinckx-Leclerc, Mrs Susana Gallardo, Mr Pierre Cuilleret, Mr François Riahi, Mr Alain Minc, Mrs Marella Moretti.

From left to right : Mr Nicolas Béraud, Mrs Cécile Lévi, Mrs Eléonore Ladreit de Lacharrière, Mr Stéphane Courbit and Mr Hervé Philippe.

4.1 Dutch Corporate Governance Code, "Comply or explain"

Dutch Corporate Governance Code

The new Dutch Corporate Governance Code (the "DCGC"), as amended, entered into force on, and applies to any Financial Year starting on or after, 1 January 2023 and finds its statutory basis in Book 2 of the DCC. The DCGC applies to the Company as it has its statutory seat in the Netherlands and its Ordinary Shares are listed on Euronext Amsterdam. The DCGC contains a number of principles and best practice provisions in respect of good corporate governance. A Dutch and an English version of the DCGC can be found on the website of the Monitoring Commissie Corporate Governance Code (https://www.mccg.nl/publicaties/codes/2022/12/20/dutch-corporate-governance-code-2022).

The Dutch Corporate Governance Code is based on a "comply or explain" principle. Accordingly, companies are required to disclose in their management report as included in their Annual Financial Report (the "Management Report") whether or not they comply the various best practice principles of the DCGC that are addressed to the Board. If a company deviates from a best practice principle in the DCGC, the reason for such deviation must be properly explained in its Management Report.

The Company acknowledges the importance of good governance and is committed to adhering to the best practices of the DCGC as much as possible. The Company intends to be fully compliant with the DCGC with the exception of the following provisions:

Best practice provision 2.1.9 *(independence of the Chairman of the Board)*

The Company deviates from the best practice provision that the Chairman of the Board should be independent because it believes Mr. Stéphane Courbit as founder and ultimate and majority shareholder is the best person to act as Chairman, even though he does not qualify as independent within the meaning of the DCGC.

Best practice provision 2.3.2 *(Establishment of committees)*

The Company does not comply with best practice provision 2.3.2, which provides that if there are more than four Non-Executive Directors, the Board shall appoint an Audit Committee, a Remuneration Committee and a Selection and Appointment Committee. The Company deviates from this best practice provision as it only has an Audit Committee (the "Audit Committee") and a Human Resources & Environment, Social and Governance Committee (the "HR & ESG Committee") (which include remuneration, selection and appointment items). The Company believes that it is more efficient to have two committees and combine the functions and the responsibilities of the Remuneration Committee and the Selection and Appointment Committee in one committee, the HR & ESG Committee.

Best practice provision 4.3.4 *(Voting right on financing preference shares)*

Please refer to Section 7.2 (General description of the Company and its share capital — Share capital and shareholder structure) on page 339 of this Universal Registration Document for the description of the Special Voting Shares and Earn-Out Preference Shares issued to Financière Lov. The Company believes it to be in its long-term interest for Mr Stéphane Courbit, who is the founder of the Group and who has been instrumental for its success, and his family to continue to control a majority of the voting power of the outstanding share capital of the Company via Financière Lov.

4.2 Composition of the Board of Directors and the Committees

4.2.1 General

This section gives an overview of the material information concerning the Board and the Company's corporate governance. It is based on the relevant provisions of Dutch law as in effect as at the date of this Universal Registration Document, the Articles of Association, the Board Rules and the Shareholders Agreement. This summary does not purport to give a complete overview and should be read in conjunction with the aforementioned documents. The full text of the Articles of Association in Dutch, and an unofficial English translation thereof, are available on the Company's website (https://www.flentertainment.com).

The full text of the Board Rules, the charter for the Audit Committee and the charter for the HR & ESG Committee, the Board profile, Diversity Policy and certain other governance policies are also available on the Company's website (https://www.flentertainment.com).

The material terms of the Shareholders Agreement are described in Chapter 7 (General Description of the Company and its Share Capital – Major shareholders – Shareholders agreement at the level of the Company) of the Universal Registration Document.

The Company has a one-tier Board structure consisting of Executive Directors and Non-Executive Directors. The Executive Directors, together with the senior managers of the Company listed below form the senior management team of the Company (the "Senior Management Team") (please refer to Section 4.3 (Management structure) on page 165 of this Universal Registration Document.

4.2.2 Board of Directors

4.2.2.1 Board Rules

The Board has adopted rules governing its decision-making process and working methods (the "Board Rules"). The Board Rules describe the duties, tasks, composition, procedures and decision-making of the Board. The Board Rules are available on the Company's website. The Board may amend the Board Rules from time to time.

4.2.2.2 Powers, responsibilities and functioning

The Board is responsible for the management of the Company's operations, with the Executive Directors being primarily charged with the Company's day-to-day operations and the Non-Executive Directors being primarily charged with the supervision of the performance of the duties of the Executive Directors. The responsibilities of the Board as a whole include, among other things, defining and pursuing the Company's objective and determining the Company's strategy and risk management. The Board may perform all acts necessary or useful for pursuing the Company's objectives, with the exception of those acts that are prohibited or are expressly attributed to the General Meeting by law or by the Articles of Association. In performing their duties, the Directors are required to be guided by the interests of the Company and its business, taking into consideration the interests of the Company's stakeholders (which includes but is not limited to its customers, its suppliers, its employees and its shareholders).

The Board is authorised to allocate its duties among the Directors, provided that a resolution to that effect passed with two-thirds of the votes cast in a meeting in which all in office are present or represented, and that such allocation is laid down in writing (in Board Rules or otherwise) provided that the Directors who are conflicted are not taken into account.

Subject to certain statutory exceptions, the Board as a whole is authorised to represent the Company.

In addition, (i) Mr François Riahi as Executive Director with the title of Chief Executive Officer as well as (ii) Mrs Sophie Kurinckx-Leclerc, as Executive Director with the title of Chief Financial Officer, acting solely, each have the authority to represent the Company.

The Board is supported by a company secretary, a professional based in France. Until 9 November 2023, the company secretary of the Board was Mrs Inès Datchary, who also acts as general counsel for Financière Lov and since 9 November 2023, the company secretary of the Board is Mr Grégoire Dumazy, who also acts as Head of legal affairs, securities law and compliance for FL Entertainment.

4.2.2.3 Composition, appointment and removal

The Articles of Association provide that the Board shall determine the number of Directors (provided such amount shall at all times be between nine and thirteen. The Board consists of one or more Executive Directors and one or more Non-Executive Directors. No person can simultaneously be appointed an Executive Director and a Non-Executive Director. As at the date of this Universal Registration Document, the Company has a Board consisting of two Executive Directors and nine Non-Executive Directors, the majority of the Directors consisting of French tax residents.

The Directors are appointed by the General Meeting, in accordance with the Articles of Association, the Shareholders Agreement, the diversity policy and the profile of the Board.

The General Meeting may at any time suspend or dismiss a Director with absolute majority. The Board may at all times suspend an Executive Director, by resolution adopted with two-third of the votes cast in a meeting where all Directors in office are present or represented. A suspension may be extended one or more times but may not last longer than three months in aggregate. If at the end of that period, no decision has been taken on the termination of the suspension or on dismissal, the suspension shall end. A suspension can be terminated by the General Meeting at any time.

4.2.2.4 Board meetings and decisions

Pursuant to the Articles of Association and the Board Rules, resolutions of the Board are adopted by at least an absolute majority of the votes cast unless the Articles of Association or Board Rules provide otherwise. Each Director has one vote. If at any time the Board is composed of an even number of Directors of at least four (4) Directors, the Chairman of the Board shall benefit from a casting vote in the event the votes are tied. In addition, the Board Rules provide that the following decisions shall require the prior approval from (i) the majority of the Directors present or represented and (ii) the majority of the Directors present or represented excluding the Directors whom have been proposed for appointment by Financière Lov (other than the Directors fulfilling the independence criteria provided by the DCGC):

- contribution in kind to any entity of the Group by Financière Lov, the Courbit Family or any of its affiliates;
- execution or amendment of any agreement (including services or President fee arrangements) between (i) LGI or Financière Lov or the Courbit Family (or any affiliates thereof, except for the Company or any Group Company) on the one hand and (ii) any Group Company on the other, except for the renewal of the existing transactions described in this Universal Registration Document at the same terms and conditions;
- issuance of instrument/rights giving (i) to LGI or Financière Lov or the Courbit Family (or any affiliates thereof) more rights than the other shareholders of the Company or (ii) a third-party more rights than the other shareholders if Financière Lov (or any affiliate thereof) is not similarly impacted with other shareholders (or if Financière Lov (or any affiliate thereof) is otherwise advantaged versus the minority shareholders), unless it concerns the issuance of instruments to a person exercising a previously acquired right to acquire such instruments;
- proposals to amendment of the Company's Articles of Association that would change the majority and quorum rules applicable to resolutions of the General Meeting.

The Board will need to obtain the approval of the General Meeting for resolutions entailing a significant change in the identity or nature of the Company or its business.

This includes in any event:

(i) the transfer of the business enterprise, or practically the entire business enterprise, to a third-party;

(ii) concluding or cancelling a long-lasting cooperation of the Company or a subsidiary with another legal person or company or as a fully liable general partner in a partnership, provided that the cooperation or cancellation is of material significance to the Company; and

(iii) acquiring or disposing of a participating interest in the share capital of a company with a value of at least one third of the Company's assets, as shown in the statement of financial position with explanatory notes according to the last adopted Annual Accounts by the Company or a subsidiary of the Company. In each of the abovementioned situations, the lack of approval from the General Meeting does not affect the authority of the Board or the Executive Directors to represent the Company.

Board meetings shall be held in accordance with the Articles of Association and the Board Rules. Board meetings shall be held physically at the offices of the Company in France or in any other place in France indicated in the convocation notice (except if not authorised considering surrounding circumstances of such meeting). The place of effective management of the Company shall be in France, unless another place is designated as the place of effective management by resolution of the Board adopted in a meeting in which all Directors in office are present or represented.

Pursuant to the Articles of Association and the Board Rules, resolutions can also be adopted without holding a meeting, provided that (i) the proposals have been brought to the attention of all of the Directors, (ii) none of the Directors entitled to vote has objected to this form of decision making (iii) at least the majority of the Directors should adopt resolutions while physically present in France and (iv) and the resolutions are adopted in writing. Directors should not adopt resolutions while physically present in the Netherlands.

4.2.2.5 Directors

As at the date of publication of this Universal Registration Document, the Board is composed of the following Directors:

Name	Age	Gen-der	Natio-nality	Position	Member as at	End of current term	Atten-dance rate to the Board	I/NI*
François Riahi	50	M		Executive Director (CEO)	2022	2024**	100%	n/a
Sophie Kurinckx-Leclerc	45	F		Executive Director (CFO)	2022	2026	100%	n/a
Stéphane Courbit	58	M		Non-Executive Director (Chairman)	2022	2026	100%	NI
Pierre Cuilleret	57	M		Non-Executive Director	2022	2026	83%	I
Susana Gallardo	59	F		Non-Executive Director (Vice-Chairman)	2022	2025	100%	I
Eléonore Ladreit de Lacharrière	44	F		Non-Executive Director	2022	2025	100%	NI
Cécile Lévi	59	F		Non-Executive Director	2022	2026	100%	I
Alain Minc	74	M		Non-Executive Director	2022	2024**	100%	NI
Marella Moretti	58	F		Non-Executive Director	2022	2026	100%	I
Hervé Philippe	65	M		Non-Executive Director	2022	2026	100%	NI
Yves de Toytot (until 30 May 2023)	63	M		Non-Executive Director	2022	2024	100%	I
Albert Manzone (since 30 May 2023)	60	M		Non-Executive Director	2023	2024**	50%	I

* *I = Independent / NI = Non-Independent.*
** *Re-appointment to be submitted during the General Meeting to be convened on the 23 May 2024.*

57 years old
AVERAGE AGE

5 / 11
MEMBERS ARE INDEPENDENT
under the DCGC, i.e. 45%

5 / 11
WOMEN
i.e. 45%

BOARD SKILLS

INTERNATIONAL EXPERIENCE
82%

EXECUTIVE MANAGEMENT
82%

REGULATION & PUBLIC AFFAIRS
64%

FINANCE, M&A, CAPITAL MARKETS
82%

CSR
64%

GAMING SECTOR
55%

MEDIA AND ENTERTAINMENT
64%

The Company's address of its place of effective management, 5 rue François I[er], 75008 Paris, France, serves as the business address for all Directors from where they shall perform their duties.

François Riahi

Executive Director (CEO)

Age: 50
Nationality: French
Member as at: 2022
End of current term: 2024[(1)]
Independence: n/a

Biography

A graduate of the École Centrale de Paris school of engineering, Sciences Po, the French National School of Administration and the Stanford Executive Program, Mr François Riahi began his career as an Auditor in the French government's Inspection Générale des Finances from 2001 to 2005, before joining the government's Budget department.

In 2007 he was appointed Advisor on the Reform of State Institutions and Public Finances to the President of the French Republic. Mr François Riahi spent eleven years of his career within the BPCE banking group where he held various positions. In particular, he is the former Chief Executive Officer of Natixis and Chairman of the Board of Directors of Coface. He joined Financière Lov in December 2020, becoming its Chief Executive Officer.

Offices currently held

- Financière Lov, SNC TEA and EMMA

Offices expired in the last 5 years

- BPCE, Natixis Investment Managers, Natixis Assurances, Coface SA, Natixis Payment Solutions, Peter J. Solomon GP Company LLC, Peter J. Solomon Securities Company LLC

Sophie Kurinckx-Leclerc

Executive Director (CFO)

Age: 45
Nationality: French
Member as at: 2022
End of current term: 2026
Independence: n/a

Biography

Mrs Sophie Kurinckx-Leclerc has held the position of Chief Financial Officer of Banijay Group SAS since 2013. From 2011 to 2012, Ms Kurinckx-Leclerc was the Head of Financial Control for Banijay Group SAS. Before joining Banijay Group SAS, she was an Auditor for KPMG and later the Deputy Head of Group Consolidation and Group IFRS Specialist for JCDecaux. Ms Sophie Kurinckx-Leclerc holds a Masters of Science degree in Management from the ESSEC Business School in France. She has been appointed Chief financial officer of Financière Lov on 1 February 2024.

Offices currently held

- n/a

Offices expired in the last 5 years

- n/a

(1) *Re-appointment to be submitted during the General Meeting on 23 May 2024.*

Stéphane Courbit

Non-Executive Director (Chairman)

Age: 58

Nationality: French

Member as at: 2022

End of current term: 2026

Independence:

Non-Independent

Biography

Mr Stéphane Courbit is the founder and President of the Lov Group, a group primarily oriented towards entertainment (audiovisual production and sports betting), luxury hotels and food.

He began his career working in TV Production industry. In 1998, Mr Stéphane Courbit was appointed CEO of Endemol France, becoming France's leading audiovisual production company in just a few years. He sold his stake in 2006 and left Endemol France in 2007. The same year, he founded LGI, a holding company that invested notably in audiovisual production, luxury hotels, the Internet and food. In 2008, Lov Group invested in Betclic. In 2008, Lov Group launched Banijay. The merger between Banijay and Zodiak in 2016 and the acquisition of Endemol Shine Group in 2020 illustrated Banijay signifant ambition.

Lov Group also became the majority shareholder of Airelles hotels, Ladurée and Chateau d'Estoublon.

Offices currently held

- Lov Group Invest, Carrefour, 5 Thézillat, SCI ZUST, SCI Les Zudistes, SCI 607, SCI 611, SCI Minos & C, SCI Roux Milly, SCI Courvalios, SCI Néva-Thézillat, SCI Jaysal II, Lov T, SCI Parking La Garonne, SCI James & Co, SCI Gordita, SCI Blancs Mills

Offices expired in the last 5 years

- Zust, Les Zudistes, SCI ST Le Phare

Pierre Cuilleret

Non-Executive Director

Age: 57

Nationality: French

Member as at: 2022

End of current term: 2026

Independence: Independent

Committee:

HR & ESG Committee

Biography

Mr Pierre Cuilleret was a sponsor and chief executive officer of Pegasus Entrepreneurs, which merged with FL Entertainment on 1 July 2022. He has 30 years of professional experience growing companies and creating value for shareholders as a serial entrepreneur, investor and Board member. After studying in France, Sweden and California, he started his career in strategy consulting. He then created and successfully ran two fast-growing specialist retailers who quickly became market leaders: in mobile phones, and in video games. As a CEO, he experienced a full range of financing phases, from selling his car in 1996 to start up The Phone House, all the way to the IPO of The Carphone Warehouse Group on the LSE in 2000, and subsequently from minority to majority LBO of Micromania with L-Catterton in 2005 selling to GameStop in 2008. He has also been an early investor in innovative platforms like Facebook, Uber, Royalty Pharma and Moderna.

Offices currently held

- Geyser Investments SA, Spf, Diana capital II, Antwort Capital, Geyser Properties SA

Offices expired in the last 5 years

- Alpima Ltd, Boohoo Group Plc, Desigual, Geyser Advisory Ltd

Susana Gallardo

Non-Executive Director (Vice-Chairman)

Age: 59

Nationality: Spanish

Member as at: 2022

End of current term: 2025

Independence: Independent

Committee:

HR & ESG Committee (Chairperson)

Biography

Mrs Susana Gallardo has a BSc degree in Economics and Politics from Oxford Polytechnic and graduated from IESE Business School (Advance Management Program). She also studied at City of London Polytechnic. She began her career in finance at Banco de Europa as a money market trader. She is Chair of the family council of Landon Grupo Corporativo, which is active in real estate, private equity and other financial investments, in addition to its controlling interests in Almirall and Goodgrower. She is a Director of Goodgrower SA (Spain), of Corporación Genbad SL (Spain) and of Unibail-Rodamco-Westfield Group (France). She is a Director and Patron of Fundación Aurea (Spain). She is also Chairman of Susinvest Inversiones 2030 SA (Spain) and of Susrocks Invest SA (Spain).

Offices currently held

- Landon Grupo Corporativo SL (Spain), Goodgrower SA (Spain), Fundación Aurea (Spain), Corporación Genbad SL (Spain), Percibil SL (Spain), Susanvest SA (Spain), Susinvest Inversiones 2030 SA (Spain), Susrocks Invest SA (Spain), Unibail-Rodamco-Westfield Group (France), Member of the Advisory Board of Universitat Internacional de Catalunya (Spain)

Offices expired in the last 5 years

- Abertis (Spain), Saba Infraestructuras (Spain), Landon Investments SCR SA (Spain) and Fundacion Privada Infantil Bienvenido (Spain)

Eléonore Ladreit de Lacharrière

Non-Executive Director

Age: 44

Nationality: French

Member as at: 2022

End of current term: 2025

Independence:

Non-Independent

Biography

After graduating from Dauphine and ESSEC MBA, Mrs Éléonore Ladreit de Lacharrière joined a microcredit NGO in India. After this first experience, she has been appointed as Executive Director of Fimalac group's corporate foundation (Fondation d'entreprise Culture & Diversité). Mrs Éléonore Ladreit de Lacharrière has subsequently joined Fimalac's group as a member of the Executive Committee, Board member and CEO of Groupe Marc de Lacharrière. She is also a member of the Board of Directors of the Louvre Museum, as well as Chairman of the Board of Directors of the Beaux-Arts de Paris. She was previously Chairman of Rodin Museum.

Offices currently held

- Fimalac Participations Coop SA, Fimalac Développement SA, Groupe Marc de Lacharrière SE, Fimalac SE, Fimalac Entertainment Holding SAS, ID Logistics SA, École Nationale supérieure des Beaux-Arts de Paris, Louvre Museum

Offices expired in the last 5 years

- French National Commission for UNESCO, Rodin Museum, Diversity Observatory

Cécile Lévi

Non-Executive Director

Age: 59
Nationality: French
Member as at: 2022
End of current term: 2026
Independence:
Independent
Committee:
Audit Committee (Chairperson)

Biography

Mrs Cécile Lévi was a non-independent Non-Executive Director of Pegasus Entrepreneurs. She is employed by Tikehau Investment Management, a wholly-owned subsidiary of Tikehau Capital. She is appointed as Statutory Director to represent both Financière Agache and Tikehau Capital. She serves as Head of Private Debt activity of Tikehau since 2013. Previously, she was head of Private Debt at Ardian (previously AXA Private Equity) that she joined in 2005. She began her career in 1988 in Corporate Finance and M&A at Merrill Lynch in Paris and New York. In 1991, she joined Elig, a pioneer private equity fund in France. She has originated and led the execution of numerous complex financing transactions across Europe.

Offices currently held

- Tikehau General Partner Sarl, TSO Investment Sarl, Tikehau General Partner II Sarl, TDL IV Sarl, TDL 1st Lien Investment Sarl, TDL 4L Sarl, MTDL Investment Sarl, Tikehau General Partner V Sarl, Tikehau Direct Lending 5 Sarl, Tikehau PDS GP Sarl, TikeCruise Sarl, Titan GP Sarl, TKO PD LUX SPONSORSHIP, Tikehau PDS B GP Sarl, CILEV

Offices expired in the last 5 years

- n/a

Alain Minc

Non-Executive Director

Age: 74
Nationality: French
Member as at: 2022
End of current term: 2024[(1)]
Independence:
Non-Independent
Committees:
Audit Committee and HR & ESG Committee

Biography

Mr Alain Minc (Paris, 1949) has been a member of CaixaBank's Board of Directors since 2007. He is Chairman and CEO of his own consultancy firm, AM Conseil, and is a graduate from the École des Mines de Paris and the École nationale d'administration (ENA) in Paris. In 1991, he founded his own consultancy firm, AM Conseil. He has been Chairman of the Supervisory Board of French newspaper Le Monde, Deputy Chairman of Compagnie Industriali Riunite International and general manager of Cerus (Compagnies européennes réunies). He was also finance inspector and CFO at French industrial group Saint-Gobain. He is currently Chairman of Sanef. He has been named *Commandeur de la Légion d'Honneur* and Commander of the British Empire and was awarded Gran Cruz de la Orden del Mérito Civil. He has written more than 30 books since 1978, many of them best-sellers.

Offices currently held

- AM Conseil, Sanef, Logista, Financière Lov

Offices expired in the last 5 years

- CaixaBank, Prisa

(1) *Re-appointment to be submitted during the General Meeting on 23 May 2024.*

Marella Moretti

Non-Executive Director

Age: 58

Nationality: Italian

Member as at: 2022

End of current term: 2026

Independence:

Independent

Committee:

Audit Committee

Biography

Mrs Marella Moretti is a graduate of the "Amministrazione Aziendale" Business School of the University of Turin. From 1991 to 1996, she worked as head of Financial Planning and Control at Fiat France, in Paris. She went on to hold successive positions at Fiat France from 1996 to 2005: Head of Corporate Finance; Deputy CFO and CFO. From 2005 to 2020 she has been CFO of Fiat Chrysler Finance et Services. From 2020 to 2023 she has been Director Global Investor Relations at Fiat Chrysler Automobiles (Stellantis since 2021). Within Fiat Chrysler Automobiles group, she has also served as a member of the Board of Fiat Chrysler Finance Europe (from 2011 to 2019); and as an Executive Director of Fiat Chrysler Finance Luxembourg from 2019 to 2023). She has also held the following positions within Iveco and CNH Industrial groups: from 2009 to 2022 she has been Managing Director and still serving as a Board member of IC Financial Services; from 2011 to 2022 she has been CEO and Board member of CNH Industrial Finance France. Since 2017, she has been serving as an independent Non-Executive Director of Telecom Italia SpA, as well as member of the Control and Risk Committee and the Related Parties Committee. In 2023 she has been Non-Executive Director and Chair of the Human Resources Committee of Autogrill SpA. Previously she served from 2011 to 2014 as an independent member of the Supervisory Board and member of the Audit Committee of Unibail-Rodamco. She has been a member of MEDEF Europe commission, of the NGO Care France and of the Women Corporate Directors organization (international chapter).

Offices currently held

- Telecom Italia SpA (TIM), IC Financial Services

Offices expired in the last 5 years

- Autogrill SpA, Fiat Chrysler Finance Europe, Fiat Chrysler Finance Luxembourg, CNH Industrial Finance France

Hervé Philippe

Non-Executive Director

Age: 65

Nationality: French

Member as at: 2022

End of current term: 2026

Independence:

Non-Independent

Committee:

HR & ESG Committee

Biography

Mr Hervé Philippe is a graduate of the Institut d'études politiques de Paris and holds a degree in Economic Sciences. He began his career with Crédit National in 1982 as account manager for business financing. In 1989, he joined the French market authority, as manager for the sector of the French listed company sector. From 1992 to 1998, he served as Head of the Transactions and Financial Information department. In 1998, he joined the Sagem group, where he held the positions of Director of Legal and Administrative Affairs, then Chief Administrative and Financial Officer. He became a member of the Sagem SA Management Board in 2003. Hervé Philippe was appointed CFO of the Havas Group in November 2005 and, in May 2010, was named Deputy CEO. He has served as Vivendi SE's CFO from 1 January 2014 and as a member of its Management Board from 24 June 2014. Since 24 June 2022, Hervé Philippe serves as project manager for the Chairman of the Management Board of Vivendi SE.

Offices currently held

- Havas, Sifraba 2, CA Brive club professionnel de rugby (CABCL), Anmapi France

Offices expired in the last 5 years

- Canal+ Group, Compagnie Financière du 42, avenue de Friedland (SAS), Editis Holding, Prisma Media, Antinea 6, Dailymotion, Sifraba, Jean Bal, Harvest, Universal Music France (SAS), Telecom Italia SpA, Vivendi SE

Albert Manzone(1)

Non-executive Director

Age: 60

Nationality: Monegasque

Member as at: 2023

End of current term: 2024(2)

Independence:

Independent

Committee:

Audit Committee

Biography

Albert A. Manzone is Deputy Chief Operating Officer of the Monte-Carlo Société des Bains de Mer (SBM). In that role, he leads all Operations across hotels, casinos, gastronomy, wellness, entertainment, finance, marketing & digital, IT, and human resources. Prior to that, he has been Chief Executive Officer and Member of the Board of Whole Earth Brands. He joined Whole Earth Brands in 2016 and led its successful turnaround and public listing on the NASDAQ in 2020. Prior to joining Whole Earth Brands, he was President, Europe at Oettinger Davidoff AG. Prior to Davidoff, he was President Consumer Health, Southeast Europe, at Novartis; President, Europe at Wrigley; he held global executive leadership roles at PepsiCo during his 12-year tenure, including President, Tropicana North America; and was Engagement Manager at McKinsey & Co. A native of the Principality of Monaco, he holds a graduate degree in international business from the Sorbonne University in Paris, and a MBA from the Kellogg Graduate School of Management at Northwestern University. Mr Manzone serves as Director & Member of the Talent & Compensation Committee at Perrigo; Director at Syntec Optics Holding; Member of the Board of Trustees of Northwestern University; President of the Board of the Northwestern Alumni Association; And Member of the Council of the Foundation Prince Albert II of Monaco - Switzerland.

Offices currently held

- Director & Member of the Talent & Compensation Committee at Perrigo, Director at Syntec Optics Holding, Member of the Board of Trustees of Northwestern University, President of the Board of the Northwestern Alumni Association, Member of the Council of the Foundation Prince Albert II of Monaco - Switzerland

Offices expired in the last 5 years

- Director at Monaco Digital

(1) Mr Albert Manzone has replaced Mr Yves de Toyot since 30 May 2023.

(2) Re-appointment to be submitted during the General Meeting to be scheduled during the first semester of 2024.

4.2.2.6 Committees of the Board

The Board of Directors decided to set up two permanent Committees: (i) the Audit Committee and (ii) the HR & ESG Committee.

AUDIT COMMITTEE

4 MEMBERS	5 MEETINGS	75% INDEPENDENT	93.8% ATTENDANCE RATE
• Mrs Cécile Lévi (Chairperson) • Mrs Marella Moretti • Mr Yves de Toytot (until 30 May 2023) • Mr Albert Manzone (since 30 May 2023) • Mr Alain Minc		• Mrs Cécile Lévi (Chairperson) • Mrs Marella Moretti • Mr Yves de Toytot / Mr Albert Manzone	

The Audit Committee prepares the Board's decision-making regarding the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems and assists and advises the Board in this respect.

The Audit Committee focuses on monitoring the Board in matters regarding relations with the internal and external Auditors, the Company's funding, the application of information and communication technology, including risks related to cybersecurity and the Company's tax policy.

In addition, the Audit Committee has duties related to the functioning of the internal audit function and the external Auditor, the Company's financial reporting and risk management and setting materiality thresholds and guidelines for and overseeing all material related-party transactions.

The Audit Committee meets as often as required to ensure proper functioning of the Audit Committee, but in any event at least four times a year.

The members of the Audit Committee are appointed by the Board. As at the date of this Universal Registration Document, the Audit Committee consists of Mrs Cécile Lévi (Chairperson of the Audit Committee), Mrs Marella Moretti, Mr Albert Manzone and Mr Alain Minc. See also *"Shareholder structure and related party transactions—Certain relationships and related party transactions—Shareholders agreement at the level of the Company—Board committees"*.

The Audit Committee takes into consideration the competences of the members of this Committee collectively relevant to the sector in which the Company operates. As such, the Chairperson, Mrs Cécile Lévi has a deep track record in finance working in a top ranked French global alternative asset manager. Mr Yves de Toytot has a competence in finance and accounting as a former CFO of SBM, a company with gaming activities. Mr Albert Manzone has a competence in finance and accounting as a current Managing Director of SBM, a company with gaming activities. All members of this Committee have a strong international experience, and one has a specific skill in the sector of media.

The charter for the Audit Committee is published on the Company's website.

HUMAN RESOURCES & ENVIRONMENT, SOCIAL AND GOVERNANCE COMMITTEE

4 MEMBERS	4 MEETINGS	50% INDEPENDENT	100% ATTENDANCE RATE
• Mrs Susana Gallardo (Chairperson) • Mr Alain Minc • Mr Pierre Cuilleret • Mr Hervé Philippe		• Mrs Susana Gallardo (Chairperson) • Mr Pierre Cuilleret	

The HR & ESG Committee prepares the Board's decision making regarding the proposed remuneration policy and the determination of the remuneration of individual Directors within the framework of the remuneration policy, including severance payments, and assists and advises the Board in this respect. The responsibilities of the HR & ESG Committee include preparing a proposal for the Board concerning the remuneration policy for the Directors to be adopted by the General Meeting, and on the remuneration of the individual Directors. The HR & ESG Committee advises the Board on the contractual terms for the management services agreements with Executive Directors. Furthermore, the committee must prepare a proposal for the Board concerning the long-term incentive plan regarding the granting of Ordinary Shares and/or options to the Executive Directors and other senior management of the Group, including the terms and conditions governing this and approving the grants under this plan on behalf of the Board. In addition, the HR & ESG Committee prepares a remuneration report setting out how this policy has been implemented in the past financial year, for discussion at the General Meeting.

The HR & ESG Committee furthermore prepares the Board's decision-making regarding the appointment and reappointment of Directors. The HR & ESG Committee focuses on preparing the selection criteria and appointment procedures for Directors, and proposing the composition profile of the Board. It also periodically assesses the size and composition of the Board, and the functioning of the individual Directors. The HR & ESG Committee also prepares proposals for appointment and reappointment of Directors. It supervises the Board's policy on selection criteria and appointment procedures for senior management. In addition, the HR & ESG Committee assists the Board in monitoring ESG issues and to anticipate challenges in relation to such issues for the Company and its activities. This Committee also examine the main commitments and guidelines of the Company to monitor the deployment and to examine the consideration of ESG issues in the strategy and its implementation. The HR & ESG Committee meets as often as required to ensure proper functioning of the HR & ESG Committee, but in any event at least two times a year.

The members of the HR & ESG Committee are appointed by the Board. As at the date of this Universal Registration Document, the HR & ESG Committee consists of Mrs Susana Gallardo (Chairperson of the HR & ESG Committee), Mr Alain Minc, Mr Pierre Cuilleret and Mr Hervé Philippe. See also Section 7.3.2 (Shareholders Agreements - Board committees) on page 359 of this Universal Registration Document.

The charter for the HR & ESG Committee is published on the Company's website.

4.2.2.7 Diversity

In accordance with Dutch law and the Code, the Board has adopted a diversity policy with respect to the composition of the Board. This policy addresses objectives relating to diversity and the diversity aspects relevant to the Company (e.g. age, gender, education and background).

The Company is committed to providing equal opportunities for recruitment, mobility, promotion, training and remuneration to all employees, regardless of their ethnic, social or cultural origin, gender, religion, age, sexual orientation, personal situation or disability. It is constantly seeking to enrich and diversify its talent pool around the world for its present and future needs. Indeed, the Group's growth is based on the diversity of its businesses, its employees, its cultures and its talents.

Diversity and inclusion are strategic issues that are promoted at all levels of the Group, so that they become a reality for all employees, a managerial commitment and a daily priority for the human resources teams.

The Company is characterised by an experienced leadership team to complete its growth strategy. All of the Board's members share a strong concern for the Company's interests, a strategic vision for the future, an international outlook necessarily implied by the activities of the Company, as well as a long-term experience in the operation of governance bodies in various sectors such as media, Internet, luxury, technology, finance, banking, real estate or culture.

Pursuant to Dutch law, the Company has to comply with a quota of at least one-third for both women and men on Supervisory Boards. In a one-tier Board, this one-third quota shall be applicable to Non-Executive Directors.

As at the date of this Universal Registration Document, the breakdown of Non-Executive Directors consists for 45% of women and for 55% of men. Consequently, the Company complies with the Dutch law requirements.

4.2.2.8 Potential conflicts of interest and other information

Dutch law provides that a Director of a Dutch public limited liability company, such as the Company, may not participate in the adoption of resolutions (including deliberations in respect of these) if he or she has a direct or indirect personal interest conflicting with the interests of the Company. Such a conflict of interest only exists if in the situation at hand the Director is deemed to be unable to serve the best interests of the Company and the business connected with it with the required level of integrity and objectivity. Pursuant to the Articles of Association, a Director may not participate in the deliberations and the decision-making process of the Board (i) concerning any subject in which he has a direct or indirect personal interest which conflicts with the interest of the Company and the business enterprise it operates or, (ii) concerning a transaction with a related party in which transaction the relevant Director is involved unless section 2:169 paragraph 5 of the DCC applies.

Pursuant to the Board Rules, the Directors shall try to avoid all conflicts of interest between (i) themselves (either personally or representing another (legal) person); and (ii) the Company. Each Director shall immediately report any (potential) personal conflict of interest concerning a Director to the Chairman of the Board. If the Chairman of the Board has an actual or potential conflict of interest, he or she should report this to the Vice-Chairman and if there is no Vice-Chairman to the other Directors without delay and provide all relevant information. If as a result of such a personal conflict of interest all Directors are unable to participate in the deliberations and the decision-making process and no resolution of the Board can be adopted, the resolution may nevertheless be passed by the Board as if none of the Directors has a conflict of interests.

The existence of a (potential) personal conflict of interest does not affect the authority to represent the Company, as described under Section Powers, responsibilities and functioning above.

There are no conflicts of interests between any duties to the Company, of Directors or other Senior Management Members, and their private interests and or other duties.

Furthermore, there are no potential conflicts of interests between any duties to the Company, of Directors or other Senior Management Members, and their private interests and or other duties, except for (i) Mr François Riahi, acting as chief executive officer of Financière Lov and the Company, (ii) Mrs Sophie Kurinckx-Leclerc, acting as chief financial officer of Financière Lov and the Company, and (ii) Mr Hervé Philippe, acting as project manager for the Chairman of the Management Board of Vivendi SE and Non-Executive Director.

For the avoidance of doubt, there are no conflicts of interests between the private interests of Mr François Riahi himself and the interests of the Company, but the Company cannot exclude that in the future a potential conflict of duties may arise due to Mr Riahi's dual role as chief executive officer of Financière Lov and his role as chief executive officer of the Company. As chief executive officer of the Company, Mr François Riahi should focus on the interests of the Company and all its stakeholders, which includes Financière Lov, but is not limited thereto, whereas as chief executive officer of Financière Lov, Mr François Riahi should focus on the interests of Financière Lov. Should a conflict of duties exist in connection with Mr François Riahi's dual role, a situation may arise in which the private interests of Mr Riahi and the interests of the Company or its stakeholders diverge and a conflict of interests may arise. In this context, François Riahi is not entitled to vote on any decisions involving transactions with Financière Lov including in particular on decisions further described in Section 4.2.2.4 (Board meetings and decisions) on page 154 of this Universal Registration Document. François Riahi, in his capacity as chief executive officer of Financière Lov, is in charge of the activities of Financière Lov other than those relating to the Company and the Group.

For the avoidance of doubt, there are no conflicts of interests between the private interests of Mrs Sophie Kurinckx-Leclerc herself and the interests of the Company, but the Company cannot exclude that in the future a potential conflict of duties may arise due to Mrs Sophie Kurinckx-Leclerc's dual role as chief financial officer of Financière Lov and her role as chief financial officer of the Company. As chief financial officer of the Company, Mrs Sophie Kurinckx-Leclerc should focus on the interests of the Company and all its stakeholders, which includes Financière Lov, but is not limited thereto, whereas as chief financial officer of Financière Lov, Mrs Sophie Kurinckx-Leclerc should focus on the interests of Financière Lov. Should a conflict of duties exist in connection with Mrs Sophie Kurinckx-Leclerc's dual role, a situation may arise in which the private interests of Mrs Sophie Kurinckx-Leclerc and the interests of the Company or its stakeholders diverge and a conflict of interests may arise. In this context, Mrs Sophie Kurinckx-Leclerc is not entitled to vote on any decisions involving transactions with Financière Lov including in particular on decisions further described in Section 4.2.2.4 (Board meetings and decisions) on page 154 of this Universal Registration Document. Mrs Sophie Kurinckx-Leclerc, in her capacity as chief financial officer of Financière Lov, is in charge of the activities of Financière Lov other than those relating to the Company and the Group

With respect to Mr Hervé Philippe, for the avoidance of doubt, there are no conflicts of interests between Mr Hervé Philippe and the Company. However, conflicts of interest may potentially arise in connection with the existing business contractual relationship and any future business arrangements between the Banijay Group and Vivendi SE's subsidiaries due to Mr Hervé Philippe's role as project manager for the Chairman of the Management Board of Vivendi SE.

In addition, the Articles of Association and/or the Board Rules provide that certain decisions of the Company further described under "Board Rules" require the prior approval from (i) the majority of the Directors present or represented, (ii) the majority of the Directors present or represented excluding the Directors whom have been proposed for appointment by Financière Lov (other than the Directors fulfilling the independence criteria provided by the DCGC). During the last five years, none of the Directors or other Senior Management Members has: (i) been convicted of fraudulent offences; (ii) served as a Director or officer of any entity subject to bankruptcy proceedings, receivership, liquidation or companies put into administration; or (iii) been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any company.

Other than the Shareholders Agreement, there are no other arrangements or understandings with major shareholders, suppliers, customers or others pursuant to which any Director or other Senior Management Member was selected as a member of the Board or Senior Management Team.

4.2.2.9 Related party transaction policy

Certain rules apply under the DCC with respect to transactions with a "related party" (as defined in those rules) and, under those rules, "material transactions" (as defined in those rules) with related parties that are (a) not entered into in the ordinary course of business of the Company or (b) that are not concluded on normal market terms, require approval of the Board. In addition, the Board Rules provide that certain decisions of the Board, further described n Section 4.2.2.4 (Board meetings and decisions) on page 154 of this Universal Registration Document, require the prior approval from (i) the majority of the Directors present or represented, and (ii) the majority of the Directors present of represented excluding the Directors who have been proposed for appointment by Financière Lov (other than the Directors fulfilling the independence criteria provided by the DCGC).

The Board Rules include a policy on related party transactions. According to this policy, no material related party transactions outside the ordinary course of business or on terms that are not customary for arm's-length transactions in the relevant branch of business shall be undertaken without the approval of the Board. A Director involved in such an extraordinary material related party transaction shall not participate in the decision-making related to such extraordinary material related party transaction. A related party transaction includes transactions between the Company and its subsidiary on the one hand and certain related parties, including parties holding at least 10% of the Ordinary Shares, on the other hand. The related party transactions policy provides for certain procedures for members of the Board to notify a potential material related party transaction. The Board shall decide whether a transaction qualifies as an extraordinary material related party transaction. Potential material related party transactions shall be subject to review by the Board. The Board may approve the material related party transaction only if it determines in good faith that the material related party transaction is fair as to the Company. The policy on related party transactions is included in the Board Rules and is as such available on the Company's website.

4.3 Management structure

4.3.1 Senior management

The Senior Management Team is composed of the Executive Directors and the following persons (the "Senior Management Members"):

- Mr Marco Bassetti, also acting as Chief Executive Officer of Banijay Group SAS;
- Mr Nicolas Béraud, also acting as Chief Executive Officer of Betclic.

The Senior Management Members are invited to attend all Board meetings in or from France as permanent guests (without any voting rights).

4.3.2 General information about the Senior Management Members

The table below sets out the names of all companies and partnerships of which the Senior Management Members have been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, indicating whether or not the individual is still a member of the administrative, management or supervisory bodies or partner, as of 31 December 2023, other than the Company or a Group Company.

Name	Company	Active/Resigned
Mr Marco Bassetti	Camas Energy srl	Resigned
	Green Arrow Capital Asset Management 1 srl	Resigned
	Green Arrow Capital Asset Management 2 srl	Resigned
Mr Nicolas Béraud	Kostogri SAS	Active
	Foofoot SAS	Active
	Valtex SAS *(Cabaïa)*	Active
	Comité consultatif (advisory committee) at Capza Growth Tech	Active

4.4 Report of the Non-Executive Directors

4.4.1 Meetings of the Board of Directors

Our Board had six formal meetings in the course of 2023.

The committees of the Board shall also convene regularly (please also refer to Sections 4.4.5 (Report of the Audit Committee) on page 167 and 4.4.6 (Report of the HR & ESG Committee) below for the separate reports of the committees) on page 167.

Information on the individual Non-Executive Directors can be found under Section 4.2 (Composition of the Board of Directors and the Committees) above on page 153.

4.4.2 Attendance record to the Board of Directors meetings

On average, during 2023, 95.8% of the Non-Executive Board members were present at the Board meetings.

All Board meetings and almost all committee meetings were also attended by Mr François Riahi and Mrs Sophie Kurinckx-Leclerc, as Executive Directors.

In addition, other members of the Senior Management Team (i.e. Mr Marco Bassetti and Mr Nicolas Béraud) were invited to discuss specific items included on the Board and committee meetings' agendas.

4.4.3 Activities of the Board of Directors

The agenda for the Board included sustainable long-term value creation as well as the manner in which the Senior Management Team implements the Company's strategy, the Company's culture to ensure proper monitoring by the Non-Executive Directors, the Company's financial position as well as the results of its subsidiaries, contemplated acquisitions, large investment proposals, the yearly budget and the internal risk management and control system.

In 2023, specific attention was given to the business updates, review and approval of forecasts, the corporate dashboard and product portfolios, business & corporate development, update research & developments, committee reports and financing of the Company.

At this stage, no internal audit function has been implemented at Company level. It being specified that such functions have been fully performed within the Banijay Group and the Betclic Group, respectively through the Internal Audit Director of the Betclic's Group and the Head of Risk and Head of Internal Audit (since November 2023) of the Banijay Group's.

4.4.4 Evaluation of the Board of Directors

The Board has performed a self-assessment evaluation of its functioning and the functioning of its Committees and of each individual Director at the end of 2023. As part of the assessment, the Board completed an evaluation form, covering topics such as information provision, frequency and quality of meeting, composition of the Board and the committees, remuneration of the Board members, functionning of the Board and the committees. There were also questions on the access to management. The results and feedbacks were compiled by the corporate secretary and were first discussed during an HR & ESG Committee meeting in February 2024 and then shared with the Board during the following meeting. he Board is satisfied by the quality of the information shared and the discussions during the meetings and also with the Executive Directors. The Board also indicated that materials could be sent to the members more in advance. In addition,

4.4.5 Report of the Audit Committee

The Audit Committee reports regularly to our Board on the exercise of its functions. It informs our Board about all areas in which action or improvement is necessary in its opinion and produces recommendations concerning the necessary steps that need to be taken.

Over 2023, the main points of discussion at the meetings of the Audit Committee were its organization and the organization of the finance and internal audit function within the Company and the Group, and also presentation of the IT systems and cyber risks within the Group.

The Audit Committee reviewed and approved notably (i) the rules and process for the non-audit services, (ii) the preparation of the consolidated financial statements and (iii) the external auditor report including the 2023 audit plan and 2023 audit fees proposal.

In 2023, five Audit Committee meetings were held, with an attendance rate of 93.8%.

In addition, the Audit Committee held regular individual discussions with the external Auditors and both heads of internal audit of the businesses. The Non-Executive Directors were regularly informed about the results of these discussions. The Chairman of the Audit Committee reported to the Non-Executive Directors about the activities of the committee and about its meetings and discussions in the Board meetings.

4.4.6 Report of the Human resources & Environment, Social and Governance Committee

The HR & ESG Committee reports regularly to our Board on the exercise of its functions. It informs our Board about all areas in which action or improvement is necessary in its opinion and produces recommendations concerning the necessary steps that need to be taken.

In 2023, the main points of discussion at the meetings of the HR & ESG Committee were its CEO and CFO' annual remuneration, the Group Long Term Incentive Plans, the succession plans and also items relating to Environment, Social and Governance at Group and business levels.

In 2023, four HR & ESG Committee meetings were held, with an attendance rate of 100%.

In addition, the Chairman of the HR & ESG Committee reported to the Non-Executive Directors about the activities of the committee and about its meetings and discussions in the Board meetings.

4.4.7 Independence requirements

In the opinion of the Non-Executive Directors, the independence requirements referred to in best practice provisions 2.1.7 and 2.1.8 DCGC have been fulfilled. For information on which Non-Executive Directors are deemed independent and non-independent, please refer to Paragraph 4.2.2 (Board of Directors) above on page 153.

As described in Section 4.1 (Dutch Corporate Governance Code, “Comply or explain”) on page 152, the Company deviates from best practice provision 2.1.9 of the DCGC, as the Chairman of the Board is not independent within the meaning of the DCGC.

4.4.8 Financial statements

The Board has prepared the 2023 Financial Statements. The Financial Statements will be submitted for adoption at the General Meeting to be held on 23 May 2024 as part of the Universal Registration Document.

4.5 Remuneration report

4.5.1 Remuneration policy

The Company's remuneration policy is available on the Company's website (https://www.flentertainment.com) (the "Remuneration policy") and is incorporated by reference into this Universal Registration Document. During the General Meeting held on 15 June 2023, the resolution related to the Remuneration report 2022 (advisory vote) and to the Amendment of the Remuneration policy (as detailed below) were adopted with 100% of positive votes.

The Remuneration policy aims to provide a remuneration structure that allows the Company to attract, reward and retain highly qualified Executive Directors and provide and motivate them with a balanced and competitive remuneration that is focused on sustainable results and is aligned with the long-term strategy of the Company.

During the Financial Year 2023, the Remuneration policy was complied with by the Company. Indeed, the remuneration of Executive Directors has been composed of a fixed annual base salary. In addition, the CFO, as Executive Director, has been provided a variable remuneration (as detailed below). Concerning Non-Executive Directors, their fixed annual payment has been determined taking into account if they are also members of committees and their respective role within the Board. Long-term incentive plans, as provided in the Remuneration policy, have been implemented during the Financial Year 2023 and concerns the CFO as well as Company's employees.

The amount of the remuneration and other terms and benefits of each individual Director are determined by the Board, with due observance of the Remuneration policy, taking into account the provisions of the Articles of Association. Board resolutions to grant compensation to Directors in the form of shares or rights to acquire shares, must be approved by the General Meeting.

The Remuneration policy is determined and afterwards amended upon a proposal of the Board by way of a resolution adopted by the General Meeting for that purpose with at least an absolute majority of the votes cast, irrespective of the represented part of the issued capital.

4.5.2 Remuneration of the Executive Directors in 2023

Remuneration policy

Pursuant to the Remuneration Policy, the remuneration of our Executive Directors for 2023 may consist of the following fixed and variable components:

- fixed annual base salary;
- short-term variable incentive;
- pension, social security and fringe benefits;
- long-term incentive plan; and
- severance payments (including compensation for non-compete obligations).

FIXED ANNUAL BASE SALARY

The annual base salary of the Executive Directors is a fixed compensation and is set by the Board, upon the recommendation of the HR & ESG Committee. The amounts are detailed below.

SHORT-TERM VARIABLE INCENTIVE

The Executive Directors may receive a short-term variable incentive subject to performance criteria determined by the Board. The short-term variable incentive shall be equal to 35% of the fixed base salary. The information are detailed below.

PENSION, SOCIAL SECURITY AND FRINGE BENEFITS

Our Executive Directors benefit from a termination indemnity equal to (i) with respect to the CEO, a lump sum of €450,000 and (ii) with respect to the CFO, 12-months base salary.

LONG-TERM INCENTIVE PLAN (LTIP)

The Company has implemented, in 2023, a LTIP in favor of one Executive Director, the Chief Financial Officer. The information are detailed below.

SEVERANCE PAYMENTS

The Company has entered into management contracts and employment agreements with our Senior Management Team, each of which provides for certain minimum notice periods if their service or employment with us is terminated in certain circumstances.

Relations between the remuneration of executives in comparison to other company personnel

In 2023, the ratio between the total remuneration of the Chief Executive Officer and the average remuneration of the employees of the Group for the period starting 1 January 2023 until 31 December 2023 was 6.1.

In 2022 (for the period starting at the listing of the Company), the ratio between the total remuneration of the Chief Executive Officer and the average remuneration of the employees of the Group for the period starting 1 July 2022 until 31 December 2022 was 3.7.

As the Company has been incorporated and listed in 2022, no other historical information can be provided.

Remuneration of Executive Directors

In 2023 and 2022, the remuneration components of the Executive Directors at FL Entertainment level is as follows:

	Fixed annual base salary		Short-term variable incentive		Long-term incentive plan		Other	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Mr François Riahi (CEO)	€750,000	€525,000[(1)]	n/a	n/a	n/a	n/a		Termination indemnity as detailed below
Mrs Sophie Kurinckx-Leclerc (CFO)[(2)]	€475,000	€475,000	€166,250	0	€1,300,000[(3)]	n/a		Termination indemnity as detailed below

(1) As from November 2022, François Riahi's base salary was increased to €750,000.
(2) Since 1 February 2024, Sophie Kurinckx-Leclerc is also CFO of Financière Lov (as detailed in section 4.2.2.8). Her base salary 2024 at FL Entertainment level is €356,250.
(3) The LTIP will be paid in 2028 as detailed below.

For more information, please also refer to Note 27.4.1 of the Section 6.1.6 of this Universal Registration Document on page 291.

In 2023, the mix between the fixed and the variable remuneration components for our Executive Directors is as follows:

Name	2023	2022
Mr François Riahi (CEO)	100% Fixed / 0% Variable	100% Fixed / 0% Variable
Mrs Sophie Kurinckx-Leclerc (CFO)	74% Fixed / 26% Variable	100% Fixed / 0% Variable

FIXED REMUNERATION

The individual fixed remuneration due for each Executive Director is as follows:

Name	Base salary 2023	Base salary 2022
Mr François Riahi (CEO)	€750,000	€525,000[(1)]
Mrs Sophie Kurinckx-Leclerc (CFO)[(2)]	€475,000	€475,000

(1) As from November 2022, François Riahi's base salary was increased to €750,000.
(2) Since 1 February 2024, Sophie Kurinckx-Leclerc is also CFO of Financière Lov (as detailed in section 4.2.2.8). Her base salary 2024 at FL Entertainment level is €356,250.

SHORT TERM VARIABLE INCENTIVE

The CFO benefits from a variable compensation subject to performance criteria divided for (i) 50% of financial criteria (30% relating to consolidated EBITDA and 20% of free cash flow generated by FL Entertainment during the year) and (ii) 50% of extra-financial criteria (20% of performance of financial management, 20% of social and environmental responsibility and 10% of compliance (involvement in the development of compliance programmes)). The various scenario analysis have been done at the time of the determination of the criteria. For Financial Year 2023, the CFO has achieved all the determined criteria and therefore the CFO will receive the maximum amount, meaning €166,250.

There is no short term variable incentive for the CEO.

LONG TERM INCENTIVE PLAN

The CFO benefits from a long-term incentive cash incentive equivalent to the stock price of 130,000 Company' shares which is aimed at aligning the interest of Mrs Sophie Kurinckx-Leclerc with the interests of the long-term shareholders and will be paid in January 2028 provided Mrs Sophie Kurinckx-Leclerc remains an Executive Director of the Company until 31 December 2027. The amount will depend on the average of the stock price of the Company share over the 20 trading days weighted by the volumes preceding payment. The LTIP is valued at €1,300,000 as at 31 December 2023 (taking into consideration a stock price of €10).

There is no long term variable incentive for the CEO.

OTHER

In addition, the Executive Directors benefit from a termination indemnity equal to (i) with respect to the CEO, a lump sum of €450,000 and (ii) with respect to the CFO, 12-months base salary.

Mr François Riahi benefits, as chief executive officer of Financière Lov, from non-vested Financière Lov shares (as detailed below) which takes into account the value-creation at the level of the Company. In this respect, Mr François Riahi's incentive is aligned to the interests of the Company's shareholders.

Before becoming the chief financial officer of the Company, Mrs Sophie Kurinckx-Leclerc was the chief financial officer of the Banijay Group. As such, for the first six months of 2022, she has also received remuneration from the Banijay Group.

Her remuneration as chief financial officer of the Banijay Group for the year 2022 was agreed as follows:

Name	2022 Base salary (Banijay)	2022 Bonus (Banijay)	2022 Allowance (Banijay)
Mrs Sophie Kurinckx-Leclerc	€280,500	€340,250	€38,837

In 2022, Mrs Sophie Kurinckx-Leclerc received a lump sum payment of €283,250 in the context of her leaving Banijay.

In July 2020, Mrs Sophie Kurinckx-Leclerc received free Banijay Group SAS shares. These shares are vested but still under lock-up until June 2024. As at 31 December 2023, the shares are valued at €684,474. Furthermore, Mrs Sophie Kurinckx-Leclerc benefits at the level of Banijay Group from a long-term cash incentive. The amount depends on the valuation of Banijay Group SAS at the time of payment. As at 31 December 2023, the vested part is valued at €779,267.

Equity holdings of Executive Directors

As of 31 December 2023, none of the Executive Directors directly owns shares or stock options giving access to the share capital of the Company.

However, Mr François Riahi, indirectly holds via Financière Lov 100 shares of Financière Lov (representing less than 0,01% of Financière Lov's share capital and voting rights) which remain subject to a lock-up undertaking until the end of a 5-year period following their attribution in January 2021. The value of such shares will depend on Financière Lov's internal rate of return (IRR).

Remuneration and Company Performance Development

The overview below provides details on the remuneration fo the Executive Directors, Company performance and employee pay:

Element	As at 31 December 2023	As at 31 December 2022(1)
Remuneration		
CEO	€750,000	€300,000
Annual change(2)	+33.3%	not applicable
CFO	€475,000	€237,500
Annual change(2)	0%	not applicable
Company performance		
Adjusted EBITDA	€737m	€670m
Annual change	+11.8%	not applicable
Average annual remuneration on an FTE basis of employees		
Average annual	€130,222	€74,262
Annual change(2)	-12%	not applicable

(1) Figures only refered to a 6-month period (from the listing on 1st July 2022).
(2) Annual change calculated on a full 2022 year basis.

4.5.3 Remuneration of the Senior Management Members in 2023

Remuneration

For the Financial Year 2023, the total aggregate remuneration of the Senior Management Members paid by any entity within the Group was approximately €2,401,808.10, compared to €1,650,000 for Financial Year 2022. This amount does not take into account the long-term incentive plan provided to the Senior Management Members. Please refer to the section below for more information on Senior Management Team long-term incentive plan (LTIP).

The Company does not pay the Senior Management Members' compensation for 2023, except to the extent he is awarded any grants under a LTIP which is expected to be implemented. The remuneration will be paid by other companies within the Group. The Group does not anticipate a material increase of the Senior Management Members' fixed compensation for 2024.

Equity holdings of Senior Management Members

As at 31 December 2023, Mr Marco Bassetti indirectly holds 6,916,269 Ordinary Shares through a holding vehicle, which he received as a result of an equity contribution of 2,690,437 shares in Banijay as part of the Lov Reorganisation.

Other than as set out above, as of 31 December 2023, none of the Senior Management Members directly owns shares or stock options giving access to the share capital of the Company.

Senior Management Team long-term incentive plan (LTIP)

In 2023, the Group implemented an LTIP for the years 2023 up to and including 2027 in favor of Mr Nicolas Béraud, which is aimed at aligning the interests of Mr Nicolas Béraud with the interests of the long-term shareholders, and which provides an incentive for longer-term commitment and retention of Mr Nicolas Béraud.

The LTIP entitles Mr Nicolas Béraud to receive an annual cash payment to be paid by Betclic, the amount of which is determined based on the EBITDA of the Online sports betting and gaming business from the given and preceding financial year. In addition, the Board decided to grant, in July 2023, Mr Nicolas Béraud 7,244,375 free ordinary shares in the capital of the Company under the LTIP which will partially or totally vest effectively in June 2028. The shares that effectively vest in June 2028 will be equal to a portion of the difference between the adjusted EBITDA of the Online sports betting and gaming business over the year 2027 and €200 million, and divided by €10. The vesting of shares is conditional upon Mr Nicolas Béraud being an employee of the Group until 31 December 2027, subject to certain customary exceptions.

4.5.4 Remuneration of the Non-Executive Directors

The remuneration policy with respect to the Non-Executive Directors has been designed to ensure that the Group attracts, retains and appropriately compensates a diverse and highly experienced group of Non-Executive Directors. The remuneration of the Non-Executive Directors reflects the time spent and responsibilities of the roles.

FL Entertainment does not issue option or share plans or other incentive plans to the Non-Executive Directors and there are no service contracts, which provide for benefits upon termination of employment with the Non-Executive Directors.

Remuneration of Non-Executive Directors

The table below sets forth the remuneration of the Non-Executive Directors paid for 2022 and 2023. The amounts reflect the annual fee awarded for the services as Non-Executive Director and any additional roles as member of a committee or Chairperson of the Board or a committee, from the date of their appointment.

Name	Amount paid for 2023	Amount paid for 2022
Mr Stéphane Courbit	€0*	€0*
Mr Pierre Cuilleret	€60,000	€30,000
Mrs Susana Gallardo	€75,000	€37,500
Mrs Eléonore Ladreit de Lacharrière	€50,000	€25,000
Mrs Cécile Lévi	€65,000	€32,500
Mr Alain Minc	€70,000	€35,000
Mrs Marella Moretti	€60,000	€30,000
Mr Hervé Philippe	€60,000	€30,000
Mr Yves de Toytot**	€30,000	€30,000
Mr Albert Manzone**	€30,000	n/a

* *Mr Stéphane Courbit has waived his right to compensation as Chairman of the Board and Non-Executive Director.*
** *Fees relating to first semester 2023 paid to Mr Yves de Toytot and for second semester 2023 to Mr Albert Manzone.*

Equity holdings of Non-Executive Directors

As at 31 December 2023, the following Non-Executive Directors directly or indirectly own shares or stock options giving access to the share capital of the Company:

- Mr Stéphane Courbit indirectly holds 88.19% of Financière Lov's share capital and voting rights;
- Mr Alain Minc directly holds 1.95% of Financière Lov's share capital and voting rights and benefits from put and call mechanisms entered into directly with Mr Stéphane Courbit;
- Mrs Eléonore Ladreit de Lacharrière is a minority shareholder of Fimalac which directly holds 8.32% of Financière Lov's share capital and voting rights;
- Mr Pierre Cuilleret (indirectly) holds 0.16% of the Company's issued share capital;
- Mr Hervé Philippe is a minority shareholder of Vivendi SE which directly holds 100% of Vivendi's share capital and voting rights. Mr Hervé Philippe directly holds 0.02% of Vivendi SE's share capital and 0.04% of Vivendi SE's voting rights; and
- Mrs Susana Gallardo indirectly holds 100,000 Ordinary Shares of the Company through a holding vehicle as a result of an investment of €1,000,000 in the PIPE Financing, being 0.01% of the Company's share capital and voting rights.

Other than as set out above none of the Non-Executive Directors directly owns shares or stock options giving access to the share capital of the Company.

CHAPTER

05/

OPERATING AND FINANCIAL REVIEW

Preliminary consideration

On 28 March 2024, the Board approved the management report and the audited consolidated financial statements for the Financial Year ended 31 December 2023 (Consolidated Financial Statements).

The Consolidated Financial Statements were prepared in accordance with International Financial Reporting (IFRS) as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

The following is a discussion of the results of operations and financial condition of the Company as at 31 December 2023 and for the Financial Year 2023, as at 31 December 2022 and for the Financial Year 2022 and as at 31 December 2021 and for the Financial Year 2021. This discussion should be read in conjunction with the Consolidated Financial Statements included elsewhere in this Universal Registration Document which have been audited by Ernst & Young Accountants LLP as well as the consolidated financial statements for the Financial Year ended 31 December 2022 which have been audited by Ernst & Young Accountants LLP and the Combined Financial Statements which have been audited by Ernst & Young Audit, both incorporated by reference in this Universal Registration Document.

5.1 Highlights of the Financial Year 2023

Business overview

(in € million)	31 December 2023	2022	2021	% Change 2023 vs. 2022
Revenues	4,318	4,047	3,497	6.7%
Adjusted EBITDA*	737	670	609	9.9%
Adjusted EBITDA Margin*	17.1%	16.6%	17,4%	0.01 pts
Operating profit/(loss)	401	255	110	57.2%
Adjusted Net Income*	323	307	282	5.4%
Net income/(loss)	74	(81)	(73)	N/A
Adjusted Free Cash Flow*	606	555	499	9.0%
Adjusted Cash Conversion*	82.3%	82.8%	81,9%	-0.5 pts
Net Debt*	2,280	2,091	2,269	9.3%
Leverage*	3.1x	3.1x	3.7x	+0.0 pt

* **Non-IFRS financial measures** – *This Operating and Financial Review and the Consolidated Financial Statements includes certain alternative performance indicators which are not defined in the International Financial Reporting Standards (IFRS) as adopted by the European Union. The descriptions of these Alternative Performance Measures (APM) and reconciliations of non-IFRS to IFRS measures are included in this Universal Registration Document (please refer to note 4.1 to the Consolidated Financial Statements for the period ended 31 December 2023 on page 245). Please refer to Section 5.2.2 (Other financial information) on page 176 for the definitions of the APMs.*

- Revenue: €4,318 million for the Financial Year 2023, up +6.7% on a reported basis and +8.5% at constant exchange rates compared to the Financial Year 2022.
- Adjusted EBITDA: €737 million for the Financial Year 2023, up +9.9% on a reported basis and +11.8% at constant exchange rates compared to the Financial Year 2022.
- Adjusted Net Income: €323 million for the Financial Year 2023 up +5.4% compared to €307 million in the Financial Year 2022.
- Net Income: €74 million for the Financial Year 2023 (2022: -€81 million) due to one-off in 2022 from Group re-organization and Listing.
- Adjusted Free Cash Flow: €606 million for the Financial Year 2023, representing a cash flow conversion of 82.3%.
- Leverage: stable at 3.1x as of 31 December 2023 compared to 31 December 2022.

2023 highlights

- Content production & distribution
  - Re-inforced leading position in content market with powerful brands, travelling IP, continued focus on creativity and content catalogue up +16% to 185,000 hours
  - Continuous growth despite challenging market conditions
  - Dynamic strategy to broaden and monetize IP: new clients, new audiences and new channels
  - Expansion in live experiences through M&A
- Online sports betting & gaming
  - Strong performance in 2023: strong positions in core markets
  - Double-digit growth in UAPs and revenue, supported by best-in class product and user experience
  - Diversification both in terms of products and geographies with casino, poker & turf growth and successful Ivory Coast expansion
  - GamCare certification demonstrates commitment to highest standards in responsible gaming
- ESG strategy
  - Rollout of strategy focused on inclusion and equality in a safe environment, carbon calculation and ensuring the highest standards of ethical leadership and ESG governance

5.2 Analysis of the Group's results

5.2.1 Financial information

General

The Company was incorporated on 10 March 2022 to act as the parent company of the Group in connection with the Business Combination and did not have any operational activities before that time. The constitution of the Group therefore results from transfers of entities within Financière Lov Group, without modification of the Financière Lov's control on the Group. Therefore, the Group results from a combination between entities under common control. For more details, please refer to note 2.2 in Section 6.1.6 (Notes to the Consolidated Financial Statements) on page 226 of this Universal Registration Document.

Historical financial information

This Universal Registration Document incorporates by reference the audited Financial Statements of the Group for the Financial Year 2022.

The Financial Statements 2022 have been audited by Ernst & Young Accountants LLP., an independent audit firm registered with the Dutch trade register under number 24432944, whose principal place of business is at Boompjes 258, 3011 XZ Rotterdam, the Netherlands. The Auditor signing the independent Auditor's reports on behalf of Ernst & Young Accountants LLP is a member of the Royal Netherlands Institute of Chartered Accountants *(Koninklijke Nederlandse Beroepsorganisatie van Accountants)* (NBA).

5.2.2 Other financial information

Non-IFRS financial measures

This Universal Registration Document contains non-IFRS financial measures and related ratios, such as Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Free Cash Flow, Adjusted Operating Free Cash Flow, Adjusted Cash Conversion, Net Debt and Leverage (as all defined below), which are not recognised measures of financial performance, liquidity or financial position under IFRS. The Group uses these non- IFRS financial measures to manage and monitor the underlying performance of the Group's business and operations and financial position. Although certain of this data has been extracted or derived from the Consolidated Financial Statements, neither this data, nor assumptions underlying this data, have been audited or reviewed. These non-IFRS measures are presented because the Board considers them an important supplemental measure of the Group's performance and believes that similar measures are widely used in the industry in which the Group operates as a mean of evaluating a company's operating performance, liquidity and financial position. By providing additional insight into non-IFRS based measures, the Company believes that the users of this information may be better able to understand the Group's operational performance and trend development. Each of the non-IFRS financial measures is described below:

- **Adjusted EBITDA** is defined as the Operating Profit for that period excluding restructuring costs and other non-core items, costs associated with the long-term incentive plan within the Group (the "LTIP"), employment related earn-out and option expenses, and depreciation and amortisation (excluding D&A fiction and operational items). D&A fiction are costs related to the amortisation of fiction production, which the Group considers to be operating costs. As a result of the D&A fiction and operational provisions, the depreciation and amortisation line item in the Group's consolidated statement of income deviates from the depreciation and amortisation costs in this line item.

  Restructuring costs and other non-core items are defined in note 4.1 of the Consolidated Financial Statements on page 245.

  The Group considers Adjusted EBITDA to be a useful metric for evaluating its operating performance as it facilitates a comparison of its core operating results from period to period by removing the impact of, among other things, its capital structure, asset base and tax consequences;
- **Adjusted EBITDA Margin** is defined as Adjusted EBITDA for that period as a percentage of revenue for that period.

  The Group considers Adjusted EBITDA Margin to be a useful measure to evaluate its operating performance in general and it believes that Adjusted EBITDA Margin is useful for analysts and investors to understand how management assesses its ongoing operating performance on a consistent basis as its business grows;
- **Adjusted Net Income** is defined as net income (loss) adjusted for restructuring costs and other non-core items, costs associated with the LTIP and employment related earn-out and option expenses and other financial income/(costs).

  The Group considers Adjusted Net Income to be a useful metric for evaluating its operating performance as it facilitates a comparison of its operating results from period to period by removing the impact of certain non-core costs;
- **Adjusted Free Cash Flow** is defined as Adjusted EBITDA adjusted for purchase and disposal of property plant and equipment and of intangible assets and cash

outflows for leases that are not recognised as rental expenses;

- **Adjusted Operating Free Cash Flow** is defined as Adjusted Free Cash Flow adjusted for change in working capital excluding LTIP payments and exceptional items as well as income tax paid.

  The Group presents its Adjusted Free Cash Flow and Adjusted Operating Free Cash Flow because it provides investors with relevant information on how management assesses and measures its cash flows from ongoing operating activities. Its purpose is to provide both management and investors relevant and useful information about Group's cash generation capacity and performance;
- **Adjusted Cash Conversion rate** is defined as Adjusted Free Cash Flow divided by Adjusted EBITDA.

  The Group presents its Adjusted Cash Conversion because it provides investors with relevant information on how management assesses and measures its cash flows from ongoing operating activities compared to the income it generates on a consistent basis as its business grows. Its purpose is to provide both management and investors relevant and useful information about the Group's cash generation capacity and performance;
- **Total capital expenditure** is defined as scripted production costs and intellectual property rights, investments in technical equipment and IT capitalised expenses and other capital expenditure.

  The Group considers capital expenditure to be a useful metric to monitor the investments to support its business strategy and development plans and to further expand its business;
- **Net Debt** is defined as the sum of bonds, bank borrowings and other, bank overdrafts, vendor loans and accrued interests on bonds and bank borrowings minus cash and cash equivalents, Funding of Gardenia, trade receivables on providers and cash in trusts and restricted cash, plus players liabilities plus (or minus) the fair value of net derivatives liabilities (or assets) for that period.

  The Group monitors its Net Debt because the Group believes this measure provides indicators of the overall strength of its balance sheet;
- **Leverage** is defined as Net Debt divided by Adjusted EBITDA.

  The Group monitors its Leverage because the Group believes this measure provides indicators of the overall strength of its balance sheet and can be used to assess the impact of the Group's cash position and its earnings as compared to its indebtedness;
- **Cost of Net Debt** is defined as the sum of interests paid on bank borrowings and bonds, interest on ancitipated reimbursement of bank borrowings and bonds and interests received on cash and cash equivalents.

  The Group considers Cost of Net Debt to be a useful metric to monitor the cost of its indebtedness.
- **Revenue at Constant exchange rates** is defined as the revenue of the previous period in local currency converted using the current period's exchange rate.

  The Group considers revenue at constant exchange rates to eliminate the impact of exchange rate fluctuations.

Market and industry information

This Universal Registration Document contains statistics, data and other information relating to markets, market size, market shares, market positions and other industry data pertaining to the Group's business and markets. Unless otherwise indicated, such information consist of estimates compiled by industry professionals, competitors, organizations or analysts, of publicly available information or is based on the Group's analysis of multiple sources and information obtained from Press, Companies publications, the WIT, Variety, PWC – Global Entertainment & Media Outlook, Ampere Analytics and Wall Street Research. Such information has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as the Company is aware and able to ascertain from the information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Statements based on the Company's own proprietary information, insights, opinions or estimates contain words such as the Group or the Company "believes", "expects", "sees", "considers", "aims", "estimates" and as such do not purport to cite, refer to or summarise any third-party or independent source and should not be so read.

Industry publications generally state that their information is obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions.

Investors are, nevertheless, advised to consider these data with caution. For example, market studies are often based on information or assumptions that may not be accurate or appropriate, and their methodology is inherently predictive and speculative. The fact that information from the aforementioned third-party sources has been included in this Universal Registration Document should not be considered as a recommendation by the relevant third parties to invest in, purchase or take any other action with respect to, shares or other financial instruments in the Company.

This Universal Registration Document contains statements regarding the characteristics of the multi-platform and cross-genre content production and sports betting industries as well as the Group's competitive and market position. The Company believes these statements to be true, based on market data and industry statistics, but has not independently verified the information. The Company cannot guarantee that a third-party using different methods to assemble, analyse or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, the Group and the Company's competitors may define their markets and their own relative positions in these markets differently than the Group or the Company does and may also define various components of their business and operating results in a manner which makes such figures non-comparable with the Group's or the Company's.

5.2.3 Key factors affecting the Group's business and results of operations

The following factors have contributed significantly to the development of the Group's business and results of operations during the periods under review and are reasonably likely to have a material effect on the Group's business and results of operations in the future. For further details on the risk factors, please refer to Section 3.1 (Description of the risk factors) on page 108 of this Universal Registration Document.

5.2.3.1 General

GENERAL ECONOMIC CONDITIONS IN THE MARKETS IN WHICH THE GROUP OPERATES

Macroeconomic factors in the geographic markets in which the Group operates affect its results of operations.

For the Group's Content production and distribution business, the number of purchases of Group programs and formats have increased following the market conditions evolution impacting by the global economic condition and an enlargement of the number of custumers within a higher demand in digital platform and social network. The increased demand on digital platforms and social networks across economic cycles continues to grows as viewers continue to watch visual content and demand new content throughout these cycles. However, broadcasters generate lower advertisement revenues during economic downturns and therefore may reduce their budgets allocated to the purchase (including production) of new or existing formats. During these periods, broadcasters become more risk averse and are more reluctant to finance the production of untested, new formats. The Group has been resilient to economic downturns in the past because it was able to rely on revenues from successful, long-running formats, but a new downturn may affect the Group's future results of operations.

For the Group's Online sports betting and gaming business, the impact of economic developments, and the effect on players' habits, may be difficult to anticipate, as economic and financial crises may lead players to reduce their activity due to a decrease in their financial capacity, or to increase such activity due to the expectation of winning as an alternative source of income. In addition, economic difficulties may lead governments to adopt stricter regulations on the gambling industry in order to protect at-risk populations.

FOREIGN CURRENCY EXCHANGE RATES

The Group's reported results of operations and financial conditions are affected by exchange rate fluctuations. The Group is exposed to both transactional and translational risk due to these fluctuations. Transactional risk arises when the Group's subsidiaries execute transactions in a currency other than their functional currency. For Content production and distribution business, the Group currently operates through over 130 companies in 23 countries with content in 66 languages. For the Online sports betting & gaming business, the Group primarily operates in France, Portugal, Italy, Germany, Poland and Ivory Coast. As a result, the Group generates a significant portion of its revenues and incurs a significant portion of its expenses in currencies other than the Euro, which is the Group's reporting currency. The primary currencies in which the Group generated revenues in the year ended 31 December 2023, were the Euro, the USD and the GBP. Where the Group is unable to match revenues received in foreign currencies with costs paid in the same currency, the Group's results of operations are affected by currency exchange rate fluctuations. For example, a stronger Euro will increase the cost of Euro-denominated supplies for the Group's non-Euro businesses and conversely decrease the cost of non-Euro supplies for its Euro businesses. For the Group's Content production & distribution business, its subsidiaries generally execute their sales to broadcasters and digital platforms and incur most of their materials costs in the same currency. The Group has reduced the effect of exchange rate fluctuations for part of the Group level USD financing through the use of derivative financial instruments. During the year ended 31 December 2023, 18.6% of the Group's revenues in its Content production and distribution segment were generated in USD and 17.5% of its revenues in its Content production & distribution segment were generated in GBP. For the Group's Online sports betting and gaming business, 8% of its revenue on the year ended 31 December 2023 was generated in Polish Zloty.

The Group also faces translational currency exchange risk. The Group presents its consolidated financial statements in Euro. As a result, the Group must translate the assets, liabilities, income and expenses of all of its operations with a functional currency other than Euro into Euro at then-applicable exchange rates. Consequently, increases or decreases in the value of these currencies against the Euro may affect the value of the Group's assets, liabilities, income and expenses with respect to its non-Euro businesses in its consolidated financial statements, even if their value has not changed in their original currency, which creates translation risk. These translations could significantly affect the comparability of the Group's results between financial periods and result in significant changes to the carrying value of its assets, liabilities and shareholders' equity.

FLUCTUATION AND VOLATILITY IN REVENUES FROM PERIOD TO PERIOD

In both segments, the Group experiences certain fluctuations in revenue from period to period.

In the Content production and distribution business, the Banijay Group recognises production revenues from the sale of a show to a broadcaster or digital platform at the time of the delivery of such show. This can result in a difference between the moment that the Banijay Group actually receives (part of) the purchase price for a sale and the moment that the Banijay Group recognises the revenue generated with such sale in its financial statements. For example, the Banijay Group occasionally receives production advances from broadcasters before the production of a show is completed and these advances are not recognised in the Group's revenue until the delivery of the show. For the year ended 31 December 2023, the Group received production advances in the amount of €695 million relating to shows delivered or to be delivered in 2024. In addition, broadcasters can decide to alter a show during its production process, which may cause delays in the delivery of the show and therefore impact the Group's revenue. Accordingly, the Group's revenues and results of operations may fluctuate over time and the results of one period may not be representative of the results of any future period.

The Group's business in its Online sports betting and gaming segment is subject to generally predictable seasonality, which may cause variances in revenue and profitability over the course of the year. The Betclic Everest Group creates a significant part of its revenue with the sports betting activities, which represented 80% of the Betclic Everest Group's revenue in the year ended 31 December 2023. Therefore, the sports competition calendar has an impact on the Group's results of operations and the Group is dependent on the demand for and development of these activities. Years in which major sporting events take place see more activity. As 60% of the sportbook revenues generated by the Group's Online sports betting and gaming business are linked to football competitions, the distribution of its results of operations over the year are primarily impacted by the calendars for the major football competitions. Furthermore, even-numbered years see more activity with the organization of the FIFA World Cup or the European Football Championship. Because the Betclic Everest Group's business is dependent on the sports calendar, revenues are lower during the period from May to August, when there are fewer sporting events. In casino games and in online poker, business volumes are generally stable over a calendar year, with a slight upturn in activity in winter, and are impacted by the activity of the largest players. As a result of these seasonal fluctuations, the Betclic Everest Group typically generates a substantial part of its revenue in the fourth quarter of the calendar year. As a consequence, events or circumstances that adversely affect the Betclic Everest Group's business during the winter period or during the period from September to April are likely to have a disproportionally adverse effect on the Betclic Everest Group's results of operations for the full year.

In the Online sports betting and gaming segment, the Betclic Everest Group experiences unpredictability as a result of the outcome of sports matches. The Betclic Everest Group's players bet on the outcome of, or events taking place during, sports matches. The Group's Revenue is made of the difference between stakes and winnings paid to players less promotional bonus. As the outcome of the matches or events that take place during sports matches are unpredictable, the Group's revenues in its Online sports betting and gaming segment can vary significantly between periods and can be highly volatile. For example, if the favourites win, the Betclic Everest Group loses bets to the players and its margin falls. Conversely, in the event of unexpected results, the Betclic Everest Group will win more bets from players and its margin will increase. This effect is aggravated by the taxation applicable to Online sports betting and gaming, particularly in Poland and Portugal where gambling taxes are levied on wages.

5.2.3.2 Content production and distribution segment

SUCCESS OF NEW FORMATS AND NEW PROGRAMS

The Group produces both scripted and non-scripted content across all genres, including reality shows, entertainment and talk shows, game shows, and factual entertainment. The Group's creative talents are a key element of its success and are constantly working to address customers' demands or to anticipate trends in the industry. The Group works with its customers to develop original formats that may become long-running programs if they receive good ratings, making them a success. Periods in which the Group and its customers have successfully anticipated trends produce more favorable results. Usually a successful program will run until viewers' preferences change or until broadcasters or digital platforms decide to replace the program, in which case they may ask the Group to develop a new format. If a new format is successful, this will have a positive effect on the profitability of the local production company that produced the program, since broadcasters will typically renew the program for several seasons. In addition, it will have a positive impact on the Group's revenues, since a popular program in one country will often be successful in other countries with a similar audience, either by the production in such country by one of the Group's production companies or by licensing the format to third-party production companies in the countries where the Group is not present.

For the year ended 31 December 2023, 44% of the Content production & distribution revenues were derived from content that has been running for at least five consecutive seasons, 26% from content that has been running for two to five consecutive seasons, and only 30% from new launches.

Non-scripted programs benefit from lower production costs, a shorter development period and more advantageous financing arrangements, because the broadcaster and digital platforms who acquire a non-scripted program fully funds production costs. For the year ended 31 December 2023, the Group's Content production and distribution generated 81% of its revenue via the production of shows, of which 75% were non-scripted shows. The Group's ability to accurately anticipate new trends and/or changes in consumer preferences and needs, as well as focus the Group's development efforts towards that goal, gives the Group the opportunity to potentially create the next television blockbuster and accordingly will positively impact the Group's revenues. However, the Group's revenues from broadcaster and digital platform sales will not be immediately negatively impacted if a new format is not successful because the initial price for the sale of the programs is not determined based on its success. Different factors are taken into account when determining a program's price. The budget that the broadcaster and digital platforms wish to allocate for the relevant time slot is a key element (since budgets are lower for day time slots than they are for access prime-time or prime- time slots). The pricing also takes into account production costs based on the type of program and the format fee payable for the format rights. The average format fee differs from one country to another but, is usually between 5% and 7% of the production budget. In addition, the format fee will be higher if the format is successful and/or has already been successfully aired in certain markets. The price of a format is also based on the Group's bargaining power with broadcasters. Popular or successful formats will provide the Group with more bargaining power vis-à-vis broadcasters. Even if a format is not successful in a specific market, the Group will try to produce the format in another market where the Group is present or license it to another producer in markets where the Group does not operate. The Group can also distribute the produced programs through Banijay Rights and continue to derive distribution and secondary revenues from the format.

DEVELOPMENT OF THE PRODUCTION OF SCRIPTED PROGRAMMES

Scripted programs generally require a longer and more extensive development and production process, leading to higher costs than non-scripted programs. Because of these higher production costs, scripted programs also tend to generate lower margins than non-scripted shows, but scripted programs can deliver higher revenues, particularly future secondary revenues when the Group manage to retain part of the intellectual property rights and/or rights to secondary revenues (please refer to section 3.1.2 (Risks Relating to the Group's Content production and distribution business – *Customers may request to obtain intellectual property rights to the formats the Banijay Group creates and programmes the Banijay Group produces, which may have a negative impact on the Banijay Group's revenues*) on page 119). For the year ended 31 December 2023, the Banijay Group generated 22% of its production revenue from scripted content and 78% of its production revenue from non-scripted content. The financing of scripted programs requires financing commitments from broadcasters and co-producers, as well as from distributors which may be the Group's distribution subsidiary, Banijay Rights Limited. The Group may therefore be required to prefund development and/or production costs for a scripted program. The timing of the upfront payments and final payments, as well as the participation of Banijay Rights Limited in the financing of scripted program, impact the Group's working capital requirements. In addition, the Group relies on tax credits in certain jurisdictions, such as France, Italy, Spain or the United Kingdom, as part of the financing of a scripted program. However, the Group may only be able to claim such tax credits after having finalised the production of the program, which may require the Group to prefund a larger share of the upfront production costs and capital expenditures.

Changes in working capital are impacted by the timing of a production, program delivery and by the production of scripted and non-scripted programs. Since non-scripted programs are mainly produced in less than a year, working capital requirements related to the production of non-scripted business are mainly impacted by fluctuations in the numbers of non-scripted programs the Group produces. The Group may record cut-off impacts related to the production of non-scripted programs at the end of each Financial Year if some large-scale programs are still under production, because revenue is only recognised at the time of delivery of such program. On the other hand, scripted production programs have a longer production cycle, usually covering a period of over two years, and higher working capital requirements. The Group's working capital related to the production of scripted shows can be impacted significantly by cut-off issues at the end of the Financial Year. In addition, the Group sometimes finance a large part of its scripted programs through tax credits or subsidies paid after the delivery of the program, which has an impact on its working capital for the year during which the Group produces the program but have not yet delivered it.

ACQUISITIONS AND JOINT VENTURES

To grow the Group's business, the Group continuously monitors the markets it operates in for opportunities for favourable acquisitions of businesses and assets within the Group's industry (please also refer to Section 5.2.4 (Factors Affecting Comparability of the Group's Results of Operations – M&A Impact) on page 183). The Group generally focuses on acquiring companies or assets with specific creative talents, such as a popular host or successful producer, and structures its acquisitions to leverage such talents and/or to ensure they continue to work for the Group and create further value. To that effect, the Group enters into various arrangements, such as earn-out or put option agreements with certain of these talents, who are often the sellers of the targets. Payments pursuant to such arrangements are generally contingent and calculated based on the performance of the acquired company over a specified period following the acquisition. This period generally corresponds to an exclusivity period during which the key managers and creative talents agree to work exclusively for the Group. The key commercial discussion items of such arrangements include, for example, the performance metrics underlying the contingent payments, the earn-out or put option period (usually in an eight-year range), and the timing and the structure of the contingent payment. For significant acquisitions and joint ventures, the Group negotiates put option deals with selling shareholders to obtain up to 100% of the company after a certain period of time. Consequently, the Group includes 100% of the net assets of these joint ventures and the put option as a financial liability on its statement of financial position. For the joint ventures for which the Group did not negotiate a put option, it considers they will not have a significant effect on the financials of the Group. The Group accounts for these earn-outs and put options as a financial liability on its statement of financial position rather than financial debt, because the amounts owed under these incentive agreements vary depending on the performance of the business and because they do not bear interest. If the opportunity arises, the Group may also decide to acquire companies in order to own the intellectual property rights to their catalogue of formats and programs. For example, since the acquisition of Castaway Television Productions Limited in 2017, the Group owns the intellectual property rights to the *Survivor* format. Following the completion of the acquisition of the Endemol Shine business, the Group has further expanded its catalogue of formats. By completing the Endemol Shine acquisition, the Group expanded the number of hours of content in its catalogue from 20,000 hours to more than 130,000 hours and they now own the intellectual property rights to formats such as Big Brother and Survivor, which are regarded as some of our most long-lasting and best travelling content.

The Group may also acquire intellectual property rights without acquiring a production company. For example, in October 2016 the Group acquired the intellectual property rights and contracts associated with the popular game show The Legacy (known as Les 12 Coups de Midi in France and L'Eredità in Italy). In addition, in December 2018, the Group acquired the intellectual property rights to the Intervilles format and its derivatives (including Jeux sans frontières), which has been relaunched in Italy, Spain and Greece. The Group also establishes joint ventures with popular local producers and talents to develop new production companies in certain markets. Examples of such joint ventures are Yasuke Productions with French Olympic judo champion Teddy Riner in France or collaborations with off-screen scripted talents such as Double Dutch in the United Kingdom. If a joint venture is successful, the Group may acquire the remaining share capital in the production company based on a pre-agreed price calculation formula. In the event that a joint venture is not successful, the Group tries to negotiate clauses in the related agreement with the other party to limit any potential losses the Group may incur in connection with such joint venture.

Acquisitions affect the Group's results of operations in several ways. First, the Group's results for the period during which an acquisition takes place are affected by the inclusion of the results of the acquired entity into its consolidated results as well as the relating acquisition costs. Second, the results of the acquired businesses after their acquisition may be positively affected by synergies. Additionally, the Group may experience an increase in operating expenses, such as staff costs, as the Group integrates the acquired business into the Group. Finally, because acquired entities are consolidated from their date of acquisition, the full impact of an acquisition or disposal is only reflected in the Group's financial statements in the subsequent period.

Please refer to note 31 (List of sub-group Banijay's and sub-group BEG's subsidiaries) of the Section 6.1.6 (Consolidated financial statements 31 December 2023) on page 296 for a list of the Group's subsidiaries and joint ventures.

DIVERSIFICATION OF CUSTOMERS

The Group's customers primarily consist of broadcasters and digital platforms. Revenue has been positively impacted by a volume effect explained by an increase in the number of customers that are willing to purchase the Group's programs. At the same time, broadcasters are faced with increasing competition from companies that distribute video content over the internet, commonly referred to as over-the-top or "OTT programming". With the increase in OTT programming, viewers' video content consumption preferences may shift away from broadcasters and diverge from existing viewing habits. In the United States and, to a lesser extent, Europe, consumers, and in particular younger demographics are viewing more content on more devices, with a shift towards mobile devices or computers over televisions. As a result, many of the Group's existing customers and potential customers are compelled to find new original formats to provide content to viewers via the internet. The Group expects this pressure to increase as digital platforms such as Netflix and Amazon Prime Video continue to grow and/or enter into new markets. The Group expects to benefit from the customer diversification that results from these developments, as the Group has historical relationships with many broadcasters and has already developed strong commercial relationships with digital platforms. In addition, the Group expects this diversification to continue as OTT companies increasingly focus on non-scripted content, a genre in which the Group has strong production know-how. In addition, the Group is increasingly focusing on formats which, once produced for a local market, can be sold or licensed to customers in other markets, such as broadcasters or digital platforms. Such increased diversification in customers and the opportunities for distribution revenues that arise as a result have historically and will likely continue to impact positively the Group's results of operations.

DISTRIBUTION AND OTHER REVENUES (SECONDARY BUSINESS)

The Group has developed its business around the sales of programs to broadcasters and digital platforms and the distribution of its content through its subsidiary, Banijay Rights Limited. The Group owns and controls intellectual property rights to a broad and diversified portfolio of programs representing approximately 185,000 hours of audiovisual content including Banijay IP but also third party titles it distributes. The Group distributes and licenses the content that it owns through Banijay Rights Limited to television broadcasters and digital platforms. The Group's distribution business generates revenues with high margins, as the Group has limited costs relating to managing its portfolio of existing programs. For the Financial Year 2023, revenues from the Group's distribution and other revenues (secondary business) in its Content production & distribution segment represented 19% of its total revenues. The Group intends to further develop its distribution business and develop other sources of secondary revenue, such as revenues from advertising, clipping, live entertainment and branded content. The Group expects this trend to have a positive impact on its revenues, Adjusted EBITDA and Adjusted EBITDA Margin.

GROWTH IN KEY MARKETS

The size of the global television production market continues to grow but is experiencing a shift in key revenue components. According to a PricewaterhouseCoopers study "Global Entertainment & Media outlook 2023-2027", the global television industry (i.e., Traditional TV and OTT Video) was valued at approximately €463 billion in 2023 (+2.6% vs. 2022) and revenues are projected to reach approximately €502 billion by 2027. Traditional TV comprises consumer spending on basic and premium pay-TV subscriptions, consumer spending on public license fees where applicable, on-demand video services via a TV subscription provider, and all TV advertising revenue, including broadcast and online. OTT Video comprises consumer spending on video accessed via an over-the-top (OTT)/streaming service (such as Netflix), and advertiser spending on OTT services. These key revenue streams are expected to continue growing from 2024 to 2027 at a CAGR of approximately 2%.

Broadcasters and streamers' global content spend reached $243 billion in 2023 according to Ampere Analysis. In 2024, total spending is expected to grow by 2% and reach

05/

$247 billion.

The Group expects growth in the television production market in terms of revenues to continue to be influenced by viewership levels and customers' demand for new formats in order to reach as many viewers as possible, particularly via digital platforms that are available on mobile devices as video consumption continues to increase, partially due to a shift from viewings on television to mobile devices. The Group also expects customers' demand for original formats in emerging markets to continue to be driven by a growing middle class. The Group's revenues will be impacted from period to period by its ability to penetrate, and the continued growth in, these emerging markets.

5.2.3.3 Online sports betting & gaming segment

REGULATORY ENVIRONMENT AND GAMING TAX

The Group's Online sports betting & gaming segment falls within the betting and gaming sector, which is highly regulated and monitored by respective government authorities in the markets in which the Group operates (please refer to Section 1.4.2 (Betclic's regulatory environment) on page 62 of this Universal Registration Document). The Group primarily operates its business based on licenses issued by the governments of the countries in which the Group is active, which provides the Group with the rights to its Online sports betting and gaming activities. Systematically, the Group pays gaming taxes in the countries it operates in exchange for these rights.

Many of the factors that affect the Betclic Everest Group's business and results of operations are prescribed by applicable regulation. Since there is no standardised regulation for Online sports betting and gaming activities at an international level, the results of operation of the Group depend on the specific regulatory environments in the various countries in which the Betclic Everest Group operates its Online sports betting and gaming business. For example, in France, online casino activities are prohibited, while poker is allowed. In Poland, only online sports betting is permitted. In addition, French law prescribes a maximum pay-out ratio of stakes that can be allocated to winners in the Sportsbook segment. Based on French online gaming regulations, the Betclic Everest Group is required to apply a maximum return rate of 85% of all stakes invested by players of sports betting over a calendar year to its players on sports stakes. Changes to the regulatory framework in the countries the Group operates in may have a direct effect on the Group's results of operations if the changes restrict the ability of online gaming operators to operate or strengthen the constraints on online gaming operators. If these restrictions were to be applied in one or more of the markets in which the Betclic Everest Group operates, it may have to cease some of its activities or operate them under less favourable conditions. On the other hand, changes to the regulatory framework that ease the regulatory restrictions for the Betclic Everest Group could also open up new opportunities for the Group.

The revenues in the Group's Online sports betting & gaming segment partially depend on its ability to attract new gamblers and retain its gamblers and, therefore, on the Group's ability to conduct marketing activities and the results of such activities. Some countries prohibit all or to a certain extent marketing activities in relation to online gaming or betting. The Group's revenues in the Online sports betting & gaming segment therefore in part relies on the ability under local regulatory rules to conduct marketing activities. Please also refer to Section 3.1.3 (Risks relating to the Group's Online sports betting and gaming business – *The Betclic Everest Group's success depends on its ability to attract and retain new users, which may be negatively impacted by prohibitions, constraints and restrictions on marketing activities as well as other applicable regulations*) on page 126. The loss of Betclic Everest Group's users, failure to attract new users in a cost-effective manner, or failure to effectively manage the Betclic Everest Group's growth could adversely affect its business, financial condition, results of operations and prospects.

In addition to corporate income taxes, the Group's Online sports betting & gaming business is subject to taxes on individual games. The amount of tax paid by the Group can vary by jurisdiction and type of game. The Group's Online sports betting and gaming business is subject to taxes which are calculated based on, and vary depending on the type of licence, game and amount of revenues generated by the game. In the Consolidated Financial Statements, tax payments are accounted for under the line item "External expenses". Changes in tax legislation in the jurisdictions where the Group's operate may have an effect on its results of operations.

5.2.4 Factors affecting comparability of the Group's results of operations

M&A impact

Since 1 January 2021, the Group has expanded its business by acquiring and integrating the following companies and/or assets:

- Monello Productions, a French animation studio, in January 2021;
- Southfields, a Dutch sport production company, in July 2021;
- DMLS TV, a French music and entertainment company, in July 2021;
- Mam Tor Productions, a production company in the UK, in October 2022;
- Movie Plus in Israel, specializing in drama series, documentaries and feature-length films, in November 2022;
- Montmartre Films, formerly Légende Films (France), a French based scripted production entity, in January 2022;
- Znak TV, in the USA, a producer of large-scale entertainment brands as Masterchef, in February 2022;
- Tooco Formats, a label is dedicated to the creation, development, and management of new formats for the French and international markets in March 2022;
- Groenlandia in Italy, a company engaged in the business of the creation, development, production, selling, marketing, promotion and distribution of movies, features, short films and documentaries for both cinema and television markets, in March 2022;
- Pokeepsie Films a Spanish producing scripted programs, in April 2022;
- Kindle Entertainment, in UK, a multiple BAFTA winning production company, in August 2022;
- Movimenti an Italian group of 6 companies including 2D and 3D animation studios, an audio post-production company and a distribution entity, in September 2022;
- Noisy Pictures GmbH (formerly Sony Pictures Television Germany), a German producer of entertainment formats and scripted shows, in September 2022;
- Beyond in Australia in December 2022;
- A Fabrica in Brazil in March 2023;
- Conker in UK, in March 2023;
- TwentyTwo Producties, in the Netherlands by Endemol Shine Netherland BV, in March 2023;
- Immovable Studios in UK, in June 2023;
- LaLiga Studios in Spain, in June 2023;
- Greenboo Production in Italy in July 2023;
- Rabbit Track in UK, in September 2023;
- Balich Wonder Studio in Italia in September 2023;
- Hyphenate in Americas in Octobre 2023;
- The Forge in UK, in November 2023;
- Esmeralda Productions in UK, in December 2023.

Since 1 January 2021, the Group has divested the following companies:

- disposal of Expekt in May 2021;
- liquidation of Bet-at-home Entertainment Ltd which took effect in the first semester of 2022;
- loss of control of Weit Media, during Q4 2022;
- disposal of Shauna Event in December 2022;
- disposal of Funwood Italia and Funwood Iberica by Banijay Rights in March 2023;
- disposal of Beyond production in December 2023.

Acquisitions and divestments affect the results of operations of the Group in a variety of ways. The Group's results for the period during which an acquisition takes place are affected by the inclusion of the results of the acquired business in its consolidated results. In addition, the results of the acquired businesses after their acquisition may be impacted positively by synergies. Additionally, the Group may experience an increase in operating expenses, including staff costs, as the Group integrates the acquired business into its network. Acquisitions may also result in higher levels of depreciation and amortisation expense. Also, because acquired entities are consolidated from the date of their acquisition, the full impact of an acquisition is only reflected in the Group's financial statements in the subsequent period. As a result, the historical results of operations for the periods under review may not be comparable with each other. For further details, please refer to Section 5.2.3.2 (Key factors affecting the Group's business and results of operations – Acquisitions and Joint Ventures) on page 179 of this Universal Registration Document.

05/

5.2.5 Description of key income statement line items

The following descriptions of key line items pertains to the Group's Consolidated Financial Statements that have been prepared in accordance with IFRS.

Revenue

The Group measures revenue based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer. For a more detailed description of the Group's revenue recognition, please refer to Section 6.1.6 (Notes to the Consolidated Financial Statements) on page 224 in this Universal Registration Document.

External expenses

External expenses includes external costs incurred for content production, gaming tax, short-term lease charges, marketing costs and IT costs.

Staff costs

Staff costs includes employee remuneration and social security costs, post-employment benefits, employee benefits for the Group's long-term incentive plan, employment related earn out and option expenses and other employee benefits.

Compensation costs of Lov Group Invest (President of Banijay Group and President of Betclic Everest Group) and the Group's management are not included in staff costs but in other operating expenses as part of the President fees (as further disclosed in Section 6.1.6 (note 27 of the Consolidated Financial Statements) on page 289.

Other operating expenses

Other operating expenses mainly include restructuring charges and other non-core items, tax and duties, Lov Group Invest (President of Banijay Group and President of Betclic Everest Group) and management fees, other operating expenses and other operating income.

Depreciation and amortisation expenses

Depreciation and amortization expenses includes depreciation of the following category of assets:

- i) goodwill;
- ii) software and other intangible assets;
- iii) property, plant and equipment, own property and right-of-use;
- iv) amortization of intangible assets acquired in business combinations; and
- v) other.

Financial income

Financial income includes interests received on cash and cash equivalents.

Interest expense

Interest expense includes interests paid on bank borrowings and bonds.

Cost of Net Debt

Cost of Net Debt is the sum of the line items "financial income" and "interest expense".

Other financial income

Other financial income mainly includes interests paid on current accounts liabilities outside the Group, interests received on current accounts receivables outside the Group, interests paid on lease liabilities, change in fair value of financial instruments, currency gains and losses, and other financial gains and losses.

Net financial income/(expenses)

Net financial income/(expenses) is the sum of the line items Financial income, Interest expense and Other financial income.

Share of net income from associates and joint ventures

Share of net income from associates and joint ventures includes the results of the period of investments in entities accounted for under the equity method.

Income tax expenses

Income tax expense includes current tax charges as well as changes in deferred tax assets and liabilities.

5.2.6 Significant events of the Financial Year 2023

5.2.6.1 Holding

INVESTMENT IN THE INDEPENDENTS

On June 2023, FL Entertainment and TowerBrook announced an investment in the leading global marketing and communications group The Independents ("TIL"). The acquisition was closed on 28 June 2023.

The Independents is a global marketing and communication group for luxury and lifestyle brands. It is a cross-sector leader encompassing communications and digital marketing, experience, content creation and influencer strategy through its synergistic portfolio of seven world renowned agencies: Bureau Betak & Bureau Future, K2, Karla Otto, Lefty, Prodject, The Qode and Ctzar spread throughout Asia, the USA, Europe & the Middle East.

The investment of the Group in TIL was done through:

- the funding of the entity "Gardenia" (one of the shareholders of K10, the holding company of the TIL Group) by Banijay Events (a newly created wholly owned subsidiary of FL Entertainment) providing financial rights and certain governance rights to Banijay Events;
- the direct shareholding in TIL via K10 with the acquisition of Preferred C bis Shares by Banijay Events providing financial rights and certain governance rights to Banijay Events;
- the commitment of Banijay Events to fund €50.0 million for K10 within the next three years in exchange of K10 Preferred D bis Shares; and
- put and call mechanisms leading to the possibility for Banijay Events (i) to acquire additional shares in K10 and (ii) to acquire the control of TIL in 2026. In the event Banijay Events does not exercise its Call 2026, the founders of The Independent might exercise a call option which entitles them to require Banijay Events to sell them all the securities held by Banijay Events or FL Entertainment in K10.

For futher details, please refer to section 6.1.6, note 3.1.1 on page 240 of this universal registration document.

EXCHANGE OF SHARES AND CORRELATIVE ISSUANCE OF ORDINARY SHARES BY FL ENTERTAINMENT

On 4 July 2023, some of Banijay Group's key managers contributed most of their Banijay Group's shares directly to FL Entertainment in exchange for FL Entertainment's ordinary shares ("FL Entertainment Shares") or reinvested the amount of their Phantom shares plan into FL Entertainment Shares. Following this transaction, the put options granted to these key managers, pursuant to a shareholders' agreement at the level of Banijay Group, and recognised in the consolidated financial statements are no longer valid.

The transaction led to (i) the settlement of liabilities on non-controlling interests for €133 million in exchange for 10,441,974 FL Entertainment Shares and the payment in cash of €28.1 million and (ii) the settlement of Employee-related long-term incentives (Phantom shares plan) for €33.0 million including withholding tax and social charges. The amount of the Phantom share plan was reinvested into 1,171,685 FL Entertainment Shares.

2023 FLE RCF FACILITY

On 1 August 2023, FL Entertainment N.V. entered a multicurrency revolving loan facility in an aggregate amount equal to €50.0 million (the "2023 FLE RCF"). The drawn facility will carry a floating interest with reference to a Term Reference Rate depending on the duration and the currency plus a margin between 275 and 425 bps (mainly conditional to the leverage ratio of the Group).

5.2.6.2 Content production & distribution business

REFINANCING OF THE TWO TERM LOANS AND RCF

On April 2023, Banijay completed the refinancing of its two 2020 Banijay Facilities B in Euros and in US Dollars for an amount equivalent to approximately €860 million (including a €453 million tranche and $448 million remaining tranche), resulting in a 3-year extension of their maturities until March 2028. Banijay also raised new Facilities B in Euros and US Dollars to strengthen its balance sheet and finance its future growth for a total amount equivalent to €205 million, which splits into €102 million and $110 million respectively (the "2023 Banijay Facilities B1"). Following this refinancing, Banijay reimbursed a part of the 2023 Banijay Senior Secured Notes for an equivalent amount of €37 million.

The 2023 Banijay Facilities B1 will carry a floating interest at EURIBOR +450 bps for the Euro-denominated tranche, and at SOFR +375 bps for the US Dollar-denominated tranche, both of which benefit from the existing hedges. The existing hedging contracts are still in place until March 2025, and Banijay has extended this hedging until 2028 through a new derivative instrument. Furthermore, Banijay entered into a new hedging contract to hedge floating interest rate risks on the additional amounts raised until 2028. As described in Section 5.5 (Subsequent events since 31 December 2023) on page 216 of this Universal Registration Document, on 1 February 2024, Banijay Entertainment has announced that it has successfully repriced its €555 million term loan facility at EURIBOR +3.75% and its $556 million term loan facility at SOFR +3.25%, in each case at par.

In parallel, Banijay extended the maturity of the €170 million 2020 Banijay RCF by 3 years to September 2027 at EURIBOR +3.75%.

Under IFRS 9, this refinancing has been analyzed and accounted for as an extinguishment of the former loans and the issuance new loans. Former issuing costs have been expensed and new issuance costs have been accounted as part of the effective interest rate method.

REFINANCING OF THE SENIOR SECURED NOTES IN EUROS AND DOLLARS

On September 2023, Banijay completed the refinancing of its two 2020 Banijay Senior Secured Notes ("SSN") in Euros and in US Dollars for an amount equivalent to €913 million. The tranches of the old SSN were reimbursed in 2023 for a total amount of €575 million and $403 million and Banijay issued two new SSN in Euros and in US Dollars for €540 million and $400 million, respectively resulting in a 4-year extension of their maturities until May 2029. The two-tranches bonds will carry a 7.0% coupon for the Euro-denominated tranche and a 8.125% coupon for the US Dollar-denominated tranche.

Under IFRS 9, this refinancing has been analyzed and accounted as an extinguishment of the former bonds and the issuance new bonds. Former issuing costs have been expensed and new issuance costs have been accounted as part of the effective interest rate method.

ACQUISITION OF BALICH WONDER STUDIO

On 28 September 2023, Banijay acquired a 52% controlling stake in Balich Wonder Studio ("BWS").

Founded by Marco Balich, BWS is a live entertainment group in charge of creating, producing and delivering live shows and experiences that engage live audiences worldwide, performing custom-made narrative with cutting-edge technologies.

The acquisition is further detailed in the note 12 Goodwill to the Consolidated Financial Statements, in this Universal Registration Document.

5.2.6.3 Online sports betting & gaming business

NEW FACILITY AGREEMENT OF €150 MILLION

In May 2023, Betclic Everest Group activated the Tranche B of the 2023 Betclic Group Senior Credit Facility Agreement with its partner banks, with a nominal value of €150 million and a reimbursement in fine at a maturity date of June 2025. The step-up margin to the floating interest at EURIBOR 3 months is 3% and then will rise progressively to 5% in December 2024. The capital is to be repaid at maturity. According to IFRS 9, this loan has been booked on amortised cost principle in order to reflect the actual cash flow.

In July 2023, Betclic Everest Group entered into a new hedging contract to hedge floating interest rate risks on the 2023 Betclic Group Senior Credit Facility Agreement Tranche B. This instrument is classified as Cash Flow Hedge under IFRS 9.

5.2.7 Results of operations

The following table sets out the Group's financial performance and certain operating results on the basis of the Group's audited consolidated financial information for the periods indicated (for Total Group column).

As of 31 December 2023, the internal reporting has been slightly modified to focus on Banijay Group operational activities. Consequently, Banijay Group Holding has been reallocated to the Holding segment. The following tables present information in accordance with this new allocation, and the comparative information has been restated.

	31 December												
	2023				2022				2021				
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group	Content production & distribution	Online sports betting & gaming	Holding	Total Group	Content production & distribution	Online sports betting & gaming	Holding	Total Group	% change (2023 vs. 2022)
Revenues	3,321	996	0	4,318	3,212	835	0	4,047	2,756	741	0	3,497	6.7%
External expenses	(1,642)	(654)	(6)	(2,302)	(1,504)	(543)	(3)	(2,051)	(1,282)	(492)	(0)	(1,774)	12.3%
Staff costs	(1,246)	(158)	(20)	(1,424)	(1,291)	(109)	(35)	(1,435)	1,090	(309)	(5)	(1,403)	(0.7)%
Other operating income	7	-	-	7	7	13	0	20	5	0	0	5	(64.4)%
Other operating expenses	(56)	(5)	(2)	(64)	(49)	(21)	(107)	(176)	(41)	(32)	0	(73)	(63.9)%
Depreciation and amortization expenses	(124)	(10)	0	(134)	(139)	(12)	0	(150)	(130)	(12)	0	(142)	(8.6)%
OPERATING PROFIT (LOSS)	**260**	**169**	**(28)**	**401**	**237**	**163**	**(145)**	**255**	**218**	**(103)**	**(5)**	**110**	**57.2%**
Financial income	3	0	0	4	2	0	0	2	1	0	0	1	79.3%
Interest expense	(181)	(14)	(4)	(199)	(130)	(12)	(4)	(146)	(125)	(6)	(5)	(136)	36.6%
COST OF NET DEBT	**(178)**	**(14)**	**(4)**	**(196)**	**(127)**	**(12)**	**(4)**	**(144)**	**(124)**	**(6)**	**(5)**	**(135)**	**36.0%**
Other finance income (costs)	(47)	(0)	(1)	(49)	(10)	(2)	(101)	(113)	4	(2)	(0)	2	(56.8)%
NET FINANCIAL INCOME/ (EXPENSES)	**(226)**	**(14)**	**(5)**	**(244)**	**(138)**	**(14)**	**(105)**	**(257)**	**(121)**	**(8)**	**(5)**	**(133)**	**(4.8)%**
Share of net income from associates & joint ventures	(4)	-	-	(4)	(2)	0	0	(2)	(1)	0	0	(1)	93%
EARNINGS BEFORE INCOME TAX EXPENSES	**30**	**155**	**(33)**	**152**	**97**	**149**	**(250)**	**(4)**	**97**	**(111)**	**(10)**	**(24)**	
Income tax expenses	(42)	(36)	-	(78)	(40)	(37)	0	(77)	(27)	(21)	(1)	(49)	1.7%
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**(12)**	**119**	**(33)**	**74**	**57**	**112**	**(250)**	**(81)**	**70**	**(132)**	**(11)**	**(73)**	**N/A**
Profit (loss) from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	
NET INCOME (LOSS) FOR THE PERIOD	**(12)**	**119**	**(33)**	**74**	**57**	**112**	**(250)**	**(81)**	**70**	**(132)**	**(11)**	**(73)**	**N/A**

05/

Segmental information

(in € million)	31 December 2023	2022	2021	% change (2023 vs. 2022)
Content production & distribution				
Revenues	3,321	3,212	2,756	3.4%
Operating profit/(loss)	260	237	218	9.7%
Adjusted EBITDA*	493	472	433	4.6%
Net income/(loss) for the period	(12)	57	70	N/A
Online sports betting & gaming business				
Revenues	996	835	741	19.3%
Operating profit/(loss)	169	163	(103)	3.4%
Adjusted EBITDA*	252	203	177	24.1%
Net income/(loss) for the period	119	112	(132)	5.7%
Holding				
Revenues	0	0	0	
Operating profit/(loss)	(28)	(145)	(5)	(80.6)%
Adjusted EBITDA*	(9)	(5)	0	84.3%
Net income/(loss) for the period	(33)	(250)	(11)	(86.9)%

* ***Non-IFRS financial measures:*** *please refer to section 5.2.2 (Other financial information) on page 176 for the definitions of the Alternative Performance Measures (APM).*

Revenues

2023 COMPARED TO 2022

For the Financial Year 2023, the Group's consolidated revenues were €4,318 million, compared to €4,047 million (€3,980 million at constant exchange rates(1)) for the same period in 2022.

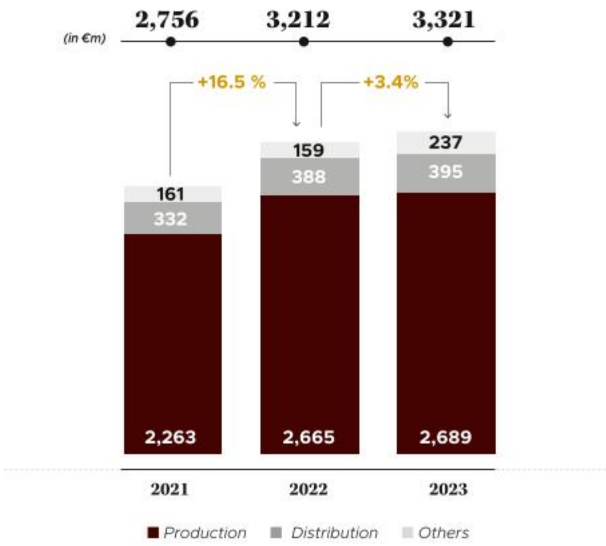
The Group's revenues were impacted by the fluctuations in foreign exchange rate. At constant exchange rates, revenues would have increased by 8.5%(1).

2022 COMPARED TO 2021

For the Financial Year 2022, the Group's consolidated revenues were €4,047 million, compared to €3,497 million (€3,576 million at constant exchange rates(1)) for the same period in 2021.

(1) *Non-IFRS financial measures: please refer to section 5.2.2 (Other financial information) on page 176 for the definitions of the Alternative Performance Measures (APM).*

CONTENT PRODUCTION & DISTRIBUTION



The revenues from Content production & distribution business amounted to 77% of the Group's consolidated revenues for year ended 31 December 2023, a stable percentage compared to the years ended 31 December 2022 and 2021. Revenues for this business were €3,321 million for the Financial Years 2023, a rise of €110 million or 3.4% compared to the Financial Year 2022, and is allocated as follows:

(in € million)	31 December 2023	2022	2021	% change (2023 vs. 2022)
Production	2,689	2,665	2,263	0.9%
Distribution	395	388	332	2.0%
Others	237	159	161	48.9%
CONTENT PRODUCTION, DISTRIBUTION AND LIVE EXPERIENCES	**3,321**	**3,212**	**2,756**	**3.4%**

2023 COMPARED TO 2022

The Financial Year 2023 was marked by a solid increase of revenue, +3.4% at current exchange rates to €3,321 million in 2023 compared to 2022 reflecting the catch-up effect after the Covid period. The performance in 2023 was driven by the diversity of content – iconic shows and series renewals, global circulation IP as core drivers for recurring revenue, new pilot shows, enlarged content catalog – and the impact of the recent acquisitions (Balich Wonder Studio and The Forge).

In a challenging macro-economic environment, the Content production and distribution offering was particularly well adapted to serve clients' needs, illustrating the attractiveness, proven popularity, well-diversified and enriched portfolio.

The content production revenue increased by a firm +0.9% at current rate to €2,689 million in 2023, driven by returning shows in multiple territories as well as original content production (71 new scripted shows and 201 new unscripted shows).

The content distribution revenue increased by +2.0% at current exchanges rates to €395 million in 2023, driven by continuous demand from both linear TV and streaming platforms for key non-scripted and scripted content. The year was marked by the delivery of scripted Marie Antoinette, now sold to over 70 territories, including the US, the UK, Australia and several broadcasters across Europe and Latin America. Lego Masters continued to experience a big success globally, hitting 20 territories with RTL broadcasting a first season in Hungary, and 46 seasons globally since 2017. This followed a deal for the format with TBS in Japan and several multi-seasons runs in major markets including the US and Australia. In 2023, the world's most successful cookery TV format MasterChef reached 70 territories.

At the end of December 2023, the content catalogue increased by a further +16% to 185,000 hours (vs December 2022).

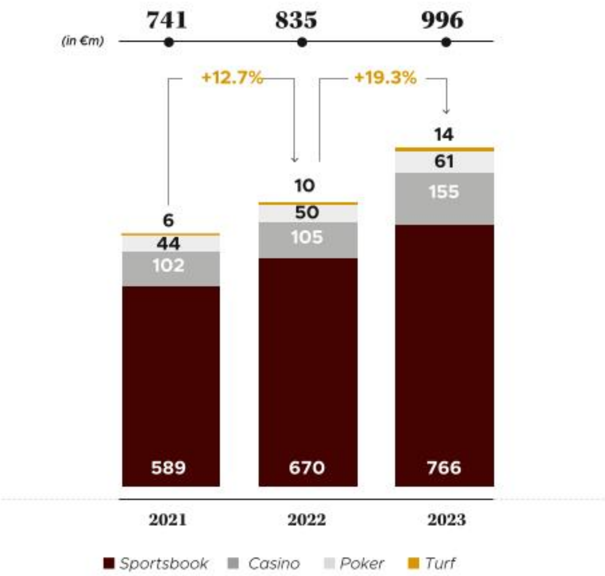
The growth of other revenue is mainly attributable to the first consolidation of Balich Wonder Studio for 3 months in 2023.

05/

2022 COMPARED TO 2021

The Financial Year 2021 was still impacted by COVID-19 pandemic as there were still lockdowns in some countries as well as travel restrictions, which was not the case during 2022. Consequently, the production revenue grew by 18% thanks to a dynamic production cycle mainly in the US/Latam and UK with returning seasons of big brand programs and the development of new shows such as *Pride and Prejudice, Lizzo, Rogue Heroes, Good Karma Hospital, The RIG*. In addition, the distribution revenue increased by 17% driven by more revenues generated with OTT players and new scripted shows generating more finished tapes sales like *Rogue Heroes*, *Marie-Antoinette*, *Riches* and the new season of *Peaky Blinders*.

ONLINE SPORTS BETTING & GAMING BUSINESS



The revenues from Online sports betting & gaming business amounted to 23% of the Group's consolidated revenues for the Financial Year 2023, a stable percentage compared to the Financial Years 2022 and 2021. Revenues for this segment were €996 million for the Financial Year 2023, an increase of €161 million or 19.3% compared to the Financial Year 2022.

	Twelve months ended 31 December			% change
(in € million)	2023	2022	2021	(2023 vs. 2022)
Sportsbook	766	670	589	14.4%
Casino	155	105	102	47.7%
Poker	61	50	44	23.1%
Turf	14	10	6	33.3%
ONLINE SPORTS BETTING & GAMING	**996**	**835**	**741**	**19.3%**

2023 COMPARED TO 2022

The Online sports betting & gaming posted a record year, reflected in a solid growth across all segments, with revenue up +19.3% at current exchange rates to €996 million in 2023 compared to high comparison in 2022 with the FIFA World Cup.

The overall performance was underpinned by a combination of ongoing strong momentum from Unique Active Players (+23% in 2023) with a good retention of players from the FIFA World Cup, and a good attraction thanks to enhanced user experience. By geography, the Group reinforced its positions in its core markets while expanding firmly in recent territory, namely Ivory Coast.

All segments recorded double-digit growth in 2023. Sportsbook revenue rose by +14.4% at current exchange rates, with a positive reverse trend at year-end after an historic low October led by unfavorable sports results and a positive impact from the new App. Online casino, poker and turf posted very solid revenue growth of +47.7%, partly driven by a brand-new experience and new games at casino, designed to offer an even simpler and more enjoyable user experience as well as a range of new features.

2022 COMPARED TO 2021

Revenues for Online sports betting & gaming were €835 million for the Financial Year 2022, an increase of €94 million or 13% compared to the Financial Year 2021. The increase in revenue is mainly explained by the development of players database in all main geographies, France, Portugal and Poland as well as a good performance in Sportsbook during the FIFA World Cup. This increase is partially offset by some jurisdictions exit in Bet-at-home perimeter following the liquidation of Bet-at-home Entertainment Ltd; these closures affecting mainly casino activity but also sportsbook to a lesser extent.

Operating profit (loss)

2023 COMPARED TO 2022

Operating profit of the Group was €401 million for the Financial Year 2023, compared to €255 million for the Financial Year 2022, an increase of €146 million (+57.2%). Operating profit included:

- external expenses of -€2,302 million for the Financial Year 2023, compared to -€2,051 million for the Financial Year 2022. The change was mainly due to higher betting tax in line with the increase in the Online sports betting and gaming activity, as well as the increase of content production costs in line with the increase in production revenue and the change of balance during 2023 between lower temporary staff (recognised in Staff costs) and higher subcontractors costs (recognised in External expenses);
- staff costs amounted to -€1,424 million for the Financial Year 2023, compared to -€1,435 million for the Financial Year 2022. The decrease was primarily driven by the change of balance between temporary staff (recognised in Staff costs) and subcontractors costs (recognised in External expenses) as part of the production cost for content production and distribution, offset by the increase in LTIP charges resulting from attributions to new beneficiaries;
- other operating income and expenses resulting in a net expense of -€57 million for the Financial Year 2023, compared to -€157 million for the Financial Year 2022. This mainly related to restructuring and reorganization costs for -€34 million and president fees paid to Lov Group Invest for -€20 million.

  The net charge of -€157 million during the Financial Year 2022 mainly relates to the costs incurred for the Group reorganization and listing fees as well as the president fees paid to Lov Group Invest partly offset by the impact of the liquidation of Bet-at-Home Entertainment Ltd;
- depreciation and amortization expenses which decreased by €16 million to -€134 million for the Financial Year 2023, from -€150 million for the Financial Year 2022.

The Content production & distribution business contributed €260 million to the Group's operating profit, an increase of €23 million, or 9.7% compared to the Financial Year 2022.

The Online sports betting & gaming business contributed €169 million to the Group's operating profit, a rise of €6 million compared to the Financial Year 2022, or 3.4% compared to the Financial Year 2022.

2022 COMPARED TO 2021

Operating profit of the Group was €255 million for the Financial Year 2022, compared to €110 million for the Financial Year 2021, an increase of €144 million (+131%). Operating profit included:

- external expenses of -€2,051 million for the Financial Year 2022, compared to-€1,774 million for the Financial Year 2021. The change was mainly due to an increase in content production costs in line with the increase in production revenue, and an increase of betting tax for Online sports betting & gaming;
- staff costs of -€1,435 million for the Financial Year 2022, compared to-€1,403 million for the Financial Year 2021. The increase of -€31 million was mainly driven by (i) higher employee remuneration and social security costs for a cumulative amount of -€181 million for Content production & distribution business in line with the increase in production activity, (ii) higher LTIP charges mostly following the upward reassessment of the Banijay Group's shares for -€33 million offset by (iii) a reduction of LTIP plan charges for Online sports betting & gaming business as an expense for an amount of -€209 million was recognised in 2021 following the signature of an agreement between a manager, Betclic Everest Group and other shareholders;
- other operating income and expenses resulting in a net charge of -€156 million for the Financial Year 2022, compared to -€67 million for the Financial Year 2021. This mainly relates to the costs incurred for the Group reorganization for -€106 million including -€85.7 million of listing fees, restructuring costs and reorganization as well as the president fees paid to Lov Group Invest partly offset by the impact of the liquidation of Bet-at-home Entertainment Ltd;
- depreciation and amortization expenses which increased by -€8 million to -€150 million for the Financial Year 2022, from -€142 million for the Financial Year 2021.

The Content production & distribution business contributed €237 million to the Group's operating profit for the Financial Year 2022, a decrease by €19 million, or 8.7% compared to the Financial Year 2021.

The Online sports betting & gaming business contributed €163 million to the Group's operating profit for the Financial Year 2022, a rise of €267 million compared to the Financial Year 2021.

Adjusted EBITDA

Adjusted EBITDA is not a financial measure calculated in accordance with IFRS. Adjusted EBITDA is used to measure performance as management believes that this measurement is the most relevant in evaluating the results of the segments. The presentation of this financial measure may not be comparable to similarly titled measures reported by other companies due to differences in the ways the measures are calculated.

The reconciliation between operating profit/(loss) and Adjusted EBITDA is presented in the table below:

	31 December 2023			
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group
OPERATING PROFIT (LOSS)	**260**	**169**	**(28)**	**401**
Restructuring costs and other non-core items(1)	37	(5)	3	34
LTIP and employment-related earn-out and option expenses	71	78	17	167
Depreciation and amortization (excluding D&A fiction and D&A net or reversals on non recurring provision(2))	125	10	0	135
ADJUSTED EBITDA	**493**	**252**	**(9)**	**737**
Revenue	3,321	996	-	4,318
ADJUSTED EBITDA MARGIN (%)	**14.9%**	**25.3%**	**-**	**17.1%**

(1) *Those amounts include restructuring costs and reorganization for -€32.5 million, scope variation effect related to acquisitions or disposals for -€9.4 million, provisions for significant litigations net of reversals related to significant litigations for +€7.8 million and public donation for -€0.3 million. For futher information, please refer to note 9 in Section 6.1.6 (Notes to the consolidated financial statements) on page 254 of this Universal Registration Document.*
(2) *€0.1 million of amortization of fiction production recognised in 2023 and -€1.2 million of variation of current assets impairment or provision.*

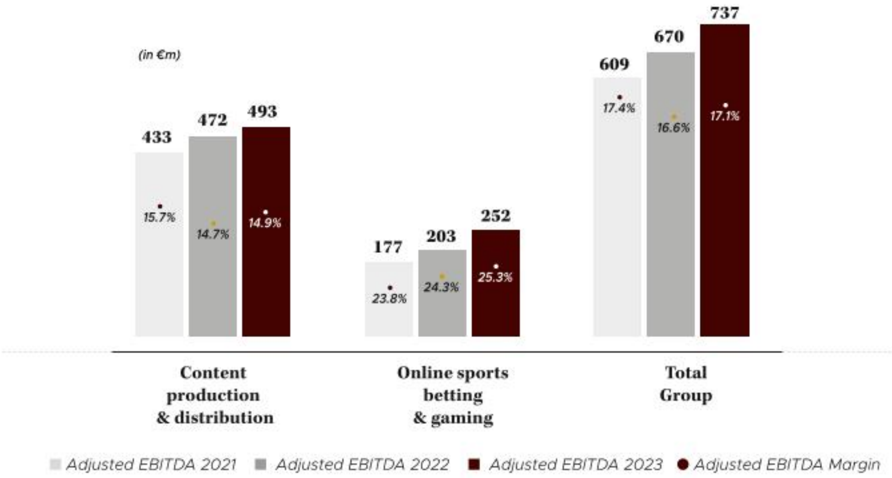
	31 December 2022			
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group
OPERATING PROFIT (LOSS)	**237**	**163**	**(145)**	**255**
Restructuring costs and other non-core items(1)	30	(9)	106	127
LTIP and employment-related earn-out and option expenses.	77	37	34	147
Depreciation and amortization (excluding D&A fiction and D&A net or reversals on non recurring provision(2))	129	11	0	141
ADJUSTED EBITDA	**472**	**203**	**(5)**	**670**
Revenue	3,212	835	-	4,047
ADJUSTED EBITDA MARGIN (%)	**14.7%**	**24.3%**	**-**	**16.6%**

(1) *Those amounts include restructuring costs and reorganization for -€11.8 million, FLE's reorganisation operation and listing fees for -€106.1 million, scope variation effect related to acquisitions or disposals for +€1.5 million, provisions for significant litigations net of reversals related to significant litigations for -€8.4 million and public donation for -€2.5 million. For futher information, please refer to note 9 in Section 6.1.6 (Notes to the consolidated financial statements) on page 254 of this Universal Registration Document*
(2) *€8 million of amortization of fiction production recognised in 2022 and -€1.4 million of variation of current assets impairment or provision.*

	31 December 2021			
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group
OPERATING PROFIT (LOSS)	**218**	**(103)**	**(5)**	**110**
Restructuring costs and other non-core items(1)	27	22	0	50
LTIP and employment-related earn-out and option expenses.	58	245	4	308
Depreciation and amortization (excluding D&A fiction and D&A net or reversals on non recurring provision(2))	129	12	0	141
ADJUSTED EBITDA	**433**	**177**	**(0)**	**609**
Revenue	2,756	741	-	3,497
ADJUSTED EBITDA MARGIN (%)	**15.7%**	**23.8%**	**-**	**17.4%**

(1) *Those amounts include restructuring costs and reorganization for -€23.6 million, scope variation effect related to acquisitions or disposals for +€10.3 million, cancellation of shows due to extraordinary events for -€4 million provisions for significant litigations net of reversals related to significant litigations for -€32.4 million. For futher information, please refer to note 9 of the Consolidated Financial Statements for the Financial Year 2022, incorporated by reference.*
(2) *No amortization of fiction production recognised in 2021.*

For the Financial Year 2023, Adjusted EBITDA amounted to €737 million, compared to €670 million for the Financial Year 2022 and to €609 million for the Financial Year 2021.



Adjusted EBITDA by business

At a Group level, external expenses rose by +12% to €2,302.2 million driven by two elements : the change in the allocation of free-lancers' costs at Content production & distribution between personnel costs and external expenses as well as higher betting taxes for Online sports betting & gaming. Consequently, this also had an impact on personnel expenses (excluding LTIP and employment-related earn-out & option expenses) which declined by -2.3% to €1,257.6 million.

CONTENT PRODUCTION & DISTRIBUTION BUSINESS

2023 compared to 2022

The Content production & distribution business amounted to 67% of the Group's Adjusted EBITDA for the Financial Year 2023, stable contribution compared to the Financial Year 2022. Adjusted EBITDA for this segment was €494 million in the Financial Year 2023, a rise of €22 million or 4% compared to the Financial Year 2022.

2022 compared to 2021

The Content production & distribution business amounted to 71% of the Group's Adjusted EBITDA for the Financial Year 2022, stable contribution compared to the Financial Year 2021. Adjusted EBITDA for this segment was €472 million in the Financial Year 2022, a rise of €39 million or 9% compared to the Financial Year 2021.

ONLINE SPORTS BETTING & GAMING BUSINESS

2023 compared to 2022

The Online sports betting & gaming business amounted to 34% of the Group's Adjusted EBITDA for the Financial Year 2023, stable contribution compared to the Financial Year 2022. Adjusted EBITDA for this segment was €252 million in the Financial Year 2023, an increase of €49 million or 24% compared to the Financial Year 2022. The increase in EBITDA is driven by the increase of activity mentioned above.

2022 compared to 2021

The Online sports betting & gaming business amounted to 30% of the Group's Adjusted EBITDA for the Financial Year 2022, stable contribution compared to the Financial Year 2021. Adjusted EBITDA for this segment was €177 million in the Financial Year 2022, an increase of €26 million or 15% compared to the Financial Year 2021. The increase in EBITDA is driven by the increase of activity mentioned above.

Net financial income (expense)

	31 December												
	2023				2022				2021				
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group	Content production & distribution	Online sports betting & gaming	Holding	Total Group	Content production & distribution	Online sports betting & gaming	Holding	Total Group	% change (2023 vs. 2022)
Interests paid on bank borrowings and bonds	(151)	(14)	(4)	(169)	(130)	(12)	(4)	(146)	(125)	(6)	(5)	(136)	15.8%
Interest and redemption costs on anticipated reimbursement of bank borrowings and bonds	(31)	-	-	(31)	-	-	-	-	-	-	-	-	-
Interests received on cash and cash equivalents	3	0	1	4	2	0	0	2	1	0	0	1	83.0%
Cost of Net Debt*	**(178)**	**(14)**	**(4)**	**(196)**	**(128)**	**(12)**	**(4)**	**(144)**	**(124)**	**(6)**	**(5)**	**(135)**	36.2%
Interests paid on current accounts liabilities	0	0	0	0	0	0	0	0	0	0	0	(1)	
Interests received on current accounts receivables	0	0	0	0	0	0	1	1	0	0	2	2	N/A
Interests on lease liabilities	(6)	(0)	0	(7)	(4)	0	0	(4)	(4)	(1)	0	(5)	47.9%
Change in fair value of financial instruments	(4)	0	1	(3)	(4)	0	(102)	(105)	9	0	(2)	7	(97.5)%
Currency gains (losses)	(24)	0	0	(24)	(4)	(1)	0	2	3	0	0	3	N/A
Other financial gains (losses)	(13)	0	(2)	(15)	(6)	(0)	(0)	(7)	(5)	0	0	(5)	N/A
Other finance income / (costs)	(47)	(0)	(1)	(49)	(10)	(2)	(101)	(113)	4	(2)	(0)	2	(56.8)%
NET FINANCIAL INCOME (EXPENSE)	**(226)**	**(14)**	**(5)**	**(244)**	**(138)**	**(14)**	**(105)**	**(257)**	**(121)**	**(8)**	**(5)**	**(133)**	**(4.8)%**

* ***Non-IFRS financial measures:*** *please refer to section 5.2.2 (Other financial information) on page 176 for the definitions of the Alternative Performance Measures (APM).*

2023 COMPARED TO 2022

For the Financial Year 2023, net financial result was an expense of -€244 million, compared to -€257 million for the Financial Year 2022. Of this amount:

- the cost of Net Debt for the Financial Year 2023 amounted to -€196 million, compared to -€144 million for the Financial Year 2022. The increase by -€52 million is mostly explained by (i) Banijay's one-shot recognition in profit and loss of the former issuance costs not yet amortised associated with the former 2020 Banijay Facilities B, 2020 Banijay RCF and 2020 Banijay Senior Secured Notes in Euros and Dollars which were dealt as an extinction in accordance with IFRS 9 following the refinancing for an amount respectively of €13 million, €1.2 million and €7.1 million as well as the redemption costs for €9.4 million, and (ii) the new 2023 Banijay Facilities B1 financings as well as the refinancing of the 2020 Banijay Senior Secured Notes associated with higher rate negatively impacting the cost of net debt for €20.7 million;
- other financial income and expenses for the Financial Year 2023 amounted to -€49 million, compared to -€113 million for the Financial Year 2022. The change of €64 million were mainly driven by:
  - the change in fair value and discounting effect of (i) the long-term liabilities on earn-out and put option and (ii) the employment-related earn-out and option obligation (discounting effect) for -€21.1 million in 2023 including the impact of the contribution of Banijay Group shares from some Banijay Group's key managers as explained in the note 3.1.1 of the Consolidated Financial Statements compared to -€98.0 million in 2022 which was mainly driven by the change in fair value of financial instruments explained by the put on Banijay Group's shares held by managers following the upward reassessment of the Banijay Group's shares,
  - the change in fair value of Vivendi convertible bond derivatives that has been reimbursed following the Business Combinations on 5 July 2022,

- the net positive impact of the measurement at fair value of the financial instruments related to the investment in The Independent and of the securities for a total amount of €22 million, compared to €7 million in 2022;
- the negative impact in 2023 of the change in fair value of the FX derivatives instruments impacting the financial result by -€4 million compared to €10 million in 2022;
- FX impact of -€24 million compared to €2.1 million mainly due to GBP, AUD and USD currencies.

The Group's total bank indebtedness and other as of 31 December 2023, amounted to €2,904 million, compared to €2,639 million as of 31 December 2022. The bank indebtedness and other is broken down as follows:

- €2,536 million for Content production & distribution business as of 31 December 2023 compared to €2,395 million as of 31 December 2022 (+€141 million), mainly explained by (i) new 2023 Banijay Facilities B1 raised for a total amount equivalent to +€205 million, (ii) a net impact of issuance cost amortised over the loan duration for +€6 million (including the cancellation of the old financing fees not fully amortised for +€21 million), (iii) the anticipated reimbursement of bonds for an equivalent amount of -€37 million, (iv) higher accrued interest for +€8 million and (v) lower subsidiaries bank loan for -€11 million and (vi) FX impact on USD debt for -€32 million;
- €224 million for Online sports betting & gaming business compared to €105 million as of 31 December 2022 (+€119 million) mostly explained by the new 2023 Betclic Group Senior Credit Facility Tranche B raised for +€150 million, higher accrued interest for +€0.1 million, offset by reimbursement of the 2020 Betclic Group Senior Credit Facility Tranche A for -€35 million;
- €144 million for Holding compared to €138 million (+€5 million) explained by the accrued interest of the year on the vendor loans granted by some shareholders as part of the Group reorganization in June 2022.

Net Debt[1] increased from €2,091 million as of 31 December 2022, to €2,280 million as of 31 December 2023, respectively €2,129 million for Content production, and distribution business (+€232 million compared to 31 December 2022), €89 million for Online sports betting & gaming business (-€19 million compared to 31 December 2022) and €62 million for Holding (-€24 million compared to 31 December 2022). The overall increase of +€189 million is mostly due to the Adjusted Operating Free cash flow of the period (-€513 million), offset by the impact of acquisitions, disposals and change in financial assets (+€196 million), interest of the period (+€196 million), the dividends paid to FL Entertainment' Shareholders (+€148 million), LTIP and exceptional items paid during the period (+€78 million) and other items for +€84 million mostly related to FX impact (+30 million) and dividends paid to non-controlling interests of the consolidated companies (+€19 million). Please refer to Section 6.1.6 (note 4, paragraph Net debt by segment to the Consolidated Financial Statements) on page 247 of this Universal Registration Document.

The Group's Leverage, defined as Net Debt divided by Adjusted EBITDA, on 31 December 2023 stood at 3.1x compared to the 3.1x registered on 31 December 2022.

2022 compared to 2021

For the Financial Year 2022, net financial result was an expense of -€257 million, compared to -€133 million for the Financial Year 2021. Of this amount:

- the cost of Net Debt as of 31 December 2022 amounted to -€144 million, compared to -€135 million for the Financial Year 2021 and was mostly related to a higher level of interest charges for -€5 million mainly explained by a FX effect on USD debt interests (Content production & distribution business) and a timing effect of interest charges related to Betclic loan issued on 13 December 2021 and reimbursed in July 2022 for -€4 million;
- other financial income and expenses for the Financial Year 2022 amounted to -€113 million, compared to €2 million for the Financial Year 2021 and were mainly driven by the change in fair value of financial instruments explained in part by the put on Banijay Group's shares held by managers following the upward reassessment of the Banijay Group's shares for-€75 million and by the change in fair value of Vivendi convertible bond derivatives for -€21.4 million that has been reimbursed following the Business Combination on 5 July 2022.

The Group's total bank indebtedness and other as of 31 December 2022, amounted to €2,639 million, compared to €2,728 million as of 31 December, 2021. The bank indebtedness and other is broken down as follows:

- €2,395 million for Content production and distribution business as of 31 December 2022 compared to €2,293 million as of 31 December 2021 (+€102 million), mainly explained by FX impact on USD debt (+€46 million), an increase in local production financing facilities (+€45 million) and amortization of the transaction costs for €11 million;
- €105 million for Online sports betting & gaming business compared to €268 million as of 31 December, 2021 mostly explained by (i) the reimbursement of the €130 million 2021 Betclic Bridge Facility (-€130 million), (ii) the partial reimbursement of the €165 million 2020 Betclic Group Senior Credit Facility Tranche A (-€35 million) offset by (iii) higher issuing costs (-€2 million);
- €138 million for Holding compared to €167 million related to the Vivendi bonds reimbursement (-€163 million) offset by the residual vendor loans granted by some shareholders as part of the Group reorganization (+€138 million).

(1) *The differences with the financial net debt usually disclosed within Banijay Group bondholders investor presentation are (i) the transaction costs deducted from the nominal value of the debts at FL Entertainment level for (-€32 million as of 31 December 2023), (ii) lease debt under IFRS 16 that are not included at FL Entertainment level (-€155 million as of 31 December 2023), and (iii) hedging through derivative instruments (-€38 million).*

Net Debt[(1)] decreased from €2,269 million as of 31 December 2021, to €2,091 million as of 31 December 2022, respectively €1,930 million for Content production & distribution business (-€21 million), €34 million for Online sports betting & gaming business (-€141 million) and €128 million for Holding (-€16 million). The decrease of for the -€178 million is mostly due to the Adjusted Operating Free cash flow of the period (-€503 million) and the net impact of the operation (-€121 million) offset by acquisitions and disposals (+€130 million), interest of the period (+€144 million), LTIP and exceptional items paid during the period (+€160 million). Please refer to Section 6.1.6 (note 4, paragraph Net debt by segment to the Consolidated Financial Statements) on page 249 of this Universal Registration Document. The Group's Leverage, defined as Net Debt divided by 12 month Adjusted EBITDA, on 31 December 2022 stood at 3.1x compared to the 3.7x registered on 31 December 2021.

Income tax expenses

2023 COMPARED TO 2022

The tax charge for the Financial Year 2023 was -€78 million compared to -€77 million for the Financial Year 2022.

For more details, please refer to Section 6.1.6 (note 11 to the Consolidated Financial Statements) on page 256 of this Universal Registration Document.

2022 COMPARED TO 2021

The tax charge for the Financial Year 2022 was -€77 million compared to -€49 million for the Financial Year 2021. The change is mainly driven by (i) the use of significant loss carried forward previously in 2021 for Online sports betting & gaming and (ii) a higher income tax, mainly driven by additional business contributions and deferred tax expenses linked to updated tax planning for Content production & distribution.

Net income/(loss) for the period

2023 COMPARED TO 2022

As a result of the changes described above, the Group's net income/(loss) increased by +€155 million to €74 million for Financial Year 2023, from -€81 million on December 2022.

2022 COMPARED TO 2021

The Group's net income/(loss) for the Financial Year 2022 amounts to -€81 million and is stable compared to 31 December 2021.

Net income/(loss) for the period per business

CONTENT PRODUCTION AND DISTRIBUTION

2023 compared to 2022

Net income/(loss) for the period decreased by -€69 million to a loss of -€12 million for the Financial Year 2023, from a net income of €57 million for the Financial Year 2022.

2022 compared to 2021

Net income/(loss) for the period decreased by -€13 million to a loss of -€57million for the Financial Year 2022, from a net income of €70 million for the Financial Year 2021.

ONLINE SPORTS BETTING & GAMING BUSINESS

2023 compared to 2022

Net income for the period increased by €6 million to a profit of €119 million for the Financial Year 2023, from a profit of €112 million for the Financial Year 2022.

2022 compared to 2021

Net income for the period increased by €244 million to a profit of €112 million for the Financial Year 2022, from a loss of -€132 million for the Financial Year 2021.

The following table sets out a reconciliation of the Group's Net income/loss for the period to Adjusted Net Income for the periods indicated.[(2)]

	For the year ended 31 December			% change
(in € million)	2023	2022	2021	(2023 vs. 2022)
NET INCOME/(LOSS) FOR THE PERIOD	**74**	**(81)**	**(73)**	**N/A**
Restructuring charges and other non-core items*	34	127	50	(73.0)%
LTIP and employment-related earn-out and option expenses	166	147	308	(12.9)%
Other finance income/(costs)	49	113	(2)	(3.8)%
ADJUSTED NET INCOME	**323**	**307**	**283**	**5.4%**

In 2021, this number includes one-off costs in connection with an agreement in relation to accelerated vesting between a manager, the Betclic Everest Group and certain other shareholders which was signed on 17 November 2021. To reflect this agreement in accordance with IFRS 2, the Betclic Everest Group recognised an expense of €208.9 million in the Financial Year 2021.

* *Those amounts include (i) in 2023 restructuring costs and reorganization for -€32.5 million, scope variation effect related to acquisitions or disposals for -€9.4m, provisions for significant litigations net of reversals related to significant litigations for +€7.8 million and public donation for -€0.3million; (ii) in 2022, restructuring costs and reorganization for -€11.8 million, FLE's reorganisation operation and listing fees for -€106.1 million, scope variation effect related to acquisitions or disposals for +€1.5 million, provisions for significant litigations net of reversals related to significant litigations for -€8.4 million and public donation for -€2.5 million; and (iii) in 2021 restructuring costs and reorganization for -€23.6million, scope variation effect related to acquisitions or disposals for +€10.3 million, cancellation of shows due to extraordinary events for -€4m provisions for significant litigations net of reversals related to significant litigations for -€32.4 million. For futher information, please refer to note 9 in Section 6.1.6 (Notes to the consolidated financial statements) on page 254 of this Universal Registration Document and to note 9 of the Consolidated Financial Statements for the Financial Year 2022, incorporated by reference.*

(1) *The differences with the financial net debt usually disclosed within Banijay Group bondholders investor presentation are (i) the transaction costs deducted from the nominal value of the debts at FL Entertainment level for (-€39 million as of 31 December 2022), (ii) lease debt under IFRS 16 that are not included at FL Entertainment level (-€160 million as of 31 December 2022), (iii) an additional amount of cash at Banijay Group Holding level (-€1 million) and (iv) hedging through derivative instruments (-€69 million).*

(2) *Non-IFRS financial measures: please refer to Section 5.2.2 (Other financial information) on page 176 for the definitions of the Alternative Performance Measures (APM).*

5.3 Liquidity and capital resources

5.3.1 Analysis of cash flow for the Financial Year 2023 and Financial Year 2022

The table below summarises the Group's consolidated cash flow for the periods indicated. This table should be read in conjunction with the accompanying notes in the Consolidated financial statements included in Section 6.1.6 on page 224 of this Universal Registration Document.

	31 December												
	2023				2022				2021				
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group	Content production & distribution	Online sports betting & gaming	Holding	Total Group	Content production and distribution	Online sports betting & gaming	Holding	Total Group	% change Total Group (2023 vs. 2022)
Net cash flows provided by operating activities	370	162	(15)	517	380	107	(29)	459	324	81	(2)	403	13%
Net cash flows provided by (used for) investing activities	(239)	(10)	(87)	(336)	(147)	(16)	171	8	(79)	(8)	(10)	(97)	N/A
Net cash flows from (used in) financing activities	(130)	(131)	93	(168)	(198)	(107)	(133)	(438)	(169)	(101)	12	(258)	(62)%
Impact of changes in foreign exchange rate differences	(30)	0	0	(30)	19	0	0	19	(4)	0	0	(4)	N/A
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS	**(28)**	**21**	**(10)**	**(17)**	**54**	**(16)**	**9**	**47**	**72**	**(27)**	**(1)**	**44**	**N/A**
Cash and cash equivalents at the beginning of the period	396	72	11	479	342	88	2	432	270	115	3	389	11%
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**369**	**93**	**2**	**464**	**396**	**72**	**11**	**479**	**342**	**88**	**2**	**432**	**(3)%**

2023 compared to 2022

CHANGE IN CASH FLOW FROM OPERATING ACTIVITIES

Net cash provided by operating activities amounted to €517 million for the Financial Year 2023, compared to €459 million for the Financial Year 2022. This increase reflected the increase of Online sports betting & gaming business (+€55 million), Holding (+€14 million) and offset by Content production & distribution (-€10 million). This overall increase of +€58 million was mainly attributable to the positive effect of the organic growth of our business.

CHANGE IN CASH FLOW FROM INVESTING ACTIVITIES

Net cash used in investing activities decreased from €8 million for the Financial Year 2022, to -€336 million for the Financial Year 2023. The decrease by -€344 million was mostly driven by the cash out related to the investment in The Independents for-€86 million, a higher net amount used to purchase consolidated companies, associates, and joint ventures for -€96 million mainly related to Balich Wonder Studio, The Forge and Endemol India put over non-controlling interests payments in 2023, as well as the financial asset and cash equivalents received last from Pegasus merger impacting negatively the variation for -€163 million.

CHANGE IN CASH FLOW FROM FINANCING ACTIVITIES

Net cash used in financing activities amounted to -€168 million for the Financial Year 2023. The increase of €271 million compared to the Financial Year 2022 was mostly driven by:

- higher change in borrowing and other financial liabilities for +€602 million mainly related to (i) Content production & distribution business with the proceeds of the new money from the 2023 Banijay Facilities B1 euros and dollars for a cumulative amount of +€205 million offset by the net impact of the refinancing of the SSN €540 million and SSN $400 million for -€36 million as well as higher reimbursement in 2023 from local borrowing for -€36 million (ii) Online sports betting and gaming with the new 2023 Betclic Group Senior Credit Facility Tranche B for +€150 million offset by the reimbursement during the year of the 2020 Betclic Group Senior Credit Facility Tranche A and other loans for -€40 million and a positive impact of the reimbursement in 2022 of the 2021 Betclic Bridge Facility for +€130 million and a higher reimbursement of the 2020 Betclic Group Senior Credit Facility Tranche A in 2022 for +€18 million and (iii) the Holding segment with the reimbursement of Vivendi ORAN for +€171 million;
- a positive impact in the variation for +€388 million related to the repayment of SBM vendor loan in 2022 offset by;
- a negative impact in the variation for -€365 million related to the change in capital during 2022;
- a higher dividend payment FL Entertainment' shareholders during the period for -€148 million as well as to non-controlling interests during the period for -€15 million;
- a negative impact in the variation for -€114 million related to the change in other securities (Founder warrants, Founder shares, Earn-Out preference shares and Public warrants) during 2022;
- higher interests paid for -€64 million mainly explained by (i) the issuance costs the new 2023 Banijay Facilities B1 Euros and USD, 2023 Banijay SSN EUR and USD as well as the 2023 Banijay RCF for -€33 millions in the Content production & distribution business and (ii) higher other interests mainly on 2023 Banijay Facilities B1 as part of the new money in the Content production & distribution business and on 2023 Betclic Group Senior Credit Facility Tranche B in the Online sports betting and gaming;
- the transaction in July 2023 with some Banijay group's key managers as part of the contribution of their Banijay Group's shares to FL Entertainment for -€28 million.

2022 compared to 2021

CHANGE IN CASH FLOW FROM OPERATING ACTIVITIES

Net cash provided by operating activities amounted to €459 million for the Financial Year 2022, compared to €403 million for the Financial Year 2021. This increase reflected the growth of Content production & distribution business (+€55 million) and the Online sports betting & gaming business (+€26 million) offset by the decrease of Holding (-€27 million). This overall increase of €55 million was mainly attributable to the positive effect of the organic growth of our business and change in working capital driven by the normalization of the production activities after COVID-19 pandemic the following items:

CHANGE IN CASH FLOW FROM INVESTING ACTIVITIES

Net cash used in investing activities decreased from -€97 million for the Financial Year 2021, to €8 million for the Financial Year 2022. The decrease was primarily driven by +€165 million of financial asset and cash equivalents received from Pegasus Merger, partly offset by a higher amount paid for the purchases of subsidiaries for -€52 million, -€18 million due to lower proceeds from sales of consolidated companies compared to the Financial Year 2021 mainly explained by the impact of the deconsolidation of Russia subsidiaries.

CHANGE IN CASH FLOW FROM FINANCING ACTIVITIES

Net cash used in financing activities amounted to -€438 million for the Financial Year 2022. The increase of -€179 million compared to the Financial Year 2021 was mostly driven by:

- the repayment of SBM International vendor loan for-€388 million;
- -€260 million of variation explained by the timing effect of the 2021 Betclic Bridge Facility issued in 2021 for -€130 million and reimbursed in 2022 for -€130 million;
- the reimbursement of Vivendi ORAN for -€171 million;
- the contribution from Financière Lov and Fimalac in 2021 for-€59 million;
- higher repayment of borrowings and other financial liabilities on Online sports betting & gaming by -€19 million on the 2020 Betclic Group Senior Credit Facility Tranche A and on Content production & distribution business by €4 million;
- impact of +€57 million for the reimbursement of the Convertible Bonds DeA in 2021 on Holding;
- a lower amount of proceeds from borrowings and other financial liabilities related to specific productions for-€8 million, partly offset by;
- change in capital for +€364 million following the operation;
- a lower dividend payment to non-controlling interests during the period (+€205 million on Online sports betting & gaming);
- change in other securities for +€114 million following the business combination.

ADJUSTED FREE CASH FLOW AND ADJUSTED OPERATING FREE CASH FLOW

The Group presents its Adjusted Free Cash Flow because it provides investors with relevant information on how management assesses and measures its cash flows from ongoing operating activities. Its purpose is to provide both management and investors relevant and useful information about Group's cash generation capacity and performance.

	31 December 2023			
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total
Operating profit (loss)	**260**	**169**	**(28)**	**401**
Restructuring costs & other non-core items(1)	37	(5)	3	34
LTIP and employment-related earn-out and option expenses	71	78	17	167
Depreciation and amortization (excluding D&A fiction and D&A net of reversals on non recurring provision)(2)	125	10	0	135
Adjusted EBITDA*	**493**	**252**	**(9)**	**737**
Purchase of property, plant and equipment and of intangible assets, net of disposal	(73)	(11)	(0)	(84)
Total cash outflows for leases that are not recognised as rental expenses	(43)	(4)	0	(46)
Adjusted Free Cash Flow*	**378**	**237**	**(9)**	**606**
Changes in working capital excluding LTIP payments, exceptional items, trade receivables on providers and players' liabilities(3)	(10)	14	2	6
Income tax paid	(48)	(51)	0	(99)
Adjusted Operating Free Cash Flow*	**320**	**200**	**(7)**	**513**
Adjusted Free Cash Flow*	**378**	**237**	**(9)**	**606**
Adjusted EBITDA*	493	252	(9)	737
Adjusted Cash Conversion Rate*	**76.5%**	**94.2%**	**100.2%**	**82.3%**

* *Non-IFRS financial measures: please refer to Section 5.2.2 (Other financial information) on page 176 for the definitions of the Alternative Performance Measures (APM).*

(1) *Those amounts include restructuring costs and reorganization for -€32.5 million, scope variation effect related to acquisitions or disposals for -€9.4 million, provisions for significant litigations net of reversals related to significant litigations for +€7.8 million and public donation for -€0.3 million. For futher information, please refer to note 9 in Section 6.1.6 (Notes to the consolidated financial statements) on page 252 of this Universal Registration Document.*

(2) *€0.1 million of amortization of fiction production recognised in 2023 and -€1.2 million of variation of current assets impairment or provision.*

(3) *-€106 million are excluded from Changes in working capital including -€78 million related to LTIP payments and exceptional items, -€34 million related to change on trade receivables on providers and players liabilities and €6 million for the difference between Adjusted EBITDA and the Gross cash provided by operating activities.*

(in € million)	31 December 2022 Content production & distribution	Online sports betting & gaming	Holding	Total
Operating profit (loss)	**237**	**163**	**(145)**	**255**
Restructuring costs & other non-core items[(1)]	30	(9)	106	127
LTIP and employment-related earn-out and option expenses	77	37	34	147
Depreciation and amortization (excluding D&A fiction and D&A net of reversals on non recurring provision)[(2)]	129	12	0	141
Adjusted EBITDA*	**472**	**203**	**(5)**	**670**
Purchase of property, plant and equipment and of intangible assets, net of disposals	(60)	(8)	(0)	(68)
Total cash outflows for leases that are not recognised as rental expenses	(44)	(3)	0	(47)
Adjusted Free Cash Flow*	**368**	**192**	**(5)**	**555**
Changes in working capital excluding LTIP payments, exceptional items, trade receivables on providers and players' liabilities[(3)]	(13)	3	3	(7)
Income tax paid	(49)	(25)	0	(75)
Adjusted Operating Free-Cash Flow*	**305**	**170**	**(2)**	**473**
Adjusted Free Cash Flow*	**368**	**192**	**(5)**	**555**
Adjusted EBITDA*	472	203	(5)	670
Adjusted Cash Conversion Rate*	**77.9%**	**94.5%**	**100.2%**	**82.8%**

** Non-IFRS financial measures: please refer to Section 5.2.2 (Other financial information) on page 176 for the definitions of the Alternative Performance Measures (APM).*

(1) Those amounts include restructuring costs and reorganization for -€32.5 million, scope variation effect related to acquisitions or disposals for -€9.4 million, provisions for significant litigations net of reversals related to significant litigations for +€7.8 million and public donation for -€0.3 million. For futher information, please refer to note 9 in Section 6.1.6 (Notes to the consolidated financial statements) on page 252 of this Universal Registration Document.

(2) €0.1 million of amortization of fiction production recognised in 2023 and -€1.2 million of variation of current assets impairment or provision.

(3) -€85 million are excluded from Changes in working capital including -€152 million related to LTIP payments and exceptional items, +€22 million related to change on trade receivables on providers and players liabilities and €45 million for the difference between Adjusted EBITDA and the Gross cash provided by operating activities

(in € million)	31 December 2021 Content production & distribution	Online sports betting & gaming	Holding	Total
Operating profit (loss)	**218**	**(103)**	**(5)**	**110**
Restructuring costs & other non-core items[(1)]	27	22	0	50
LTIP and employment-related earn-out and option expenses	58	245	4	308
Depreciation and amortization (excluding D&A fiction and D&A net of reversals on non recurring provision)[(2)]	129	12	0	141
Adjusted EBITDA*	**433**	**177**	**0**	**609**
Purchase of property, plant and equipment and of intangible assets, net of disposals	(56)	(10)	0	(67)
Total cash outflows for leases that are not recognised as rental expenses	(42)	(3)	0	(45)
Adjusted Free Cash Flow*	**335**	**164**	**0**	**499**
Changes in working capital excluding LTIP payments, exceptional items, trade receivables on providers and players' liabilities[(1)]	(2)	(7)	0	(9)
Income tax paid	(26)	(15)	(1)	(42)
Adjusted Operating Free-Cash Flow*	**307**	**142**	**(1)**	**448**
Adjusted Free Cash Flow*	**335**	**164**	**0**	**498**
Adjusted EBITDA	433	177	0	609
Adjusted Cash Conversion Rate*	**77.5%**	**92.6%**	**100.0%**	**81.9%**

** Non-IFRS financial measures: please refer to Section 5.2.2 (Other financial information) on page 176 for the definitions of the Alternative Performance Measures (APM).*

(1) Those amounts include restructuring costs and reorganization for -€32.5 million, scope variation effect related to acquisitions or disposals for -€9.4 million, provisions for significant litigations net of reversals related to significant litigations for +€7.8 million and public donation for -€0.3million. For futher information, please refer to note 9 in Section 6.1.6 (Notes to the consolidated financial statements) on page 254 of this Universal Registration Document.

(2) €0.1 million of amortization of fiction production recognised in 2023 and -€1.2 million of variation of current assets impairment or provision.

(3) -€128 million are excluded from Changes in working capital including -€154 million related to LTIP payments and exceptional items, +€1 million related to change on trade receivables on providers and players liabilities and €25 million for the difference between Adjusted EBITDA and the Gross cash provided by operating activities

05/

ADJUSTED CASH CONVERSION RATE

The Group presents its Adjusted Cash Conversion Rate because it provides investors with relevant information on how management assesses and measures its cash flows from ongoing operating activities compared to the income it generates on a consistent basis as its business grows. Adjusted Cash Conversion Rate is defined as Adjusted Free Cash Flow divided by Adjusted EBITDA.

2023 compared to 2022

The Group's Cash Conversion Rate slightly decreased from 82.8% to 82.3% in the Financial Year 2023 and remains in line with the Group's objective of maintaining an Adjusted Cash Conversion rate of approximately 80%. The improvement is mainly due to a higher level of Adjusted Free Cash Flow with an increase of the cash provided by operating activities while maintaining the level of investments.

2022 compared to 2021

The Group's Cash Conversion Rate increased from 81.9% to 82.8% in the Financial Year 2022 and remains in line with the Group's objective of maintaining an Adjusted Cash Conversion rate of approximately 80%. The improvement is mainly due to a higher level of Adjusted Free Cash Flow with an increase of the cash provided by operating activities while maintaining the level of investments.

5.3.2 Indebtedness

The following table provides an overview of the Group's indebtedness as at the end of the periods indicated.

(in € million)	12 months ended 31 December			% change (2023 vs. 2022)
	2023	**2022**	**2021**	
Non-current financial liabilities				
Bonds	1,284	1,331	1,461	(4)%
Bank borrowings	1,262	959	992	32%
Accrued interests on bonds and bank borrowings				
Vendor loans				
Current accounts				
Accrued interests on current accounts				
Bank overdrafts				
Derivatives – Liabilities	6	-	5	N/A
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**2,552**	**2,290**	**2,458**	**11%**
Current financial liabilities				
Bonds				
Bank borrowings	175	181	241	(3)%
Accrued interests on bonds and bank borrowings	37	30	33	26%
Vendor loans	144	138		4%
Current accounts	-	1	29	N/A
Accrued interests on current accounts	-	-	0	N/A
Bank overdrafts	1	-	2	
Derivatives – Liabilities	1	-	2	
TOTAL CURRENT FINANCIAL LIABILITIES	**358**	**349**	**306**	**3%**

The reconciliation of the Net debt and Leverage are presented in the table below:

	2023					2022					2021				
	Content production & distribution	Online sports betting & gaming	Holding	Inter-company elimination	Total Group	Content production & distribution	Online sports betting & gaming	Holding	Inter-company elimination	Total Group	Content production & distribution	Online sports betting & gaming	Holding	Inter-company elimination	Total Group
Bonds[(1)]	1,284	0	0	0	1,284	1,331	0	0	0	1,331	1,299	0	163	0	1,461
Bank borrowings[(1)]	1,214	224	0	0	1,437	1,035	179	0	(74)	1,140	965	268	0	0	1,233
Accured interests on bonds and bank borrowings[(1)]	37	0	0	0	37	30	0	0	0	30	28	0	5	0	33
Vendor loans[(1)]	0	0	144	0	144	0	0	138	0	138	0	0	0	0	0
Bank overdrafts[(1)]	1	0	0	0	1	0	0	0	0	0	2	0	0		2
Total bank indebtedness and other	**2,536**	**224**	**144**	**0**	**2,904**	**2,395**	**179**	**138**	**(74)**	**2,639**	**2,293**	**268**	**167**	**0**	**2,728**
Cash and cash equivalents	(369)	(93)	(1)	0	(464)	(429)	(72)	(52)	74	(479)	(345)	(88)	(2)	0	(434)
Funding of Gardenia[(5)]	0	0	(80)	0	(80)	0	0	0	0	0	0	0	0	0	0
Trade receivables on providers[(3)]		(61)			(61)		(13)			(13)	0	(25)	0	0	(25)
Player's liabilities[(4)]		50			50		51			51	0	42	0	0	42
Cash in trusts and restricted cash[(2)]		(31)	0		(31)		(31)	0		(32)	0	(22)	0	0	(22)
Net cash and cash equivalents and other	**(369)**	**(135)**	**(81)**	**0**	**(586)**	**(429)**	**(66)**	**(52)**	**74**	**(474)**	**(345)**	**(93)**	**(2)**	**0**	**(440)**
Net debt before derivatives effects	**2,167**	**89**	**62**	**0**	**2,318**	**1,966**	**113**	**86**	**0**	**2,165**	**1,949**	**175**	**166**	**0**	**2,289**
Derivatives - liabilities[(1)]	6	0	0	0	6	0	0	0	0	0	6				6
Derivatives - assets[(2)]	(44)	(1)	0	0	(45)	(69)	(5)	0	0	(75)	(4)	0	(21)	0	(26)
Net debt	**2,129**	**89**	**62**	**0**	**2,280**	**1,897**	**108**	**86**	**0**	**2,091**	**1,950**	**174**	**144**	**0**	**2,269**
Adjusted EBITDA	**493**	**252**	**(9)**	**0**	**737**	**472**	**203**	**(5)**	**0**	**670**	**433**	**177**	**0**	**0**	**609**
Leverage					**3.1**					**3.1**					**3.7**

(1) *Those amounts are included in the Non current and current financial liabilities as presented in the note 23.3 in Section 6.1.6 (Notes to the Consolidated Financial Statement) on page 280 of this Universal Registration Document and in the note 23.3 of the Consolidated Financial Statements for the Financial Year 2022, incorporated by reference.*

(2) *Those amounts are included in the Non current and current financial assets as presented in the note 23.1 in Section 6.1.6 (Notes to the Consolidated Financial Statement) on page 278 of this Universal Registration Document and in the note 23.1 of the Consolidated Financial Statements for the Financial Year 2022, incorporated by reference.*

(3) *Those amounts are included in the Trade receivables, net as presented in the note 17.2 in Section 6.1.6 (Notes to the Consolidated Financial Statement) on page 268 of this Universal Registration Document and in the note 17.2 of the Consolidated Financial Statements for the Financial Year 2022, incorporated by reference.*

(4) *Those amounts are included in the "Liabilities for gaming" as part of Customer contract Liabilities as presented in the note 17.4 in Section 6.1.6 (Notes to the Consolidated Financial Statement) on page 269 of this Universal Registration Document and in the note 17.4 of the Consolidated Financial Statements for the Financial Year 2022, incorporated by reference.*

(5) *This amount is included in "Other financial assets - Investment in debt instruments" as part of the Non-current financial assets as presented in the note 23.1 in Section 6.1.6 (Notes to the Consolidated Financial Statement) on page 278 of this Universal Registration Document and in the note 23.1 of the Consolidated Financial Statements for the Financial Year 2022, incorporated by reference.*

* ***Non-IFRS financial measures:*** *please refer to section 5.2.2 (Other financial information) on page 176 for the definitions of the Alternative Performance Measures (APM).*

5.3.2.1 Senior Notes and Senior Secured Notes

OVERVIEW

The 2020 Banijay Senior Secured Notes ("€575 million 2020 SSN" and "$403 million 2020 SSN") and the 2020 Banijay Senior Notes ("€400 million 2020 SUN") have been issued by Banijay Entertainment SAS and Banijay Group SAS respectively on 11 February 2020. On 19 September 2023, Banijay Entertainment SAS, as senior secured notes issuer, completed the refinancing of its €575 million 2020 SSN and $403 million 2020 SSN for an amount equivalent to €913 million. The Euro and $ Dollar tranches of the 2020 Banijay Senior Secured Notes have been reimbursed and the two new Euro and $ Dollar 2023 Banijay Senior Secured Notes have been issued for respectively €540 million ("€540 million 2023 SSN") and $400 million ("$400 million 2023 SSN"; together with the €540 million 2023 SSN, the "2023 Banijay Senior Secured Notes"); resulting with a 4-year extension of their maturities until May 2029.

The original €575 million 2020 SSN accrued interest at 3.5% per annum and the original $403 million 2020 SSN accrued interest at 5.375% per annum. The €400 million 2020 SUN continue to accrue interest at 6.5% per annum. The new €540 million 2023 SSN accrue interest at 7.00% per annum, the new $400 million 2023 SSN accrue interest at 8.125% per annum.

Interests on the notes are payable semi-annually in arrears on 1 May and 1 November of each year commencing on 1 May 2024 for the 2023 Banijay Senior Secured Notes and on 1 March and 1 September of each year, commencing on 1 September 2020 for the 2020 Banijay Senior Notes.

The 2023 Banijay Senior Secured Notes mature on 1 May 2029 and the 2020 Banijay Senior Notes mature on 1 March 2026.

The 2023 Banijay Senior Secured Notes are guaranteed on a senior secured basis, and the 2020 Banijay Senior Notes are guaranteed on a senior subordinated and unsecured basis by certain entities of the Banijay Group, including, inter alia, – Banijay Entertainment Holdings US, Inc., Banijay Media Limited (formerly Zodiak Media Limited), Banijay Rights Ltd, Banijay France S.A.S., Banijay Group US Holding, Inc., Adventure Line Productions S.A.S., H2O Productions S.A.S., Bwark Productions Limited, Banijay Production Media, Bunim- Murray Productions Inc., Bunim-Murray Productions LLC, RDF Television Limited, Castaway Television Productions Limited, Screentime Pty Limited, Mastiff A/S, Nordisk Film TV A/S; Endemol Shine IP B.V., Banijay Benelux B.V. (formerly Endemol Shine Nederland Holding B.V.), Endemol Shine Nederland B.V., Endemol USA Holding, Inc., Truly Original LLC, Endemol Shine Australia, Shine Australia Holding Pty, Metronome Productions A/S, Gestmusic Endemol SAU, Zeppelin Television SAU, Banijay Benelux Holding B.V. and Endemol France SAS (formerly Endemol Shine France SAS), Endemol UK Holding Ltd, Shine TV Ltd, Tiger Aspect Productions Ltd, Kudos Film & Television Ltd, Endemol Shine Germany GmbH, Endemol Shine Italy S.p.A., Aurora TV S.r.l., CAPE CROSS Studio- und Filmlichtgesellschaft mbH and Raab TV – Produktion GmbH; and in the case of the 2023 Banijay Senior Secured Notes, the SSN Issuer (i.e., Banijay Group SAS) or, in the case of the 2020 Banijay Senior Notes, the SUN Issuer (i.e., Banijay Entertainment SAS) (the "Guarantors").

The 2023 Banijay Senior Secured Notes, the Guarantees in respect thereof, and the 2020 Banijay Senior Notes are secured by pledges and other security interests.

RANKING OF THE SENIOR SECURED NOTES AND THE SENIOR NOTES

The 2020 Banijay Senior Notes:

- are general senior obligations issued by Banijay Group SAS;
- rank pari passu in right of payment with all existing and future senior indebtedness of Banijay Group SAS;
- rank senior in right of payment to all of Banijay Group SAS's existing and future indebtedness that is expressly subordinated in right of payment to the Senior Notes;
- are effectively subordinated to all of Banijay Group SAS's existing and future indebtedness that is secured by property or assets that do not secure the 2020 Banijay Senior Notes, or that is secured on a first-ranking basis by property or assets that secure the 2020 Banijay Senior Notes on a second-ranking basis, to the extent of the value of the property or assets securing such indebtedness; and
- are structurally subordinated to any existing and future debt of Banijay Group SAS's existing and future subsidiaries that do not guarantee the 2020 Banijay Senior Notes, including their obligations to trade creditors.

The 2023 Banijay Senior Secured Notes:

- are general senior secured obligations issued by Banijay Entertainment SAS;
- rank pari passu in right of payment with all existing and future senior indebtedness of Banijay Entertainment SAS, including indebtedness outstanding under the 2023 Banijay Senior Credit Facilities;
- rank senior in right of payment to all of the Banijay Entertainment SAS's existing and future indebtedness that is expressly subordinated in right of payment to the 2023 Banijay Senior Secured Notes;
- are effectively subordinated to all of the Banijay Entertainment SAS's existing and future indebtedness that is secured by property or assets that do not secure the 2023 Banijay Senior Secured Notes to the extent of the value of the property or assets securing such indebtedness; and
- are structurally subordinated to any existing and future debt of Banijay Entertainment SAS's existing and future subsidiaries that do not guarantee the 2023 Banijay Senior Secured Notes, including their obligations to trade creditors.

The liabilities owed under the 2023 Banijay Senior Secured Notes rank in priority to the liabilities owed under the 2020 Banijay Senior Notes.

OPTIONAL REDEMPTION

€400 million 2020 Banijay Senior Notes

At any time and from time to time on or after 1 September 2022, Banijay Group SAS may redeem the 2020 Banijay Senior Notes in whole or in part, at the following redemption prices (expressed as a percentage of principal amount) plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption, if redeemed during the twelve-month period beginning on 1 September of the years indicated below:

Year	Redemption price
2023	101.62500%
2024 and thereafter	100.00000%

€540 million 2023 SSN

At any time prior to 1 November 2025, Banijay Entertainment SAS may redeem the €540 million 2023 SSN in whole or in part, at its option, at a redemption price equal to 100% of the principal amount of the €540 million 2023 SSN plus an applicable premium, accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption.

At any time and from time to time on or after 1 November 2025, Banijay Entertainment SAS may redeem the €540 million 2023 SSN in whole or in part, at the following redemption prices (expressed as a percentage of principal amount) plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption, if redeemed during the twelve-month period beginning on 1 November of the years indicated below:

Year	Redemption price
2025	103.50000%
2026	101.75000%
2027 and thereafter	100.00000%

$400 million 2023 SSN

At any time prior to 1 November 2025, Banijay Entertainment SAS may redeem the $400 million 2023 SSN in whole or in part, at its option, at a redemption price equal to 100% of the principal amount of the $400 million 2023 SSN plus an applicable premium, accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption.

At any time and from time to time on or after 1 November 2025, Banijay Entertainment SAS may redeem $400 million 2023 SSN in whole or in part, at the following redemption prices (expressed as a percentage of principal amount) plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption, if redeemed during the twelve-month period beginning on 1 November of the years indicated below:

Year	Redemption price
2025	104.06250%
2026	102.03125%
2027 and thereafter	100.00000%

CHANGE OF CONTROL

Upon the occurrence of certain change of control events, Banijay Group SAS and Banijay Entertainment SAS will be required to offer to repurchase all outstanding 2020 Banijay Senior Notes and 2023 Banijay Senior Secured Notes, as applicable, at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of the purchase. The definition of change of control includes, among other things, a transaction in which a single person or group, other than certain permitted holders, acquires beneficial ownership, directly or indirectly, of more than 50% of the total voting power of the voting stock of Banijay Group SAS or Banijay Entertainment SAS, as applicable, or a disposition of all or substantially all of the property and assets of Banijay Group SAS or Banijay Entertainment SAS, as applicable, and their restricted subsidiaries taken as a whole.

CERTAIN COVENANTS

The Banijay Indentures limit, among other things, the ability of Banijay Group SAS and Banijay Entertainment SAS and their restricted subsidiaries to: (i) incur or guarantee additional indebtedness and issue certain preferred stock; (ii) pay dividends, redeem share capital and make certain investments; (iii) make certain other restricted payments; (iv) create or permit to exist certain liens; (v) impose restrictions on the ability of the restricted subsidiaries to pay dividends; (vi) transfer or sell certain assets, (vii) merge or consolidate with other entities; (viii) enter into certain transactions with affiliates; and (ix) impair the security interests for the benefit of the holders of the Notes, in each case subject to significant exceptions and qualifications.

In addition, certain of the covenants will be suspended if and for as long as the Notes achieve investment-grade ratings. As at the date of this Universal Registration Document, Banijay Group SAS and Banijay Entertainment SAS have no current or expected difficulties in satisfying their obligations under these covenants (and benefit from sufficient headroom in this respect).

5.3.2.2 Banijay Senior Facilities Agreement

On 7 February 2020, Banijay Group SAS, Banijay Entertainment SAS as Company and Banijay Group US Holding Inc. as co-borrower entered into the Senior Facilities Agreement as amended and restated on 29 December 2021 (the "2020 Banijay Senior Facilities Agreement").

The 2020 Banijay Revolving Credit Facility provides (i) a revolving credit facility in a principal amount of €170 million (equivalent) (the "2020 Banijay RCF") and senior term loan facilities in principal amounts of €453 million (the "2020 Banijay Facility B (EUR)) and $460 million denominated in US dollars (the 2020 Banijay Facility B (USD) and together with the 2020 Banijay Facility B (EUR), the "2020 Banijay Facility B").

On 25 April 2023, Banijay Group SAS, Banijay Entertainment SAS as Company and Banijay Group US Holding Inc. as co-borrower have completed the refinancing of the 2020 Banijay Facility B for an amount equivalent to €875 million (including a €453 million tranche and USD $460 million tranche), resulting in a 3-year extension of their maturities until March 2028 under the 2020 Banijay Senior Facilities Agreement as further amended and restated on 25 April 2023 (the "2023 Banijay Senior Facilities Agreement"). Banijay Group SAS as Topco, Banijay Entertainment SAS as Company and Banijay Group US Holding Inc. as co-borrower also raised new term loans B financing denominated in Euros and US Dollars for a total amount equivalent to €200 million, which splits into €102 million (together with the €453 million tranche, the "2023 Banijay Facility B1 (EUR)") and $110 million respectively (together with the USD $460 million tranche, the "2023 Banijay Facility B1 (USD)" – and together with the 2023 Banijay Facility B1 (EUR), the "2023 Banijay Facility B1"). In parallel, Banijay extended the maturity of its €170 million 2020 Banijay RCF by 3 years to September 2027 at EURIBOR +3.75% (the "2023 Banijay RCF").

The main purposes of the 2020 Banijay Facility B was to (i) finance or refinance the consideration paid or payable for the acquisition of Endemol Shine and the acquisition of Bear Gryll, (ii) refinance or otherwise discharge certain existing indebtedness of Endemol Shine and (iii) pay certain costs, fees and expenses incurred in connection with these transactions. The 2020 Banijay Facility B had been fully utilised as at the date of this Universal Registration Document. The main purposes of the additional amount raised is to strengthen its balance sheet and finance its future growth.

The 2023 Banijay RCF may, subject to satisfaction of the applicable condition precedent for each applicable drawing, be used for, among other uses, financing or refinancing the general corporate purposes and/or working capital requirements of Banijay Entertainment SAS and its restricted subsidiaries.

The 2023 Banijay Senior Facilities Agreement includes (in addition to other permissions under the limitation on indebtedness covenant) the ability (without double counting against the limitation on indebtedness covenant) to incur additional senior secured indebtedness by way of one or more uncommitted additional facilities under the 2023 Banijay Senior Facilities Agreement up to an aggregate amount of the sum of (i) €953 million (which is currently utilised by 2023 Banijay Facility B1) plus (ii) the greater of €175 million and 38% of Consolidated EBITDA (of which €170 million is designated for the 2023 Banijay RCF) plus the greater of €350 million and 75% of Consolidated EBITDA plus an unlimited amount, provided that, pro forma for the incurrence of such additional facilities, the consolidated senior secured net leverage ratio does not exceed 3.65:1, and in each case, subject to certain other conditions being met.

INTEREST AND FEES

The original 2020 Banijay Facility B (EUR) accrued interest at EURIBOR 3 months +3.75 bps and the original 2020 Banijay Facility B (USD) accrued interest at LIBOR USD 1 month +3.75 bps.

The new 2023 Banijay Facility B1 (EUR) will carry a floating interest at EURIBOR 3 months +450 bps and at SOFR 1 month +375 bps for the 2023 Banijay B1), bo which will benefit from the existing hedges until March 2025.

Loans under the 2023 Banijay RCF bear interest at rates per annum equal to EURIBOR for loans denominated in euro, Term SOFR for loans denominated in U.S. dollar or, for loans denominated in Sterling, SONIA (including an applicable credit adjustment spread), plus an applicable margin, which in each case are subject to a decreasing margin ratchet based on the ratio of consolidated senior secured net debt to consolidated pro forma EBITDA (each as defined in the 2023 Banijay Senior Secured Credit Facilities Agreement) (the "Banijay Senior Secured Net Leverage Ratio").

If EURIBOR is less than zero, EURIBOR shall be deemed to be zero in respect of loans made under Banijay 2023 Facility B1 (EUR) or the 2023 Banijay RCF (as applicable). If Term SOFR is less than zero, Term SOFR shall be deemed to be zero in respect of loans made under the 2023 Banijay RCF or 2023 Banijay Facility B1 (USD) (as applicable). If "Daily Rate" (as defined in the 2023 Banijay Senior Secured Credit Facilities Agreement) for SONIA and the applicable credit adjustment spread is less than zero, the "Daily Rate" shall be deemed to be such rate that the aggregate of the "Daily Rate" and the applicable credit adjustment spread is zero in respect of loans made under the 2023 Banijay RCF.

A commitment fee is payable on the aggregate undrawn and uncancelled amount of the 2023 Banijay RCF until the end of the availability period applicable to the 2023 Banijay RCF at a rate of 35% of the applicable margin for the 2023 Banijay RCF. Commitment fees are payable quarterly in arrears and on the date the 2023 Banijay RCF is cancelled in full or on the date on which the relevant lender cancels its commitment.

REPAYMENTS

The loans made under 2023 Banijay Facility B1 (EUR) will be repaid in full on 1 March 2028. In respect of the loans made under 2023 Banijay Facility B1 (USD), an amount of 1% per annum of the original principal amount of 2023 Banijay

Facility B1 (USD) will be repaid in equal quarterly instalments from 25 April 2023 with the remainder being repaid in full 1 March 2028.

In respect of the 2023 Banijay RCF, each advance will be repaid on the last day of the interest period relating thereto, subject to an ability to roll over cash drawings. All outstanding amounts under the 2023 Banijay RCF will be repaid on 1 September 2027. Amounts repaid by the borrowers on loans made under the 2023 Banijay RCF may be re-borrowed, subject to certain conditions.

MANDATORY PREPAYMENT

The 2023 Banijay Senior Secured Credit Facilities Agreement permits voluntary prepayments to be made (subject to de minimis amounts) and will require mandatory prepayment in full or in part in certain circumstances, including:

- on an initial public offering which does not constitute a change of control (with the percentage of proceeds to be prepaid subject to the Banijay Senior Secured Net Leverage Ratio);
- from certain net cash proceeds received by certain members of the Banijay Group from certain asset disposals, insurance and recovery claims, to the extent not otherwise applied for a permitted purpose and required to be applied in prepayment of the 2023 Banijay Senior Credit Facilities and subject to a de minimis amount; and
- for each Financial Year (commencing with the Financial Year ending 31 December 2020), a percentage of excess cash flow in the event that excess cash flow exceeds a minimum threshold amount, which percentage decreases as the Banijay Senior Secured Net Leverage Ratio decreases;

Upon the occurrence of a change of control (as defined in the 2023 Banijay Senior Secured Credit Facilities Agreement), each lender shall be entitled to require prepayment of its commitments within a prescribed time period. A change of control shall include:

- any person or group becoming the beneficial owner of more than 50% of the voting power of Banijay Entertainment SAS other than in connection with a transaction or series of transactions in which Banijay Entertainment SAS shall become the wholly owned subsidiary of a parent entity (as defined in the 2023 Banijay Senior Secured Credit Facilities Agreement) subject to certain conditions;
- Banijay Group SAS ceasing to directly own and control 100% of the issued voting share capital of Banijay Entertainment SAS; and
- on a disposal of substantially all the business of Banijay Group SAS and its restricted subsidiaries.

GUARANTEES AND SECURITY

Subject to certain agreed security principles and guarantee limitations and the terms of the 2023 Banijay Senior Facilities Agreement, the 2023 Banijay Senior Credit Facilities is guaranteed by the Guarantors.

Subject to certain agreed security principles and 2023 Banijay Senior Facilities Agreement and the Banijay Intercreditor Agreement, the 2023 Banijay Senior Credit Facilities is secured by certain pledges over shares, material bank accounts and over certain structural intra-group receivables.

Subject to certain agreed security principles and the provisions of the 2023 Banijay Senior Facilities Agreement, Banijay Entertainment SAS is required to ensure that the members of the Banijay Group which are Guarantors generate at least 75% of Consolidated EBITDA.

The provision and the terms of the security and guarantees set forth above will in all cases be subject to certain limitations and agreed security principles and are at all times and in all cases subject to the requirements of applicable law and the other matters set forth in the 2023 Banijay Senior Facilities Agreement.

REPRESENTATIONS AND WARRANTIES

The 2023 Banijay Senior Credit Facilities Agreement contains certain representations and warranties (subject to certain agreed qualifications and with certain representations being repeated), including: (i) status, binding obligations, non-conflict with other obligations, power and authority, validity and admissibility in evidence, governing law and enforcement, consents, filings and laws applicable to operations and pari passu ranking; (ii) no insolvency, no litigation, environmental laws, taxation, and filing and stamp taxes; (iii) no default, financial statements, group structure, and no misleading information in relation to the information memorandum, the financial model relating to the Group and certain diligence reports provided; (iv) no liens, guarantees or indebtedness, except as permitted; (v) legal ownership and holding company activities; (vi) intellectual property and pension schemes; (vii) acquisition documents, investment companies, borrowing limits, compliance with ERISA; and (viii) center of main interests and compliance with sanctions and anti-corruption laws.

COVENANTS

The 2023 Banijay Senior Credit Facilities Agreement contains certain of the incurrence covenants, information undertakings and related definitions (with, in each case, certain adjustments), including, but not limited to, (i) limitations on indebtedness; (ii) limitations on restricted payments; (iii) limitations on liens; (iv) limitation on restrictions on distributions from restricted subsidiaries; (v) limitations on sale of assets and subsidiary stock; (vi) limitations on affiliate transactions; (vii) merger and consolidation; (viii) suspension of covenants on achievement of investment grade status; (ix) additional guarantees and intercreditor agreements; (x) no impairment of security interests; and (xi) designation of restricted and unrestricted subsidiaries.

In addition, the 2023 Banijay Senior Credit Facilities Agreement also requires Banijay Entertainment SAS and certain of its restricted subsidiaries to observe certain other customary positive and negative covenants, subject to certain exceptions and grace periods, including, but not limited to, covenants relating to: (i) authorisations and consents; (ii) compliance with laws; (iii) pari passu ranking; (iv) insurances; (v) payment of taxes; (vi) pension schemes; (vii) compliance with certain environmental laws; (viii) acquisition documents; (ix) maintenance of center of main interests; (x) provision of guarantees and security, further assurance and accession to the Intercreditor Agreement; (xi) compliance with sanctions and anti-corruption laws; (xii) maintenance of ratings; (xiii) preservation of assets; (xiv) holding company; (xv) annual and quarterly financial statements; (xvi) compliance certificates; and (xvii) annual budget.

As at the date of this Universal Registration Document, Banijay Group SAS and Banijay Entertainment SAS have no current or expected difficulties in satisfying their obligations under these covenants (and benefit from sufficient headroom in this respect).

EVENTS OF DEFAULT

The 2023 Banijay Senior Credit Facilities Agreement provides for substantially the same events of default as under the Notes. In addition, the Banijay Senior Secured Credit Facilities Agreement provides for additional events of default, subject to customary materiality qualifications and grace periods, including (i) breach of the financial covenant, provided that, in the event of such breach, only a majority of the Lenders under the Revolving Credit Facility shall initially be entitled to take enforcement action; (ii) inaccuracy of a representation or statement when made; (iii) invalidity and unlawfulness of the 2023 Banijay Senior Credit Facilities financing documents; and (iv) material failure to comply with the Banijay Intercreditor Agreement.

5.3.2.3 Banijay Intercreditor Agreement

To establish the relative rights of certain of their creditors under their financing arrangements, Banijay Group SAS, Banijay Entertainment SAS, the Guarantors and the Trustee are party to an intercreditor agreement dated 11 February 2020 (as amended from time to time) between, among others, the agent, arrangers and lenders under the Banijay Senior Secured Credit Facilities Agreement and the security agent (the "Banijay Intercreditor Agreement").

By accepting a Note, holders of the Notes will be deemed to have agreed to, and accepted the terms and conditions of, the Banijay Intercreditor Agreement.

The Banijay Intercreditor Agreement is governed by English law and sets out various matters governing the relationship of the creditors to the Banijay Group including the relative ranking of certain debt of Banijay Group SAS, Banijay Entertainment SAS, the Guarantors and any other person that becomes party to the Banijay Intercreditor Agreement as a debtor or third-party security provider, when payments can be made in respect of debt of the debtors or third-party security providers, when enforcement action can be taken in respect of that debt, the terms pursuant to which certain of that debt will be subordinated upon the occurrence of certain insolvency events and turnover provisions and provisions related to the enforcement of shared security.

OTHER INDEBTEDNESS AND FINANCING ARRANGEMENTS OF THE BANIJAY GROUP

From time to time, Banijay Group SAS and its subsidiaries, enter into various credit facilities (including by way of factoring or assignment of receivables, overdraft facility agreements, local and bilateral facilities or future receivables) to finance the development, production and operation of a specific program or audio- visual or digital content. The Banijay Group also enters into loan agreements to finance specific programs, such as loan agreements to fund Domina and Three Little Birds series. As of 31 December 2023, the Banijay Group had €171 million outstanding under these credit facilities. As of 31 December 2023, the Banijay Group had €180 million of other long-term and other current liabilities recorded on their balance sheet to reflect earn-outs and put option agreements that remain outstanding.

5.3.2.4 Betclic Group Senior Credit Facility Agreement

OVERVIEW AND STRUCTURE

On 23 June 2020, Betclic Group SAS as borrower, Betclic as parent and Guarantor, Mangas Lov (merged into Lov Banijay which was also merged into FL Entetrainment during 2022) as Guarantor, BNP Paribas, Natixis and Société Générale as mandated lead arrangers and Société Générale as agent and security agent and Natixis as documentation agent entered into a senior credit facility agreement (the "2020 Betclic Group Senior Credit Facility Agreement Tranche A"). The 2020 Betclic Group Senior Credit Facility Agreement provides for a senior term loan facility in principal amount of €165 million.

On 19 November 2021, the lenders under the 2020 Betclic Group Senior Credit Facility Tranche A consented to the merger of Betclic Group SAS into Betclic and to the related changes into the 2020 Betclic Group Senior Credit Facility Agreement Tranche A.

On 22 May 2023, Betclic Group SAS as borrower, FL Entertainment as Guarantor, BNP Paribas, Natixis, Société Générale, Crédit Agricole Corporate and Investment Bank, Crédit Lyonnais, Goldman Sachs Bank Europe as mandated lead arrangers, Société Générale as agent and security agent and Natixis as documentation agent entered into an amendment of the 2020 Betclic Group Senior Credit Facility Agreement Tranche A and activated the Tranche B of its senior credit facility for a nominal value of €150 million (the "2023 Betclic Group Senior Credit Facility Agreement Tranche B", together with the 2020 Betclic Group Senior Credit Facility Agreement Tranche A, the "2023 Betclic Group Senior Credit Facility Agreement").

The main purposes of the 2020 Betclic Group Senior Credit Facility Tranche A is (i) to finance a capital decrease of Betclic Group SAS (including the related fees) and (ii) the general corporate purposes of Betclic Group SAS.

The main purposes of the 2023 Betclic Group Senior Credit Facility Tranche B is to (i) to finance the dividends distribution and intercompany loans reimbursement and the related expenses and (ii) the general corporate purposes of Betclic Group SAS.

INTEREST AND FEES

The 2023 Betclic Group Senior Credit Facility bears interest at rates per annum equal to EURIBOR 3 months, plus an applicable margin respectively for Tranche A and Tranche B. If EURIBOR is less than zero, EURIBOR shall be deemed to be zero in respect of the 2023 Betclic Group Senior Credit Facility.

REPAYMENTS

The 2020 Betclic Group Senior Credit Facility Tranche A is repayable in half- yearly instalments (starting from 23 December 2020), with the remainder being repaid in full 23 June 2025.

The 2023 Betclic Group Senior Credit Facility Tranche B is repayable in single instalment being repaid in full 23 June 2025.

MANDATORY PREPAYMENT

The 2023 Betclic Group Senior Credit Facility Agreement permits voluntary prepayments to be made (subject to de minimis amounts) and will require mandatory prepayment in full or in part in certain circumstances, including:

- upon the occurrence of a change of control;
- an initial public offering of Betclic Group SAS or any member of Betclic;
- the sale, in one or more transactions, of all or a substantial part of the Betclic's tangible, intangible or financial fixed assets to a third-party; and
- from certain net cash proceeds received by certain members of Betclic from certain asset disposals, insurance and recovery claims, to the extent not otherwise applied for a permitted purpose and required to be applied in prepayment of the 2023 Betclic Group Senior Credit Facility and subject to applicable de minimis amount.

GUARANTEES AND SECURITY

2020 Betclic Group Senior Credit Facility – Tranche A

The 2020 Betclic Group Senior Credit Facility Tranche A was originally guaranteed, inter alia, by Betclic and Mangas Lov and was originally secured by first ranking pledges over Betclic Group SAS shares and Bet-at-home shares. A release of the pledge of Betclic Group SAS shares has been obtained as a result of the universal transmission of assets of Betclic Group SAS in Betclic, on 31 December 2021.

Additional first ranking pledges have been entered into on 25 March 2022 pursuant to which Betclic has granted pledges over Euro Gaming Investment SA shares (a Luxembourg subsidiary) and over Mangas Investment Limited (a Maltese subsidiary) shares held by Betclic as security for its repayment obligations under the 2020 Betclic Group Senior Credit Facility Tranche A.

2023 Betclic Group Senior Credit Facility – Tranche B

The 2023 Betclic Group Senior Credit Facility Tranche B has been secured by the pledge of second ranking over bet-at-home AG shares hold by Betclic Everest Group and an addendum to the existing pledge over Euro Gaming Investments SA shares and over Mangas Investment Ltd shares. The addendum replaces and extends the existing first pledge ranking to the full scope of the 2023 Betclic Group Senior Credit Facility Agreement.

REPRESENTATIONS AND WARRANTIES

The 2023 Betclic Group Senior Credit Facility Agreement contains certain representations and warranties (subject to certain agreed qualifications and with certain representations being repeated), including: (i) status, binding obligations, non-conflict with other obligations, power and authority, validity and admissibility in evidence, governing law and enforcement, consents, filings and pari passu ranking; (ii) no insolvency, no litigation, taxation, and filing and stamp taxes, except as permitted; (iii) no default, financial statements and no misleading information; (iv) no liens, guarantees or indebtedness, except as permitted; (v) intellectual property; and (vi) center of main interests and compliance with sanctions and anti-corruption laws.

COVENANTS

The 2023 Betclic Group Senior Credit Facility Agreement contains certain of the covenants, information undertakings and related definitions (with, in each case, certain adjustments), including, but not limited to, (i) limitations on indebtedness; (ii) limitations on loans; (iii) limitations on liens; (iv) limitations on sale of assets; (v) merger and consolidation; and (vi) compliance with a leverage ratio and interest ratio covenant.

In addition, the 2023 Betclic Group Senior Credit Facility Agreement also requires Betclic and certain of its subsidiaries to observe certain other customary positive and negative covenants, subject to certain exceptions and grace periods, including, but not limited to, covenants relating to:(i) authorisations and consents; (ii) compliance with laws; (iii) pari passu ranking; (iv) insurances; (v) payment of taxes; (vi) maintenance of centre of main interests; (vii) compliance with sanctions and anti-corruption laws; and (viii) preservation of assets. As the date of this Universal Registration Document, Betclic has no current or expected difficulties or will obtain a covenant holiday from the lenders in satisfying its obligations under these covenants (and benefits from sufficient headroom in this respect).

EVENTS OF DEFAULT

The 2023 Betclic Group Senior Credit Facility Agreement provides for events of default, subject to customary materiality qualifications and grace periods, including (i) breach of the financial covenant; (ii) inaccuracy of a representation or statement when made; (iii) cross-default; and (iv) insolvency and insolvency proceedings.

5.3.2.5 Betclic Bridge Credit Facility Agreement

On 13 December 2021, Betclic as borrower, Mangas Lov as guarantor, BNP Paribas, Natixis and Société Générale as mandated lead arrangers and Société Générale as agent and security agent entered into a bridge credit facility agreement (the "2021 Betclic Bridge Credit Facility"). This agreement provides for a bridge loan facility in principal amount of €130 million and to be repaid in full out of the proceeds of the Business Combination and cash otherwise available within the Group.

The main purposes of the 2021 Betclic Bridge Facility is (i) to finance a share buyback of a minority shareholder of the borrower and (ii) an exceptional distribution of dividends by the borrower.

INTEREST AND FEES

The 2021 Betclic Bridge Facility bears interest at rates per annum equal to EURIBOR, plus an applicable margin. If EURIBOR is less than zero, EURIBOR shall be deemed to be zero in respect of the Betclic Group Senior Credit Facility.

REPAYMENT

The 2021 Betclic Bridge Facility has been repaid in full on 5 July 2022 after such repayment date having been extended in the first place to 13 December 2022 upon borrower's request.

5.3.2.6 FL Entertainment Multicurrency Revolving Facility Agreement

OVERVIEW AND STRUCTURE

On 1 August 2023, FL Entertainment as borrower, BNP Paribas, Deutsche Bank Aktiengesellschaft, Goldman Sachs Bank Europe SE and Natixis as mandated lead arrangers, and Natixis as agent, security agent and documentation agent entered into the FL Entertainment Multicurrency Revolving Facility Agreement. The FL Entertainment Multicurrency Revolving Facility Agreement, as at the date of this Universal Registration Document, provide for a revolving credit facility in a principal amount of €50 million (equivalent) (The “2023 FLE RCF”).

The 2023 FLE RCF may be used for the general corporate purposes.

INTEREST AND FEES

The 2023 FLE RCF bears a floating interest with reference to a Term Reference Rate depending on the duration and the currency plus a margin between 275 and 425 bps (mainly conditional to the leverage ratio of the Group), plus an applicable margin.

If EURIBOR is less than zero, EURIBOR shall be deemed to be zero in respect of the 2023 FLE RCF.

A commitment fee is payable on the aggregate undrawn and uncancelled amount of the 2023 FLE RCF until the end of the availability period applicable at a rate of 35% of the applicable margin for the 2023 FLE RCF.

REPAYMENT

In respect of the 2023 FLE RCF, each advance will be repaid on the last day of the interest period relating thereto, subject to an ability to roll over cash drawings. All outstanding amounts under the 2023 FLE RCF will be repaid on 1 August 2026 with the possibility to extend the period. Amounts repaid by the borrowers on loans made under the 2023 FLE RCF may be re-borrowed, subject to certain conditions.

GUARANTEES AND SECURITY

The 2023 FLE RCF was originally secured by all the shares of Banijay Group Holding and one share of Banijay Group held by FL Entertainment in respect of its obligations.

REPRESENTATIONS AND WARRANTIES

The 2023 FLE RCF contains certain representations and warranties (subject to certain agreed qualifications and with certain representations being repeated), including but not limited to: status, binding obligations, non-conflict with other obligations, power and authority, validity and admissibility in evidence, governing law and enforcement, ranking and pari passu ranking, no insolvency, taxation, filing and stamp taxes, no default, financial statements and no misleading information; good title to assets, shares, no proceedings that could have a material adverse effect, group structure charts, center of main interests and compliance with sanctions and anti-corruption laws, DAC6.

COVENANTS

The 2023 FLE RCF contains certain of the covenants, information undertakings and related definitions (with, in each case, certain adjustments), including, but not limited to: limitations on indebtedness, limitations on dividends distribution except the permitted distribution, limitation on acquisitions or investments except the permitted joint venture and acquisitions, limitation on loans except permitted loan, compliance with laws, negative pledge, merger, insurances, intellectual property, centre of main interests, compliance with sanctions and anti-corruption laws, conduct its business as a holding company, taxation, dividend distribution policy, pari passu ranking, compliance with a leverage ratio covenant.

EVENTS OF DEFAULT

The 2023 FLE RCF provides for events of default, subject to customary materiality qualifications and grace periods, including: non-payment on the due date, breach of the financial covenant, inaccuracy of a representation or statement when made; cross-default; insolvency and insolvency proceedings.

5.3.3 Liquidity

As of 31 December 2023, the Group had the following financing resources:

- gross cash amounting to €463 million including €368 million from Production and Distribution business, €93 million from Online sports betting & gaming business and €2 million from Holding;
- an undrawn Revolving Credit Facility (RCF) of €50 million from Holding and €170 million from Content production & distribution business and €30 million of overdraft not used.

The Group considers its financial position as at 31 December 2023 as solid, both from a solvency and liquidity perspective. For more information, please refer to Section 6.1.6 (note 2.6 to the Consolidated Financial Statements) on page 239 of this Universal Registration Document.

5.3.4 Working capital statement

The Company believes that the working capital available to the Company is sufficient for its present requirements, which is for at least the next twelve months following the date of this Universal Registration Document.

5.3.5 Contractual obligations and commitments

The London based distribution business of the Content production & distribution segment commits from time to time to pay some minimum guarantees to third-party producers all over the world to obtain the distribution rights on their shows. These commitments are financed with the Group's own resources and represented an amount of €1 million as of 31 December 2023.

5.3.6 Material investments and capital expenditure

To support its business strategy and development plans and to further expand its business, FL Entertainment regularly incurs capital expenditures. The following table sets forth the amount of capital expenditure[1] incurred during the periods presented:

(in € million)	31 December 2023	2022	2021	% change (2023 vs. 2022)
Scripted production costs and Intellectual property rights	(43)	(39)	(43)	(11)%
Investments in technical equipment	(30)	(21)	(15)	(45)%
IT capitalised expenses	(7)	(5)	(4)	(34)%
Other capital expenditure	(5)	(3)	(5)	(67)%
TOTAL CAPITAL EXPENDITURE	**(85)**	**(68)**	**(67)**	**(25)%**

2023 compared to 2022

Capital expenditures for the Financial Year 2023, amounted to €85 million compared to €68 million the Financial Year 2022. In addition, investments in acquired companies amounted to €142 million in 2023 compared to €37 million in 2022. For a description of those investments, please refer to Section 5.2.4 "Factors affecting comparability of the Group's results of operations" on page 183.

2022 compared to 2021

Capital expenditures for the Financial Year 2022, amounted to €68 million compared to €67 million the Financial Year 2021. In addition, investments in acquired companies amounted to €46.1 million in 2022 compared to €26.6 in 2021. For a description of those investments, please refer to Section 5.2.4 "Factors affecting comparability of the Group's results of operations" on page 183.

5.3.7 Contingent and other off-balance sheet liabilities

The Group's contingent liabilities and off-balance sheet commitments are included in notes 22.2 and 28 of the Consolidated Financial Statements. See below an overview of the Group's main contingent liabilities, provisions and off-balance sheet liabilities.

Content production & distribution business

On 11 October 2023, the UK government's Competition and Markets Authority (CMA) opened an investigation under section 25 of the Competition Act 1998 into concerns about the purchase of services from freelance providers, and the employment of staff, who support the production, creation and/or broadcast of television content in the UK. The Banijay UK label "Tiger Aspect" is included in the investigation as are some UK broadcasters and other UK production companies. The investigation is at an early stage and Banijay is committed to co-operating fully with the CMA investigation and complying with competition law.

Online sports betting & gaming business

An obligation constitutes a contingent liability if the amount cannot be estimated with sufficient reliability or if it is unlikely to result in an outflow of resources.

The Betclic Everest Group received in December 2021 a notice of adjustment from the French tax authorities for a total amount of €52.4 million (wilful misconduct and interest for late payment included) related to the VAT to be collected and paid in respect of income resulting from sports bets placed by players residing in France, for the years 2018 and 2019.

On 13 May 2022, the Betclic Everest Group received (i) a rectification on the notice of adjustment from December 2021, decreasing the amount of €52.4 million to €37.3 million (wilful misconduct and interest for late payment included) and (ii) a new notice of adjustment from the French tax authorities for a total amount of €25.8 million (wilful misconduct and interest for late payment included) related to the VAT to be collected and paid in respect of income resulting from sports bets placed by players residing in France for the year 2020.

(1) *Non-IFRS financial measures: please refer to section (5.2.2) (Other financial information) on page 176 for the definitions of the Alternative Performance Measures (APM).*

On 27 September 2023, the French tax authorities notified the Betclic Everest Group of the waiver of the wilful misconduct penalties, for the years 2018 and 2019, decreasing the adjustments from €37.3 million to €27.1 million.

The Betclic Everest Group, with the support of its legal and tax advisers, still considers that the position of the French tax authorities is not in conformity with various general principles of VAT, in the same way as the other online gaming operators in France that are part of the association AFJEL. The Betclic Everest Group will challenge this adjustment in France, with the French tax authorities and, if necessary, the French Courts, but also with the Court of Justice of the European Commission if a French Court decides to make a request for a preliminary ruling. No provision relating to this litigation has been recorded.

However, to avoid further similar adjustments from the French tax authorities, the Betclic Everest Group has decided to spontaneously collect and pay VAT in respect of income resulting from sports bets placed by players residing in France, starting with the year 2023 in January 2024.

The Betclic Everest Group still considers that such VAT is not due and intends to claim repayment of the corresponding VAT spontaneously paid. Consequently, the amounts paid will be recognised as State receivables toward the French Tax Authorities in the Financial Statements.

5.3.8 Financial risk management

An overview of the financial risk management objectives of the Group are presented in Section 6.1.6 (note 26 of the Consolidated Financial Statements) on page 287.

5.4 Material contracts and related party transactions

5.4.1 Certain relationships and related party transactions

a. Shareholders' Agreement at the level of the Company

Please refer to Section 7.3.2 (Shareholders agreement) on page 357 of this Universal Registration Document for more information on the Shareholders Agreement.

b. Other shareholders' agreement

COURBIT FAMILY PIPE FINANCING SUBSCRIPTION

Pursuant to the Investment Agreement, five members of the Courbit Family subscribed for Ordinary Shares as part of the PIPE Financing and have entered into a shareholders' agreement in respect of the Company. The Courbit Family acts in concert *(handelend in onderling overleg)* and are deemed to jointly have control *(overwegende zeggenschap)*, over the Company as of the First Trading Date.

c. Shareholders' agreements at the level of the Group

FINANCIÈRE LOV

A shareholders' agreement in relation to Financière Lov was entered into between LGI, whose share capital is owned by the Courbit Family, and Fimalac on 7 February 2019 (as amended from time to time) to set forth customary and limited minority shareholders protection rights to the benefit of Fimalac, which remained into force upon the Merger becoming effective.

BETCLIC

A shareholders' agreement in relation to Betclic was entered into between (i) Mr Nicolas Béraud, (ii) Mangas Lov and (iii) Monte-Carlo SBM International Sàrl on 17 November 2021 and was amended upon the Merger becoming effective, to take into account the fact that (i) Monte-Carlo SBM International S.à.r.l will no longer hold any stake in Betclic and (ii) the Company and Mr Nicolas Béraud will hold the capital of Betclic pursuant to the Lov Reorganisation. Specifically, current customary put and call options provisions with regards to Mr Nicolas Béraud's stake in Betclic will remain into force pursuant to this amended shareholders agreement. Pursuant to a new amendment to the shareholders agreement, Mr Nicolas Béraud will also get the opportunity, starting 1 January 2028, to exchange the shares of Betclic Everest Group that he owns (currently 5.4%) for FL Entertainment shares.

In addition, pursuant to the Business Combination, the Articles of Association of Betclic were amended to reflect the post-Lov Reorganisation situation.

BANIJAY GROUP SAS

A shareholders agreement in relation to Banijay Group SAS was entered into between minority shareholders (which are key managers) and Banijay on 22 June 2017 (as amended from time to time), pursuant to which such minority shareholders benefit from customary put and call options provisions, which remained into force upon the Merger becoming effective.

d. Shareholders' loans and others

(I) SHAREHOLDERS' LOANS AT THE LEVEL OF THE COMPANY

On the Business Combination Date, SBM International sold the remaining 50% of its shares in the capital of Betclic, being 23.65% of the shares in Betclic to the Company, for a consideration of €425,000,000 to the Company. A portion of the cash consideration, in an amount of €36,508,600 was financed by a vendor loan by SBM International to the Company initially due in November 2023 and extended to November 2024 and bearing 3.5% interest per year until November 2023 and then 6% interest per year.

In the context of the Merger becoming effective, and as part of the Lov Reorganisation, the sale of De Agostini's participation within the Group to the Company was paid by a vendor loan by De Agostini to Lov Banijay and bearing 3.5% interest per year until November 2023 and then 6% interest per year (payment-in-kind) by the Company, Lov Banijay, or LDH initially due in November 2023 and extended to November 2024.

(II) INTERNAL REORGANISATIONS

In 2022, LDH and Lov Banijay have been dissolved and merged into the Company.

e. Related party transactions

An overview of the related party transactions of the Group are presented in Section 6.1.6 (note 27 of the Consolidated Financial Statements) on page 289 of this Universal Registration Document.

LGI COMPENSATION

LGI (whose share capital is owned by the Courbit Family) serves as President of Banijay Group SAS and of Betclic, and receives compensation in such capacity:

- annual compensation (excluding VAT, if any) as President of Banijay Group SAS is set at (i) the average of 0.38% of the consolidated turnover of the previous fiscal year of Banijay Group SAS and (ii) 2% of the consolidated EBITDA of Banijay Group SAS of the previous fiscal year. Such compensation shall be paid in four instalments, on the 15th day of each quarter;
- annual compensation (excluding VAT, if any) as President of Betclic is set at 2% of the gross profit of Betclic realised during the relevant fiscal year, it being specified that the gross profit of Bet-at-home will be taken into account to the extent of the percentage of participation on 1 January of the said fiscal year, as such gross margin is defined in the audited consolidated financial statements of Betclic as at 31 December 2021. Such compensation shall be paid (i) in three instalments within one month of the interim financial statements, (ii) the balance being paid no later than one month following the closing of the audited consolidated financial statements of Betclic.

LGI was appointed as President of Banijay Group SAS and as President of Betclic with the following missions: (i) define the general policy guidelines, (ii) determine the strategic decisions including the business and financial strategy, (iii) the development of Banijay and Betclic, (iv) the preparation and update of the annual budget and business plan, (v) management of the acquisition and disposal of assets of Banijay and Betclic. LGI's annual compensation includes the strategic, financial, legal functions performed by LGI (directly or with the support of its affiliates), it being specified that no services provided by LGI (or any of its affiliates other than a Group company) will be re-invoiced to the relevant company (i) with the exception of directs expenses (e.g. leases, IT, reception) and (ii) without prejudice to the compensation and LTIP payments to be paid by the LGI to its CEO.

In 2023, the annual compensation of LGI as President of Banijay Group SAS and as President of Betclic was equal to €19,800,000.

For a more detailed description of the nature and amount of the LGI Compensation, please also refer to Section 6.1.6 (note 27 of the Consolidated Financial Statements) on page 289 of this Universal Registration Document.

OFFICES RENT

Banijay Entertainment SAS is one of the lessees of the premises located at 5, rue François Ier in Paris, France. During the Financial Year 2023, Banijay Entertainment SAS has re-invoiced part of the rent to LGI for a total amount of €162,990.

In addition, during the Financial Year 2023, LGI re-invoiced Banijay Entertainment SAS for a portion of the building's recurring expenses, in particular reception and hospitality costs, for a total amount of €180,000.

INVESTMENT AGREEMENT

On 10 May 2022, among others, Financière Lov, De Agostini, Vivendi, SBM International, Fimalac and the Company entered into the Investment Agreement, which was subsequently amended on 22 June 2022. Please also refer to Section 6.1.6 (note 3.2 to the Consolidated Financial Statements) on page 241 of this Universal Registration Document for a description of the Investment Agreement.

5.4.2 Material contracts

In addition to the agreements referred to in Section 5.3 (Liquidity and capital resources) on page 197 of this Universal Registration Document, the Group has entered into the following material agreements in the two years immediately preceding the date of this Universal Registration Document that are not in the ordinary course of business and into the following agreements that are not in the ordinary course of business and contain provisions under which the Group has an obligation or entitlement that is material to it as of the date of this Universal Registration Document.

Shareholders agreements within the Group

The material terms of the Shareholders Agreement are described in Section 7.3.2 (Shareholders Agreement) on page 357 of this Universal Registration Document.

Lock-up undertakings within the Group

Minority shareholders of Banijay (which are key managers) and Banijay Group Holding have entered into a shareholders agreement in relation to Banijay on 22 June 2017, pursuant to which such minority shareholders committed not to transfer any securities for a remaining period of approximately two years in general.

As of the date of this Universal Registration Document, Mr Nicolas Béraud has committed, pursuant to the amended shareholders agreement in relation to Betclic Everest Group SAS as described above, not to transfer any shares of Betclic Everest Group SAS he owns for a remaining period of approximately seven years. This restriction does not apply to transfers of shares within the Group and the implementation of customary put and call option mechanisms.

Content production & distribution business – Material contracts

EMPLOYEE BENEFITS LONG-TERM INCENTIVE PLANS

Around 200 employees of Banijay Group benefit from long-term incentive plans which are implemented among almost all companies of the Banijay Group, whose goal is to share the created value by the Banijay Group or one of its subsidiaries. For the majority of the employees, these long-term incentive plans are a cash bonus and do not grant any share capital instruments. For certain key managers, beneficiaries are entitled to free shares, the number of which being calculated based on a formula depending on the performance of the Banijay Group, or share purchase warrants. Some of them are settled in shares but are supplemented by a liquidity agreement granted by the relevant intermediate business unit holding, while the remaining are settled in cash. In addition, the Banijay Group has issued phantom shares plans to certain directors and employees that require the sub-group to pay the intrinsic value of the phantom shares to the employee at the date of exercise.

In addition, with the objective to secure acquisitions of companies held by talented managers with the strategy of maintaining and incenting such managers after closing, the business acquisition arrangement is often accompanied by an employment agreement or a service agreement between the acquiree and the manager, pursuant to the closing. Share purchase agreements may also specify restrictions on the acquisition price, on the potential earn-outs or on the remaining minority interest options in case of early departure of the manager. In this context, a liability is recognised for the goods or services acquired over the vesting period based on the fair value of the liability.

On 5 March 2021, Banijay granted and issued share purchase warrants to the Italian holding company owned by Banijay's Chief Executive Officer, Mr Marco Basseti, to be exercised over five instalments until 31 December 2025. Each share purchase warrant entitles its holder to subscribe one share in the capital of Banijay. The acquisition issuance price of a share purchase warrant and its exercise price have been determined in accordance with a valuation report issued by an independent appraiser.

The Banijay Group Holding has recorded liabilities connected to long-term incentive plans of €245 million in 2023 (of which €191 million for the Employee-related long-term incentives) and €208 million, respectively in 2022 (of which €167 million for the Employee-related long-term incentives). Banijay Group recorded total expenses connected to long-term incentive plans of €88 million in 2023 (of which €74 million for the Employee-related long-term-incentives) and €111 million in 2022 (of which €91 million for the Employee-related long-term incentives).

EXCHANGE OF SHARES AND CORRELATIVE ISSUANCE OF ORDINARY SHARES BY FL ENTERTAINMENT

On 4 July 2023, some of Banijay Group's key managers contributed most of their Banijay Group's shares owned directly to FL Entertainment in exchange for FL Entertainment's ordinary shares or have reinvested the amount of their Phantom shares plan into FLE Shares. Following this transaction, the put options granted to the shareholders, pursuant to a shareholders' agreement at the level of Banijay Group, and recognised in the consolidated financial statements, are no longer valid.

The transaction led to (i) the settlement of liabilities on non-controlling interests for €133 million in exchange of 10,441,974 FLE Shares and the payment in cash of €28.1 million and (ii) the settlement of Employee-related long-term incentives (Phantom shares plan) for €33.0 million including withholding tax and social charges. The amount of the Phantom Plan was reinvested into 1,171,685 FLE Shares.

Online sports betting & gaming business – Material contracts

EMPLOYEE BENEFITS LONG-TERM INCENTIVE PLANS

Certain managers of Betclic Group benefit from long-term incentive plans, whose goal is to share the created value by the Betclic Everest Group. These long- term incentive plans are a cash bonus with a vesting period ended in 2023 and do not grant any share capital instruments.

The CEO of Betclic Everest Group also benefits from a long-term incentive plan whose goal is also to share the created value by the Betclic Everest Group through a three-party agreement with FL Entertainment and Betclic Everest Group. This long-term incentive plan grant FL Entertainment share capital instruments and cash bonus with a vesting period ended in 2027. For further details, please refer to section 4.5.3 on page 171 of this Universal Registration Document.

The Betclic Everest Group has recorded liabilities related to to long-term incentive plans of €126 million in 2023 and €61 million in 2022. Betclic Everest Group recorded total expenses related to long-term incentive plans of €78 million in 2023 and €37 million in 2022.

5.5 Subsequent events since 31 December 2023

5.5.1 Holding

None.

5.5.2 Content production & distribution business

Authentic Media

On 11 January 2024, Banijay France has acquired Authentic Productions, based in France. The entity is specialised on producing scripted content in several formats (short, 26', 52' and 90') and genres (drama, comedy, crime) for linear broadcasters and, hopefully in the future, for platforms.

In 2023, Authentic Media generated approximately €10 million of sales.

Repricing

On 1 February 2024, Banijay Entertainment (French Holding) has announced that it has successfully repriced its €555 million term loan facility (the "EUR Term Loan") at E+3.75% and its $556 million term loan facility (the "USD Term Loan") at S+3.25%, in each case at par. The repricing will reduce the margins on the term loans from E+ 4.50% for the EUR Term Loan and from S+ 3.75% for the USD Term Loan.

5.5.3 Online sports betting & gaming business

None.

CHAPTER

06/

FINANCIAL STATEMENTS

6.1 Consolidated Financial Statements as of 31 December 2023

6.1.1 Consolidated statement of income

(in € million)	Note	2023	2022
Revenue	Note 5	4,317.6	4,046.6
External expenses	Note 6	(2,302.3)	(2,050.6)
Staff costs	Note 7	(1,424.1)	(1,434.7)
Other operating income	Note 9	7.0	19.6
Other operating expenses	Note 9	(63.5)	(176.1)
Depreciation and amortization expenses	Note 8	(134.3)	(150.1)
OPERATING PROFIT/(LOSS)		**400.5**	**254.7**
Financial income	Note 10	3.7	2.0
Interest expenses	Note 10	(199.3)	(145.6)
Cost of net debt		**(195.6)**	**(143.6)**
Other finance income/(costs)	Note 10	(48.8)	(113.1)
NET FINANCIAL INCOME/(EXPENSE)		**(244.4)**	**(256.7)**
Share of net income from associates & joint ventures	Note 16	(4.3)	(2.2)
EARNINGS BEFORE PROVISION FOR INCOME TAXES		**151.8**	**(4.2)**
Income tax expenses	Note 11	(78.2)	(76.9)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**73.6**	**(81.1)**
Profit/(loss) from discontinued operations		-	-
NET INCOME/(LOSS) FOR THE PERIOD		**73.6**	**(81.1)**
Attributable to:			
Non-controlling interests		*12.8*	*6.9*
Shareholders		*60.8*	*(88.0)*
Earnings per share *(in €)*			
Basic earnings per share	*Note 20*	*0.15*	*(0.30)*
Diluted earnings per share	*Note 20*	*0.14*	*(0.30)*

6.1.2 Consolidated statement of comprehensive income

(in € million)	Note	2023	2022
NET INCOME/(LOSS) FOR THE PERIOD		**73.6**	**(81.1)**
• Foreign currency translation adjustment		16.7	(34.7)
• Fair value adjustment on cash flow hedge		(31.6)	67.0
• Deferred tax on fair value adjustment on cash flow hedge	Note 11.1	3.9	(9.1)
ITEMS TO BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS		**(11.0)**	**23.1**
Actuarial gains and losses		(0.1)	0.4
Financial assets at fair value through other comprehensive income		0.1	0.0
Deferred tax recognized through reserves		0.0	(2.0)
ITEMS NOT SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS		**0.0**	**(1.6)**
CHANGES AND INCOME DIRECTLY RECOGNIZED IN EQUITY		**(11.0)**	**21.6**
TOTAL COMPREHENSIVE INCOME/(LOSS)		**62.6**	**(59.5)**
Attributable to:			
Non-controlling interests		*12.2*	*(0.5)*
Shareholders		*50.4*	*(59.0)*

6.1.3 Consolidated statement of financial position

Assets

(in € million)	Note	31 December 2023	31 December 2022
Goodwill	Note 12	2,834.0	2,570.2
Intangible assets	Note 13	204.7	194.8
Right-of-use assets	Note 15.1	149.2	160.8
Property, plant and equipment	Note 14	70.6	59.2
Investments in associates and joint ventures	Note 16	31.7	14.0
Non-current financial assets	Note 23.1	228.5	161.7
Other non-current assets	Note 17.3	36.9	35.9
Deferred tax assets	Note 11	58.4	51.9
NON-CURRENT ASSETS		**3,614.0**	**3,248.6**
Production - work in progress	Note 17.1	678.1	705.2
Trade receivables	Note 17.2	588.9	496.5
Other current assets	Note 17.3	357.6	288.3
Current financial assets	Note 23.1	30.2	24.7
Cash and cash equivalents	Note 23.2	464.2	479.4
Assets classified as held for sale		-	-
CURRENT ASSETS		**2,119.0**	**1,994.1**
ASSETS		**5,733.0**	**5,242.6**

Equity and liabilities

(in € million)	Note	31 December 2023	31 December 2022
Share capital		8.1	8.0
Share premiums		4,108.1	4,140.3
Treasury shares		(0.2)	(0.1)
Retained earnings (deficit)		(4,143.7)	(4,048.6)
Net income /(loss) - attribuable to shareholders		60.8	(88.0)
SHAREHOLDERS' EQUITY	**NOTE 18**	**33.0**	**11.7**
Non-controlling interests	Note 19	20.2	6.3
TOTAL EQUITY		**53.2**	**18.0**
Other securities	Note 21	139.4	130.5
Long-term borrowings and other financial liabilities	Note 23.3	2,551.9	2,290.3
Long-term lease liabilities	Note 15.2	126.1	131.2
Non-current provisions	Note 22.1	34.3	27.7
Other non-current liabilities	Note 17.5	352.5	441.3
Deferred tax liabilities	Note 11.3	7.9	7.4
NON-CURRENT LIABILITIES		**3,212.1**	**3,028.4**
Short-term borrowings and bank overdrafts	Note 23.3	358.3	349.4
Short-term lease liabilities	Note 15.2	41.8	40.4
Trade payables		709.7	663.5
Current provisions	Note 22.1	13.5	23.0
Customer contract liabilities	Note 17.4	750.0	693.3
Other current liabilities	Note 17.5	594.3	426.6
Liabilities classified as held for sale		-	-
CURRENT LIABILITIES		**2,467.7**	**2,196.2**
EQUITY AND LIABILITIES		**5,733.0**	**5,242.6**

6.1.4 Consolidated statement of cash flows

(in € million)	Note	2023	2022
Profit/(loss)		73.6	(81.1)
Adjustments:		**641.9**	**706.4**
Share of profit/(loss) of associates and joint ventures		4.3	2.2
Amortization, depreciation, impairment losses and provisions, net of reversals	Note 25	141.8	150.5
Employee benefits LTIP & employment-related earn-out and option expenses		166.7	147.5
Cost of financial debt, lease liabilities and current accounts	Note 10	202.2	147.2
Change in fair value of financial instruments		2.7	105.4
Income tax expenses	Note 11	78.2	76.9
Other adjustments	Note 25	46.0	76.8
GROSS CASH PROVIDED BY OPERATING ACTIVITIES		**715.5**	**625.3**
Changes in working capital		(99.5)	(92.3)
Income tax paid		(99.1)	(74.5)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		**517.0**	**458.6**
Purchase of property, plant and equipment and intangible assets	Note 25	(84.9)	(68.1)
Purchases of consolidated companies, net of acquired cash and other liabilities related to business combination[(1)(2)]	Note 12.1 / Note 25	(141.7)	(37.4)
Investing in associates and joint-ventures[(2)]	Note 16	(19.9)	0.0
Increase in financial assets	Note 25	(101.8)	(43.1)
Disposals of property, plant and equipment and intangible assets		0.8	-
Proceeds from sales of consolidated companies, after divested cash		1.2	(9.1)
Cash received through merger with Pegasus (including FPA capital increase)	Note 3.2.2.1iii)	-	165.3
Decrease in financial assets	Note 25	9.9	0.0
Dividends received		0.3	0.0
NET CASH PROVIDED BY/(USED FOR) INVESTING ACTIVITIES		**(336.1)**	**7.5**
Change in capital	Note 18.1	(0.1)	363.6
Change in other securities	Note 21	-	114.4
Dividends and share premium distribution paid	Note 18.4	(148.2)	(1.6)
Dividends paid by consolidated companies to their non-controlling interests	Note 19	(19.3)	(4.3)
Transactions with non-controlling interests	Note 25	(27.7)	(400.8)
Proceeds from borrowings and other financial liabilities	Note 23.3 / Note 25	1,292.8	20.7
Repayment of borrowings and other financial liabilities	Note 23.3 / Note 25	(1,069.5)	(399.0)
Other cash items related to financial activities		-	-
Interest paid		(195.7)	(131.3)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		**(167.6)**	**(438.2)**
Impact of changes in foreign exchange rates		(29.7)	19.1
Net increase/(decrease) of cash and cash equivalents	**Note 23.2**	**(16.5)**	**46.9**
Net cash and cash equivalents at the beginning of the period	*Note 23.2*	*479.4*	*432.4*
Net cash and cash equivalents at the end of the period	Note 23.2	462.9	479.4

(1) Including earn out and put payments for €70.0 million mainly related to Endemol India put over non-controlling interests in 2023.
(2) Investing in associates and joint-ventures has been reclassified from "Purchases of consolidated companies, net of acquired cash" to "Investing in associates and joint-venture".

6.1.5 Consolidated statement of changes in equity

(in € million)	Share capital	Share premiums	Treasury shares	Retained earnings (deficit)	Other comprehensive income	Shareholders' equity	Non-controlling interets	Total equity
BALANCE AS OF 1 JANUARY 2022	**-**	**-**	**-**	**47.6**	**(17.0)**	**30.6**	**(36.7)**	**(6.2)**
Net income/(loss)	-	-	-	(88.0)	-	(88.0)	6.9	(81.1)
Other comprehensive Income	-	-	-	-	29.0	29.0	(7.5)	21.6
TOTAL COMPREHENSIVE INCOME	**-**	**-**	**-**	**(88.0)**	**29.0**	**(59.0)**	**(0.5)**	**(59.5)**
Group's constitution[(1)]	5.4	1,784.6	-	(1,790.0)	-	-	-	-
Capital increase[(1)]	0.6	363.0	-	-	-	363.6	-	363.6
Issuance of share capital as consideration for the merger with Pegasus	0.2	188.7	-	-	-	188.9	-	188.9
Conversion of founder shares into ordinary shares	-	29.4	-	-	-	29.4	-	29.4
Dividend distribution	0.0	-	-	(33.2)	-	(33.2)	(3.1)	(36.3)
Changes in ownership interest in subsidiaries that do not result in a loss of control	1.8	1,774.5	-	(2,244.5)	(37.4)	(505.6)	43.0	(462.6)
Changes in non-controlling interests that result in a gain/(loss) of control[(1)]	-	-	-	-	2.1	2.1	3.0	5.1
Treasury shares	-	-	(0.1)	-	-	(0.1)	-	(0.1)
Other variations in retained earnings	-	-	-	(7.7)	2.6	(5.1)	0.7	(4.5)
BALANCE AS OF 31 DECEMBER 2022	**8.0**	**4,140.3**	**(0.1)**	**(4,115.8)**	**(20.7)**	**11.7**	**6.3**	**18.0**

(1) *Those items mainly include the effect of the 2022 Group's reorganization: (i) the business combination of FL Entertainment and Pegasus Entrepreneurs resulting in a public listing of FL Entertainment, (ii) the equity roll-over of the minority shareholders in Banijay Group and Betclic Everest Group to become shareholders of FL Entertainment and (iii) the raising of €646m of proceeds.*

(in € million)	Share capital	Share premiums	Treasury shares	Retained earnings (deficit)	Other comprehensive income	Shareholders' equity	Non-controlling interets	Total equity
BALANCE AS OF 1 JANUARY 2023	**8.0**	**4,140.3**	**(0.1)**	**(4,115.8)**	**(20.7)**	**11.7**	**6.3**	**18.0**
Net income/(loss)	-	-	-	60.8	-	60.8	12.8	73.6
Other comprehensive Income	-	-	-	-	(10.3)	(10.3)	(0.7)	(11.0)
TOTAL COMPREHENSIVE INCOME	**-**	**-**	**-**	**60.8**	**(10.3)**	**50.4**	**12.2**	**62.6**
Capital increase[1]	0.0	11.7	-	-	-	11.7	-	11.7
Dividend and share premium distribution[2]	-	(148.2)	-	-	-	(148.2)	(21.6)	(169.8)
Share-based payment	-	-	-	13.0	-	13.0	0.7	13.7
Changes in non-controlling interests that do not result in a gain/(loss) of control[1]	0.1	104.3	-	-	-	104.4	(0.8)	103.6
Changes in non-controlling interests that result in a gain/(loss) of control	-	-	-	-	-	-	13.1	13.1
Treasury shares	-	-	(0.1)	-	-	-	-	(0.1)
Other variations in retained earnings	0.0	-	-	(9.3)	(0.5)	(9.8)	10.3	0.4
BALANCE AS OF 31 DECEMBER 2023	**8.1**	**4,108.1**	**(0.2)**	**(4,051.4)**	**(31.5)**	**33.0**	**20.2**	**53.2**

(1) Refer to note 3.1.1
(2) .Refer to note 18.4.

6.1.6 Notes to the consolidated financial statements

Note 1 Business presentation

1.1 Presentation of the business

FL Entertainment N.V., a Dutch-based holding, hereafter "**FL Entertainment**", "the **Company**" or "**the Parent Company**", detains and fosters the development of its controlled subsidiaries. It encompasses two main businesses operating in the Content production & distribution business and the Online sports betting & gaming business.

The audiovisual entertainment business, hereafter "**the Content production & distribution** is mainly represented by Banijay Group and its subsidiaries, hereafter "**Banijay**" or "**BG**", which operates in the production of audiovisual programs, distribution and marketing of intellectual property rights in relation to audiovisual, digital contents and/or formats and the production of live experiences.

The online sports betting and gaming business, hereafter "**the Online sports betting & gaming business**" is represented by Betclic Everest Group SAS and its subsidiaries, hereafter "**Betclic Everest Group**" or "**BEG**", which operates through its subsidiaries in the European and African online sports betting, online casinos, online poker and online turf. It operates under the names of its known brands such as Betclic and Bet-at-home, the latter being the brand name of bet-at-home.com AG, a listed company on the Frankfurt stock exchange.

These two businesses together compose the Group, hereafter "**the Group**".

FL Entertainment is ultimately controlled by Lov Group Invest SAS, a private French company.

1.2 Seasonal activity

Content production & distribution business interim production operations can be impacted by the timing of delivery of both scripted and non-scripted productions (and thus affecting the level of revenue and work in progress). The distribution activity tends to present a more important seasonality in the last quarter of the year but is also impacted by the timing of recoupment of its distribution advances. The live experiences activity can be impacted by the seasonality of major events such as international ceremonies (Olympics, Fifa World Cup).

The online sports betting and gaming business primarily generates its revenues from the sports betting segment.

Sports betting volumes follow the various sports calendars. With football being the main attractive sport within the business, the online sports betting volumes tend to follow its calendar typically starting in August and ending in May. Volumes are consequently higher during this period. The organization of international events such as the FIFA World Cup or the European Football Championship, which usually take place during the summer break (except in 2022 which took place during winter), leads to additional significant betting and players activity.

In casino games and online poker segments, business volumes remain relatively stable throughout the calendar year, with an increase in activity during the winter season.

Regarding Online sports betting, being fixed odds betting, its revenues rely on the outcome sport betting margin, which represents the difference between bets and winnings. The margin is highly correlated with the results of the favorite teams, causing short-term fluctuations that directly impact positively or negatively the financial results. However, being driven by its statistical approach, the sport margin will always converge on the long-term to the applied sport pricing strategy.

It is important to note that in jurisdictions where betting taxes are applied on the wagered amounts (e.g., Portugal or Poland), any adverse impact on the sports betting margin will further affect profitability and subsequently the overall results of operations and the business.

Note 2 Basis of preparation

2.1 Statement of compliance

The consolidated financial statements for fiscal year 2023 were established in accordance with the International Accounting Standards (IFRS) as adopted by the European Union and available on the European Commission website.

These standards include International Financial Reporting Standards and International Accounting Standards (IAS), as well as the related International Financial Reporting Interpretations Committee (IFRIC) interpretations.

The consolidated financial statements are presented in euros. Unless otherwise indicated, all amounts are rounded to the nearest hundred thousand euros, rounding differences may occur.

These consolidated financial statements for fiscal year 2023 were approved by the Board of Directors on 28 March 2024.

2.2 Scope of consolidation

The consolidated Group is the continuity of the reporting entity reflected in the combined financial statements as of 31 December 2021. The constitution of the Group results from contribution of entities to FL Entertainment made in June 2022, without modification *in fine* of the direct or indirect holding of Financière Lov (refer to note 3.2.1 on page 241. These operations are therefore a combination between entities under common control. As explained in the consolidated financial statements for fiscal year 2022, this type of combination is excluded from the scope of IFRS 3 *Business Combinations*. In the absence of an IFRS standard specifically applicable to such a transaction, the Group has elected to recognise them using the pooling of interests' method based on the existing book value (predecessor value accounting) in the Financière Lov historical consolidated financial statements. The pooling of interests as applied retrospectively.

The legal entities and sub-groups forming part of the Group are as follows:

Name of the legal entity or sub-group	Country of incorporation	% of ownership interest	
		31 December 2023	31 December 2022
FL Entertainment	The Netherlands	*Parent company*	*Parent company*
Banijay Events	France	100.00%	100.00%
Lov Banijay	France	Merged into FL Entertainment	Merged into FL Entertainment
LDH	France	Merged into Lov Banijay	Merged into Lov Banijay
Banijay Group Holding		100.00%	100.00%
Fonds de dotation FLE		100.00%	-
Banijay Experience		100.00%	100.00%
Sub-Group Betclic Everest Group			
• Betclic Everest Group	France	94.60%	94.60%
Sub-Group Banijay			
• Banijay Group	France	98.04%	92.26%

All companies and sub-groups in the table above are fully consolidated. However, the sub-groups have interests in associates and joint ventures.

2.3 Applicable accounting standards

The consolidated financial statements for the years ended on the 31 December 2023 and 2022 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standard Board ("IASB") as adopted by the European Union and available on the European Commission website.

These standards include International Financial Reporting Standards and International Accounting Standards ("IAS"), as well as the related International Financial Reporting Interpretations Committee ("IFRIC") interpretations. The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets*.

The principal accounting policies adopted are set out below.

2.3.1 Effective for fiscal years beginning on or after 1 January 2023

IFRS STANDARDS EFFECTIVE IN 2023

- IFRS 17 – *Insurance contracts*

  Effective date: 1 January 2023
- Amendments to IFRS 17 & IFRS 9 – *Insurance contracts & Financial instruments – Comparative Information*

  Effective date: 1 January 2023
- Amendments to IAS 1 and the Impact on the ISAs — *Presentation of Financial Statements — Disclosure of Material Accounting Policy Information*

  Effective date: 1 January 2023
- Amendments to IAS 8 — *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*

  Effective date: 1 January 2023
- Amendments to IAS 12 – *Income taxes – Deferred tax related to assets and liabilities arising from a single transaction*

  Effective date: 1 January 2023
- Amendments to IAS 12 – *International Tax Reform – Pillar Two Model Rules*

  Effective date: 1 January 2023

Expect for the amendment to IAS 12 as described below, these standards, amendments and interpretations do not have a significant impact on the Group's consolidated financial statements as of 31 December 2023.

On 8 November 2023, the European Union has endorsed the 'International Tax Reform — Pillar Two Model Rules (Amendments to IAS 12) issued by the IASB in May 2023 . In December 2022, the EU Member States unanimously agreed to adopt a directive introducing a global minimum corporate income tax rate of 15% that will come into force in 2024, in accordance with the model framework of OECD Pillar Two.

As of date, Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions that the Group operates. The legislation will be effective for the Group's Financial Year beginning 1 January 2024. The Group is in scope of the enacted or substantively enacted legislation. The Group also applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group has performed an assessment of its potential exposure to Pillar Two income taxes notably based on transitional CbCR Safe Harbour. The effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the transitional safe harbour relief does not apply. However, the Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

2.3.2 Standards issued but not yet effective

IFRS STANDARDS ADOPTED BY THE EUROPEAN UNION

None.

IFRS STANDARDS NOT YET ADOPTED BY THE EUROPEAN UNION

- Amendments to IAS 1 – *Presentation of Financial Statements – Classification of Liabilities as current or non-current*
- Amendments to IFRS 16 – *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to IAS 7 and IFRS 7 – *Statement of Cash Flows – Supplier Finance Arrangements*

The Group has not early adopted any of the referred standards in the preparation of the consolidated financial statements. None of the accounting standards issued but not yet effective are expected to have a significant impact on the Group's consolidated financial statements.

2.4 Significant assumptions and estimates

The preparation of these consolidated financial statements requires the Group's management to make assumptions and estimates that may affect the application of the accounting methods, and the reported amounts of assets and liabilities, as well as certain income and expenses for the period. These assumptions and estimates relate mainly to:

i) the valuation and useful lives of audiovisual rights;

ii) the purchase price allocation and the measurement of goodwill from business combinations, the determination of the recoverable value of cash-generating units and subsequent impairment test;

iii) the calculation of debt related to earn outs on acquisitions;

iv) the estimate of debt resulting from put options in favor of minority shareholders;

v) the estimate of liabilities related to employee long-term incentives and employee benefits resulting from a business acquisition;

vi) the estimate of the valuation of securities;

vii) the classification and the estimate of the valuation of the investments made this year;

viii) the right-of-use assets and lease liabilities;

ix) the amount of provisions for risks and other provisions in relation with the group's activity; and

x) the deferred taxes judgement in assessing the uncertainty of whether it is probable to recover the deferred taxes assets.

Actual results may differ from these estimates under different assumptions or conditions.

2.5 Main accounting policies

The accounting methods described were consistently applied to all the reporting periods presented in the consolidated financial statements.

2.5.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

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

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 *Financial Instruments* when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

2.5.2 Business combinations

Business combinations are accounted for under the acquisition method as published in IFRS 3 when the acquired set of activities and assets meets the definition of a business and control is transferred to the Company.

In determining whether a particular set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

At acquisition date, identifiable assets and liabilities are included in the consolidated financial statements at fair value. The difference between the acquisition price and the fair value of identifiable assets and liabilities is recognised in the Goodwill caption. The purchase price allocation shall be performed within 12 months after the acquisition date. The costs directly attributable to business combinations are recognised in expenses for the period during which they occurred.

For acquisitions in non-controlling interests, the Group can choose, at each acquisition's date, whether it evaluates the non-controlling interest at fair value ("full goodwill") or at the percentage of shares of identifiable assets and liabilities it possesses.

According to IFRS 10, acquisitions in non-controlling interests and disposals without loss of control are considered as transactions between shareholders. The difference between the acquisition price of the additional shares and the related share of equity is recognised in Shareholders' equity (Group share). The costs attributable to such transactions as well as their related fiscal impacts are booked in equity.

The cash flows related to transactions with shareholders are presented in Cash flow from investing activities in the consolidated statements of Cash Flows.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

This liability is re-measured at each reporting period end in accordance with the contractual arrangements (at fair value or at present value if fixed price) and, in the absence of any guidance provided by IFRS, with a counterparty in net finance costs.

The Group identifies the transactions that are qualified as separate transactions in accordance with IFRS 3, especially transactions that remunerates former Shareholders of the acquiree for future services. Those transactions are accounted for in accordance with the relevant IFRS (refer to note 2.5.20 on page 235).

2.5.3 Foreign currency translation of the financial statements of entities outside the eurozone

The consolidated financial statements are presented in euros; the financial statements of entities presented in a different functional currency are translated into euros:

- at the period-end exchange rates for balance sheet items;
- at the average rates for the period for income statement items.

Translation adjustments arising from the application of these rates are recorded in equity under "Foreign currency translation adjustment".

2.5.4 Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's Cash-Generating Units (or groups of cash-generating units), hereafter "the CGUs", expected to benefit from the synergies of the combination. Goodwill is allocated to two CGUs:

- Content production & distribution business: Incorporates the activities of production, distribution and marketing of content property rights for television and multimedia platforms as well as the production of live experiences;
- Online sports betting & gaming business.

Cash-generating units to which goodwill has been allocated are tested for impairment annually, or each time events or changes in the economic environment may indicate a risk of impairment.

The recoverable value of the CGU is determined as the higher between the value in use, determined by discounting future cash flows that are derived from plans presented by each sub-groups and approved by the Group's management (method known as "discounted cash flows" or "DCF") and the fair value (less the cost of disposal) determined based on market factors (stock market prices, comparison with similar listed companies, comparison with the value assigned to similar assets or companies during recent acquisition transactions).

If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill cannot be reversed in subsequent periods.

The accounting policy for goodwill arising on the acquisition of an associate or a joint venture is described below.

2.5.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and net assets (or net liabilities) of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in an associate or a joint venture is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture.

On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

2.5.6 Intangible assets

Intangible assets with finite useful lives are initially recognised at cost, except for those acquired in a business combination, which are recognised at fair value.

Intangible assets presented in the consolidated statement of financial position comprise:

- format rights acquired from a third party or through business combinations. They can be commercially exploited either through internal use, i.e., the production of television programs by a Group entity, or through external use, i.e., the sale or licensing to third parties;
- audiovisual rights, or catalogues, referred to as the Group's library of finished programs, whether acquired or internally developed, for which the Group has legal right to distribute and to receive revenue from the distribution of the rights;
- production contracts or client contracts, acquired through business combinations, to produce television programs, TV movies, or cinematic movies;
- fictions in progress which are the costs incurred for fiction productions that are not yet finalised and not delivered to the client at the closing date, and for which i) the Group retains the intellectual property (IP) and ii) the Group expects significant further IP revenue;
- rights for the movie adaptation of books;
- the rights to use a brand (applicable in some situation with JV"s);
- intangible assets acquired in the normal activity of the Online sports betting & gaming business such as domain names, websites, customer database;
- Online sports betting & gaming business software acquired from a third party or through business combinations or which are the costs incurred to develop it (refer to note 2.5.7 on page 229); and
- other intangible assets such as other administrative software.

Following initial recognition, and except indicated otherwise, intangible assets are carried out at cost less accumulated amortization and accumulated impairment losses. They are amortised on a straight-line basis based on the useful life of the asset.

The method and period of amortization are reviewed at least each Financial Year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset result in changes in the method or period of amortization.

Audiovisual rights are amortised on an accelerated basis following the decline in the net value of the asset after initial broadcasting of the asset by the clients.

	Content production & distribution		Online sports betting & gaming	
	Method	**Duration**	**Method**	**Duration**
Catalogue & formats	Straight-line	6 to 10 years		
Client contracts	Straight-line	Contract's duration		
Software assets	Straight-line	1 to 5 years		
Right to use a brand	Straight-line	Contract's duration		
Domain names			Straight-line	5 to 11 years
Customer database			Straight-line	2 to 5 years
Website			Straight-line	3 to 5 years
Computer software			Straight-line	2 to 5 years

2.5.7 Internally generated software

Betclic Everest Group owns its own online gaming platform and invests internally to continuously develop it. From mobile to desktop channels and according to country and regulatory specificities, Betclic Everest Group invests in both back-end and front-end developments.

An internally generated software is recognised if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

When no internally generated software can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Direct internal and external costs incurred for the development of software are capitalised during the development stage. Costs of significant upgrades and enhancements resulting in additional functionality are also capitalised. Other subsequent expenses such as maintenance, minor upgrades, and enhancement costs are expensed as they are incurred.

Subsequent to initial recognition, internally generated software is reported at cost less accumulated amortization and accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The costs of configuring and customizing software made available by a vendor under a Software as a Service (SaaS) contract are recognised as expenses for the year (and not as intangible assets), since the entity does not control the software and the configuration/customization activities do not generate a resource that is controlled by the customer independently of the software.

SOFTWARE AS A SERVICE (SAAS) ARRANGEMENTS

A SaaS arrangement allows an entity to access, using an Internet connection and for a specified period of time, software functions hosted on infrastructure operated by an external provider. If the Group does not control a SaaS solution, the related development costs (external and internal) are recognised as follows: (a) as an expense as incurred for internal costs and the costs of an integrator not related to the SaaS publisher, and (b) as an expense over the term of the SaaS arrangement for the costs of the SaaS publisher or its subcontractor. If the Group controls a SaaS solution, costs are capitalised if they meet the IAS 38 criteria, otherwise they are expensed as incurred.

2.5.8 Property, plant and equipment

Property, plant and equipment are recorded at their acquisition cost and then carried at historical cost less accumulated depreciation and impairment losses. Acquisition cost includes costs directly attributable to transporting an asset to its physical location and preparing it for its operational use, and the collection of property, plant and equipment, and the rehabilitation of the physical location resulting from the incurred obligation.

Depreciation is calculated on a straight-line basis over the useful life of such fixed assets. The residual value, the useful life and depreciation methods of the fixed assets are reviewed and adjusted, if necessary, at each Financial Year-end.

Lands and tangible assets in progress are not depreciated. When tangible assets in progress are ready for its intended use, they are transferred to the relevant category and depreciation starts. When property, plant and equipment include significant components with different useful lives, they are recorded and depreciated separately.

Depreciation is recognised on the following basis:

	Method	Duration
Technical facilities and equipment	Straight-line	3 to 20 years
Office furniture and equipment	Straight-line	3 to 5 years
Constructions	Straight-line	15 to 40 years
Other fixed assets	Straight-line	3 to 10 years

2.5.9 Lease

RIGHT-OF-USE ASSETS

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain Ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

LEASE LIABILITIES

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The interest used at the inception of the contract will be the same for the whole life of the lease term aside if there are modifications in contract terms such as a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

SHORT-TERM LEASES AND LEASES OF LOW-VALUE ASSETS

The Group applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

SIGNIFICANT JUDGEMENT IN DETERMINING THE LEASE TERM OF CONTRACTS WITH RENEWAL OPTIONS

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised by the Group, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its real estate leases to lease the assets for additional terms of several years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

2.5.10 Impairment of property, plant and equipment, intangible assets (other than goodwill)

The recoverable amount of intangible assets and tangible assets is tested for impairment as soon as external or internal signs of impairment losses exist, such as sector ratio declining, strong overall decrease in the business relating to the cash generating unit, fall in activity with a major customer of the cash-generating unit, change in betting and gaming licenses conditions (including government taxation policies) and loss/non-renewal of licenses. External or internal signs of impairment are reviewed at each closing date.

The recoverable value of the assets to which it is possible to directly attribute independent cash inflows is assessed on a stand-alone basis. The other assets are grouped within the CGU to which they belong in order to estimate their value-in-use.

The value-in-use of an asset or a CGU is measured as outlined in note 2.5.4 on page 229.

The value of the asset is tested for impairment to determine whether there is an impairment loss. If appropriate, an impairment loss is recorded for the portion of the net book value of the asset exceeding the recoverable value.

Where an impairment loss is recognised, it is accounted for directly in the statement of profit or loss. The value of assets, other than goodwill, for which an impairment loss has been recorded, is reviewed at each closing date for the purposes of reversing the impairment loss, if necessary. Where a reversal occurs, it is recorded as profit or loss. In such a case, the book value of the asset can be increased up to its recoverable value. After reversing the impairment loss, the book value cannot exceed the carrying amount that would have been determined, net of amortization or depreciation, had no impairment loss been recognised for the asset in prior years.

2.5.11 Production of audiovisual programs - work in progress

Inventories relating to work in progress are valued at production cost.

For the production of audiovisual programs, they represent outstanding production costs, excluding fictions for which (i) the Group retains a part of the Intellectual Property (IP) and (ii) expects significant IP revenue, that are not finalised and not delivered to the client at closing date. In the case production losses are anticipated, a provision for losses on onerous contract is accounted for, after inventories have been written off.

For the production of live experiences, the inventories relating to work in progress represent outstanding production costs of an event not yet delivered to the client at the closing date.

2.5.12 Financial instruments and equity instruments

Financial instruments consist of:

- financial assets, including other non-current assets, trade receivables, other current assets, and cash and cash equivalents;
- financial liabilities, including securities issued that are not qualified as equity instruments, long and short-term borrowings and bank overdrafts, accounts and notes payable and other current and non-current liabilities; and
- derivative instruments.

Financial instruments (assets and liabilities) are recorded in the consolidated statement of financial position at the fair value on initial recognition, plus in the case of an asset that is not subsequently recognised at fair value through profit or loss, transaction costs directly attributable to the acquisition of that asset. They are subsequently measured at either fair value (result or other comprehensive income) or amortised costs, depending on their nature. Amortised cost corresponds to the initial carrying amount (net of transaction costs), plus interest calculated using the effective interest rate, less cash outflows (coupon interest payments and repayments of principal and redemption premiums where applicable). Accrued interest (income and expense) is not recorded based on the financial instrument's nominal interest rate but based on its effective interest rate. The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

FINANCIAL ASSETS

The classification of a financial asset in each of these categories depends on the management model applied by the enterprise and the characteristics of its contractual cash flows. Transactions relating to financial assets are recorded at settlement date.

Debt instrument at amortised costs

These financial assets are initially recognised at their fair value to which is added directly attributable transaction costs and, then at amortised cost at each closing date, applying the effective interest rate method. This category of assets includes trade receivables and other debtors, loans and deposits, receivables attached to participating interests, cash and loans to associates or non-consolidated entities. In practice, trade receivables are measured to the amortised cost method, even though they may be subject to an assignment of receivables, for example, in the context of factoring.

Equity instrument at fair value through OCI

The Group elected to classify irrevocably its non-listed equity investments under this category as it intends to hold these investments for the foreseeable future.

Impairment testing of debtor financial assets

The Group reviews if, at the closing date, a debtor financial asset or a group of debtor financial assets is likely to suffer an impairment loss based on both the expected credit loss approach and when there is an objective indicator of loss.

In practice, given the low level of loss incurred on prior years' receivables, the expected credit loss approach does not have any significant impact. If there is an objective evidence that debtor financial assets carried at amortised cost or at fair value through OCI should be impaired, the amount of the loss is estimated by difference between the book value and the discounted future cash flows such as expected (excluding future probable and not actual credit losses). The discount rate used is the initial effective interest rate (i.e., the effective interest rate computed at initial recognition of the asset). The book value is reduced using an allowance account. The amount of the loss is recorded as profit or loss. The loss allowance is updated for changes in these expected credit losses at each reporting date.

If, subsequently, the impairment decreases and the decrease can be linked objectively to an event occurring after the impairment was recognised, the previously recognised impairment will be reversed. The reversal of an impairment loss is recognised as profit or loss, as long as the book value of the asset does not exceed its amortised cost at the date the loss allowance is reversed.

With respect to receivables, a loss allowance is recorded when there is objective evidence (probability of insolvency or severe financial difficulties of the debtor) that the Group will be unable to recover the balance in accordance with the initial payment conditions. The book value of the receivable is reduced by way of an allowance for loss.

Derecognition of financial assets

Financial assets and related impairment are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

CLASSIFICATION AS DEBT OR EQUITY

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. A financial instrument is classified as an equity instrument only when (a) the instrument includes no contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the issuer; and (b) if the instrument will or may be settled in the issuer's own equity instruments, it is (i) a non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments; or (ii) a derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

FINANCIAL LIABILITIES

Financial liabilities are divided into two categories: financial liabilities at amortised cost and financial liabilities at fair value through profit or loss.

The financial liabilities of the Group mainly consist of liabilities valued at amortised cost. Among them are loans and similar debts including:

- bonds and Secured Notes;
- credit lines from banks and other production financings;
- bank overdrafts;
- borrowings;
- other loans (such as vendor loans); and
- trade payables.

The category of financial liabilities at fair value through profit or loss includes among other things earn out liabilities, put options over non-controlling interests and securities.

Interest-bearing debts and borrowings

All loans, and debts are recognised initially at the fair value of the consideration received, less costs directly attributable to the transaction. After initial recognition, interest-bearing liabilities and debts are measured at amortised cost using the effective interest rate method. Costs directly attributable to the issuance of debt are deducted from liabilities and are amortised over the life of the debt, as a component of the effective interest rate.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship *(see Hedge accounting policy)*. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other finance income/(costs)' line item (0) in income statement.

Fair value is determined in the manner described in note 24 on page 284.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

DERIVATIVES

Hedging instruments

The Group uses derivative financial instruments such as forward exchange contracts, options and interest rate swaps to cover its risks related to fluctuations in foreign currency exchange rates and interest rates. These derivative financial instruments are recognised initially at fair value on the date on which they are contracted. They are then re-estimated at their fair value at each closing date. Derivative financial instruments are recognised as assets in the balance sheet when the fair value is positive and as liabilities when the fair value is negative.

For qualifying hedging instruments that are designated and qualify as cash flow hedges, the effective portion of changes in the fair value of derivatives and other is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item.

For qualifying hedging instruments that are designated and qualify as fair value hedges, the fair value change is recognised in profit or loss except when the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income (FVTOCI) in which case it is recognised in other comprehensive income.

For derivatives that are not qualified as hedging instruments, the fair value change is recognised directly in profit or loss.

The fair value of forward exchange contracts is calculated by reference to the forward exchange rates applicable to contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to the market values of similar instruments. The fair value of financial instruments that are traded on active markets is determined at each closing date by reference to the market quotations or transaction prices. Transaction costs are not taken into account.

For instruments that are not traded on an active market, fair value is determined using appropriate valuation techniques. These may include:

- transactions entered into under normal market conditions between knowledgeable and willing parties;
- reference to the present fair value of another instrument that is substantially the same; and
- discounted cash flows or other valuation methods.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the consolidated instrument vary in a way similar to a stand-alone derivative.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

An embedded derivative is presented as a non-current financial asset or non-current financial liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

2.5.13 Cash and cash equivalents

Cash and cash equivalents include bank accounts and short-term deposits whose initial maturity is less than three months that are already convertible into cash and are subject to insignificant risks of change in fair value.

For the needs of the consolidated statement of cash flows, the amount of cash and cash equivalents includes the cash and cash equivalent as defined above reduced by bank overdrafts.

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), such as restrictions due to regulations specific to a country or activity sector (e.g., exchange controls), are not classified as cash equivalents but as financial assets.

2.5.14 Trade receivables

TRADE RECEIVABLES ON "PROVIDERS"

Trade receivables on "providers" (payments services providers) correspond to balances in transit with the Group's payments partners and which are repatriated to bank accounts manually or automatically. These receivables are considered liquid because they can be transferred in a few minutes or a few days, depending on the partners.

They are initially recorded at their fair value and are subject to impairment when their realizable value falls below their book value.

2.5.15 Contract balances

If accrued revenue constitutes an unconditional right to payment or consideration, i.e., if the passage of time is sufficient for payment of the consideration to fall due, the accrued revenue will constitute a receivable. In all other cases, it constitutes the contract assets.

Revenue accruals are classified in "Trade and other receivables" since accrued revenue constitutes an unconditional right to consideration.

Advance payments received from customers and deferred income are the contract liabilities. Thery are classified in "Other current liabilities".

2.5.16 Commitments to purchase non-controlling interests (put options)

When the Group grants firm or contingent commitments to purchase holdings from non-controlling shareholders, the Group has generally concluded that these agreements do not grant a present ownership interest but concludes that "IAS 32 – *Financial instruments presentation*'' takes precedence over IFRS 10 – *Consolidated financial statements*. By recognizing a liability for the put option over the shares held by the non-controlling interest, no non-controlling interest is recognised. The business combination is accounted for on the basis that the underlying shares subject to the non-controlling interest put have been acquired.

This liability is re-measured at each reporting period end in accordance with the contractual arrangements (at fair value or at present value if fixed price) and, in the absence of any guidance provided by IFRS, with a counterparty in net finance costs, in the consolidated statement of income.

The liability is booked in the other current and non-current liabilities.

Under this approach, when dividends are paid and represent a repayment of the liability (for example, when the exercise price is adjusted to reflect dividends paid), this dividend may give rise to a reduction in equity attributable to owners of the parent.

2.5.17 Provisions and contingent assets and liabilities

Provisions are recorded only if the Group has a present obligation (legal or constructive) as a result of a past event, when it is likely that an expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. It is accounted for as profit or loss in a dedicated line, net of any contingent reimbursement.

If the effect of the time value of money is material, provisions are discounted using a discount pre-tax rate that reflects, where appropriate, the risks specific to the obligation. When discounting, the increase in the provision due to the passage of time is recognised in net financial income (loss).

If the amount of the obligation cannot be reliably estimated, no provision is recorded and a disclosure is made in the notes to the consolidated financial statements.

Non-financial guarantees are accounted for as a contingent liability until such time it becomes probable that the Group will be required to make a payment under the guarantee.

Contingent liabilities are possible obligations or present obligations that cannot be measured with a sufficient reliability or that are not probable unless it is assumed in a business combination. Contingent liabilities are reviewed continuously to assess whether an outflow of resources has become probable.

2.5.18 Pensions and other post-employment benefits

The Group's obligations under defined benefit pension plans and other post-employment benefit plans are computed by independent actuaries using the projected unit credit method. The actuarial valuation involves making assumptions such as discount rates, retirement date, staff turnover, future increases of wages, mortality rates and future pension increases.

The effect of discounting of the provision are presented in the net financial income (loss).

For these post-employment benefit plans, the actuarial gains and losses are immediately and entirely recognised in other comprehensive income with no possibility of recycling in the income statement. Past service costs are immediately and fully recorded in the income statement on acquired rights as well as on future entitlements.

2.5.19 Employees long-term incentive plans

The Group issued long-term incentive plans (LTIP). They are mostly based on the value created during a defined period, in accordance with formulas mostly based on operating indicators (such as EBITDA). Some of them are settled in shares but are supplemented by a liquidity agreement granted by the Group. The others are settled in cash. Depending on the plans' terms and conditions, those transactions are recognised in accordance with IFRS 2 (cash-settled share-based payment) or IAS 19 (long-term incentives). These plans are subject to service conditions.

A liability is recognised for the services acquired over the vesting period based on the valuation of the liability. At each reporting date until the liability is settled, and at the date of settlement, the value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

2.5.20 Employee benefits resulting from a business acquisition arrangement

The Group generally prospects, identifies and acquires companies that create high value. It also looks for the opportunity to secure acquisitions of companies held by talented managers with the strategy of maintaining and incenting such managers after closing.

In this context, the transaction is often accompanied by an employment agreement or a service agreement between the acquiree and the manager, pursuant to the closing. Share purchase agreements may also specify restrictions on the acquisition price, on the potential earn-outs or on the remaining minority interest options in case of early departure of the manager. These restrictions may be:

- a reduction in the acquisition price;
- a forfeiture of earn-outs;
- a reimbursement of significant parts of the paid amounts; and
- a call option on minority interests held by the manager at a price less than the fair value.

These contingent consideration arrangements aim at compensating former shareholders of the business acquired for future services and shall be recognised as a separate transaction as required by IFRS 3.

Depending on the description of the contingent consideration, those transactions are recognised in accordance with IFRS 2 (cash-settled share-based payment) or IAS 19 (long-term incentives):

- when the terms of the agreement provide the possibility to deliver equity instruments to the manager, or if the price is based on the fair value of the equity instruments, the grant is measured at fair value (determined by an independent expert) in accordance with IFRS 2; and
- in any other case, the grant is measured on the basis of the expected discounted cash outflow in accordance with IAS 19. The measurement is usually supported by business plans.

A liability is recognised for the goods or services acquired over the vesting period based on the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

When the consideration has already been paid, this amount is initially recognised as an asset. Subsequently, this arrangement is presented in the consolidated statement of financial position as an asset or as a liability, depending on the relationship between the manager's performance and the Group's payment.

2.5.21 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The revenue from ordinary activities is recognised as soon as the economic benefits of the transaction will probably benefit the Group, the amount is reliably measured, and it is likely the amount of the transaction will be recovered.

Revenue from the two businesses and their specificities are explained below.

REVENUE RECOGNITION FOR THE CONTENT PRODUCTION & DISTRIBUTION

Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Customer contracts can have a wide variety of performance obligations, from production contracts to format licenses and distribution activities. For these contracts, each performance obligation is identified and evaluated.

The transaction price, being the amount to which the Group expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Group's performance may result in additional revenue based on the achievement of agreed targets such as audience targets. Variable consideration is not recognised until the performance obligations are met.

Production revenue from producing television programs

Production revenue is recognised when the programs are delivered to the client. Standard criteria to establish revenue recognition are:

- in most cases, client's acceptance document (i.e., delivery notice signed/approved by the client…);
- delivery of a certain number of episodes.

In case of partial delivery of the same program over several periods of time (series, etc.), revenue, costs and margin are recognised according to episodic deliveries. Production revenue do not include grants, subsidies and co-producers' contributions. These are presented as a reduction of cost of sales.

Production revenue from live experiences

Live experiences production revenue is recognised when the service is delivered to the customer, most of the time, on the date the event takes place (point in time or over time depending on the duration of the events which do not exceed usually several weeks).

Distribution revenue from the sale of finished programs and formats

Distribution revenue is recognised when the rights are transferred to the client:

- based on a signed contract or a deal memo;
- when the related rights are opened; and
- for the full revenue (revenue are not spread over the licensing period), as it is an access to right since there is limited ongoing involvement in the use of the license following its transfer to the customer.

Minimum guaranteed revenue is recognised as revenue when the above criteria are met, and further variable payments are recognised when highly probable.

Revenue from music rights is recognised as revenue when received based on royalties' statements (output method).

Revenues from other rights and services

Other rights and services include merchandising, music rights, other ancillary revenues and digital services.

Merchandising revenues are recognised when the rights are transferred to the client:

- on the basis of a signed contract or a deal memo, and
- when the licensing period begins, and
- for the full revenue (revenues are not spread over the licensing period).

Minimum guarantee revenues are recognised as revenue when the above criteria are met, and further variable payments are recognised when received.

Revenues from music rights are recognised as revenues when received based on royalties' statements (output method).

Revenues and costs related to the rendering of services are recognised on completion of the service rendered as long as they can be estimated reliably.

When the outcome of the transaction cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised.

Consideration as a Principal or an Agent in revenue recognition

The Group had determined it is a principal in most of its performance obligation.

In the course of its business, the Group resells finished tape or formats purchased from third parties. Given it obtains the right to distribute the content, the Group usually controls the license. The distinction between agent and principal has an impact on the presentation of revenue, which is recognised as follows:

- on a gross basis when the Group is a principal;
- net of the cost of sales when the Group is an agent.

REVENUE RECOGNITION FOR THE ONLINE SPORTS BETTING & GAMING BUSINESS

The Online sports betting & gaming business generates its revenue from the conclusion and processing of sports bets and the provision of various other online casinos, games and turf. In line with the practices in the industry, the net results from bets and/or wagers placed by customers and pay-outs to customers is initially recognised as gross betting and gaming revenue.

The net betting and gaming revenue recognised in the consolidated statements of income is the residual amount left after deducting betting fees and gambling levies.

Revenue is made of gross gaming revenue less bonuses.

Gross betting and gaming revenue

Gross betting and gaming revenue are recognised once all of the obligations have been fulfilled, i.e. once the events and their relative players' bets or the wagers on online casinos, and other online games, have been completed and the Group has calculated the winnings and the publication of the results.

It is based on the turnover. This results in the following principles:

- gross betting and gaming revenue from games in casinos and sports betting corresponds to money lost by players in these activities during the accounting period;
- gross betting and gaming from poker games corresponds to the commissions (rake) collected on poker games, increased by the entry fees collected over the period; and
- gross betting and gaming on the turf corresponds to the commissions collected on the bets of the players.

The gross gaming proceeds from bets already placed on sporting events at the closing but the results of which will not be known until after the end of the period ("pending bets") is not recognised as revenue. This amount is recorded as prepaid income *(see below)*.

Players' Bonuses

Players' Bonuses are mainly composed with 4 categories:

- "Free-bets", a virtual amount (which can be withdrawn) that can be used to place a sports bet. In case of positive betting outcome, the net winning (winnings minus stake) is credited to the customer balance. "Free-bets" bonuses not yet consumed at the reporting date are recognised at their fair value through profit or loss;
- "Boost bonus", an odd multiplier available for specific multiple bets increasing the expected winning amount;
- "Cash bonus", cash amount credited to the player balance and immediately withdrawable; and
- "Blocked bonus", a bonus withdrawable pertaining specific triggering conditions such as wagering requirements. Cost of bonus is reported when credited to the customer account to the exception of provision which is fair valued through profit and loss.

Pending bets

The gross amount of bets placed on sporting events at the reporting date whose results will not be known until after the end of the period (pending bets) is recognised as financial liabilities to customers, and are measured at fair value through P&L in accordance with IFRS 9 – *Financial Instruments*.

2.5.22 Production costs

PRODUCTION COSTS OF SCRIPTED AND NON-SCRIPTED PROGRAMS

Production costs of scripted and non-scripted programs, attributable to the Content production & distribution business, are net of co-producers' contributions, grants and subsidies. They mainly include the costs of scripts, actors, directors, rental of equipment, technical staff, participants, hosts, sets, format fees, etc.

Until programs are delivered, related production costs are capitalised in work in progress for non-scripted programs and as intangible assets for scripted programs for which i) the Group retains the IP and ii) the Group expects significant further IP revenue.

At revenue recognition date, the production costs of non-scripted programs are expensed in the income statement.

The production costs of scripted programs for which the Group retains the IP and expects further significant IP revenue are amortised as production costs in the statement of profit or loss using the ultimate revenue method. The cumulated amortization is calculated at the end of a given year as follows:

Production costs x (actual cumulated revenue / total estimated revenue of program)

The total estimated revenue of a program is the sum of actual cumulated revenue of the program and the program's future revenue forecast. Depreciation for a current year is calculated by difference with cumulated depreciation of previous years, if any. An impairment is booked if the net value of the program is higher than the future revenue forecast. Initial depreciation of a scripted program is expensed at delivery while the remaining value is depreciated when the subsequent distribution revenue is recognised.

PRODUCTION COSTS OF LIVE EXPERIENCES

Production costs of live experiences mainly include the costs incurred in the context of rendering a service to a client or organizing an event for a client.

Until the events occur and the services are rendered, related production costs are capitalised in work in progress.

At revenue recognition date, the production costs of live experiences are expensed in the income statement.

GRANTS AND SUBSIDIES

Grants and subsidies are recognised when there is a reasonable assurance that the grant will be received, and all attached conditions will be fully complied with.

Grants and subsidies which are strictly related to the financing of a given program are deducted from production costs. When they relate to an asset, grants and subsidies are directly deducted from the carrying amount of the asset and released to the depreciation and amortization calculated on the net amount over the useful life of the asset.

All other grants and subsidies (such as government grants not strictly related to a program) are recognised as "Other operating income" when granted.

ACQUISITION COST OF CLIENTS

Internal costs relating to acquisition of clients are recognised as expenses.

Client databases are capitalised and recognised as intangible asset at cost or at fair value for client databases acquired in the process of business combinations.

2.5.23 Operating segments

According to IFRS 8, an operating segment is a component of an entity that i) engages in business activities from which it may earn revenue and incur in expenses, ii) whose operating results are regularly reviewed by the entity's chief operating decision maker (CODM) to decide how resources should be allocated to the component and iii) for which discrete financial information is available.

The operating segments are Content production & distribution business and Online sports betting & gaming business. The segments are organised based on the nature of the business. Holding represents amounts not allocated to the operating segments and includes certain costs related to central activities as well as group enabling functions. Intercompany elimination represents transaction inter segments that do not contribute to the Group figures.

The operating segment reporting follows the internal reporting used by the CODM – FL Entertainment's Board of Directors – to manage the business, assess the performance based on the available financial information and to allocate the resources. The most important performance measures are net revenue, adjusted EBITDA (definition in note 4.1 on page 245), cost of net debt and adjusted free cash flow as management believes this is key in evaluating the results of the segments relative to other companies that operate within the same industry.

2.5.24 Taxes

CURRENT TAX

Tax receivables or tax payables for the current period and prior periods are estimated at the amount that is expected to be received from or to be paid to the tax administration. Tax rates and tax laws used in order to estimate the tax receivable or the tax liability are those which have been enacted at closing date. Current income taxes pertaining to items recognised in "other comprehensive income" are recorded in the same category and not as profit or loss.

The Group classifies the CVAE in France (Contribution on added value) and IRAP Tax in Italy (Regional production tax) as income tax.

DEFERRED TAXES

Differences existing at closing between the tax bases of assets and liabilities and their carrying value in the consolidated statement of financial position give rise to temporary differences, except for non-tax-deductible goodwill. 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 value (expected future tax saving); and
- deferred tax liabilities, when the tax base value is lower than the carrying value (expected future tax expense).

Deferred tax assets and liabilities are measured at the expected tax rates for the year during the Group expects 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 year, in line with any changes in applicable tax rates.

Deferred tax assets for all deductible temporary differences, tax loss carry-forwards and unused tax credits are only recognised to the extent that it is probable that future taxable profit will be available against to utilise them.

The carrying value 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 the Group's ability to utilise tax losses carried forward is to a large extent judgment based. If the future taxable results of the group proved to differ significantly from those expected, the Group would be required to increase or decrease the carrying value of deferred tax assets with a potentially material impact on the Group's statement of financial position and statement of income.

Deferred tax assets and liabilities are not discounted and are offset when they have the same maturity and relate to the same taxable entity or tax group. They are classified in the statement of financial position as non-current assets and liabilities.

Deferred tax shall be charged or credited directly to equity, and not profit and loss if the tax relates to items that are credited or charged directly to equity. Deferred taxes resulting from the recognition of asset or liability in a business combination are recognised in the same way.

2.5.25 Related parties

A related party is a person or an entity that is related to the Group. These include both people and entities that have, or are subject to, the influence or control of the Group (e.g., shareholders, key management personnel). Transactions with related parties are accounted for in accordance with the requirements of relevant IFRS and take into account the substance as well as the legal form.

2.6 Going concern

The management assessed the Group's ability to continue as a going concern when preparing the consolidated financial statements.

Balance sheet

As of 31 December 2023, the equity continues to increase to a total amount of €53.2 million compared to €18.0 million as of 31 December 2022. In addition, the current part of the financial liabilities is covered by the current part of the financial assets and cash and cash equivalents held by the Group.

Net result

The result turned positive again in 2023 to €73.6 million compared to a net loss in 2022 which was mainly due to the non-recurring transaction costs incurred, which are largely non-cash, and the impact of the change of fair value of the put options and LTIP debts following the re-assessment of Banijay Group shares in relation with the Group's reorganization.

Liquidity / Forecast

In terms of liquidity, the management has performed a monthly cash flow forecast for the next year. This forecast includes an organic growth with a high degree of certainty predictability due to the group activity, dividend cash out and repayment of borrowings and other financial liabilities. This forecast confirmed the absence of solvency risk and that the group is confident in its capacity to cover its needs.

As described in the note 3.1.2 on page 240, Banijay completed (i) the refinancing of the 2020 Banijay Facilities B in Euros and in US Dollars resulting in a 3-year extension of their maturities until March 2028 and (ii) the refinancing of the 2020 Banijay Senior Secured Notes in Euros and in US Dollars resulting with new maturities in May 2029.

In addition, there is no breach of financial covenants to be reported.

Sensitivity test

As of 31 December 2023, the Group also modelled a scenario assuming a decrease of 10% of activity in 2024 and 2025 compared to the budget 2024 and Business plan 2025 to assess whether there is sufficient liquidity position. In this scenario, the Group would have enough liquidity and financing facilities to continue its operation. A stress test to a decrease of activity by 15% was also performed and lead to the same conclusion.

Other lines of credit

In addition, as of 31 December 2023, undrawn committed lines of credit, overdrafts and other borrowings have been obtained for a total of €250.1 million.

The Content production & distribution business is subject to financial covenants, namely concerning 2023 Banijay RCF (revolving credit facility) in the event of a drawdown of 40% for 2023 Banijay RCF. The Holding segment is also subject to a financial covenant. On 31 December 2023, although the 2023 Banijay RCF and 2023 FLE RCF are not drawn, such financial covenants are satisfied.

Conclusion

Based on the above, management considers the Group has sufficient resources to continue operating for at least 12 months and that there are no material uncertainties about the Group's ability to continue as going concern.

Note 3 Significant events

3.1 Significant events that occurred in 2023

3.1.1 Holding

INVESTMENT IN THE INDEPENDENTS

On June 2023, FL Entertainment and TowerBrook announced an investment in the leading global marketing and communications group The Independents ("TIL"). The acquisition was closed on 28 June 2023 for a total amount of €86.4 million.

The Independents is a global marketing and communications group for luxury and lifestyle brands. It is a cross-sector leader, encompassing communications and digital marketing, experiences, content creation and influencer strategy through its synergistic portfolio of eleven world renowned agencies: Bureau Betak & Bureau Future, K2, Karla Otto, Lefty, Prodject, The Qode, Ctzar, Athel, Inca and Atelier Lum spread throughout Asia, the USA, Europe & the Middle East.

The investment of the Group in TIL was done through:

- the funding of the entity "Gardenia" (one of the shareholders of K10, the holding company of the TIL Group) for €77.0 million by Banijay Events (a newly created wholly owned subsidiary of FL Entertainment) providing financial rights and certain governance rights to Banijay Events;
- the direct shareholding in the TIL Group via K10 with the acquisition of Preferred C bis Shares by Banijay Events for €9.4 million, providing financial rights and certain governance rights to Banijay Events;
- the commitment of Banijay Events to fund €50.0 million for K10 within the next three years in exchange of K10 Preferred D bis Shares; and
- put and call mechanisms leading to the possibility for Banijay Events (i) to acquire additional shares in K10 and (ii) to acquire the control of TIL in 2026 ("Call 2026"). In the event Banijay Events does not exercise its Call 2026, the founders of The Independents might exercise a call option which entitles them to require Banijay Events to sell them all the securities held by Banijay Events or FL Entertainment in K10.

EXCHANGE OF SHARES AND CORRELATIVE ISSUANCE OF ORDINARY SHARES BY FL ENTERTAINMENT

On 4 July 2023, some Banijay Group's key managers have contributed most of their Banijay Group's shares owned directly to FL Entertainment in exchange for FL Entertainment's ordinary shares ("FL Entertainment Shares") or have reinvested the amount of their Phantom shares plan into FL Entertainment Shares. Following this transaction, the put options granted to the shareholders, pursuant to a shareholders' agreement at the level of Banijay Group, and recognised in the consolidated financial statements, are not valid anymore.

The transaction led to (i) the settlement of liabilities on non-controlling interests for €133 million in exchange of 10,441,974 FL Entertainment Shares and the payment in cash of €28.1 million and (ii) the settlement of Employee-related long-term incentives (Phantom shares plan) for €33.0 million including withholding tax and social charges. The amount of the Phantom Plan was reinvested into 1,171,685 FL Entertainment Shares.

2023 FLE RCF

On 1 August 2023, FL Entertainment N.V. enter to a multicurrency revolving loan facility in an aggregate amount equal to €50.0 million (the "2023 FLE RCF"). The drawn facility will carry a floating interest with reference to a Term Reference Rate depending on the duration and the currency plus a margin between 275 and 425 bps (mainly conditional to the leverage ratio of the Group).

3.1.2 Content production & distribution

REFINANCING OF THE 2020 BANIJAY FACILITIES B AND 2020 BANIJAY RCF

On April 2023, Banijay has completed the refinancing of the 2020 Banijay Facilities B in Euros and in US Dollars for an amount equivalent to around €860 million (including a €453 million tranche and $448 million remaining tranche), resulting in a 3-year extension of their maturities until March 2028. Banijay also raised two new euro-denominated and US dollar-denominated term loans made available under 2023 Senior Facilities Agreement to strengthen its balance sheet and finance its future growth for a total amount equivalent to €205 million, which splits into €102 million and $110 million respectively. Following this refinancing, Banijay reimbursed a part of the 2020 Banijay Senior Secured Notes for an equivalent amount of €37 million.

The 2023 Banijay Facilities B1 will carry a floating interest at EURIBOR +450 bps for the Euro-denominated tranche, and at SOFR +375 bps for the US Dollar-denominated tranche, both of which benefit from the existing hedges. The existing hedging contracts are still in place until March 2025, and Banijay plans to extend this hedging until 2028 through a new derivative instrument. Furthermore, Banijay entered into a new hedging contract to hedge floating interest rate risks on the additional amounts raised until 2028.

In parallel, Banijay extended the maturity of the €170 million 2020 Banijay RCF by 3 years to September 2027 at EURIBOR +3.75%.

Under IFRS 9, this refinancing has been analyzed and accounted for as an extinguishment of the former loans and the issuance new loans. Former issuing costs have been expensed and new issuance costs have been accounted as part of the effective interest rate method.

REFINANCING OF THE 2020 BANIJAY SENIOR SECURED NOTES IN EUROS AND DOLLARS

On September 2023, Banijay has completed the refinancing of its two 2020 Banijay Senior Secured Notes ("2020 Banijay SSN") in Euros and in US Dollars for an amount equivalent to €913 million. The tranches of the old 2020 Banijay SSN have been reimbursed in 2023 for a total amount of €575 million and $403 million and Banijay issued two new 2023 Banijay Senior Secured Notes ("2023 Banijay SSN") in Euros and in US Dollars for respectively €540 million and $400 million resulting in a 4-year extension of their maturities until May 2029. The two-tranches bonds will carry a 7.0% coupon for the Euro-denominated tranche and a 8.125% coupon for the US Dollar-denominated tranche.

Under IFRS 9, this refinancing has been analyzed and accounted as an extinguishment of the former bonds and the issuance new bonds. Former issuing costs have been expensed and new issuance costs have been accounted as part of the effective interest rate method.

ACQUISITION OF BALICH WONDER STUDIO

On 28 September 2023, Banijay acquired a 52% controlling stake in Balich Wonder Studio ("BWS"). Founded by Marco Balich, Balich Wonder Studio ("BWS") is a live entertainment group in charge of creating, producing and delivering live shows and experiences that engage live audiences worldwide, performing custom-made narrative with cutting-edge technologies.

The acquisition is further detailed in the note 12 Goodwill on page 258.

3.1.3 Online sports betting & gaming business

NEW FACILITY AGREEMENT OF €150 MILLION

In May 2023, Betclic Everest Group activated the Tranche B of the 2023 Betclic Group Senior Credit Facility Agreement with its partner banks, with a nominal value of €150 million and a reimbursement *in fine* at a maturity date of June 2025. The step-up margin to the floating interest at EURIBOR 3 months is 3% and then will rise progressively to 5% in December 2024. The capital is to be repaid at maturity. According to IFRS 9, this loan has been booked on amortized cost principle in order to reflect the actual cash flow.

In July 2023, Betclic Everest Group entered into a new hedging contract to hedge floating interest rate risks on the 2023 Betclic Group Senior Credit Facility Tranche B. This instrument is classified as Cash Flow Hedge under IFRS 9.

3.2 Significant events that occurred in 2022

3.2.1 Holding

INCORPORATION OF FL ENTERTAINMENT N.V. (FORMER B.V.)

FL Entertainment B.V. has been incorporated on 10 March 2022. Until of 30 June 2022, this Company was a private limited liability company under the Dutch law, with a tax residency in France.

On 1 July 2022, following the business combination agreement described below, FL Entertainment B.V. changed its legal structure from B.V. (Private limited company) to N.V. (Public limited company). Its tax residency is still in France.

BUSINESS COMBINATION AGREEMENT – TRANSACTION BETWEEN FL ENTERTAINMENT AND THE SPAC PEGASUS ENTREPRENEURS

FL Entertainment, Financière Lov and Pegasus Entrepreneurial Acquisition Company Europe B.V. ("**Pegasus Entrepreneurs**"), a special purpose acquisition company (''**SPAC**'') focused on European growth companies listed and traded on Euronext Amsterdam, entered on 10 May 2022 into a definitive business combination agreement amended on 22 June 2022 ("**Business Combination Agreement**"). The transaction consists of (i) the business combination of FL Entertainment and Pegasus Entrepreneurs resulting in a public listing of FL Entertainment on Euronext Amsterdam ("**Business Combination**"), (ii) the equity roll-over of the minority shareholders in the Banijay Group (Vivendi, Fimalac and De Agostini) and Betclic Everest Group (SBM International) to become shareholders of FL Entertainment, and (iii) raising of €646 million of proceeds.

<u>i) Group's reorganization</u>

On 10 May 2022, the Company entered into an investment agreement with Financière Lov and Stéphane Courbit, Lov Group Invest, Monte-Carlo SBM International S.à.r.l (''SBM International''), Dea Communications SA ("De Agostini"), F. Marc de Lacharrière ("Fimalac"), Pegasus Acquisition Partners Holding, Pegasus Entrepreneurs, Tikehau Capital, Bellerophon Financial Sponsor 2 SAS (a subsidiary of the Sponsor Tikehau Capital SC), Poseidon Entrepreneurs Financial Sponsor SAS (a subsidiary of the Sponsor Financière Agache SA), Financière Agache (a Sponsor), Vivendi Content (''Vivendi''), Société d'Investissements et de Gestion – SIG 116 and Vivendi SE.

On 22 June 2022, the same parties entered into an amendment and waiver to the investment agreement (the amended investment agreement is hereinafter referred to as the "**Investment Agreement**"). Pursuant to the Investment Agreement, Financière Lov agreed to subscribe for and, on 30 June 2022, received in return for its investment, 13,520,565 newly issued ordinary shares, 13,520,565 newly issued special voting shares A ("SVS") and 13,000,000 newly issued Earn-Out Preference Shares A, 3,500,000 newly issued Earn-Out Preference Shares B and 3,500,000 newly issued Earn-Out Preference Shares C (together "**Earn-out Shares**"), for an aggregate amount of €250,000,000. Further to the terms of the Investment Agreement, Financière Lov has received such shares in return for its investment on 30 June 2022.

Pursuant to (i) the business combination agreement entered into by FL Entertainment, Financière Lov and Pegasus Entrepreneurs, and (ii) the investment agreement entered into by Financière Lov, Pegasus Entrepreneurs, SBM International, DEA Communications SA, Fimalac, Vivendi, Tikehau Capital and Financière Agache on 10 May 2022, the Group conducted reorganization between entities within Financière Lov Group and with minority interests in order to achieve the transaction described below. The reorganization steps were implemented as follows (the "**Lov Reorganization**"):

a. the merger of Mangas Lov into Lov Banijay, Lov Banijay being the surviving entity;
b. the distribution by Lov Banijay of part of its share premium to Financière Lov as its sole shareholder;
c. the contribution of all shares of LDH held by Financière Lov to Lov Banijay;
d. the contribution and sale of all LDH shares held by DEA Communications SA to Lov Banijay. The sale will be financed by a vendor loan granted by DEA Communications SA to Lov Banijay for an amount of €99.5 million;
e. the contribution of all LDH shares held by one of the shareholders (FIMALAC) to Lov Banijay;

f. the contribution of all Banijay shares, held by Vivendi Content to LDH in exchange for shares in LDH, resulting in LDH holding the entire share capital of Banijay;
g. the contribution of all LDH shares held by Vivendi Content to Lov Banijay in exchange for shares in Lov Banijay, resulting in Lov Banijay holding the entire share capital of LDH;
h. the contribution of all Lov Banijay shares held by Financière Lov to FL Entertainment in exchange for ordinary shares and special voting shares;
i. the contribution and sale of all Lov Banijay shares held by DEA Communications SA to FL Entertainment, in exchange for ordinary shares;
j. the contribution of all Lov Banijay shares held by Fimalac to FL Entertainment, in exchange for ordinary shares;
k. the contribution of all Lov Banijay shares held by Vivendi to FL Entertainment, in exchange for ordinary shares;
l. the contribution and sale of all Betclic shares held by SBM International to FL Entertainment for, inter alia, ordinary shares. The cash consideration amounted to €425.0 million of which €388.5 million was paid as of 5 July 2022 and €36.5 million was financed by a vendor loan granted by SBM International to FL Entertainment;
m. subscription in cash by Financière Lov to a share capital increase of FL Entertainment for an amount of €250 million in exchange for
   - ordinary shares and SVS, and
   - Earn-out shares bearing a right to conversion into a certain number of FL Entertainment ordinary shares depending on FL Entertainment performance.

   The earn-out shares have no material economic rights until their conversion and have regular voting rights but Financière Lov has agreed not to vote on these Earn-out Shares in a shareholders' agreement. The fair market value of the earn-out shares has been assessed by an independent appraiser;
n. the redemption at the combination date (1 July 2022) of (i) the bonds redeemable in cash or in ordinary shares *(obligations remboursables en actions ou en numéraire)* for a principal amount of €90 million issued by Lov Banijay and subscribed by SIG 116 (an affiliate of Vivendi) on 23 February 2016 and (ii) the bonds redeemable in cash or in ordinary shares for a principal amount of €50 million issued by Lov Banijay and subscribed by SIG 116 on 14 October 2016 (€170.5 million including capitalised interests); and
o. subscription in cash by Vivendi to a share capital increase of FL Entertainment for an amount of €25 million , in exchange for ordinary shares.

Moreover, Marco Bassetti, CEO of Banijay, has decided on 30 June 2022 to contribute its Banijay Group's shares owned through his holding to FL Entertainment in exchange for ordinary shares. In conjunction with Banijay Group's shares, a shareholders' agreement was signed between Banijay Group Holding and Marco Bassetti granted to the latter a put option, recognised in the consolidated financial statements. Following the conversion, this agreement becomes devoid of purpose.

The impacts on the consolidated equity are detailed in note 18.1 on page 271.

ii) Forward Purchase Agreement

On 10 December 2021, Pegasus Entrepreneurs entered into a forward purchase agreement with Tikehau Capital and Financière Agache (the "Forward Purchase Agreement" or "FPA"). Pursuant to the Forward Purchase Agreement, each of Tikehau Capital and Financière Agache have agreed to purchase from Pegasus Entrepreneurs up to 2,500,000 class A ordinary shares in Pegasus Entrepreneurs' capital (the "Pegasus Ordinary Shares") and up to 833,333 Pegasus public warrants, for an amount of up to €25,000,000 each (representing the number of Pegasus Ordinary Shares purchased under the Forward Purchase Agreement multiplied by €10.00), in a private placement that occurred simultaneously with the Business Combination. Since the merger became effective on 1 July 2022 (refer to note iii)) and Pegasus Entrepreneurs was the disappearing entity, Tikehau Capital and Financière Agache each subscribed for 2,500,000 newly issued ordinary shares in the Company's capital and 833,333 Warrants (together the "Forward Purchase Securities"), for an aggregate amount of €25,000,000 each. Tikehau Capital and Financière Agache received the Forward Purchase Securities on 1 July 2022.

Because this agreement was concluded by Pegasus Entrepreneurs and Tikehau Capital and Financière Agache at the creation of Pegasus Entrepreneurs, it has been analyzed as part of the merger.

iii) Merger between FL Entertainment and the SPAC Pegasus Entrepreneurs

On 23 June 2022, Pegasus Entrepreneurs has obtained shareholders' approval for the Business Combination with FL Entertainment at the Extraordinary General Meeting.

The Business Combination has been completed on 1 July 2022. As a result, FL Entertainment and Pegasus Entrepreneurs merged at this date, FL Entertainment being the surviving entity. Since then, FL Entertainment is listed on Euronext Amsterdam and all ordinary shares and public warrants are traded under the symbols "FL Entertainment" and "FLE" respectively with international securities identification number ("ISIN") NL0015000X07 and NL0015000H56 respectively on Euronext Amsterdam.

As FL Entertainment is the accounting acquirer of the SPAC, the transaction is not considered as a business combination as defined by IFRS 3. The Group received the net assets of the SPAC as well as a listing service in exchange of an issue of shares, which is considered as an equity-settled share-based payment transaction.

The fair value of the Pegasus' assets acquired, and the liabilities assumed at the date of the combination amounted as follows:

Financial assets	€164.3m
Cash	€2.1m
Customers and other receivables	€0.4m
Founder shares	€(46.2)m
Founder warrants	€(3.7)m
Public warrants	€(2.2)m
Trade payables and other creditors	€(11.8)m
Fair value of the accounting Pegasus Entrepreneurs' net identifiable assets	**€103.1m**

Financial assets comprised Pegasus's escrow account, after the redemption of class A Pegasus Ordinary Shares requested by some Pegasus' shareholders and included the amount related to Tikehau Capital and Financière Agache subscriptions for €25 million each in the context of the FPA (refer to note 3.2.1 on page 241)[(1)].

Pegasus issued 5,150,000 founder shares to the sponsors and 100,000 founder shares to non-executive directors and chief financial officer. Pegasus issued 5,250,000 founder warrants and 7,000,000 public warrants (excluding treasury shares warrants) to the sponsors and shareholders. In addition, the number of public warrants includes 1,666,666 warrants issued to Tikehau Capital and Financière Agache in the context of Forward Purchase Agreement (833,333 warrants for each party). These founder shares, founders warrants and public warrants are assumed for by FL Entertainment (refer to note 21 on page 275).

In counterpart, FL Entertainment has issued 16,426,140 ordinary shares for a fair value of €188.9 million. This number of shares includes the 5,000,000 ordinary shares subscribed by Tikehau Capital and Financière Agache in the context of the FPA. Because this agreement was concluded with Pegasus since the creation of Pegasus, it has been analyzed as part of the combination (refer to note 18.1 on page 271).

The difference between the fair value of the instruments issued and the net identifiable assets reflect the listing services. In accordance with IFRS 2, this service expense amounting to €85.7 million has been recognised in the consolidated income statement (refer to note 9 on page 254).

iv) Issuance of FL Entertainment securities in exchange of Pegasus Securities

Due to the merger of Pegasus Entrepreneurs into FL Entertainment, FL Entertainment issued and delivered founder shares, founder warrants and public warrants to the holders of Pegasus founder shares, founder warrants and public warrants (one-for-one basis). The characteristics of the FL Entertainment securities are similar to Pegasus securities' characteristics and are classified as financial liabilities in accordance with IAS 32.

v) Capital increase in relation with the PIPE financing

In connection with the Business Combination, the Company entered into subscription agreements with certain investors (the "PIPE Investors") in a private investment in public equity transaction (the "PIPE Financing") in the aggregate amount of €204,230,000. On 5 July 2022 (the "Settlement Date"), FL Entertainment has issued 20,423,000 ordinary shares and in return for their investment, the PIPE Investors received the total of the 20,423,000 newly issued ordinary shares.

vi) Transaction costs

As of 31 December 2022, the transaction costs incurred amounted to €110.1 million, of which €4.8 million related to transactions with non-controlling interests and capital issuance recognised in equity and €105.3 million in relation to the Group's reorganization and Pegasus merger recognised in P&L. The amount recognised in the P&L includes the €85.7 million listing fees accounted under IFRS 2.

(1) Of which €160.5 million received in cash by FL Entertainment in the context of the transaction. This amount together with the cash and cash equivalents are presented on a separate caption "Cash received through merger with Pegasus (including FPA capital increase)" in the cash-flow statement.

Note 4 Segment information

As described in note 1.1 Presentation of the business on page 223, the Group operates two operating segments which reflect the internal organizational and management structure according to the nature of the products and services provided:

- Content production & distribution business: incorporates the activities of production, distribution and marketing of content property rights for television and multimedia platforms as well as the production of live experiences. This segment corresponds to the Banijay Group; and
- Online sports betting & gaming business: comprises sports betting, poker, casino and turf. This segment corresponds to the Betclic Everest Group.

In addition, a third operating segment "Holding" includes the corporate activities.

As of 31 December 2023, the internal reporting has been slightly modified to focus on Banijay Group operational activities. Consequently, Banijay Group Holding has been reallocated to the Holding segment. The following tables present information in accordance with this new allocation, and the comparative information has been restated in accordance with IFRS 8 – *Operating segments*.

The following tables present information with respect to the Group's business segments in accordance with IFRS 8 for the years ended 31 December 2023 and 2022.

Profit & loss per segment

	For the twelve-month period ended 31 December 2023				
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Intercompany elimination	Total Group
Revenue	3,321.4	996.2	-	-	4,317.6
Adjusted EBITDA	493.5	251.8	(8.7)	-	736.7
Operating profit/(loss)	259.7	168.9	(28.2)	-	400.5
Cost of net debt	(178.4)	(13.7)	(3.6)	-	(195.6)
Net income/(loss)	(12.3)	118.7	(32.8)	-	73.6
Attributable to:					
Non-controlling interests	*7.1*	*5.8*	*-*	*-*	*12.8*
Shareholders	*(19.4)*	*112.9*	*(32.8)*	*-*	*60.8*

	For the twelve-month period ended 31 December 2022				
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Intercompany elimination	Total Group
Revenue	3,211.6	835.0	-	-	4,046.6
Adjusted EBITDA	472.1	202.8	(4.7)	-	670.2
Operating profit/(loss)	236.6	163.3	(145.2)	-	254.7
Cost of net debt	(127.5)	(12.1)	(4.1)	-	(143.6)
Net income/(loss)	56.8	112.2	(250.1)	-	(81.1)
Attributable to:					
Non-controlling interests	*31.7*	*44.6*	*(69.4)*	*-*	*6.9*
Shareholders	*25.1*	*67.7*	*(180.8)*	*-*	*(88.0)*

4.1 Adjusted EBITDA

The Group considers Adjusted EBITDA to be a useful metric for evaluating its operating performance as it facilitates a comparison of its core operating results from period to period by removing the impact of, among other things, its capital structure, asset base and tax consequences. Adjusted EBITDA is a non-IFRS measures and, as a result, these measures and ratios may not be comparable to measures used by other companies under the same or similar names

Adjusted EBITDA is defined as the operating profit for that period excluding restructuring costs and other non-core items, costs associated with the long-term incentive plan within the Group (the "LTIP") and employment related earn-out and option expenses, and depreciation and amortization (excluding D&A fiction and operational provisions).

Those adjustments items include:

- **restructuring costs and other non-core items:** due to their unusual nature or particular significance, these items are excluded. In general, these items relate to transaction that are significant, infrequent or unusual. However, in certain instances, transactions, such as restructuring costs or asset disposals, which are not representative of the normal course of business (referred as "non-core items"), may be adjusted although they may have occurred within prior years or are likely to occur again within the coming years. The detail of these costs is provided in note 9 on page 252;
- **LTIP and employment-related earn-out and option expenses**: reference is made to employee benefits Long-Term Incentive Plans and employee benefits obligations resulting from a business acquisition arrangement. The detail of these costs is provided in notes 7.2 and 7.3 on pages 251 and 253;
- **depreciation and amortization (excluding D&A fiction and operational provisions):** depreciation and amortization of software and intangible assets, PPE own property, right-of-use and intangible assets acquired in business combinations. D&A fiction are costs related to the amortization of fiction production, which the Group considers to be operating costs as well as operational provisions. As a result of the D&A fiction and the operational provision, the depreciation and amortization line item in the consolidated financial statement of income deviates from the depreciation and amortization costs in this line item.

The table below presents the reconciliation of operating profit before exceptional items and amortization of acquisition-related intangibles to Adjusted EBITDA for 2023 and 2022:

	2023			
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group
Operating profit/(loss)	**259.7**	**168.9**	**(28.2)**	**400.5**
Restructuring costs and other non-core items	37.2	(5.3)	2.5	34.3
LTIP and employment-related earn-out and option expenses	71.3	78.1	17.0	166.5
Depreciation and amortization (excluding D&A fiction[1] and D&A net of reversals on non recurring provision[2])	125.3	10.1	0.0	135.4
ADJUSTED EBITDA	**493.5**	**251.8**	**(8.7)**	**736.7**

(1) €0.1 million of amortization of fiction production recognised in 2023.
(2) -€1.2 million of variation of current assets impairment or provision.

	2022			
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group
Operating profit/(loss)	**236.6**	**163.3**	**(145.2)**	**254.7**
Restructuring costs and other non-core items	29.5	(8.7)	106.4	127.3
LTIP and employment-related earn-out and option expenses	76.7	36.7	34.1	147.5
Depreciation and amortization (excluding D&A fiction[1] and D&A net of reversals on non recurring provision[2])	129.2	11.5	0.0	140.7
ADJUSTED EBITDA	**472.1**	**202.8**	**(4.7)**	**670.2**

(1) €8.0 million of amortization of fiction production recognised in 2022.
(2) -€1.4 million of variation of current assets impairment or provision.

4.2 Balance sheet per segment

(in € million)	2023 Content production & distribution	Online sports betting & gaming	Holding	Intercompany elimination	Total Group
Non-current assets	3,167.7	329.9	116.5	-	3,614.0
Current assets	1,922.0	192.4	17.7	(13.1)	2,119.0
TOTAL ASSETS	**5,089.6**	**522.3**	**134.2**	**(13.1)**	**5,733.0**
Non-current liabilities	2,813.4	206.0	192.7	-	3,212.1
Current liabilities	1,952.3	347.3	181.3	(13.1)	2,467.7
TOTAL LIABILITIES (EXCLUDING EQUITY)	**4,765.7**	**553.3**	**374.0**	**(13.1)**	**5,679.8**

(in € million)	2022 Content production & distribution	Online sports betting & gaming	Holding	Intercompany elimination	Total Group
Non-current assets	2,920.3	328.3	-	-	3,248.6
Current assets	1,906.1	105.1	56.8	(74.0)	1,994.1
TOTAL ASSETS	**4,828.0**	**433.4**	**55.3**	**(74.0)**	**5,242.6**
Non-current liabilities	2,563.4	153.7	311.3	-	3,028.4
Current liabilities	1,841.8	280.8	147.6	(74.0)	2,196.2
TOTAL LIABILITIES (EXCLUDING EQUITY)	**4,405.2**	**434.6**	**458.9**	**(74.0)**	**5,224.6**

4.2.1 Content production & distribution

Non-current assets are mainly constituted by goodwill resulting from Banijay Group's acquisitions, intangible assets, right-of use assets, property, plant and equipment, financial interests in non-consolidated companies, the non-current portion of the derivative financial assets and deferred taxes.

Current assets are mainly constituted by trade receivables, cash and cash equivalents, tax and grant receivables and work in progress which correspond to costs incurred in the production of non-scripted programs (or scripted programs for which the Group does not expect subsequent Intellectual Property revenue) that have not been delivered at reporting date, as the Group recognises its production revenue upon delivery of the materials to the customer.

Non-current liabilities include primarily long-term borrowings, long-term lease liabilities, employee-related long-term incentives, long-term liabilities on non-controlling interests and other non-current liabilities.

Current liabilities are mainly constituted by short-term borrowings, trade payables, employee-related payables, tax liabilities, short term liabilities on non-controlling interests, employments-related earn out and option obligations and deferred income that relates to undelivered programs that are work-in progress (or intangible assets-in-progress) and that have already been invoiced. This deferred income corresponds to the contract liabilities (in accordance with IFRS 15).

4.2.2 Online sports betting & gaming business

Non-current assets are mainly composed of goodwill generated from acquisitions, intangible assets (mainly IT software and online gaming platform), right-of use assets, fair value of financial derivatives (interest rate swap on loans) and non-current restricted cash and cash equivalents.

Current assets primarily comprise cash and cash equivalents, trade receivables from providers (refer to note 17.2 on page 268), and other current assets.

Non-current liabilities are composed by long-term borrowings and employee-related long-term incentives.

Current liabilities are primarily constituted by short-term borrowings, intercompany debt with other segments, betting taxes, income taxes, liabilities related to the Betclic Everest Group's incentive plans (LTIP) and Liabilities for gaming bets (refer to note 17.5 on page 269).

4.2.3 Holding

Non-current assets are mainly composed by financial assets.

Current assets are mainly constituted by tax receivables (excluding income tax) and cash and cash equivalents.

Non-current liabilities mainly comprise other securities, employee-related long-term incentives, long-term liabilities on non-controlling interests and other non-current liabilities.

Current liabilities correspond mainly to supplier payables and vendor loans issued in the context of the transaction occurred in 2022, employee-related long-term incentives.

Net debt per Segment

	31 December 2023				
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Inter-company elimination	Total Group
Bonds	1,284.2	-	-	-	1,284.2
Bank borrowings and other	1,213.7	223.6	-	-	1,437.3
Accrued interests on bonds and bank borrowings	37.0	0.2	-	-	37.2
Vendor loans	-	-	143.5	-	143.5
Bank overdrafts	1.5	-	-	-	1.5
Total bank indebtedness and other	**2,536.4**	**223.8**	**143.5**	**-**	**2,903.7**
Cash and cash equivalents	(369.4)	(93.3)	(1.5)	-	(464.2)
Funding of Gardenia [(1)]	-	-	(79.7)	-	(79.7)
Trade receivables on providers		(60.8)			(60.8)
Players' liabilities		50.2			50.2
Cash in trusts and restricted cash		(30.7)	(0.3)		(31.0)
Net cash and cash equivalents and other	**(369.4)**	**(134.6)**	**(81.5)**	**-**	**(585.5)**
NET DEBT BEFORE DERIVATIVES EFFECTS	**2 167.0**	**89.1**	**62.0**	**-**	**2,318.2**
Derivatives – liabilities	6.4	-	-	-	6.4
Derivatives – assets	(44.0)	(0.6)	-	-	(44.6)
NET DEBT	**2 129.4**	**88.6**	**62.0**	**-**	**2,280.0**

(1) Fair value of the financial instrument represents the funding by FL Entertainment of the entity "Gardenia" as described in the note 23.1 on page 278.

	31 December 2022				
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Inter-company elimination	Total Group
Bonds	1,330.8	-	-	-	1,330.8
Bank borrowings and other*(1)*	1,035.1	179.0	-	(74.0)	1,140.1
Accrued interests on bonds and bank borrowings	29.5	0.1	-	-	29.6
Vendor loans	-	-	138.4	-	138.4
Bank overdrafts	-	-	-	-	-
Total bank indebtedness	**2,395.4**	**179.1**	**138.4**	**(74.0)**	**2,638.9**
Cash and cash equivalents and other*(1)*	(429.4)	(72.1)	(51.9)	74.0	(479.4)
Trade receivables on providers		(13.1)			(13.1)
Players' liabilities		50.6			50.6
Cash in trusts and restricted cash		(31.2)	(0.5)		(31.6)
Net cash and cash equivalents	**(429.4)**	**(65.8)**	**(52.4)**	**74.0**	**(473.6)**
NET DEBT BEFORE DERIVATIVES EFFECTS	**1,966.1**	**113.3**	**85.9**	**-**	**2,165.3**
Derivatives – liabilities	-	-	-	-	-
Derivatives – assets	(69.1)	(5.4)	-	-	(74.5)
NET DEBT	**1,897.0**	**107.9**	**85.9**	**-**	**2,090.8**

(1) Including intercompany loans.

The variation of the bank indebtedness for the Content production & distribution segment is mainly explained by (i) the completion of the refinancing of the 2020 Banijay Facilities B in Euros and in US Dollars which increased its bank borrowings for a total amount equivalent to €205 million, offset by (ii) the anticipated reimbursement of the 2023 Banijay SSN for an equivalent amount of €37 million (refer to note 3.1.2).

Betclic Everest Group also obtained at the end of May 2023 an additional facility agreement for an additional tranche to the €165 million 2020 Betclic Group Senior Credit Facility Tranche A, issued on 23 September 2020, increasing the bank borrowings for Online sports betting & gaming segment by €150 million (2023 Betclic Group Senior Credit Facility Tranche B with a maturity of June 2025) (refer to note 3.1.3.1 on page 241).

4.2.4 Statement of cash flows and free cash flows

	For the twelve-month period ended 31 December 2023				
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Intercompany elimination	Total Group
Net cash flow from operating activities	370.1	162.3	(15.4)	-	517.0
Cash flow (used in)/from investing activities	(206.9)	(10.4)	154.0	(272.7)	(336.1)
Cash flow (used in)/from financing activities	(161.5)	(130.6)	(148.2)	272.7	(167.6)
Impact of foreign exchanges rates	(29.7)	-	-	-	(29.7)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(28.1)**	**21.3**	**(9.7)**	**-**	**(16.5)**
Cash and cash equivalents as of 1 January	*396.2*	*72.1*	*11.2*	-	*479.4*
Cash and cash equivalents as of 30 December	*368.1*	*93.3*	*1.5*	-	*462.9*

	2023			
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group
Adjusted EBITDA	493.5	251.8	(8.7)	736.7
Purchase of property, plant and equipment and intangible assets, net of disposals	(73.3)	(10.8)	(0.0)	(84.1)
Total cash outflows for leases that are not recognised as rental expenses	(42.7)	(3.7)	-	(46.4)
ADJUSTED FREE-CASH FLOW	**377.5**	**237.3**	**(8.7)**	**606.2**
Changes in working capital excluding LTIP payments, exceptional items, trade receivables on providers and players' liabilities	(9.9)	13.5	2.0	5.5
Income tax paid	(48.1)	(51.1)	0.1	(99.1)
ADJUSTED OPERATING FREE-CASH FLOW	**319.5**	**199.7**	**(6.6)**	**512.6**

	For the twelve-month period ended 31 December 2022				
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Intercompany elimination	Total Group
Net cash flow from operating activities	380.4	107.4	(29.2)	-	458.6
Cash flow (used in)/from investing activities	(147.4)	(16.3)	171.2	-	7.5
Cash flow (used in)/from financing activities	(198.2)	(106.9)	(133.0)	-	(438.2)
Impact of foreign exchanges rates	19.1	-	-	-	19.1
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**53.8**	**(15.8)**	**9.0**	**-**	**47.0**
Cash and cash equivalents as of 1 January	*342.4*	*87.9*	*2.2*	-	*432.4*
Cash and cash equivalents as of 31 December	*396.2*	*72.1*	*11.2*	-	*479.4*

	2022			
(in € million)	Content production & distribution	Online sports betting & gaming	Holding	Total Group
Adjusted EBITDA	472.1	202.8	(4.7)	670.2
Purchase of property, plant and equipment and intangible assets, net of disposals	(60.3)	(7.9)	(0.0)	(68.1)
Total cash outflows for leases that are not recognised as rental expenses	(44.1)	(3.3)	-	(47.3)
ADJUSTED FREE-CASH FLOW	**367.8**	**191.8**	**(4.7)**	**554.7**
Changes in working capital excluding LTIP payments, exceptional items, trade receivables on providers and players' liabilities	(12.9)	3.5	2.6	(6.8)
Income tax paid	(49.4)	(25.2)	0.1	(74.5)
ADJUSTED OPERATING FREE-CASH FLOW	**305.3**	**170.1**	**(2.0)**	**473.4**

Note 5 Revenue

Revenue for the years ended 31 December 2023 and 2022 by activity and sub-activity are as follows:

(in € million)	2023	2022
CONTENT PRODUCTION & DISTRIBUTION	**3,321.4**	**3,211.6**
Production	2,689.0	2,664.6
Distribution	395.3	387.7
Others	237.1	159.3
ONLINE SPORTS BETTING & GAMING	**996.2**	**835.0**
Sportsbook	766.4	670.1
Casino	154.7	104.8
Poker	61.4	49.9
Turf	13.7	10.3
TOTAL REVENUE	**4,317.6**	**4,046.6**

Total revenue of the Content production & distribution business corresponds essentially to the production and sale of audiovisual programs, and the distribution of audiovisual rights and/or catalogues.

The production stream continues its strong dynamic in both non-scripted and scripted productions, the latest benefiting from a ramp-up with the recent acquisitions notably in Iberia and Italy, which sustains the distribution stream with more finished tapes sales to the OTT players.

The Others stream has a positive organic performance with a significant increase linked to the investments in the production of live experiences.

The remaining part of Group's revenue is attributed to the Online sports betting & gaming business, which includes sportsbooks, gambling in casinos, poker and turf. The increase in revenue is the consequence of the growing player database, the product improvement and a favorable sportbook margin. Online sports betting & gaming business's revenue consists of the GGR (Gross Gaming Revenue) – difference between bets and winnings paid to players for sports betting and casino products, and commissions on horse betting and entry fees for poker products – less bonuses (credit on the gambler's account until the unveiling of the bet's result).

Information by geographical area based on the location of the customer is as follows:

(in € million) **Revenue by geographical area**	2023 Content production & distribution	2023 Online sports betting & gaming	2023 Total Group
Europe	2,260.3	950.4	3,206.1
United States of America	579.3	-	579.3
Rest of the world	481.9	45.8	532.2
TOTAL REVENUE	**3,321.4**	**996.2**	**4,317.6**

(in € million) **Revenue by geographical area**	2022 Content production & distribution	2022 Online sports betting & gaming	2022 Total Group
Europe	2,155.3	822.5	2,977.8
United States of America	668.0	-	668.0
Rest of the world	388.4	12.5	400.8
TOTAL REVENUE	**3,211.6**	**835.0**	**4,046.6**

Note 6 External expenses

External expenses for the years ended 31 December 2023 and 2022 are as follows:

In € million	2023	2022
Content production costs	(1,697.0)	(1,512.9)
Grants received	144.1	95.4
Betting taxes	(473.8)	(386.1)
Banking and processor fees on transactions	(37.1)	(24.6)
Marketing costs	(90.7)	(83.9)
IT costs and Trading tools	(76.2)	(65.9)
Lease charges	(1.6)	(1.2)
Consulting/audit/other fees	(29.7)	(34.5)
Other external services	(40.3)	(36.8)
EXTERNAL EXPENSES	**(2,302.3)**	**(2,050.5)**

The external expenses increase is directly related to the activity growth of both Content production & distribution business and Online sports betting & gaming business impacting mainly the content production costs and the betting taxes.

Content production costs includes mainly production subcontracting costs and short-term leases affected to production. Subcontracting costs are also impacted by the change of balance during 2023 between lower temporary staff (recognised in Staff costs) and higher subcontractors costs (recognised in External expenses).

In 2023, government grants deducted from production costs amounted to €144.1 million (€95.4 million in 2022). Those grants are related to the financing of given programs, mostly scripted productions, and had the nature of tax credit or subsidies granted by regional or trade organizations. There are no unfulfilled conditions or contingencies attached to these grants.

Note 7 Staff costs

7.1 Payroll

Payroll costs are broken down as follows in 2023 and 2022:

(in € million)	2023	2022
Employee remuneration and social security costs	(1,251.9)	(1,283.8)
Employee benefits LTIP	(152.8)	(127.3)
Employment-related earn-out and put options expenses	(13.7)	(20.2)
Other employee benefits	(4.4)	(2.5)
Post-emplovement benefit - Defined benefit obligation	(1.3)	(0.9)
PERSONNEL EXPENSES	**(1,424.1)**	**(1,434.7)**

The decrease in personnel expenses between periods is mainly explained by a decrease of Employee remuneration and social security costs and in particular the temporary staff in the Content production & distribution business.

As explained in the note 6 on page 250 the temporary staff costs in 2023 are impacted by the change of balance between lower temporary staff (recognised in Staff costs) and higher subcontractors costs (recognised in External expenses).

The decrease is partially offset by an increase of Employee benefits LTIPs reflecting the new LTIP plans in 2023 as explained in the note 7.2 on page 251.

7.2 Employee benefits long-term incentive plans

Certain employees of the Group benefit from several long-term incentive plans (LTIP) whose goal is to share the created value by the Group or one of its subsidiaries.

At Banijay's level, some of them are settled in shares but are supplemented by a liquidity agreement granted by the relevant intermediate business unit holding, while the remaining are settled in cash. In accordance with IFRS 2, all plans are classified as cash-settled share-based payment transactions.

At Betclic Everest Group and Holding's level, those plans can either be settled in shares or in cash and are respectively classified as equity-settled or cash settled share-based payment transactions.

7.2.1 Description of the on-going plans

At Banijay's level, the Group issues to key management free share plans ("**AGA**") and share purchase warrants ("**BSA**").

In addition, Banijay issues phantom shares plans to certain directors and employees that require the sub-group to pay the intrinsic value of the phantom shares to the employee at the date of exercise. A summary of the plans' characteristics is presented below:

Plan	Type	Attribution date	Conditions	End of vesting period
Free Share plans (AGA)	Cash-settled	2017 to 2025	Presence and performance	2019 to 2029
Share purchase warrants (BSA)	Cash-settled	2021	Presence and performance	2026
Phantom shares	Cash-settled	2016	Presence and performance	2020 and 2023
Phantom shares	Cash-settled	2021 & 2023	Presence and performance	2024 and 2028 - 2026 and 2030
Warrants on a local incentive	Cash-settled	2023	Presence and performance	2028 and 2031
Other	Cash-settled	2020 to 2022	Presence and performance	2023 and 2034

At Betclic Everest Group's level, there are LTI plans and equity instruments that were assimilated to compensation received for goods and services rendered (cash-settled plans) issued to certain managers.

The Group has also reflected in its financial statements the impact of the grant of share-based and similar benefits to the Betclic Everest Group CEO. The contract is a three-party agreement with the Betclic Everest Group CEO, FL Entertainment and Betclic Everest Group and it runs until 2027. The impact on the period ended 31 December 2023 financial statements has been recognised under current liabilities and shareholders' equity, in accordance with the terms of the contract.

The plans regarding each type are summarised below:

Plan	Type	Attribution date	Conditions	End of vesting period
LTIP A	Cash-settled	2018 & 2019	Presence and Performance	2023
LTIP B	Cash-settled	2018 & 2019	Presence and Performance	2021
LTIP C	Cash-settled	2020 & 2021	Presence and Performance	2023
Preferred shares	Cash-settled	2018, renegotiated in 2021	Performance	2021
LTI 2023	Equity-settled and Cash-settled	2023	Performance and Presence	2027

At Holding's level, the Group issues to key management free share plans ("AGA") and phantom shares.

The plans regarding each type are summarised below:

Plan	Type	Attribution date	Conditions	End of vesting period
Phantom shares	Cash-settled	2023	Presence and Performance	2027
Free shares plans (AGA)	Equity-settled	2023	Presence and Performance	2025

7.2.2 Measurement of the plans

The Group measured the liability at fair value at the closing date using the same calculation methodology as at the previous closing and based on:

- updated budget forecasts based on the budget and the business plan adopted as part of the impairment tests;
- assumptions such as the discount rate (9.90% for BEG and 9.52% for Banijay in 2023) and the discounts in connection with the contractual clauses of good and bad leaver updated compared to the previous closing.

The Group has recorded liabilities of €316.3 million as of 31 December 2023 (€227.9 million as of 31 December 2022). The Group recorded total expenses of €152.8 million for the period ended 31 December 2023, compared to €127.3 million for the period ended 31 December 2022. The variation is mainly explained by:

- the new Betclic Everest Group 's share-based plan described above running until 2027, and
- the anticipated reimbursement of Banijay Group's key managers phantom shares (refer to note 3.1.1 on page 240) partially offset by
- the remeasurement of the Banijay's plans following the reassessment of the Banijay Group's shares during the first semester of 2022.

The cash outflows in regards with LTIP amounted to -€40.1 million for the period ended 31 December 2023, compared to -€90.5 million for the period ended 31 December 2022.

7.3 Employee benefits obligation resulting from a business acquisition arrangement

The balances of the employee benefits resulting from a business acquisition arrangement are as follows:

(in € million)	31 December 2023	31 December 2022
Current assets	(0.8)	(2.2)
Non-current assets	-	(0.8)
Current liabilities	13.5	10.3
Non-current liabilities	40.9	31.1
EMPLOYMENT-RELATED EARN-OUT AND PUT OPTION OBLIGATION (NET)	**53.6**	**38.4**

The movements in the employment-related earn-out and option obligation (net) over the years are as follows:

(in € million)	2023	2022
BALANCE AS OF 1 JANUARY	**38.4**	**17.6**
Service costs	13.7	20.2
Interest expense	3.5	2.4
Benefits paid	(4.0)	(3.3)
Change in scope	0.5	2.2
Translation adjustments and other movements	1.5	(0.6)
BALANCE AS OF 31 DECEMBER	**53.6**	**38.4**

Benefits are based on contractual formulas and computed based on business plans as validated by the business units.

Note 8 Depreciation and amortization

Depreciation and amortization expenses by category of assets are as follows:

(in € million)	2023	2022
Fiction assets and IP rights(1)	(48.6)	(58.8)
Property, plant and equipment, own property	(18.7)	(24.7)
Property, plant and equipment, right-of-use	(41.7)	(41.9)
Others intangible assets	(5.1)	(4.7)
Others	1.2	(1.4)
DEPRECIATION AND AMORTIZATION, NET OF REVERSALS	**(112.9)**	**(131.5)**
Amortization of intangible assets acquired in business combinations	(21.4)	(18.7)
DEPRECIATION AND AMORTIZATION EXPENSES, NET OF REVERSALS	**(134.3)**	**(150.1)**

(1) Of which €0.1 million of amortization of fiction production recognised in 2023 (€7.9 million in 2022).

Decrease in Depreciation and amortization expenses is driven by lower recoupment in 2023 in audiovisual rights (fiction or distribution advances).

Note 9 Other operating income and expenses

Other operational income and expenses for the years-ended in 2023 and 2022 are as follows:

(in € million)	2023	2022
Restructuring charges and other non-core items	(34.3)	(127.3)
Tax and duties	(4.0)	(2.6)
President fees	(19.8)	(16.9)
Other operational expenses	(1.0)	(10.9)
Other operational income	2.6	1.2
OTHER OPERATING INCOME AND EXPENSES	**(56.6)**	**(156.5)**
Of which other operating income	*7.0*	*19.6*
Of which other operating expenses	*(63.5)*	*(176.1)*

The decrease in other operating income and expenses is mainly attributable to the restructuring charges and other non-core items in 2022, explained below.

Restructuring charges and other non-core items are detailed as follows:

In € million	2023	2022
Restructuring costs and reorganization	(32.5)	(11.8)
FLE's reorganization operation and listing fees	-	(106.1)
Scope variation effect (badwill/capital gain or loss/acquisition costs) -	(9.4)	1.5
Significant litigations	7.8	(8.4)
Public donation	(0.3)	(2.5)
RESTRUCTURING CHARGES AND OTHER NON-CORE ITEMS	**(34.3)**	**(127.3)**

Restructuring costs and reorganization caption comprises mainly expenses with personnel and relocation held with the context of Banijay's acquisitions occurred during the period in the different subsidiaries.

In 2022, FL Entertainment's reorganization operation and listing fees includes charges related to the financial and operational/structural transactions occurred during the period within the context of FL Entertainment's reorganization process initiated in 2022 (advisory and legal fees) and charges of IFRS 2 listing fees.

Scope variation effect caption as of December 2023 mainly relate to the integration costs on recent acquisition and M&A project costs during the period. In 2022, the expenses mainly include the liquidation of BaH Entertainment LtD during the first semester of 2022 as well as the loss of control of Shauna Events and the deconsolidation of the Russian subsidiary.

Significant litigations as of December 2023 are mainly constituted by the positive outcome from a settlement agreement related to another operator in the Online sports betting & gaming as well as an additional provision allowance related to the bet-at-home sub-group's litigation process. In 2022, the caption mainly comprised the provision and legal fees for BGH litigations notably in Turkey and India and the provision related to the Bet-at-home sub-group litigation process in Austria which was reversed in 2022 after the deconsolidation of bet-at-home.com Entertainment Ltd (in Liquidation) from the Bet-at-home sub group.

Note 10 Financial result

For the twelve-month period ended 31 December *(in € million)*	**2023**	**2022**
Interests paid on bank borrowings and bonds	(168.6)	(145.7)
Interests and redemption costs on anticipated reimbursement of bank borrowings and bonds	(30.7)	-
Cost of gross financial debt	**(199.3)**	**(145.7)**
Interests received on cash and cash equivalents	3.7	2.1
Gains on assets contributing to net financial debt	**3.7**	**2.1**
COST OF NET DEBT	**(195.6)**	**(143.6)**
Interests received on current accounts receivables	-	1.2
Interests on lease liabilities	(6.6)	(4.5)
Change in fair value of financial instruments	(2.6)	(105.4)
Currency gains/(losses)	(24.2)	2.1
Other financial gains/(losses)	(15.3)	(6.6)
Other finance income/(costs)	**(48.8)**	**(113.1)**
NET FINANCIAL INCOME/(EXPENSE)	**(244.4)**	**(256.7)**

The increase of the cost of the gross financial debt between periods is mainly related to (i) Banijay's one-shot recognition in profit and loss of the former issuance costs not yet amortized associated with the former 2020 Banijay Facilities B, 2020 Banijay RCF and 2020 Banijay Senior Secured Notes in Euros and Dollars which were dealt as an extinction in accordance with IFRS 9 following the refinancing for an amount respectively of €13.0 million, €1.2 million and €7.1 million as well as the redemption cost for €9.4 million (please refer to note 3.1.2 on page 240) , and (ii) the new 2023 Banijay Facilities B1 financings as well as the refinancing of the 2020 Banijay Senior Secured Notes (please refer to note 3.1.2 on page 240) associated with higher interest rate negatively impacting the cost of net debt for €20.7 million.

The significant variation of the change in fair value of financial instruments is mainly driven by:

- the change in fair value and discounting effect of (i) the long-term liabilities on earn-out and put option and (ii) the employment-related earn-out and option obligation for -€21.1 million in 2023 including the impact of the contribution of Banijay Group shares from some Banijay Group's key managers as explained in the note 3.1.1 on page 240 compared to -€98.0 million in 2022 which was mainly driven by the change in fair value of financial instruments explained by the put on Banijay Group's shares held by managers following the upward reassessment of the Banijay Group's shares;
- the net positive impact of the measurement at fair value of the financial instruments related to the investment in The Independents (please refer to note 3.1.1 on page 240) and of the securities for a total amount of €22.3 million in 2023 compared to €6.6 million in 2022;
- the reset of the derivative attached to the Vivendi convertible bond that has been reimbursed following the Business Combinations on 5 July 2022 for -€20.4 million; offset by
- the negative impact in 2023 of the change in fair value of the FX derivatives instruments impacting the financial result by -€3.9 million in 2023 compared to €9.8 million in 2022.

Note 11 Income tax

11.1 Income tax expense

(in € million)	2023	2022
Current income tax	(84.8)	(84.4)
Deferred income tax	6.6	7.5
TOTAL TAX EXPENSE	**(78.2)**	**(76.9)**

In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognised in other comprehensive income:

(in € million)	2023	2022
Deferred Tax	3.9	(9.1)
Deferred tax on fair value adjustment on cash flow hedge	3.9	(9.1)
ITEMS TO BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS	**3.9**	**(9.1)**

11.2 Group's tax reconciliation

The Group's profit is generated in several countries. The tax rate is subject to changes in actual local tax rates and depends on the relative contributions of the different countries in the Group's profit.

The current tax rates for French companies in the Group is 25.83% in fiscal year 2023 and 25.83% in 2022.

The following table shows a reconciliation of the theoretical tax expense calculated at the French applicable rate, the Parent Company being a tax resident in France, and the recognised income tax expense:

(in € million)	2023	2022
Consolidated net income/(loss)	73.6	(81.1)
Income from associates and joint venture	(4.3)	(2.2)
NET INCOME OF CONSOLIDATED COMPANIES	**77.8**	**(78.9)**
Income tax	(78.2)	(76.9)
NET INCOME OF CONSOLIDATED COMPANIES BEFORE TAX	**156.1**	**(2.0)**
Applicable corporate tax rate	25.83%	25.83%
THEORETICAL TAX CHARGES	**(40.3)**	**0.5**
Impact from tax rate differentials	2.3	8.6
Change in unrecognised deferred tax assets(1)	(40.7)	(16.0)
Savings/charge on permanent tax differences(2)	6.2	(58.6)
Tax without basis(3)	(6.7)	(11.6)
Other	1.0	0.2
GROUP TAX EXPENSE	**(78.2)**	**(76.9)**

(1) The negative impact on unrecognised deferred tax assets in 2023 and 2022 is mainly driven by the impact of deferred tax non-recognition in France and Italy following unfavorable tax planning. in the Content production & distribution business, and the non-recognition of deferred tax assets in FL Entertainment.
(2) In 2023, permanent tax differences are mainly linked to the remeasurement of financial assets related to the investments in The Independents (please refer to note 3.1.1 on page 240) In 2022, permanent tax differences are mainly linked to IFRS expenses related to LTIP and listing expenses that are mostly not tax deductible (please refer to note 3.2.1 on page 241).
(3) These amounts mainly reflect the CVAE in France, IRAP in Italy, and state-tax in the US as well as withholding taxes.

The reconciling items reflect the effect of tax rate differentials and changes as well as the tax effects of non-taxable income or non-deductible expenses arising from permanent differences between local tax bases and the financial statements presented under IFRS.

11.3 Deferred taxes

11.3.1 Change in deferred taxes

(in € million)	Total net deferred tax
BALANCE AS OF 1 JANUARY 2022	44.4
Deferred tax recognised in profit or loss	7.6
Deferred tax recognised in invested equity	(9.0)
Deferred tax recognised in business combinations	1.1
Translation differences	0.6
Reclassification	0.1
Other movements	(0.3)
BALANCE AS OF 31 DECEMBER 2022	**44.5**
Deferred tax recognised in profit or loss	6.6
Deferred tax recognised in invested equity	3.9
Deferred tax recognised in business combinations	(4.1)
Translation differences	-
Reclassification	(0.3)
Other movements	-
BALANCE AS OF 31 DECEMBER 2023	**50.5**

11.3.2 Breakdown by nature

(in € million)	31 December 2023	31 December 2022
Tax loss carryforwards	47.4	52.2
Share-based payment (cash settled) and other provisions for retirement	9.9	6.3
PPA	(24.4)	(25.0)
IFRS 16	3.2	0.9
Financial instruments	(3.8)	(5.9)
Others	18.3	16.0
DEFERRED TAX ASSETS/(LIABILITIES), NET	**50.6**	**44.5**
O/w deferred tax assets	*58.4*	*51.9*
O/w deferred tax liabilities	*7.9*	*7.4*

The Group analyzed the potential utilization of the deferred tax asset arising from tax loss carryforwards in a near future (i.e., based on expected taxable profits in the next two years).

The cumulated unrecognised tax loss carryforwards as of 31 December 2023 amounted to €195.0 million (€142.3 million in 2022).

The main part of the tax loss carryforwards can be used indefinitely. However, in certain geographies such as France, UK, US, Netherlands and Italy some of those tax loss carryforwards are restricted in their consumption (for instance limited to a certain amount or percentage of taxable income).

Note 12 Goodwill

12.1 Significant acquisitions in 2023

Banijay's sub-group acquired the following businesses during the year:

Acquisition of Balich Wonder Studio (Italy)

In September 2023, Banijay acquired 51.68% of Balich Wonder Studio share capital through direct and indirect participation obtaining control given the agreement that govern the Boards of Directors.

Founded by Marco Balich, Balich Wonder Studio (BWS) is a live entertainment group in charge of creating, producing and delivering live shows and experiences that engage live audiences worldwide, performing custom-made narrative with cutting-edge technologies; and qualifies as a business as defined in IFRS 3.

Based in Milan, Balich Wonder Studio has offices in Milan, Saudi-Arabia and the UAE.

The Group has 3 business units:

- Ceremonies: Olympic Games, Ceremonies, National Celebrations, Institutional Celebrations, Opening Ceremonies;
- Events & Brand experiences: Hybrid events and activations, gala, roadshows, conventions, entertainment formats, exhibition;
- Immersive shows and destination experiences: cutting-edge creative planning and design for large-scale projects, in collaboration with real estate developers, entertainment operators and public institutions.

As of 31 December 2023, the related provisional goodwill amounted to €189.8 million. The purchase price and its allocation will be finalised within the twelve months following the acquisition date, as prescribed by IFRS 3R.

Integration of Beyond (Australia)

At the end of December 2022, Banijay acquired 100% of Beyond International in Australia. As a late acquisition, Beyond shares was presented as non-consolidated shares as of December 2022. From January 2023, Beyond is fully integrated in Banijay.

Beyond is an international producer and distributor, it has a portfolio of around 8,000 hours of scripted and non-scripted in-house and 3rd-party-acquired content overseen by Beyond Rights. Complimentary to our own catalogue, its track record lies mainly in the English-language with notable titles it distributes and qualifies as a business as defined in IFRS 3.

At year end, Goodwill amounts to €32.8 million.

Acquisition of The Forge (UK)

In November 2023, Banijay acquired 53.9% of The Forge, obtaining control given the agreement that govern the Boards of Directors. The Forge is a leading scripted independent producer in the UK with a well-established reputation for high quality, ambitious and award-winning TV drama with shows as *The Marriage*, *Help* and *Becoming Elizabeth*. Preliminary Goodwill amounts to €43.6 million. As part of this acquisition, the group has call options (and non-controlling shareholders have put options) enabling to reach an interest of ownership of 100%.

The aggregated amounts recognised at the acquisition date for each major class of assets acquired and liabilities assumed in the consolidated statement of financial position for those acquisitions are the following:

(in € million)	2023
Non-current assets	22.1
Current assets	241.4
ASSETS	**263.5**
NON-CONTROLLING INTERESTS	**10.0**
Non-current liabilities	17.2
Current liabilities	207.8
LIABILITIES	**225.0**
AGGREGATED ACQUIRED ASSETS AND LIABILITIES	**28.5**

The aggregated acquisition price for the business acquired in 2023 and the aggregated amount of goodwill recognised from the 2023 business acquisitions are the following:

(in € million)	2023
TOTAL CONSIDERATION, INCLUDING CONTINGENT CONSIDERATION AND OTHER COMPONENT	**302.4**
(less) Aggregated acquired assets and liabilities	**(28.5)**
AGGREGATED GOODWILL(2)	**273.8(1)(2)**

(1) Of which include also mainly the amount paid in 2022 for Beyond acquisition.
(2) Of which preliminary Balich Wonder Studio Goodwill before PPA: €189.8 million. The amount of cash paid to the seller is not disclosed because it would reveal the amount received by a minimal group of people.

The total amount of the acquisition goodwill in 2023 amount to €268.9 million of which €273.8 million related to 2023 acquisition under global integration method and -€5.9 million related to 2022 goodwill adjustment.

(in € million)	2023
Net cash outflows arising on acquisition	
Cash consideration(1)	169.7
Less: cash and cash equivalents balances acquired	(69.0)
Acquisition costs	(2.0)
PURCHASES OF CONSOLIDATED COMPANIES, NET OF ACQUIRED CASH(2)	**98.7**

(1) Of which include also mainly the amount paid in 2022 for Beyond acquisition
(2) The caption "Purchases of consolidated companies, net of acquired cash" of the Cash Flow statement also comprised cash out due to earn-out and put options for an amount of -€70.0 million.

Except for Beyond, the purchase price allocation of all those acquisitions is still under progress at the date of issuance of these consolidated financial statements.

The total amount of the acquisition cash and cash equivalents balances acquired in 2023 amount to €70.2 million of which €69.0 million related to 2023 acquisition and €1.2 million of prior year acquisition opening balance sheet adjustment.

Acquisition-related costs (included in other operational income and expenses) amount to €6.7 million.

Acquired consolidated companies contributed €181.5 million to the Group's revenue and €21.7 million to the Group's current operating profit for the period between the date of acquisition and the reporting date.

If the acquisition had been completed on the first day of the Financial Year, acquired consolidated companies would have contributed to the revenue for the year with €213 million.

12.2 Change in goodwill

Goodwill as of 31 December 2023 and 2022 is as follows:

(in € million)	Content production & distribution	Online sports betting & gaming	Gross value	Impairment	Goodwill, net
1 JANUARY 2022	**2,252.5**	**241.4**	**2,493.9**	**0.0**	**2,493.9**
Acquisitions	72.6	-	72.6	-	72.6
Divestures	-	-	-	-	-
Reclassifications	(0.3)	-	(0.3)	-	(0.3)
Exchange difference	4.1	-	4.1	-	4.1
31 DECEMBER 2022	**2,328.8**	**241.4**	**2,570.2**	**0.0**	**2,570.2**
Acquisitions	268.9	-	268.9	-	268.9
Divestures	-	-	-	-	-
Reclassifications	-	-	-	-	-
Exchange difference	(5.1)	-	(5.1)	-	(5.1)
31 DECEMBER 2023	**2,592.6**	**241.4**	**2,834.0**	**-**	**2,834.0**

The goodwill net increased during the period for €263.8 million, mainly due to the acquisitions occurred in 2023 described in note 12.1 on page 258.

The next note describes the impairment tests performed on goodwill, which was conclusive for no need for an impairment constitution.

12.3 Impairment tests

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. This impairment test is performed by comparing the recoverable amount of each cash generating unit (CGU) with the carrying value of the corresponding assets. The tests are carried out with rates specific to each division.

CGUs are independently defined at each business level, corresponding to the Group's operating segments. The segments are based on the Group's internal management reporting structure in order to facilitate decision-making with respect to the allocation of resources and assessment of the performance of the entity's operations. The Group's CGUs correspond to the two operating segments: Content production and distribution business and Online sports betting & gaming business. Refer to note 4 on page 244 – Segment information for further details.

In 2023 and 2022, the Group examined the value of the goodwill associated with its cash-generating units (CGUs), ensuring that the recoverable value of the CGUs tested exceeded their net book value, including goodwill. .

(in € million)	Goodwill	CGU carrying value
31 DECEMBER 2023		
Content production & distribution	2,592.6	2,946.0
Online sports betting & gaming	241.4	196.5
31 DECEMBER 2022		
Content production & distribution	2,328.8	2,701.4
Online sports betting & gaming	241.4	179.5

The recoverable amount as of 31 December 2023 and 2022, was determined based on a calculation of the value in use using cash flow projections from the budgets approved by Management covering a period of 4 years *(see table below)*.

The assumptions used by the Group are stated on the table below:

	WACC*	Perpetual growth rate	Budget (with some exceptions)
31 DECEMBER 2023			
Content production and distribution	9.5%	2.8%	4 years
Online sports betting & gaming	9.9%	2.3%	4 years
31 DECEMBER 2022			
Content production and distribution	9.5%	2.3%	4 years
Online sports betting & gaming	9.9%	1.5%	4 years

* *WACC: Weighted Average Cost of Capital post tax.*

The projections include estimates for the inflation rates as well as the cost savings that have been realised and are to be realised from several cost savings initiatives for which the entity is committed at the closing date. By their nature, forward-looking statements involve risks and uncertainties as they relate to events and depend on circumstances that may or may not occur in the future. Accordingly, actual results of operations, financial condition and liquidity may differ from those assumed in the forward-looking statements. The Group also assessed the impact of the climate and other environmental matters and considered that no material effect should be considered in the projections.

Based on the impairment tests conducted, the Management did not identify any impairment for both CGUs and thus no impairment needs to be charged against goodwill, intangible and tangible assets, for the years ended on 31 December 2023 and 2022.

SENSITIVITY TO CHANGES IN ASSUMPTIONS

A sensitivity analysis of the value in use of the Content production & distribution business and Online sports betting & gaming business was carried out according to the parameters below. This sensitivity analysis did not call into question the impairment tests performed (the margins on impairment tests remaining significantly positive in all scenarios).

The sensitivity of impairment tests to adverse, feasible changes in assumptions is set out below:

- reasonable sensitivity to changes in the discount rate: a simulated increase of 1 percentage point in the discount rate used would not change the findings of the Group's analysis;
- reasonable sensitivity to changes in the long-term growth rate: in a pessimistic scenario where the long-term growth rate is reduced by 0.5%, the value in use of each CGU would still exceed its carrying amount;
- reasonable sensitivity to changes in the business plans: a 10% reduction in the revenue forecast contained in the business plan and decrease of 0.5% of the perpetual growth rate, with variable costs adjusted accordingly, would not change the conclusions of the Group's analysis.

Consequently, none of the sensitivity tests reduced the value in use of any of the CGUs to below their carrying amount.

Note 13 Intangible assets

Intangible assets comprise mainly content assets, both acquired and developed internally, scripted programs with an international potential, distribution advances with third parties, software and intangible assets recognised as part of PPA.

Other intangible assets include rights for the movie adaptation of books.

	2023					
(in € million)	Content assets and formats	Content assets and formats in progress	Software	Intangible assets recognised as part of PPA	Other intangible assets	Total
GROSS AMOUNT						
AS OF 1 JANUARY 2023	**687.2**	**0.2**	**30.2**	**212.7**	**43.6**	**974.6**
Investments	40.0	0.0	0.4	-	11.2	51.6
Divestitures	(4.5)	-	-	-	(0.1)	(4.6)
Changes in consolidation scope	1.6	-	-	8.2	0.2	10.0
Translation differences	5.3	-	-	2.0	0.1	7.5
Reclassifications and others(1)	12.2	(0.1)	(0.4)	(0.9)	(1.7)	9.1
AS OF 31 DECEMBER 2023	**742.5**	**0.2**	**30.2**	**222.0**	**53.3**	**1,048.1**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES						
AS OF 1 JANUARY 2023	**(652.1)**	**-**	**(20.7)**	**(72.0)**	**(35.1)**	**(779.8)**
Depreciation and amortization	(46.1)	-	(3.8)	(20.6)	(1.2)	(71.6)
Divestitures and impairment losses	4.4	-	-	-	0.1	4.6
Changes in consolidation scope	2.1	(0.1)	-	-	(0.1)	2.0
Translation differences	(5.2)	0.1	-	(0.7)	(0.2)	(6.0)
Reclassifications and others(1)	3.8	-	3.7	-	0.1	7.6
AS OF 31 DECEMBER 2023	**(693.0)**	**0.0**	**(20.8)**	**(93.3)**	**(36.4)**	**(843.4)**
NET CARRYING AMOUNT						
As of 1 January	*35.7*	*0.2*	*9.5*	*140.7*	*8.5*	*194.8*
As of 31 December	*49.5*	*0.2*	*9.4*	*128.7*	*17.0*	*204.8*
Of which internally developed			*8.8*			*8.8*

(1) Reclassification of €11.3 million on content assets is mainly explained by reclassification of some scripted programs initially classified into work in progress and had been reclassified in intangible assets given the international future expected revenue.

(in € million)	2022 Content assets and formats	Content assets and formats in progress	Software	Intangible assets recognised as part of PPA	Other intangible assets	Total
GROSS AMOUNT						
AS OF 1 JANUARY 2022	**668.6**	**-**	**26.5**	**221.0**	**60.9**	**977.1**
Investments	36.1	-	4.3		3.3	43.7
Divestitures	(0.2)	-	(0.6)	-	(16.1)	(16.9)
Changes in consolidation scope	(6.4)	1.1	-	(3.3)	(0.2)	(8.8)
Translation differences	(20.3)	-	-	(6.6)	(1.3)	(28.2)
Reclassifications and others(1)	10.1	(0.8)	-	1.7	(3.2)	7.8
AS OF 31 DECEMBER 2022	**687.8**	**0.2**	**30.2**	**212.7**	**43.7**	**974.6**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES						
AS OF 1 JANUARY	**(617.2)**	**-**	**(15.9)**	**(55.0)**	**(52.3)**	**(740.3)**
Depreciation and amortization	(60.7)	-	(5.4)	(18.7)	(2.0)	(86.7)
Divestitures and impairment losses	0.1	-	0.6	-	18.5	19.2
Changes in consolidation scope	7.7	-	-	1.3	(1.8)	7.1
Translation differences	18.4	-	-	2.0	0.9	21.3
Reclassifications and others(1)	(0.4)	-	-	(1.6)	1.7	(0.4)
AS OF 31 DECEMBER 2022	**(652.1)**	**-**	**(20.7)**	**(72.0)**	**(35.1)**	**(779.8)**
NET CARRYING AMOUNT						
As of 1 January	*51.4*	*-*	*10.7*	*166.1*	*8.7*	*236.7*
As of 31 December	*35.7*	*0.2*	*9.5*	*140.7*	*8.6*	*194.8*
Of which internally developed	*-*	*-*	*8.7*	*-*	*-*	*8.7*

(1) Reclassification of €10.1 million content assets is mainly explained by reclassification of some scripted programs initially classified into work in progress and had been reclassified in intangible assets given the international future expected revenue.

06/

Note 14 Tangible assets

Tangible assets are primarily constituted by buildings and lands, technical installations and furniture and other equipment.

	2023				
(in € million)	Lands and buildings	Technical installations and equipment	Furniture, equipment, computer	Other tangible assets and tangible assets in progress	Total
GROSS AMOUNT					
AS OF 1 JANUARY 2023	**91.0**	**73.4**	**111.0**	**5.0**	**280.4**
Investments	14.3	4.3	13.4	0.9	32.9
Divestitures	(1.5)	(1.3)	(5.3)	(0.0)	(8.1)
Changes in consolidation scope	0.4	0.2	5.6	-	6.1
Translation differences	(0.3)	(0.6)	(0.7)	(0.0)	(1.6)
Reclassifications and others	0.0	(8.0)	6.2	(0.7)	(2.4)
AS OF 31 DECEMBER 2023	**103.9**	**67.8**	**130.3**	**5.2**	**307.3**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES					
AS OF 1 JANUARY 2023	**(73.4)**	**(57.8)**	**(90.0)**	**(0.0)**	**(221.2)**
Depreciation and amortization	(6.1)	(3.9)	(12.2)	(0.0)	(22.2)
Divestitures and impairment losses	1.5	1.1	4.5	-	7.2
Changes in consolidation scope	(0.3)	(0.1)	(3.5)	-	(3.9)
Translation differences	0.4	0.6	0.5	0.0	1.5
Reclassifications and others	0.3	4.4	(2.7)	0.0	2.0
AS OF 31 DECEMBER 2023	**(77.5)**	**(55.7)**	**(103.3)**	**(0.1)**	**(236.6)**
NET CARRYING AMOUNT					
As of 1 January	*17.6*	*15.5*	*21.0*	*5.0*	*59.2*
As of 31 December	*26.4*	*12.1*	*27.0*	*5.1*	*70.6*

(in € million)	Lands and buildings	Technical installations and equipment	Furniture, equipment, computer	Other tangible assets and tangible assets in progress	Total
	2022				
GROSS AMOUNT					
AS OF 1 JANUARY 2022	**85.4**	**67.4**	**106.0**	**5.4**	**264.3**
Investments	5.2	7.2	10.1	0.9	23.3
Divestitures	(0.6)	(0.7)	(3.8)	(0.0)	(5.3)
Changes in consolidation scope	(0.3)	0.5	1.1	0.1	1.4
Translation differences	0.0	0.1	(1.0)	0.0	(0.8)
Reclassifications and others	1.4	(1.1)	(1.4)	(1.3)	(2.5)
AS OF 31 DECEMBER 2022	**91.0**	**73.3**	**111.0**	**5.0**	**280.4**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES					
AS OF 1 JANUARY 2022	**(68.9)**	**(54.8)**	**(85.2)**	**-**	**(209.0)**
Depreciation and amortization	(5.1)	(4.1)	(10.4)	-	(19.6)
Divestitures and impairment losses	0.5	0.5	3.5	-	4.5
Changes in consolidation scope	0.4	(0.3)	(0.6)	-	(0.5)
Translation differences	0.1	0.0	1.0	-	1.1
Reclassifications and others	(0.3)	0.9	1.7	-	2.3
AS OF 31 DECEMBER 2022	**(73.4)**	**(57.8)**	**(90.0)**	**-**	**(221.2)**
NET CARRYING AMOUNT					
As of 1 January	*16.5*	*12.6*	*20.8*	*5.4*	*55.3*
As of 31 December	*17.6*	*15.5*	*21.0*	*5.0*	*59.2*

Note 15 Leases

15.1 Right-of-use assets

The assets accounted under IFRS 16 as of 31 December 2023 and 2022 are mainly real estate assets, i.e., office buildings and studios.

(in € million)	2023	2022
GROSS AMOUNT		
AS OF 1 JANUARY	**275.0**	**262.8**
Addition of assets	53.6	42.5
Divestitures, reclassifications and other[1]	(43.2)	(33.5)
Changes in consolidation scope	2.2	1.4
Translation differences	(2.5)	1.8
AS OF 31 DECEMBER	**285.0**	**275.0**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES		
AS OF 1 JANUARY	**(114.1)**	**(91.7)**
Depreciation and amortization	(48.0)	(42.7)
Divestitures, reclassification and other[1]	24.4	20.5
Changes in consolidation scope	0.6	0.0
Translation differences	1.4	(0.2)
AS OF 31 DECEMBER	**(135.8)**	**(114.1)**
NET CARRYING AMOUNT		
As of 1 January	*160.8*	*171.1*
As of 31 December	*149.2*	*160.8*

(1) The reclassification and others caption is mainly related to contracts' modifications.

15.2 Lease liabilities

(in € million)	2023	2022
LEASE LIABILITIES AS OF 1 JANUARY	**171.7**	**183.4**
Increase in liabilities	54.3	42.6
Principal lease repayments	(39.9)	(42.4)
Interests repayments	(6.5)	(4.9)
Changes in consolidation scope	2.7	1.5
Translation differences	(1.3)	1.7
Reclassification and others[1]	(13.1)	(10.0)
LEASE LIABILITIES AS OF 31 DECEMBER	**167.9**	**171.7**
Of which long term lease liabilities	*126.1*	*131.2*
Of which short term lease liabilities	*41.8*	*40.4*

(1) The reclassification and others caption is mainly related to contracts' modifications.

The lease liabilities are excluding low value and short-term leases. Total cash outflows for leases including interests amounted to €46.4 million and €47.3 million for the years ended 31 December 2023 and 2022, respectively.

The maturity profile of the Group's lease liabilities based on contractual undiscounted payments is as follows:

(in € million)	31 December 2023	31 December 2022
Due in less than one year	45.8	42.6
Due between one to five years	118.1	113.0
Due in more than five years	26.1	27.2
TOTAL LEASE LIABILITIES	**190.0**	**182.7**

15.3 Low value leases and short-term leases

Rental expenses recognised in external purchases for the year ended 31 December 2023 and 2022 amounted to €79.7 million and €82.9 million, respectively. These expenses mostly concern short-term contracts related to studios, equipment and facilities leased as part of productions incurred by the Content production & distribution business that are qualified as low value assets and/or short-term leases.

Note 16 Investments in entities accounted for under the equity method

(in € million)	2023	2022
VALUE AS OF 1 JANUARY	**14.0**	**11.1**
Results of the period	(4.3)	(2.2)
Dividend paid	(0.3)	(0.3)
Capital increase(1)	19.9	-
Change in consolidation scope	-	1.0
Foreign currency translation reserve	(0.1)	(0.2)
Change in consolidation method	(0.2)	-
Negative equity portion transferred to provisions for financial risk	1.2	3.5
Others(2)	1.4	1.1
VALUE AS OF 31 DECEMBER	**31.7**	**14.0**

(1) Capital increase is related to investment by content production & distribution business in the USA, the UK and Italy.
(2) In 2023, caption "others" is fully related to transactions performed by co-shareholders that resulted in the revaluation of the Group equity's stake in Financière EMG.

06/

Note 17 Working capital balances

17.1 Production - work in progress

Work in progress mainly correspond to costs incurred in the production of non-scripted programs (or scripted programs for which the Group does not expect subsequent Intellectual Property revenue in the future) that have not been delivered at reporting date, as the group recognises its production revenue upon delivery of the materials to the customer.

17.2 Trade receivables

The breakdown of trade and other receivables as of 31 December 2023 and 2022 is as follows:

(in € million)	31 December 2023	31 December 2022
Trade receivables, gross	541.9	496.4
Trade receivables from providers, gross	60.8	13.1
TOTAL TRADE RECEIVABLES, GROSS	**602.7**	**509.5**
Allowance for expected credit loss	(13.8)	(13.0)
TRADE RECEIVABLES, NET	**588.9**	**496.5**

Trade receivables from providers (payment service providers) correspond to balances in transit with the payment partners of the Group and which are repatriated to bank accounts manually or automatically. These receivables are considered liquid because they can be transferred in a few minutes or a few days, depending on partners.

The increase of trade receivables from providers is mainly driven by the introduction of new deposits and withdrawals solutions for Online sport betting & gaming business.

17.3 Other non-current and current assets

The breakdown of other non-current and current assets as of 31 December 2023 and 2022 is as follows:

(in € million)	31 December 2023	31 December 2022
Trade receivables, LT	24.0	17.8
Income tax receivables, LT	0.4	5.2
Receivables from disposals of assets, LT	-	-
Employment-related earn-out and option, LT(1)	-	0.8
Other, LT	12.5	12.1
OTHER NON-CURRENT ASSETS	**36.9**	**35.9**

Other long-term items mainly comprise receivables from bet-at-home.com Entertainment Ltd. (in liquidation) for an amount of €10.8 million and €9.1 million as of 31 December 2023 and 31 December 2022, respectively. As of 31 December 2023, this aggregate also includes long-term grant receivables for €0.3 million (€1.5 million in December 2022).

From the current perspective, the insolvency proceedings in Malta of bet-at-home.com Entertainment Ltd (in liquidation) are expected to be settled at the end of 2025 and the receivables are expected to be paid at that time. Accordingly, the expected payments on the receivables were discounted over this period.

(in € million)	31 December 2023	31 December 2022
Tax receivables, excluding income tax	101.0	103.5
Grants receivables(1)	168.1	102.2
Income tax receivables	12.0	10.7
Prepaid expenses	36.2	26.1
Production-related receivables	12.6	18.6
Receivables from disposals of assets	-	2.0
Employment-related earn-out and option, ST(2)	0.8	2.2
Others(3)	27.0	22.8
OTHER CURRENT ASSETS	**357.6**	**288.3**

(1) Refer to note 6 on page 250 for more details.
(2) Refer to note 7.3 on page 253 for more details.
(3) This item comprised mainly supplier receivables and payables.

17.4 Customer contract liabilities

Customer contract liabilities as of 31 December 2023 and 2022 are as follows:

(in € million)	31 December 2023	31 December 2022
Deferred revenue	695.0	638.0
Liabilities for gaming	55.1	55.4
TOTAL CUSTOMER CONTRACT LIABILITIES	**750.0**	**693.3**

Deferred revenue relates to undelivered programs that are work-in-progress (or intangible assets-in-progress) and that have already been invoiced, recognised as deferred revenue under IFRS 15.

Liabilities for gaming mainly relates to players's liabilities and bets already placed on sporting events at the reporting date but the results of which will not be known until after the end of period.

Revenue recognised in the 2023 that was included in the customer contract liability balance at the beginning of the period:

(in € million)	1 January 2023	Revenue recognised in 2023	Revenue not recognised yet
Deferred revenue	638.0	619.5	18.5

The remaining performance obligation corresponds to firm commitments (or closed sales).

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as of 31 December 2023 totalised €2,274 million for the Content production & distribution segment, including €1,919 million within one year and €300 million beyond one year (€2,246 million, including €1,945 million within one year and €301 million beyond one year, respectively in 2022).

The remaining performance obligations should essentially cover the revenue to be recognised for undelivered productions and for sales of finished tapes/formats for which the rights are not opened.

Liabilities for gaming bets mainly include players' liabilities, i.e., the amounts available in their accounts for an amount of €55.1 million and €55.4 million as of 31 December 2023 and 31 December 2022, respectively.

17.5 Other non-current and current liabilities

Other non-current liabilities as of 31 December 2023 and 2022 are as follows:

In € million	31 December 2023	31 December 2022
Employee-related long-term incentives(1)	135.3	213.6
Long-term liabilities on earn-out and put option	144.4	164.1
Employment-related earn-out and option obligation(2)	40.9	31.1
Debts to right owners	17.6	13.2
Other employee-related liabilities	3.3	3.5
Other non-current liabilities	11.1	15.7
OTHER NON-CURRENT LIABILITIES	**352.5**	**441.3**

(1) Refer to note 7.2 on page 251 for more details.
(2) Refer to note 7.3 on page 253 for more details.

Other current liabilities as of 31 December 2023 and 2022 are as follows:

(in € million)	31 December 2023	31 December 2022
Employee-related long-term incentives, current[(1)]	181.1	14.3
Short-term liabilities on earn-out and put option	35.7	73.1
Employment-related earn-out and option obligation[(2)]	13.5	10.3
Employee-related payables (accruals for paid leave, bonuses and other)	110.1	111.0
National, regional and local taxes other than gaming tax and income tax	96.4	98.8
Income tax liabilities	43.1	51.6
Gaming tax liabilities	59.1	39.9
Production-related payables	12.1	3.7
Payable on fixed asset purchase	9.4	1.0
Other current liabilities	33.9	22.8
OTHER CURRENT LIABILITIES	**594.3**	**426.5**

(1) Refer to note 7.2 on page 251 for more details.
(2) Refer to note 7.3 on page 253 for more details.

Liabilities on earn-out and put option reflect the commitments to purchase non-controlling interests amounts, as well as the liabilities regarding contingent consideration arrangement on business acquisitions. The Group estimates these debts based on contractual agreements and using assumptions on future profits. The present value of the scheduled cash outflows is computed using a discount rate.

Employees-related long-term incentives include cash-settled share-based payment liability. They are classified under the level 3 (inputs not based on observable market data).

The decrease of the liabilities on earn out and put option is mainly explained by the contribution of some Banijay Group's key managers on 4 July 2023 of most of their Banijay Group's shares owned directly to FL Entertainment (refer to note 3.1.1 on page 240). The decrease is partly offset by the put option of Balich Wonder Studio for €97.4 million (please refer to note 12.1 on page 258).

The increase of the employee-related long-term incentives is mainly explained by the new LTIP plan in 2023 as explained in the note 7.2 on page 251. This increase is partially offset by the settlement and reinvestment on 4 July 2023 of some Banijay Group's key managers their Phantom shares plans to FL Entertainment (refer to note 3.1.1 on page 240.

Other non-current liabilities relate mainly to payables owed by sub group bet-at-home to bet-at-home.com Entertainment Ltd. (in liquidation).

(in € million)	2023	2022
LIABILITIES ON EARN-OUT AND PUT OPTION AS OF 1 JANUARY	**237.2**	**204.1**
Scope entry	127.5	18.0
Remeasurement through P&L	17.4	93.1
Repayments	(98.1)	(15.4)
Scope exit	-	-
Translation differences	0.0	(0.7)
Reclassification and others	(103.9)	(62.0)
LIABILITIES ON EARN-OUT AND PUT OPTION AS OF 31 DECEMBER	**180.1**	**237.2**
Of which current	*35.7*	*73.1*
Of which non-current	*144.4*	*164.1*

In 2023, scope entry is explained by the acquisitions made in Content production & distribution business during the year (please refer to note 12.1 on page 258) and the repayments are mainly explained by the payment of Endemol India put option.

In 2022, the remeasurement was mainly driven by the upward reassessment of the Banijay Group's shares.

Reclassification and others caption includes in 2023 the settlement of the liabilities on earn-out and put option towards some Banijay Group's key managers in exchange for FL Entertainment's ordinary shares (please refer to note 3.1.1.2 on page 240) and in 2022 the reversal of Marco Bassetti's put options recognised in equity following the contribution of its BG's shares to FL Entertainment in exchange for ordinary shares.

Note 18 Changes in shareholders' equity

18.1 FL Entertainment equity instruments

Ordinary shares and SVS issued	Number of shares: Ordinary Shares *(nominal value: €0.01)*	SVS *(nominal value: €0.02)*	*(in € million)* Impact on Shareholders' equity
TOTAL 1 JANUARY 2023	**411,657,608**	**191,991,997**	**N/A**
Capital increase subscribed by Banijay key managers	1,171,685	-	11.7
Contribution of all BG shares held by Banijay Group's key managers in exchange for Ordinary Shares(1)	10,441,974	-	104.4
TOTAL 31 DECEMBER 2023	**423,271,267**	**191,991,997**	**N/A**

(1) *The shares have been issued in the context of changes in ownership interest in subsidiaries that do not result in a loss of control (please refer to note 3.1.1 on page 240).*

In the context of the Group's reorganization (as explained in paragraph 3.2.1), FL Entertainment has issued ordinary shares and SVS as follows in 2022:

	Number of shares: Ordinary Shares *(nominal value: €0.01)*	SVS *(nominal value: €0.02)*	*(in € million)* Shareholders' equity
Incorporation of FL Entertainment	1,000		0.0
Contribution of all Lov Banijay shares held by Financière Lov to FL Entertainment in exchange for Ordinary Shares and Special Voting Shares(1)	178,479,432	178,479,432	-
Contribution and sale of all LDH shares held by DEA Communications SA to the Group through several transactions, in exchange for FL Entertainment's Ordinary Shares(2)	20,408,177		(3.0)
Contribution of all LDH shares held by Fimalac to the Group through several transactions, in exchange for FL Entertainment's Ordinary Shares(2)	28,978,416		92.1
Contribution of all BGH shares held by Vivendi Content to the Group through several transactions, in exchange for FL Entertainment's Ordinary Shares(2)	78,829,610		(96.1)
Contribution and sale of all Betclic shares held by SBM International to FL Entertainment for, inter alia, Ordinary Shares(2)	42,500,000		(560.6)
Subscription in cash by FL to a share capital increase of FL Entertainment in exchange for Ordinary shares and SVS(3)	13,520,565	13,520,565	135.2
Subscription in cash by Vivendi to a share capital increase of FL Entertainment for €25 million in exchange for Ordinary Shares	2,500,000		25.0
Contribution of all BG shares held by Marco Bassetti in exchange for Ordinary Shares(2)	6,916,269		69.2
Contribution of SPAC investors as consideration for the Merger with Pegasus, including the shares issued in the context of the FPA(4)	16,426,140		188.9
Subscription in cash by PIPE Investors to a share capital increase of FL Entertainment in exchange for Ordinary Shares	20,423,000		203.4
Conversion of Founder Shares into Ordinary Shares(5)	2,674,999		29.4
	411,657,608	**191,999,997**	**83.5**

(1) *The contribution of Lov Banijay shares by Financière Lov being accounted for as a transaction under common control recognised using the pooling interests' method applied retrospectively, this operation has no impact in the shareholders equity. A reclassification between the accounts share capital and share premiums and the account retained earnings has been performed to reflect the equity instruments issuance, reflected in the line "Group's constitution" of the consolidated statement of changes in equity.*
(2) *The shares have been issued in the context of changes in ownership interest in subsidiaries that do not result in a loss of control (refer to note 18.2 on page 272).*
(3) *In addition to ordinary shares and SVS, FL received earn-out shares for an amount of €114.4 million, classified in liabilities according to IAS 32 (refer to note 21 on page 275).*
(4) *The fair value of those shares was estimated on the listed stock price shares after the listing (€11.498).*
(5) *The fair value of those shares was estimated on the listed stock price shares at the conversion date (€11.0).*

The total cash received in regards with capital increase amounted to €363.6 million (net of transaction costs).

Special statutory voting rights

The Company has implemented a Special Voting Plan, by creating Special Voting Shares A and B, in its share capital. These shares allow the holder thereof to exercise two voting rights in addition to one voting right for each corresponding ordinary share held by it in accordance with and subject to the SVS Terms. Financière Lov is the sole initial participant in the Special Voting Plan and the sole initial holder of the Special Voting Shares A and B.

Treasury shares

As of 31 December 2023, the Company owned 23,676 treasury shares through the liquidity agreement (refer to note 23.1 on page 278).

18.2 Changes in ownership interest in subsidiaries that do not result in a loss of control

In 2023, in the context of the Contribution of all BG shares held by Banijay Group's key managers in exchange for Ordinary Shares (as explained in note 3.1.1 on page 240), the consolidated equity is impacted as follows:

	31 December 2022		
(in € million)	Shareholders' equity	Non-controlling interests	Total consolidated equity
• Contribution of all BG shares held by Banijay Group's key managers in exchange for Ordinary Shares;	104.4	(0.8)	103.6
CHANGES IN OWNERSHIP INTEREST IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL	**104.4**	**(0.8)**	**103.6**

In 2022, in the context of the Group's reorganization (as explained in note 3.2.1 (i) on page 241), capital restructuration undertaken impacted the consolidated equity as follows:

	31 December 2022		
(in € million)	Shareholders' equity	Non-controlling interests	Total consolidated equity
• Contribution and sale of all Betclic shares held by SBM International to FL Entertainment for, inter alia, Ordinary Shares	(560.6)	135.6	(425.0)
• Contribution and sale of all LDH shares held by DEA Communications SA and Fimalac to the Group through several transactions, in exchange for FL Entertainment's Ordinary Shares	89.2	(188.6)	(99.5)
• Contribution of all BGH shares held by Vivendi Content to the Group through several transactions, in exchange for FL Entertainment	(96.1)	96.1	-
• Contribution of all BG shares held by Marco Bassetti in exchange for Ordinary Shares(1)	69.2	-	69.2
• Other BGH's operations	(7.2)	-	(7.2)
CHANGES IN OWNERSHIP INTEREST IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL	**(505.6)**	**43.0**	**(462.6)**

(1) In conjunction with BG's shares, a shareholders' agreement was signed between BGH and Marco Bassetti granted to the latter a put option, recognised in the consolidated financial statements. It was analyzed that this agreement conveyed an in-substance present ownership interest in the underlying entity. The carrying value of the non-controlling interests were reclassified to other current or non-current liabilities. Following the conversion, this agreement becomes devoid of purpose, and the put has been cancelled against shareholders equity.

18.3 Share-based payment

In 2023, the share-based payment is related to the ordinary shares of FL Entertainment delivered in regards with the three-party agreement between the Betlic Everest Group CEO, FL Entertainment and Betclic Everest Group (refer to note 7.2 on page 251) as well as the Phantom shares plan at Holding's level (refer to note 7.2 on page 251).

18.4 Distribution of share premium

Following the Annual General Meeting of FL Entertainment N.V. on 15 June 2023 and the approval of the resolution 4b, a share premium distribution was paid to all holders of ordinary shares registered as shareholders as from 21 June 2023. The total distribution paid is €148.2 million (i.e., €0.36 per ordinary share).

From any profits, as remaining after application of the provisions in the Articles of Association of FL Entertainment regarding reservation and the profit entitlement of earn-out preference shares and founder shares and special voting shares an amount equal to 0.1% of the nominal value of each of the earn-out preference shares, special voting shares and founder shares shall be added to the dividend reserve of the respective shares as described in the Articles of Association and as agreed upon by each founder share holder and earn-out preference share holder in the shareholders' agreement dated 30 June 2022 of FL Entertainment (the "Shareholders' Agreement") and by the special voting shares holders in the special voting shares terms dated 30 June 2022 (the "SVS Terms") . Any profits remaining thereafter shall be at the disposal of the general meeting for distribution to the holders of ordinary shares in proportion to the aggregate nominal value of their ordinary shares.

Pursuant to the Shareholders' Agreement and in accordance with SVS terms, founder shares holders, earn-out shares' holders and special voting shares holders have agreed to waive all profit rights due to them.

Note 19 Non-controlling interests

(in € million) **Name of the subsidiary**	31 December 2023 Accumulated NCI as of 01/01/2023	Profit for the period	OCI for the period	Changes in ownership interest in subsidiaries that do not result in a loss of control	Changes in non-controlling interests that result in a gain/(loss) of control	Dividends and share premium distributed to NCI	Others	Accumulated NCI as of 31/12/2023
BEG Group	(2.1)	5.8	(0.2)			(8.6)	0.7	(4.3)
Banijay Group	8.4	7.1	(0.5)	(0.8)	13.1	(13.0)	10.2	24.5
TOTAL	**6.3**	**12.8**	**(0.7)**	**(0.8)**	**13.1**	**(21.6)**	**10.9**	**20.2**

(in € million) **Name of the subsidiary**	31 December 2022 Accumulated NCI as of 01/01/2022	Profit for the period	OCI for the period	Changes in ownership interest in subsidiaries that do not result in a loss of control	Changes in non-controlling interests that result in a gain/(loss) of control	Dividends distributed to NCI	Others	Accumulated NCI as of 31/12/2022
LDH	188.9	(0.0)	-	(188.6)		(0.2)	-	-
BEG Group	(183.9)	44.6	1.8	135.6	-	-	(0.2)	(2.1)
Banijay Group	(41.7)	(37.7)	(9.2)	96.1	3.0	(2.9)	0.8	8.4
TOTAL	**(36.7)**	**6.9**	**(7.5)**	**43.0**	**3.0**	**(3.1)**	**0.7**	**6.3**

In 2023 and 2022, the item "Changes in ownership interest in subsidiaries that did not result in a loss of control" reflected the capital restructuration detailed in the note 18.2 on page 272.

In 2023, NCI were recognised in relationship with Balich Wonder Studios initial accounting (remaining NCI amount to 11,73%) and are presented in the column "Others".

Note 20 Earnings per share

20.1 Number of shares

The shares issued by FL Entertainment in exchange for all Lov Banijay's shares held by Financière Lov in the context of the Group's reorganization (combination between entities under common control) did not result in a corresponding change in resources, since the attached economical rights were already controlled by the reporting entity. As a consequence, and in accordance with IAS 33, the weighted average number of ordinary shares for the twelve-month period ended 31 December 2022 has been adjusted during the period presented as if these shares were issued at the beginning of the earliest period presented.

(in € million)	31 December 2023 Number of Ordinary Shares	31 December 2023 Share Capital *(in € million)*	31 December 2022 Number of shares	31 December 2022 Share Capital *(in € million)*
OPENING SHARE CAPITAL	**411,657,608**	**4.1**	**-**	**-**
Capital increase	11,613,659	0.1	411,657,608	4.1
Capital decrease	-	-	-	-
CLOSING SHARE CAPITAL	**423,271,267**	**4.2**	**411,657,608**	**4.1**
Of which treasury shares	(23,676)	-	(6,975)	
OPENING TREASURY SHARES	(6,975)	-		
Change in treasury shares	(16,701)			
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING[(1)]	**417,421,642**	**-**	**296,953,862**	
Free shares	6,854,742	-		
DILUTED WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING[(1)]	**424,276,384**	**-**	**296,953,862**	

(1) *Including the retrospective adjustment related to the 178,479,432 shares issued in compensation for the shares contributed by Financière Lov.*

Free shares represent potential FL Entertainment shares as part of LTI 2023 plan and Holding Free shares plans (AGA) as described in the note 7.2 on page 251.

As of 31 December 2023, 20,000,000 earn-out shares, 2,575,001 founder shares, 5,250,000 founder warrants and 8,666,667 public warrants were not taken in consideration for the calculation of diluted earnings per share because the conversion conditions were not satisfied at the end of the period.

20.2 Basic and diluted earnings per share

(in € million)		31 December 2023	31 December 2022
Income available to common shareholders	A	60.8	(88.0)
Weighted average number of Ordinary Shares outstanding[(1)]	B	417,421,642	296,953,862
BASIC EARNINGS PER SHARE *(in €)*	**A/B**	**0.15**	**(0.30)**

(1) *Including the retrospective adjustment related to the 178,479,432 shares issued in compensation for the shares contributed by Financière Lov.*

(in € million)		31 December 2023	31 December 2022
Income available to common shareholders	A	60.8	(88.0)
Diluted weighted average number of Ordinary Shares outstanding[(1)]	B	424,276,384	296,953,862
DILUTED EARNINGS PER SHARE *(in €)*	**A/B**	**0.14**	**(0.30)**

(1) *Including the retrospective adjustment related to the 178,479,432 shares issued in compensation for the shares contributed by Financière Lov.*

Note 21 Other securities

(in € million)	31 December 2023	31 December 2022
Earn-Out Shares	103.0	98.3
Founder Shares	16.6	16.5
Public Warrants	11.7	7.8
Founder Warrants	8.1	7.9
OTHER SECURITIES	**139.4**	**130.5**

In the context of the Group's reorganization in 2022 (as explained in paragraph 3.2.2.1 i)), Financière Lov subscribed in cash to a share capital increase of FL Entertainment for an amount of €250 million in exchange for ordinary shares, SVS and earn-out shares (of which €114.4 million paid for earn-out shares).

The founder shares, founder warrants and public warrants were recognised as part of the Pegasus merger (refer to 8otes 3.2.1 iii) and iv) on pages 242 and 243).

The characteristics of the earn-out shares, founder shares, founder warrants and public warrants (see below) were analyzed, and it has been determined that these securities should be classified as liability instruments according to IAS 32. They are recognised at fair-value through P&L.

Those instruments are classified as Level 3 and have been measured using a multi-model analysis based on Monte-Carlo and Black-Scholes models, including public warrants for which the lack of transactions in the public market does not provide a relevant pricing information.

Due to the low level of liquidity of FL Entertainment's shares during the period, unobservable inputs include FL Entertainment's ordinary share's price (based on a multiple analysis taking into account historical price prior and after quotation, analysts reviews and Pegasus transaction) and volatility (based on peers' index). The worst-case scenario would increase the liability for an amount of €16.0 million. The best-case scenario would decrease the liability for an amount of €(15.0) million.

Earn-out shares characteristics

Earn-out shares are divided into 3 categories:

- 13,000,000 earn-out shares A: each of these shares will be converted into 1 ordinary share and 1 SVS if the closing price of the ordinary shares equals or exceeds €13.00 per ordinary share for any 20 trading days within a 30 consecutive trading day period before expiration of a 5-year period following 1 July 2022;
- 3,500,000 earn-out shares B: each of these shares will be converted into 1 ordinary share and 1 SVS if the closing price of the ordinary shares equals or exceeds €15.00 per ordinary share for any 20 trading days within a 30 consecutive trading day period before expiration of a 5-year period following 1 July 2022;
- 3,500,000 earn-out shares C: each of these shares will be converted into 1 ordinary share and 1 SVS if the closing price of the ordinary shares equals or exceeds €17.00 per ordinary share for any 20 trading days within a 30 consecutive trading day period before expiration of a 5-year period following 1 July 2022.

Earn-out shares can only be entitled to profit in the limit of a negligible amount equal to 0.1% of the nominal value (€0.03) per share. All issued and outstanding earn-out shares at a time may only be held by one person at any time and may also be transferred all together to one other person at a time. Each earn-out share confers three votes in a general meeting.

Financière LOV has committed not to exercise any voting right attached to earn-out shares. Financière LOV has also committed not to sell the earn-out shares for a three-year period from 1 July 2022.

Founder shares characteristics

As a result of the transaction with Pegasus, founder shares were contributed to former founder shares' holders of Pegasus Entrepreneurs. Terms and conditions applicable to FL Entertainment's outstanding founder shares are similar to those issued by Pegasus.

The founder shares have a nominal value of €0.01 each. From any profits, as remaining after application of the provisions in the Articles of Association regarding reservation and the profit entitlement of earn-out shares, an amount equal to 0.1% of the nominal value of each founder share shall be added to the dividend reserve for founder shares.

Subject to the satisfaction of the conditions set out below and subject to certain capital adjustment measures (as described in the Articles of Association), the 2,575,000 outstanding founder shares held by former Pegasus founders shall be converted:

- up to 50% of the founder shares, held by each sponsor, in aggregate amounting to up to 1,287,500 founder shares will be exchanged on a one-for-one basis for ordinary shares (subject to the lockup arrangements applicable to the sponsors, including the Pegasus lock-up arrangements), if, after 1 July 2022, the closing price of the ordinary shares equals or exceeds €11.50 per Ordinary Share for any 20 trading days within a 30 consecutive-trading day period; and

- up to 50% of the founder shares, held by each sponsor, in aggregate amounting to up to 1,287,500 founder shares will be exchanged on a one-for-one basis for ordinary shares (subject to the lockup arrangements applicable to the sponsors, including the Pegasus lock-up arrangements), if, after 1 July 2022, the closing price of the ordinary shares equals or exceeds €13.00 per ordinary share for any 20 trading days within a 30 consecutive-trading day period.

Existing shareholder agreement provides that any voting right attached to founder shares will not be exercised. Founder shares can only be entitled to profit in the limit of the negligible amount equal to 0.1% of the nominal value (€0.01) per share.

Public warrants characteristics

Each public warrant shall entitle an eligible holder to purchase from the Company one ordinary share at the price of €11.50 per ordinary share. Public warrants may be exercised within a 5 years period from 1 July 2022.

As warrants, the Public warrants does not entitle to any right as shareholder such as dividends or voting rights.

Terms & conditions of the Public warrants set several unusual provisions that may affect the market value of the Public warrants:

- each public warrant may be redeemed by FL Entertainment if the price of the ordinary share exceeds €18.00 during more than almost consecutive twenty trading days period. Redemption price would in this case equal €0.01;
- each public warrant may be redeemed by FL Entertainment if the price of the ordinary share is comprised between €10.00 and €18.00 at a price of €0.01 per warrant upon not less than 30 days' prior written notice of redemption (a Redemption Notice). In this case, the warrant holder could exercise its warrants on a cashless basis and receive a number of ordinary share per warrant set according to a table based on the redemption date and the fair market value of ordinary shares.

As of 31 December 2023, 8,666,666 Public Warrants were outstanding.

Founder warrants characteristics

Founder warrants have been issued by FL Entertainment at 1 July 2022 and distributed to Pegasus Founder.

Founder warrants have substantially the same terms as the public warrants and entitle their holder to purchase from FL Entertainment one ordinary share at the price of €11.50 per ordinary share within a 5-year period from 1 July 2022. Additionally, the founder warrants will be exercisable on a cashless basis according to a table based on the redemption date and the fair market value of ordinary shares and be non-redeemable, so long as they are held by the Pegasus' founders and sponsors. If the founder warrants are held by someone other than Pegasus' founders and sponsors, the founder warrants will be redeemable by the Company and exercisable by such holders on the same basis as the public warrants. The proceeds of a redemption of Warrants, the proceeds of the repurchase of warrants or a full or partial cash or cashless settlement of warrants may be subject to Dutch dividend withholding tax at a rate of 15%.

Founder warrants does not entitle to any right as shareholder such as dividends or voting rights.

As of 31 December 2023, FL Entertainment issued 5,250,000 Founder warrants.

Note 22 Provisions and contingent liabilities

22.1 Provisions

The change in provisions between 1 January 2023 and 31 December 2023 were as follows:

(in € million)	Commercial claims and litigation	Restructuring plan	Other	Total
AS OF 1 JANUARY 2022	**30.5**	**2.6**	**28.0**	**61.1**
Additions	5.0	1.9	7.7	14.6
Releases	(2.7)	(2.0)	(4.8)	(9.5)
Reclassifications and others	8.7	-	(7.0)	1.6
Translation adjustment	(0.1)	(0.0)	(0.0)	(0.1)
Change in scope of consolidation and other	(25.6)	-	8.5	(17.1)
AS OF 31 DECEMBER 2022	**15.8**	**2.5**	**32.4**	**50.7**
Of which non-current provisions	*11.0*	-	*16.7*	*27.7*
Of which current provisions	*4.8*	*2.5*	*15.7*	*23.0*
AS OF 1 JANUARY 2023	**15.8**	**2.5**	**32.4**	**50.7**
Additions	0.2	1.6	2.3	4.1
Releases	(5.7)	(2.2)	(6.7)	(14.6)
Reclassifications and others	0.2	0.1	4.6	4.9
Translation adjustment	(0.1)	(0.0)	0.0	(0.1)
Change in scope of consolidation and other	3.4	-	1.5	4.9
AS OF 31 DECEMBER 2023	**13.7**	**1.9**	**32.2**	**47.9**
Of which non-current provisions	*10.5*	-	*24.8*	*34.3*
Of which current provisions	*3.2*	*1.9*	*8.4*	*13.5*

In 2022, as a result of the loss of control due to the winding up proceedings ("winding up by the court") over bet-at-home.com Entertainment Ltd (in liquidation), which has been confirmed by the court on 13 May 2022, with retroactive effect from the date of the application, the company had to be deconsolidated from the bet-at-home sub-group, resulting in the disposal of the provision recognised as of 31 December 2021.

Other provisions are mainly constituted by provisions for financial losses and provisions for post-employment benefits.

22.2 Contingent liabilities

An obligation constitutes a contingent liability if the amount cannot be estimated with sufficient reliability or if it is unlikely to result in an outflow of resources.

Content production & distribution business

On 11th October 2023, the UK government's Competition and Markets Authority (CMA) opened an investigation under section 25 of the Competition Act 1998 into concerns about the purchase of services from freelance providers, and the employment of staff, who support the production, creation and/or broadcast of television content in the UK. The Banijay UK label "Tiger Aspect" is included in the investigation as are some UK broadcasters and other UK production companies. The investigation and any enforcement action potentially arising as a result could have negative consequences for the Company. The potential imposition of any monetary penalty (and the amount thereof) arising from the investigation would depend on factual findings, however at this stage it is too early to determine the likelihood or extent of any liability. Banijay is committed to co-operating fully with the CMA investigation and complying with competition law.

Online sports betting & gaming business

An obligation constitutes a contingent liability if the amount cannot be estimated with sufficient reliability or if it is unlikely to result in an outflow of resources.

The Betclic Everest Group received in December 2021 a notice of adjustment from the French tax authorities for a total amount of €52.4 million (wilful misconduct and interest for late payment included) related to the VAT to be collected and paid in respect of income resulting from sports bets placed by players residing in France, for the years 2018 and 2019.

On 13 May 2022, the Betclic Everest Group received (i) a rectification on the notice of adjustment from December 2021, decreasing the amount of €52.4 million to €37.3 million (willful misconduct and interest for late payment included) and (ii) a new notice of adjustment from the French tax authorities for a total amount of €25.8 million (wilful misconduct and interest for late payment included) related to the VAT to be collected and paid in respect of income resulting from sports bets placed by players residing in France for the year 2020.

On 27 September 2022, the French tax authorities notified the Betclic Everest Group of the waiver of the wilful misconduct penalties, for the years 2018 and 2019, decreasing the adjustments from €37.3 million to €27.1 million.

The Betclic Everest Group, with the support of its legal and tax advisers, still considers that the position of the French tax authorities is not in conformity with various general principles of VAT, in the same way as the other online gaming operators in France that are part of the association AFJEL. The Betclic Everest Group will challenge this adjustment in France, with the French tax authorities and, if necessary, the French courts, but also with the Court of Justice of the European Commission if a French Court decides to make a request for a preliminary ruling. No provision relating to this litigation has been recorded.

However, to avoid further similar adjustments from the French tax authorities, the Betclic Everest Group has decided to spontaneously pay VAT in respect of income resulting from sports bets placed by players residing in France, starting with the year 2023 in January 2024.

The Betclic Everest Group still considers that such VAT is not due and intends to claim repayment of the corresponding VAT spontaneously paid. Consequently, the amounts paid will be recognised as State receivables toward the French Tax Authorities in the Financial Statements.

Note 23 Financial assets and liabilities

23.1 Current and non-current financial assets

Financial assets comprise financial interests in non-consolidated companies, loans, restricted cash accounts and current accounts with third parties.

(in € million)	31 December 2023	31 December 2022
Financial interests in non-consolidated companies	10.1	40.6
Other financial assets – Investment in debt instruments	111.0	
Non-current loans, guarantee instruments and other financial assets	24.5	16.2
Non-current restricted cash and cash equivalents	36.1	36.6
Non-current derivative financial assets	46.8	68.3
NON-CURRENT FINANCIAL ASSETS	**228.5**	**161.7**
Current part of loans, guarantee instruments and other financial assets	21.3	15.3
Current restricted cash and cash equivalents	0.3	0.5
Current accounts	4.2	2.7
Current derivative financials assets	4.4	6.2
CURRENT FINANCIAL ASSETS	**30.2**	**24.7**
TOTAL FINANCIAL ASSETS	**258.7**	**186.4**

The decrease in financial interests in non-consolidated companies is related to the consolidation in 2024 of Beyond International in Australia which is fully integrated in 2023 (refer to note 12 on page 258). At the end of December 2022, Banijay acquired 100% of Beyond International and as a late acquisition, Beyond shares have been classified in "non-consolidated shares" in the balance sheet.

Other financial assets – Investment in debt instruments caption is mainly due to the investment in The Independents Group (TIL) comprising:

- the funding of the entity "Gardenia" (one of the shareholders of K10, the holding company of the TIL group) providing financial rights and certain governance rights to Banijay Events (6.10% ownership interest at closing date);
- the direct shareholding in the TIL group via K10 with the acquisition of preferred shares, providing financial rights and certain governance rights to Banijay Events (4.32% ownership interest at closing date) (refer to note 3.1.1 on page 240);
- the valuation of C Bis Shares.

The analysis of the securities demonstrates that they have characteristics of a financial instrument and therefore shall be accounted for in accordance with IFRS 9, using the fair value measurement through P&L. As of 31 December 2023, they amounted at €111.0 million including the positive impact of the remeasurement the initial investment of €25.5 million.

The analysis of the shareholders agreements as well as the rights and obligations provided by the C bis shares also demonstrates that FL Entertainment provide a significant influence over K10. In 2022, the total assets of TIL Group amounted to €233 million and the revenue amounted to €299 million.

In addition, TIL shareholders agreement comprised put and call mechanisms leading to the possibility for Banijay Events (i) to acquire additional shares in K10 and (ii) to acquire the control of TIL in 2026. In the event Banijay Events does not exercise its Call 2026, the founders of The Independents might exercise a call option which entitles them to require Banijay Events to sell them all the securities held by Banijay Events or FL Entertainment in K10.

As of 31 December 2023, the Call 2026 amounted to €6.7 million (including in Non-current derivative financial assets), the other call and put options have no value as of 31 December 2023 as the put and call mechanisms prices are at the fair value of the shares at the closing date. In addition to the Call 2026 mentioned above, derivatives comprise foreign exchange and interest rate hedging, which are measured at fair value.

Non-current restricted cash is related to the Online sports betting & gaming business' obligations and includes:

- cash in trusts in accordance with the French Online Gambling Regulatory Authority's requirements (€30.7 million and €31.2 million as of 31 December 2023 and 31 December 2022, respectively); and
- blocked funds and guarantees related to other countries regulatory authorities' requirements, notably in Germany and Portugal, for an amount of €5.4 million and €5.5 million as of 31 December 2023 and 31 December 2022, respectively.

Current restricted cash comprised the amount of cash allocated to a liquidity agreement with a liquidity provider. Under this agreement, the liquidity provider is responsible for providing liquidity in the market for FL Entertainment's shares, acting independently in compliance with Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the "MAR") and all regulations promulgated thereunder, including but not limited to the EU Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 and the EU Commission Delegated Regulation (EU) 2016/908 of 26 February 2016, each supplementing the MAR, as well as the points of convergence established by the ESMA in relation to MAR accepted market practices on liquidity contracts, providing guidance to competent authorities on such AMP (the "ESMA Opinion"). The parties shall ensure to comply with all applicable laws, rules and regulations in the Netherlands. When performing or effecting transactions or trade orders in the shares in the execution of this contract, the liquidity provider shall always act without interfering with orderly market operation or misleading other parties. The liquidity account has been credited with the sum of €500 thousand.

Derivatives comprise foreign exchange and interest rate hedging as well as the call 2026 mentioned above, which are measured at fair value.

23.2 Cash and cash equivalents

Cash and cash equivalents are presented net of bank overdrafts in the consolidated cash-flow statement.

(in € million)	31 December 2023	31 December 2022
Marketable securities	0.6	25.2
Cash	463.6	454.2
CASH AND CASH EQUIVALENTS – ASSETS	**464.2**	**479.4**
Bank overdrafts	(1.5)	-
NET CASH AND CASH EQUIVALENTS	**462.9**	**479.4**

23.3 Current and non-current financial liabilities

(in € million)	Non-current	Current	31 December 2023
Bonds	1,284.2	-	1,284.2
Bank borrowings	1,262.1	175.2	1,437.3
Accrued interests on bonds and bank borrowings	-	37.2	37.2
Vendor loans	-	143.5	143.5
Current accounts	-	-	-
Accrued interests on current accounts	-	-	-
Bank overdrafts	-	1.5	1.5
Derivatives – Liabilities	5.5	0.8	6.4
TOTAL FINANCIAL LIABILITIES	**2,551.9**	**358.3**	**2,910.1**

(in € million)	Non-current	Current	31 December 2022
Bonds	1,330.8	-	**1,330.8**
Bank borrowings	959.5	180.6	**1,140.1**
Accrued interests on bonds and bank borrowings	-	29.6	**29.6**
Vendor loans	-	138.4	**138.4**
Current accounts	-	0.8	**0.8**
Bank overdrafts	-	-	**-**
Derivatives – Liabilities	-	-	**-**
TOTAL FINANCIAL LIABILITIES	**2,290.3**	**349.4**	**2,639.6**

The variation of the financial liabilities breaks down as follows:

		Cash-flows			Non cash-flows			
(in € million)	1 January 2023	Increase	Repay-ments	Other cash items	Changes in consolidation scope	Others non cash items	Foreign exchange	31 December 2023
Bonds	**1,330.8**	913.4	(950.1)	(10.0)	-	14.2	(14.1)	**1,284.2**
Bank borrowings	**1,140.1**	379.4	(79.5)	(22.1)	14.5	19.3	(14.7)	**1,437.3**
Accrued interests on bonds and bank borrowings	**29.6**	-	-	(29.6)	-	37.3	(0.1)	**37.2**
Vendor loans	**138.4**	-	-	-		5.2	-	**143.5**
Current accounts	**0.8**	-	-	-		(0.8)	-	**-**
Bank overdrafts	**-**	-	-	-		1.1	0.4	**1.5**
Derivatives – Liabilities	**-**	-	-	-		6.4	-	**6.4**
TOTAL FINANCIAL LIABILITIES	**2,639.6**	**1,292.8**(1)	**(1,029.7)**(2)	**(61.7)**(3)	**14.5**	**82.7**(4)	**(28.5)**	**2,910.1**

(1) *The cashflow statement reflects the actual cashflows related to refinancing of 2020 Banijay Facilities B, 2020 Banijay RCF and 2020 Banijay Senior Secured Notes: the cash flow received by the Group was the net amount of the 2020 Banijay Facilities B refinancing operation and then, has been reflected for this amount in the column "Increase".*
(2) *The line "Repayment of borrowings and other financial liabilities" in the cash-flow statement also included the lease repayments for an amount of -€39.9 million.*
(3) *Other cash items mainly include the issuance costs paid during the period.*
(4) *Other non-cash items mainly include the former issuance costs not yet amortised associated with Banijay's former loans.*

		Cash-flows			Non cash-flows		
(in € million)	1 January 2022	Increase	Repay-ments	Other cash items	Others non cash items	Foreign exchange	31 December 2022
Bonds	**1,461.5**	-	(170.5)	-	19.0	20.8	**1,330.8**
Bank borrowings	**1,232.5**	20.7	(186.1)	0.6	50.5	22.0	**1,140.1**
Accrued interests on bonds and bank borrowings	**32.7**	-	-	-	(3.8)	0.6	**29.6**
Vendor loans	**-**	-	-	-	138.4	-	**138.4**
Current accounts	**29.1**	-	-	-	(28.4)	0.2	**0.8**
Accrued interests on current accounts	**0.4**	-	-	-	(0.4)	-	**0.0**
Bank overdrafts	**1.7**	-	-	-	(1.6)	(0.1)	**-**
Derivatives – Liabilities	**6.1**	-	-	-	(5.8)	(0.3)	**-**
TOTAL FINANCIAL LIABILITIES	**2,764.0**	**20.7**	**(356.6)**(1)	**0.6**	**167.8**	**43.2**	**2,639.6**

(1) *The line "Repayment of borrowings and other financial liabilities" in the cash-flow statement also included the lease repayments for an amount of -€42.4 million.*

Characteristics of bonds and term loans

(in € million) **Issuer: Banijay Group SAS**	Residual nominal amount **31 December 2023**	**31 December 2022**
• Former €575 million senior secured notes issued in 2020 and due in 2025, which have a coupon of 3.500% per annum[2] (the "2020 Banijay SSN (EUR)");	-	575.0
• €540 million senior secured notes issued in 2023 and due in 2029, which have a coupon of 7.00% per annum[2] (the "2023 Banijay SSN (EUR)");	540.0	-
• €400 million senior notes issued in 2020 and due in 2026, which have a coupon of 6.500% per annum (the "2020 Banijay Senior Notes");	400.0	400.0
• Former $403 million senior secured notes issued in 2020 and due in 2025, which have a coupon of 5.375% per annum[2] (the "2020 Banijay SSN (USD)");	-	377.8
• $400 million senior secured notes issued in 2023 and due in 2029, which have a coupon of 8.125% per annum[2] (the "2023 Banijay SSN (USD)");	362.0	-
• Former €453 million term loan B facility issued in 2020 and due in 2025, which bears interest at a rate of EURIBOR 3 months plus 3.75% per annum, with a customary margin ratchet mechanism with a 0.0% EURIBOR floor[1] (the "2020 Banijay Facility B (EUR)");	-	453.0
• €555 million term loan B facility issued in 2023 and due in 2028, which bears interest at a rate of EURIBOR plus 4.50% per annum, with a customary margin ratchet mechanism with a 0.0% EURIBOR floor for €453 million until March 2025 and 2.80%~3.30% tunnel for €102 million until March 2028[1] (the "2023 Banijay Facility B1 (EUR)");	555.0	-
• Former $460 million term loan B facility issued in 2020 and due in 2025, which bears interest at a rate of LIBOR plus 3.75% per annum, with a 0.0% LIBOR floor[1] (the "2020 Banijay Facility B (USD)");	-	417.2
• $560 million term loan B facility issued in 2023 and due in 2028, which bears interest at a rate of SOFR 1 month plus 3.75% and plus 0.1% credit adjustment spread per annum, with a 1.4% SOFR floor for $448,5 million until March 2025 and 3.45% SOFR floor for $111,5 million until March 2028[1] (the "2023 Banijay Facility B1 (USD)")..	503.0	-
	2,360.0	**2,223.0**

(1) Refinancing of the 2020 Banijay Facilities B in April 2023.
(2) Refinancing of the 2020 Banijay Senior Secured Notes in USD and EUR in September 2023.

(in € million) **Issuer: Betclic Everest Group SAS**	Residual nominal amount **31 December 2023**	**31 December 2022**
• €165 million senior loan A issued on 23 September 2020 and due in June 2025, which bears interest at a rate of EURIBOR 3 months plus 3% per annum. This loan was underwritten with a group of banks (Natixis, BNP Paribas and Société Générale) (the "2020 Betclic Group Senior Credit Facility Agreement Tranche A");	71.0	106.0
• €150 million senior loan B issued on 24 May 2023 and due in June 2025, which a floating interest at EURIBOR +300 bps, +400 bps, +500 bps for the period ended 30 June 2024, from 1 July 2024 to 31 December 2024 and after 1 January 2025, respectively. This loan was underwritten with a group of banks (Natixis, BNP Paribas, Société Générale, Crédit Agricole Corporate and Investment Bank, Crédit Lyonnais and Goldman Sachs Bank Europe SE) (the "2023 Betclic Group Senior Credit Facility Agreement Tranche B").	150.0	-
	221.0	**106.0**

As of 31 December 2023, the Group's financial indebtedness also consists in the following items:

- Local production financing carried by some Banijay's subsidiaries (including recourse factoring and production credit lines);
- State-guaranteed loans;
- Accrued interests;
- Bank overdrafts;
- Lease liabilities; and
- Vendor loans, including a vendor loan amounting to €99.5 million granted by De Agostini to Lov Banijay initially due in November 2023 and extended in November 2024 and bearing 3.5% interest per year until November 2023 and then 6% interest per year, a vendor loan amounting to €36.5 million granted by SBM International to FL Entertainment, bearing 3.5% interest per year until November 2023 and then 6% interest per year, initially due in 30 November 2023 and extended in November 2024.

Maturity of current and non-current debt (principal and interest)

(in € million)	Current Less than 1 year	Non-current 1 to 5 years	More than 5 years	Total 31 December 2023
Bonds	101.1	707.8	935.6	1,744.5
Bank borrowings	219.1	1,532.2	-	1,751.3
Bank overdraft	1.5	-	-	1.5
Vendor loans	143.5	-	-	143.5
Derivatives	0.8	0.1	5.5	6.4
TOTAL DEBT MATURITY (PRINCIPAL AND INTERESTS)	**466.0**	**2,240.1**	**941.1**	**3,647.2**

(in € million)	Current Less than 1 year	Non-current 1 to 5 years	More than 5 years	Total 31 December 2022
Bonds	66.4	1,478.5	-	1,544.9
Bank borrowings	226.1	1,126.6	-	1,352.7
Vendor loans	142.8	-	-	142.8
TOTAL DEBT MATURITY (PRINCIPAL AND INTERESTS)	**435.4**	**2,605.1**	**-**	**3,040.4**

23.4 Net financial debt

Net financial debt is determined as follows:

(in € million)	31 December 2023	31 December 2022
Bonds	1,284.2	1,330.8
Bank borrowings	1,437.3	1,140.1
Accrued interests on bonds and bank borrowings	37.2	29.6
Vendor loans	143.5	138.4
Bank overdrafts	1.5	-
TOTAL BANK INDEBTEDNESS	**2,903.7**	**2,638.9**
Cash and cash equivalents	(464.2)	(479.4)
Funding of Gardenia	(79.7)	-
Trade receivables on providers	(60.8)	(13.1)
Players' liabilities	50.2	50.6
Cash in trusts and restricted cash and cash equivalents	(31.0)	(31.6)
NET CASH AND CASH EQUIVALENTS	**(585.5)**	**(473.5)**
NET DEBT BEFORE DERIVATIVES EFFECTS	**2,318.2**	**2,165.3**
Derivatives – liabilities	6.4	-
Derivatives – assets	(44.6)	(74.5)
NET DEBT	**2,280.0**	**2,090.8**

23.5 Derivatives

The Group's cash flow hedges' main goal is to neutralize foreign exchange risk on future cash flows (notional, coupons) or switch floating-rate debt to fixed-rate debt.

The ineffective portion of cash flow hedges recognised in net income is not significant during the periods presented. The main hedges unmatured as of 31 December 2023 and 2022, as well as their effects on the financial statements, are detailed in the table below.

As of 31 December 2023 *(in € million)*	Derivatives – assets			Derivatives – liabilities		
	Total	Non-current	Current	Total	Non-current	Current
Exchange risk	8.6	4.2	4.4	0.9	0.1	0.8
Interest rate risk	35.9	35.9	-	5.4	5.4	-
HEDGING INSTRUMENTS	**44.6**	**40.2**	**4.4**	**6.4**	**5.5**	**0.8**
Other derivatives	6.7	6.7	-	-	-	-
TOTAL DERIVATIVES	**51.2**	**46.8**	**4.4**	**6.4**	**5.5**	**0.8**

As of 31 December 2022 *(in € million)*	Derivatives – assets			Derivatives – liabilities		
	Total	Non-current	Current	Total	Non-current	Current
Exchange risk	**11.2**	5.0	6.2			
Interest rate risk	**63.3**	63.3	-			
HEDGING INSTRUMENTS	**74.5**	**68.3**	**6.2**			
Other derivatives	-	-	-			
TOTAL DERIVATIVES	**74.5**	**68.3**	**6.2**			

Note 24 Financial instruments

The carrying value of financial instruments per category is determined as follows:

As of 31 December 2023 *(in € million)*	Carrying amount	Carrying amount of non-financial instruments	Financial instruments by category			Fair value of financial instruments
			Fair value through OCI	amortised cost	Fair value through P&L	
Non-current financial assets	228.5	-	52.7	55.2	120.6	228.5
Other non-current assets	36.9	0.4	-	36.5	-	36.5
Trade receivables	588.9	-	-	588.9	-	588.9
Other current assets	357.6	318.9	-	38.7	-	38.7
Current financial assets	30.2	-	-	25.8	4.4	30.2
Cash and cash equivalents	464.2	-	-	-	464.2	464.2
ASSETS	**1,706.2**	**319.3**	**52.7**	**745.1**	**589.2**	**1,386.9**
Other securities	139.4	-	-	-	139.4	139.4
Long-term borrowings and other financial liabilities	2,551.9	-	5.4	2,546.3	0.1	2,607.8
Other non-current liabilities	352.5	178.5	-	29.7	144.4	174.1
Liability instruments	-	-	-	-	-	-
Short-term borrowings and bank overdrafts	358.3	(0.1)	-	356.0	2.3	358.3
Trade payables	709.7	-	-	709.7	-	709.7
Customer contract liabilities	750.0	696.5	-	50.2	3.4	53.6
Other current liabilities	594.3	501.4	-	57.2	35.7	93.0
LIABILITIES	**5,456.2**	**1,376.2**	**5.4**	**3,749.2**	**325.3**	**4,135.9**

As of 31 December 2022 *(in € million)*	**Carrying amount**	**Carrying amount of non-financial instruments**	**Financial instruments by category**			**Fair value of financial instruments**
			Fair value through OCI	**amortised cost**	**Fair value through P&L**	
Non-current financial assets	161.7	-	103.9	47.4	10.4	161.7
Other non-current assets	35.9	6.0	-	29.9	-	29.9
Trade receivables	496.5	-	-	496.5	-	496.5
Other current assets	288.3	245.9	-	42.4	-	42.4
Current financial assets	24.7	-	-	18.5	6.2	24.7
Cash and cash equivalents	479.4	-	-	-	479.4	479.4
ASSETS	**1,486.5**	**251.9**	**103.9**	**634.7**	**496.1**	**1,234.6**
Other securities	130.5	-	-	-	130.5	130.5
Long-term borrowings and other financial liabilities	2,290.3	-	-	2,290.3	-	2,236.2
Other non-current liabilities	441.3	248.5	-	28.6	164.1	192.8
Liability instruments	-	-	-	-	-	-
Short-term borrowings and bank overdrafts	349.4	-	-	349.4	-	349.4
Trade payables	663.6	-	-	663.6	-	663.6
Customer contract liabilities	693.3	639.0	-	50.6	3.7	54.3
Other current liabilities	426.6	325.7	-	27.8	73.1	100.9
LIABILITIES	**4,994.8**	**1,213.2**	**-**	**3,410.2**	**371.4**	**3,727.5**

Fair value hierarchy

IFRS 13 Fair Value Measurement, establishes a fair value hierarchy consisting of three levels :

- Level 1: prices on the valuation date for identical instruments to those being valued, quoted on an active market to which the entity has access ;
- Level 2: directly observable market inputs other than Level 1 inputs; and
- Level 3: inputs not based on observable market data (for example, data derived from extrapolations).

  This level applies when there is no observable market or data and the entity is obliged to rely on its own assumptions to assess the data that other market participants would have applied to price other instruments.

Fair value is estimated for the majority of the Group's financial instruments, with the exception of marketable securities for which the market price is used.

As of 31 December 2023 *(in € million)*	**Fair Value**	**Fair value hierarchy**		
		Level 1	**Level 2**	**Level 3**
Non-current financial assets	173.3	5.4	46.8	121.1
Other current assets	-	-	-	-
Current financial assets	4.4	-	4.4	-
Cash and cash equivalents	464.2	464.2	-	-
Other securities	(139.4)	-	-	(139.4)
Long-term borrowings and other financial liabilities	(5.5)	-	(5.5)	-
Other non-current liabilities	(144.4)	-	-	(144.4)
Short-term borrowings and bank overdrafts	(2.3)	(1.5)	(0.8)	-
Customer contract liabilities	(3.4)	-	-	(3.4)
Other current liabilities	(35.7)	-	-	(35.7)
BALANCES AS OF 31 DECEMBER 2023	**311.1**	**468.1**	**44.8**	**(201.9)**

As of 31 December 2022 *(in € million)*	Fair Value	Fair value hierarchy Level 1	Level 2	Level 3
Non-current financial assets	114.3	5.5	68.3	40.6
Other current assets	-	-	-	-
Current financial assets	6.2	-	6.2	-
Cash and cash equivalents	479.4	479.4	-	-
Other securities	(130.5)	-	-	(130.5)
Long-term borrowings and other financial liabilities	-	-	(0.0)	-
Other non-current liabilities	(164.1)	-	-	(164.1)
Short-term borrowings and bank overdrafts	-	-	-	-
Customer contract liabilities	(3.7)	-	-	(3.7)
Other current liabilities	(73.1)	-	-	(73.1)
BALANCES AS OF 31 DECEMBER 2022	**228.5**	**484.9**	**74.5**	**(330.8)**

Other securities comprised public warrants, earn-out shares, founder shares and founder warrants that are classified as Level 3. Derivatives are classified as Level 2 instruments and Level 3 instruments mainly comprise shares in non-consolidated non-listed companies, liabilities on non-controlling interests and pending bets.

Note 25 Cash Flow Statements

25.1 Amortization, depreciation, impairment losses and provisions, net of reversals

This adjustment in the Consolidated statement of cash flows comprises amortization, depreciation, impairment losses and provision included in the operating profit, the non-recurring income and expenses and the financial income and expenses for -€141.8 million in 2023, compared to -€150.5 million in 2022.

25.2 Other adjustments

Other adjustments include notably in 2023 i) unrealised foreign exchange gains; ii) acquisition costs reclassified in “Purchases of consolidated companies”; and (iii) other financial items reclassified in “Interests paid” and in 2022 i) unrealised foreign exchange gains; ii) losses on disposal and liquidation of subsidiaries; and (iii) IFRS 2 listing costs.

25.3 Purchase of consolidated companies, net of cash acquired

The purchase of consolidated companies, net of cash acquired in the Consolidated statement of cash flows mainly include:

- 2023:
  - shares upfront payment for -€135.2 million in 2023;
  - acquisitions costs for -€6.7 million in 2023;
  - cash received following the acquisition of entities for +€70.2 million in 2023;
  - earn-out and put payments for -€70.0 million in 2023 mainly related to Endemol India put over non-controlling interests.
- 2022:
  - shares upfront payment for -€68.2 million in 2022;
  - acquisitions costs for -3.5 million in 2022;
  - cash received following the acquisition of entities for +€39.8 million in 2022;
  - earn-out and put payments for -6.8 million in 2022.

25.4 Increase and decrease in financial assets

The financial assets in the Consolidated statement of cash flows mainly include:

- 2023:
  - the investment in The Independents Group for a total amount of -€86.4 million as described in the note 23.1 on page 276;
  - current accounts transactions with associates and joint ventures for -€2.6 million.
- 2022:
  - acquisition of Beyond shares in 2022 for -€30.2 million that has been consolidated from January 2023 onwards;
  - current accounts transactions with associates and joint ventures for -€4.6 million in 2022.

25.5 Transactions with non-controlling interests

The transactions with non-controlling interests in the Consolidated statement of cash flows mainly include:

- 2023:
  - payment to Banijay Group's key managers for -€28.1 million in 2023 (refer to note 3.1.1 on page 240).
- 2022:
  - payment in 2022 of a part of the contribution and sale of Betclic shares held by SBM International to FL Entertainment for -€388.5 million;
  - payment related to the put on reinvest debt for –€8.7 million in 2022.

25.6 Proceeds from borrowings and other financial liabilities

The proceeds from borrowings and other financial liabilities in the Consolidated statement of cash flows mainly include:

- 2023:
  - proceeds from the 2023 Banijay Senior Secured Notes for €913.4 million in 2023;
  - proceeds from 2023 Banijay Facilities B1 for €205.2 million in 2023;
  - proceeds from 2023 Betclic Group Senior Credit Facility Tranche B for €150 million in 2023;
  - proceeds from other loans for €24.1 million in 2023.
- 2022:
  - proceeds from other loans for €15.6 million in 2022.

25.7 Repayment of borrowings and other financial liabilities

The repayment of borrowings and other financial liabilities in the Consolidated statement of cash flows mainly include:

- 2023:
  - repayment of the 2020 Banijay Senior Secured Notes refinancing for -€950.1 million in 2023;
  - repayment of 2020 Betclic Group Senior Credit Facility Tranche A for -€17.5 million in 2023;
  - repayment of lease liabilities for -€39.9 million in 2023;
  - repayment of other loans for -€62.1 million in 2023.
- 2022:
  - repayment of 2023 Betclic Group Senior Credit Facility Tranche A for -€35.0 million in 2022;;
  - repayment of lease liabilities for -€42.5 million in 2022;
  - repayment of other loans for -€20.5 million in 2022;
  - repayment in 2022 of 2021 Betclic Bridge Credit Facility for -€130.5 million;
  - repayment in 2022 of ORAN Vivendi for -€170.5 million.

Note 26 Management of market risk

26.1 Credit risk

Credit risk arises if a party to a transaction is unable or unwilling to fulfill its obligations, resulting in a financial loss to the Group.

For all business, credit risk arises if a party to a transaction is unable or refuses to fulfill its obligations, resulting in a financial loss to the Group.

The Group deals only with reputable and creditworthy third parties. Receivables are monitored on a regular basis, so that the Group's exposure to bad debts is not significant.

Credit risk arising from cash at bank is considered to be minimal. Majority of the cash at bank is held with high credit quality financial institutions with a credit rating of A or higher.

26.2 Interest rate risk

Group's interest rate risk management's objective is to reduce its net exposure to rising interest rates.

To this end, the business that have recourse to financing with variable interest rate debt use financial instruments that enable them to protect themselves against significant fluctuations in interest rates (mainly through the implementation of interest rate swaps and caps).

In the Content production & distribution business, the Group's exposure to the risk of interest rate fluctuations is mainly linked to:

- the $560 million 2023 Banijay Facility B1 (USD) , which depends on SOFR 1 month rate. On this specific loan, Banijay has taken out an interest rate hedge by means of:
  - an interest rate swap exchanging the variable rate for a fixed rate of 1.4% SOFR for $448.5 million until March 2025, and
  - a 3.45% SOFR floor for $111.5 million until March 2028; and
- the €555 million 2023 Banijay Facility B1 (EUR) depends on EURIBOR 3 months rate. On this specific loan, Banijay has taken out an interest rate hedge by means of:
  - an interest rate capping the variable rate to 0.0% until March 2025 and an interest rate swap exchanging the variable rate for a fixed rate of 2.2% Euribor until March 2028 for €453 million, and
  - a 2.80%-3.30% tunnel until March 2028 for €102 million.

In addition, Banijay has completed during 2023 the refinancing of the 2020 Banijay Facilities B and the 2020 Banijay Senior Secured Notes as described in the note 3.1.2 on page 240, which are in line with the actual interest rates as of 31 December 2023.

Regarding the Online sports betting & gaming business, the Group's exposure to the risk of interest rate fluctuations is mainly linked to:

- the €165 million 2020 Betclic Group Senior Credit Facility Tranche A, issued on 23 June 2020, depends on EURIBOR 3 months rate. On this specific loan, Betclic Everest Group has taken out an interest rate hedge by means of an interest swap exchanging the variable rate for a fixed rate of 0.071% (maturity date: 23 June 2025);
- the €150 million 2023 Betclic Group Senior Credit Facility Tranche B, issued on 24 May 2023 depends on EURIBOR 3 months rate. On this specific loan, Betclic Everest Group has taken out an interest rate hedge by means of an interest swap exchanging the variable rate for a fixed rate of 3.695% (maturity date: 23 June 2025).

26.3 Currency risk

Currency risk management is handled independently by each subsidiary.

Regarding the Content production & distribution business, the Group operates in several countries and may be exposed to fluctuations in foreign exchange rates that could have an impact on its net income and financial position expressed in euros.

The main foreign exchange risk is transactional, mainly related to the US dollar and the pound sterling:

- as of 31 December 2023, the percentage of sales made in USD represented 17.4% of the Banijay's consolidated revenue (20.8% in 2022). A decrease of 5% in the exchange rate in USD would have an impact on the consolidated revenue of -€18 million in 2023 (-€32 million in 2022) and an impact on the consolidated equity of €26 million. Conversely, an increase of 5% in the exchange rate in USD would have an impact on the consolidated turnover of €40 million (€35 million in 2022) and an impact on the consolidated equity of -€22 million;
- as of 31 December 2023, the percentage of sales made in GBP represented 17.0% of Banijay's consolidated revenue (19.4% in 2022). A decrease of 5% in the exchange rate in GBP would have an impact on the consolidated revenue of -€27 million (-€30 million in 2022) and an impact on the consolidated equity of €4 million. Conversely, an increase of 5% in the exchange rate in GBP would have an impact on consolidated revenue of €30 million (€33 million in 2022) and an impact on the consolidated equity of -€4 million.

Other currencies are less significant. For example, sales in AUD amounts to 5.9% of total sales, and a related decrease or increase of 5% in the exchange rate in AUD would have an impact respectively on the consolidated revenue of – / + c€10 million in 2023, and an impact on the consolidated equity of + / - €2 million.

In addition, in 2023, Banijay has issued a bond in USD and subscribed forward contracts and call and put options to hedge the exposure.

The Online sports betting & gaming business, whose functional currency is the euro, has very little exposure to foreign exchange risk (transactions are exclusively in markets with the same functional currency and there are no debts or receivables denominated in foreign currencies).

26.4 Liquidity risk

The Group managed its liquidity risk through a monthly cash flow analysis for the next year and then each year for the duration of its business plan.

Annual forecasts include an organic growth and an analysis of the effect of potential external growth on revenue, adjusted EBITDA and net financial debt.

The Content production & distribution business maintains adequate reserves of cash and short-term deposits to meet its liquidity needs. As of 31 December 2023, undrawn committed lines of credit, overdrafts and other borrowings have been obtained for a total of €289.1 million.

The Content production & distribution business has also set up several liquidity concentration pools around the main business regions (Europe, United States, United Kingdom and Scandinavia). During 2023, approximately 80.7% (86% in 2022) of the business's revenue was covered by these mechanisms. Consequently, the business's organic growth, its working capital requirements and its financing (including the payment of debts or option debts) are ensured in particular by the cash flows generated by the business units.

In addition, as part of its financing, the Content production & distribution business is subject to financial covenants, namely concerning 2023 Banijay RCF (revolving credit facility) in the event of a drawdown of 40%. The ratio is based on Senior Secured Net Leverage (ratio between (i) the sum of Banijay senior secured notes, earn out debt minus cash and (ii) the sum of Banijay Adjusted EBITDA, shareholder fees and proforma impact from acquisitions) and its level should not exceed 6.50x. In December 2023, although the 2023 Banijay RCF is not drawn, such financial covenants are satisfied.

Regarding the Online sports betting & gaming business, the latter is financed via bank loans. The 2023 Betclic Group Senior Credit Facility Agreement is subject to two financial covenants: (i) a leverage ratio (Betclic net consolidated financial debt / consolidated EBITDA) that must be less than 2.75 and (ii) an interest ratio (Betclic group consolidated cash flow / consolidated financial debt) that must be above 1.2. Betclic had no breach of those financial covenants in 2023 and 2022 to be reported.

In case of breach of covenant, the amount outstanding would be due in demand.

At the holding level, FL Entertainment can access to the liquidity from the Content production & distribution business and from the Online sports betting & gaming business. In addition, the Holding segment is subject to financial covenants concerning its 2023 FLE RCF (revolving credit facility). The ratio is based on a leverage ratio (FL Entertainment net consolidated financial debt including IFRS 16 debt/ consolidated EBITDA) that must be less than 3.75). In December 2023, although the 2023 FLE RCF is not drawn, such financial covenants are satisfied.

26.5 Capital risk

The Group manages its statutory equity and its liquidity to be able to distribute a dividend to its shareholders in accordance with its dividend policy.

Note 27 Related parties

Related parties consist of:

- Group LOV's controlling shareholders: Financière LOV Group and LOV Group Invest;
- Other shareholders, notably: Group Vivendi's subsidiaries, Fimalac, De Agostini, Monte-Carlo SBM International, and Pegasus Founders, Sponsors;
- Associates and joint ventures; and
- Key management personnel.

27.1 Transactions with Financière LOV Group and LOV Group Invest

The Group recorded several transactions with LOV's controlling shareholder (Financière LOV) and its subsidiaries that are not part of the Group's consolidation scope, as follows:

(in € million)	31 December 2023	31 December 2022
Other securities	(103.0)	(98.3)
Net financial assets/financial liabilities/provisions	-	-
Net trade receivables/payables	(1.8)	0.6
Operating income/operating expenses[(1)]	(20.0)	(16.9)
Financial income/expenses	(4.7)	17.0
(1) Of which President compensation	*(19.8)*	*(16.9)*

The annual compensation of the president of Banijay Group, Lov Group Invest (controlled by Stéphane Courbit), a French *société par actions simplifiée*, having its registered office 5, rue François 1er in Paris (75008), registered under number 494 031 008 RCS Paris ("LGI"), has been set at the average of (i) 0.38% of the consolidated turnover of the previous fiscal year and (ii) 2% of the consolidated EBITDA of the previous fiscal year.

The annual compensation (exclusive of VAT if any) of the president of Betclic Everest Group, Lov Group Invest has been set at the average of 2% of the gross margin realised during the said fiscal year, it being specified that the Gross Margin of bet-at-home sub-group will be taken into account to the extent of the percentage of Betclic Everest Group's participation on 1 January of the said fiscal year, as such gross margin is defined in the audited consolidated financial statements of Betclic Everest Group as of 31 December 2021. Such compensation shall be paid (i) in three instalments within one month of the financial statements, (ii) the balance being paid no later than one month following the closing of the audited consolidated financial statements.

In addition, as detailed in note 3.2.1 on page 241, in the context of the business combination agreement, significant transactions occurred between the Group and Financière Lov during 2022.

27.2 Transactions with other shareholders

	De Agostini	
(in € million)	31 December 2023	31 December 2022
Net financial assets/(financial liabilities)/(provisions)	(105.0)	(101.2)
Net trade receivables/(payables)	-	-
Operating income/(operating expenses)	-	-
Financial income/(expenses)	(3.8)	(1.7)

	Vivendi	
(in € million)	31 December 2023	31 December 2022
Net financial assets/(financial liabilities)/(provisions)	-	-
Net trade receivables/(payables)	2.0	2.7
Operating income/(operating expenses)	33.6	40.5
Financial income/(expenses)	-	(3.4)

	Fimalac	
(in € million)	31 December 2023	31 December 2022
Net financial assets/(financial liabilities)/(provisions)	-	-
Net trade receivables/(payables)	0.3	0.2
Operating income/(operating expenses)	2.2	2.8
Financial income/(expenses)	-	-

	SBM International	
(in € million)	31 December 2023	31 December 2022
Net financial assets/(financial liabilities)/(provisions)	(38.5)	(37.2)
Net trade receivables/(payables)	-	-
Operating income/(operating expenses)	-	-
Financial income/(expenses)	(1.4)	(0.6)

	Pegasus Founders and Sponsors	
(in € million)	31 December 2023	31 December 2022
Other securities	(24.7)	(24.4)
Net trade receivables/(payables)	-	-
Operating income/(operating expenses)	-	-
Financial income/(expenses)	(0.3)	(6.6)

In addition, as detailed in note 3.2.1 on page 239, in the context of the business combination agreement, significant transactions occurred between the Group and other shareholders during 2022.

27.3 Transactions with associates and JV

(in € million)	31 December 2023	31 December 2022
Net financial assets/financial liabilities/provisions	4.2	(0.0)
Net trade receivables/payables	0.9	1.1
Operating income/operating expenses	0.9	0.6
Financial income/expenses	1.0	1.0

27.4 Key Management Personnel compensation

Key management personnel, who have the authority and responsibility for planning, directing and controlling the activities, directly or indirectly, are the members of the Board of Directors, the CEO of Banijay Group(1) and the CEO of Betclic Everest Group(2). The compensation of the key management personnel is detailed in the table below:

(in € million)	31 December 2023	31 December 2022
Short-term employee benefits (fixed salary and variable component)	(3.2)	(2.0)
Post-employment benefits (IAS 19)	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	(26.6)	(26.1)
TOTAL COMPENSATION TO KEY MANAGEMENT PERSONNEL	**(29.9)**	**(28.1)**

(1) Position currently occupied by Marco Bassetti, who holds 1.6% of FL Entertainment's share capital.
(2) Position currently occupied by Nicolas Beraud, who will also hold potential FL Entertainment shares as part of LTI 2023 plan as described in the note 7.2 on page 251.

Moreover, attendance fees allocated to the Board of Directors' members amounted to €0.5 million in 2023 (€0.3 million in 2022).

27.4.1 Remuneration of Executive Directors in 2023

In 2023 and 2022, the remuneration components of the Executive Directors at FL Entertainment level is as follows:

	Fixed annual base salary		Short-term variable incentive		Long-term incentive plan		Other	
	2023	2022	2023	2022	2023	2022	2023	2022
Mr François Riahi (CEO)	€750,000	€525,000(1)	n/a	n/a	n/a	n/a		Termination indemnity as detailed below
Mrs Sophie Kurinckx-Leclerc (CFO)(2)	€475,000	€475,000	€166,250	0	€1,300,000(3)	n/a		Termination indemnity as detailed below

(1) As from November 2022, François Riahi's base salary was increased to €750,000.
(2) Since 1 February 2024, Sophie Kurinckx-Leclerc is also CFO of Financière Lov (as detailed in section 4.2.2.8). Her base salary 2024 at FL Entertainment level is €356,250.
(3) The LTIP will be paid in 2028 as detailed below.

The total remuneration costs of the CEO and CFO in the P&L amount to €2,320,000 (2022: €782,000).

In 2023, the mix between the fixed and the variable remuneration components for our Executive Directors is as follows:

Name	2023	2022
Mr François Riahi (CEO)	100% Fixed / 0% Variable	100% Fixed / 0% Variable
Mrs Sophie Kurinckx-Leclerc (CFO)	74% Fixed / 26% Variable	100% Fixed / 0% Variable

FIXED REMUNERATION

The individual fixed remuneration in 2023 for each Executive Director paid was as follows:

Name	Base salary 2023	Base salary 2022
Mr François Riahi (CEO)	€750,000	€525,000(1)
Mrs Sophie Kurinckx-Leclerc (CFO)(2)	€475,000	€475,000

(1) As from November 2022, François Riahi's base salary was increased to €750,000.
(2) Since 1 February 2024, Sophie Kurinckx-Leclerc is also CFO of Financière Lov (as detailed in section 4.2.2.8). Her base salary 2024 at FL Entertainment level is €356,250.

The total social charges related to fixed remuneration amounted to €391,676 and €167,250 respectively in 2023 and 2022.

SHORT TERM VARIABLE INCENTIVE

The CFO benefits from a variable compensation subject to performance criteria divided for (i) 50% of financial criteria (30% relating to consolidated EBITDA and 20% of free cash flow generated by FL Entertainment during the year) and (ii) 50% of extra-financial criteria (20% of performance of financial management, 20% of social and environmental responsibility and 10% of compliance (involvement in the development of compliance programmes)). The various scenario analysis have been done at the time of the determination of the criteria. For Financial Year 2023, the CFO has achieved all the determined criteria and therefore the CFO will receive the maximum amount, meaning €166,250. The social charges related to short-term variable incentive amounted to €58,221.

OTHER

In addition, the Executive Directors benefit from a termination indemnity equal to (i) with respect to the CEO, a lump sum of €450,000 and (ii) with respect to the CFO, 12-months base salary.

Mr François Riahi benefits, as chief executive officer of Financière Lov, from non-vested Financière Lov shares (as detailed below) which takes into account the value-creation at the level of the Company. In this respect, Mr François Riahi's incentive is aligned to the interests of the Company's shareholders.

Before becoming the chief financial officer of the Company, Mrs Sophie Kurinckx-Leclerc was the chief financial officer of the Banijay Group. As such, for the first six months of 2022, she has also received remuneration from the Banijay Group.

Her remuneration as chief financial officer of the Banijay Group for the year 2022 was agreed as follows:

There is no short term variable incentive for the CEO.

LONG TERM INCENTIVE PLAN

The CFO benefits from a long-term incentive cash incentive equivalent to the stock price of 130,000 Company' shares which is aimed at aligning the interest of Mrs Sophie Kurinckx-Leclerc with the interests of the long-term shareholders and will be paid in January 2028 provided Mrs Sophie Kurinckx-Leclerc remains an Executive Director of the Company until 31 December 2027. The amount will depend on the average of the stock price of the Company share over the 20 trading days weighted by the volumes preceding payment. The LTIP is valued at €1,300,000 as at 31 December 2023 (taking into consideration a stock price of €10). The charges related to this plan recorded during 2023 amounted to €317,720 including social charges.

There is no long term variable incentive for the CEO.

Name	2022 Base salary (Banijay)	2022 Bonus (Banijay)	2022 Allowance (Banijay)
Mrs Sophie Kurinckx-Leclerc	€280,500	€340,250	€38,837

In 2022, Mrs Sophie Kurinckx-Leclerc received a lump sum payment of €283,250 in the context of her leaving Banijay.

In July 2020, Mrs Sophie Kurinckx-Leclerc received free Banijay Group SAS shares. These shares are vested but still under lock-up until June 2024. As at 31 December 2023, the shares are valued at €684,474. Furthermore, Mrs Sophie Kurinckx-Leclerc benefits at the level of Banijay Group from a long-term cash incentive. The amount depends on the valuation of Banijay Group SAS at the time of payment. As at 31 December 2023, the vested part is valued at €779,267.

Equity holdings of Executive Directors

As of 31 December 2023, none of the Executive Directors directly owns shares or stock options giving access to the share capital of the Company.

However, Mr François Riahi, indirectly holds via Financière Lov 100 shares of Financière Lov (representing less than 0,01% of Financière Lov's share capital and voting rights) which remain subject to a lock-up undertaking until the end of a 5-year period following their attribution in January 2021. The value of such shares will depend on Financière Lov's internal rate of return (IRR).

27.4.2 Remuneration of Non-Executive Directors

The table below sets forth the remuneration of the Non-Executive Directors paid for 2023 and 2022. The amounts reflect the annual fee awarded for the services as Non-Executive Director and any additional roles as member of a committee or Chairperson of the Board or a committee, from the date of their appointment.

	Base salary	
Name	**2023**	**2022**
Mr Stéphane Courbit	€0(1)	€0(1)
Mr Pierre Cuilleret	€60,000	€30,000
Mrs Susana Gallardo	€70,000	€37,500
Mrs Eléonore Ladreit de Lacharrière	€50,000	€25,000
Mrs Cécile Lévi	€65,000	€32,500
Mr Alain Minc	€70,000	€35,000
Mrs Marella Moretti	€60,000	€30,000
Mr Hervé Philippe	€60,000	€30,000
Mr Albert Manzone(2)	€30,000	-
Mr Yves de Toytot(3)	€30,000	€30,000

(1) Mr Stéphane Courbit has waived his right to compensation as chairman of the board and non-executive director.
(2) Member of the Board of Director since 30 May 2023.
(3) Member of the Board of Director until 30 May 2023.

27.4.3 Remuneration of the Senior Management Members

REMUNERATION

For the year 2023, the total aggregate remuneration of the Senior Management Members due for by any entity within the Group was approximately €2,400,000 (€1,650,000 in 2022). This amount does not take into account the long-term incentive plan provided to the Senior Management Members.

The Company does not pay the Senior Management Members' compensation for 2022, except to the extent it is awarded any grants under a LTIP as described in the note 7.2 on page 251. The remuneration will be paid by other companies within the Group.

EQUITY HOLDINGS OF SENIOR MANAGEMENT MEMBERS

As of 31 December 2023, Marco Bassetti indirectly holds 6,916,269 ordinary shares through a holding vehicle, which he received as a result of an equity contribution of 2,690,437 shares in Banijay as part of the Lov's reorganization during 2022. Other than as set out above, as of 31 December 2023, none of the Senior Management Members directly owns shares or stock options giving access to the share capital of the Company.

SENIOR MANAGEMENT TEAM LONG-TERM INCENTIVE PLAN (LTIP)

As described in the note 7.2 on page 251, the Company implemented a LTIP in favor of the CEO of Betclic Everest Group, which is aimed at aligning the interests of the CEO of Betclic Everest Group with the interests of the long-term shareholders, and which provides an incentive for longer term commitment and retention of the CEO.

Under the Articles of Association of the Company, the Board is designated to issue ordinary shares or grant rights to subscribe for ordinary shares up to 3% of the issued shares at the time of issuance, in connection with any LTIP.

Note 28 Off-Balance Sheet Commitments

As of 31 December 2023, the off-balance sheet commitments were updated compared to 31 December 2022 as follows:

Content production & distribution business

In € million	31 December 2023	31 December 2022
Commitments given(1)	100.5	1.3
Credit Lines	289.1	318.0
Commitments received	289.1	318.0

(1) *Of which Financing commitments on Hyphenated for $90 million.*

The other commitments given mainly correspond for 2023 & 2022 year-end end to minimum guarantees granted by distribution activity to third party producers.

The commitments received refer to confirmed credit lines not drawn.

OTHER GUARANTEES GIVEN

The group has pledged shares of its subsidiaries for the benefit of (i) its noteholders under a) the 2020 Banijay Senior Notes Indenture dated February 11, 2020 with Banijay Group SAS as Senior Notes Issuer and b) the 2023 Banijay Senior Secured Notes Indenture dated September 19, 2023 with Banijay Entertainment SAS as Senior Secured Notes Issuer and; (ii) its bank pooling under the 2020 Banijay Senior Facilities Agreement dated February 11, 2020, as amended and restated, latest on April 25, 2023.

The shares of the following companies are pledged as collateral:

Banijay Entertainment SAS, Adventure Line Productions SAS, H2O Productions SAS, Banijay France SAS, Banijay Media Ltd (Ex Zodiak Media Ltd), Banijay Rights Ltd, Bwark Productions Ltd, Castaway Television Productions Ltd, RDF Television Ltd, Banijay Group US Holding Inc., Banijay Entertainment Holdings US Inc., Bunim-Murray Productions Inc., Bunim-Murray Productions LLC., M Therory Entertainement, Inc., Mobility Productions, Inc., Endemol US Holding Inc., Trully Original LLC., Screentime Pty Limited ; Endemol Shine Australia Pty Ltd., Banijay Benelux Holding B.V (EX: AP NMT JV NEWCO B.V), Endemol Shine IP B.V; Endemol Shine Nederland Holding B.V (now Banijay Benelux Holding B.V), Endemol Shine Nederland B.V.

Online sports betting & gaming business

COMMITMENTS GIVEN

Betclic Group Senior Credit Facility Agreement Tranche A

The Betclic Group Senior Credit Facility Tranche A was originally guaranteed, inter alia, by Betclic and Mangas Lov and was originally secured by first ranking pledges over Betclic Group SAS shares and bet-at-home shares. A release of the pledge of Betclic Group SAS shares has been obtained as a result of the universal transmission of assets of Betclic Group SAS in Betclic, on 31 December 2021. Additional first ranking pledges have been entered into on 25 March 2022 pursuant to which Betclic Group SAS has granted pledges over Euro Gaming Investment S.A. shares (a Luxembourg subsidiary) and over Mangas Investment Limited (a Maltese subsidiary) shares held by Betclic Group SAS as security for its repayment obligations under the Betclic Group Senior Credit Facility..

Betclic Group Senior Credit Facility Agreement Tranche B

The 2023 Betclic Group Senior Credit Facility Tranche B has been secured by the pledge of second ranking over bet-at-home AG shares hold by Betclic Everest Group (3,782,382 shares) and an addendum to the existing pledge over Euro Gaming Investments SA shares and over Mangas Investment Ltd shares. The addendum replaces and extends the existing first pledge ranking to the full scope of the 2023 Betclic Group Senior Credit Facility Agreement (Tranche A and Tranche B).

Holding

COMMITMENTS GIVEN

In the context of the TIL acquisition, Banijay Events provided to K10 an irrevocable commitment (within three years, as the case may be) to subscribe to a reserved capital increase of €50 million in exchange of another type of preferred shares (Preferred D bis Shares) (please refer to note 3.1.1 on page 240).

COMMITMENTS RECEIVED

Confirmed credit lines not drawn for an amount of €50 million.

Note 29 Subsequent events

On 13 December 2021, Betclic as borrower, Mangas Lov as guarantor, BNP Paribas, Natixis and Société Générale as mandated lead arrangers and Société Générale as agent and security agent entered into a bridge credit facility agreement. This agreement provides for a bridge loan facility in principal amount of €130 million and has been repaid in full on the 5 July 2022 out of the proceeds of the Business Combination and cash otherwise available within the Group.

29.1 Holding

None.

29.2 Content production & distribution business

Authentic Media

On 11 January 2024, Banijay France has acquired Authentic Productions, based in France. The entity is specialised on producing scripted content in several formats (short, 26', 52' and 90') and genres (drama, comedy, crime) for linear broadcasters and, hopefully in the future, for platforms.

In 2023, Authentic Media generated approximately €10 million of sales.

Repricing

On 1 February 2024, Banijay Entertainment (French Holding) has announced that it has successfully repriced its €555 million term loan facility (the “2023 Banijay Facility B (EUR)”) at E+3.75% and its $556 million term loan facility (the “2023 Banijay Facility B (USD)”) at S+3.25%, in each case at par. The repricing will reduce the margins on the term loans from E+ 4.50% for the 2023 Banijay Facility B (EUR) and from S+ 3.75% for the 2023 Banijay Facility B (USD).

29.3 Online sports betting & gaming business

None.

Note 30 Fees expensed to auditors

(in € million)	Statutory audit, certification and review of the individual and consolidated financial statements	Non-audit services(1)	Total fees(2)
AS OF 31 DECEMBER 2023			
Ernst & Young	6.4	2.3	8.7
Other auditors	1.2		1.2
TOTAL	**7.6**	**2.3**	**9.9**
AS OF 31 DECEMBER 2022			
Ernst & Young	6.1	0.8	6.9
Other auditors	1.0	-	1.0
TOTAL	**7.1**	**0.8**	**7.9**

(1) Of which tax services: €0.1 million in 2023 and €0.1 million in 2022.
(2) Expenses charged by Dutch organizations of EY amounted to €0.7 million in 2023 (€0.8 million in 2022).

Note 31 List of sub-group Banijay's and sub-group BEG's subsidiaries

31.1 Banijay's sub-group consolidation scope

The table below presents the percentage of ownership interest in Banijay Group's subsidiaries held by the Group (including the FL Entertainment indirect ownership):

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Endemol Australia Pty Ltd	Australia	98.04%	92.26%
Endemol Shine Australia Holdings Pty Limited	Australia	98.04%	92.26%
Endemol Shine Australia Pty Ltd	Australia	98.04%	92.26%
Endemol Southern Star Pty. Ltd.	Australia	98.04%	92.26%
ESA Productions 1 Pty Ltd	Australia	98.04%	92.26%
ESA Productions 2 Pty Ltd	Australia	98.04%	92.26%
ESA Productions 3 Pty Ltd	Australia	98.04%	92.26%
ESA Productions 4 PTY Ltd	Australia	98.04%	92.26%
ESA Productions 5 Pty Ltd	Australia	96.08%	90.41%
ESA Productions 6 Pty Ltd	Australia	96.08%	90.41%
ESA Productions 7 PTY LTD	Australia	98.04%	92.26%
ESA Productions 8 PTY LTD	Australia	98.04%	92.26%
ESA PRODUCTIONS 9 PTY LTD	Australia	96.08%	90.41%
ESA Services Pty Ltd	Australia	98.04%	92.26%
HQWS APAC PTY LTD	Australia	24.73%	0.00%
Rosebud Pty Limited	Australia	98.04%	92.26%
Screentime Commercial Pty Limited	Australia	98.04%	92.26%
Screentime Productions No 1 Pty Ltd	Australia	96.08%	90.41%
Screentime Productions No 2 pty Ltd	Australia	96.08%	90.41%
Screentime Productions No. 3 Pty Ltd	Australia	96.08%	90.41%
SCREENTIME Pty Limited	Australia	98.04%	92.26%
Shine Australia Holdings Pty Ltd	Australia	98.04%	92.26%
Banijay Belgium	Belgium	98.04%	92.26%
EndemolShine Belgium N.V.	Belgium	98.04%	92.26%
JONNYDEPONY BV	Belgium	50.07%	47.12%
A FÁBRICA ENTRETENIMENTO E PARTICIPAÇÕES S.A.	Brazil	50.00%	0.00%
Endemol Shine Brasil Produçôes Ltda	Brazil	98.04%	92.26%
Banijay Denmark A/S	Denmark	98.04%	92.26%
BANIJAY INTERNATIONAL Aps	Denmark	98.04%	92.26%
BANIJAY NORDIC HOLDING Aps	Denmark	98.04%	92.26%
Jarowskij Danmark A/S	Denmark	98.04%	92.26%
Mastiff A/S	Denmark	98.04%	92.26%
Metronome Productions A/S	Denmark	98.04%	92.26%
NORDISK FILM TV A/S	Denmark	98.04%	92.26%
PINEAPPLE ENTERTAINMENT ApS	Denmark	50.00%	47.05%
RESPIRATOR MEDIA & DEVELOPMENT A/S	Denmark	49.12%	46.22%
Yellow Bird Films ApS	Denmark	98.04%	92.26%
The Landing (Fiji) Pte Limited	Fiji	98.04%	92.26%
BANIJAY FINLAND OY	Finland	98.04%	92.26%
BANIJAY Holding Suomi OY	Finland	98.04%	92.26%
Endemol Shine Finland Oy	Finland	98.04%	92.26%
Jarowskij Finland OY	Finland	98.04%	92.26%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
4-3-3 Production	France	49.02%	46.13%
Adventure Line Productions	France	98.04%	92.26%
Air Productions	France	98.04%	92.26%
ALP Music	France	98.04%	92.26%
Alphonse Productions	France	49.02%	46.13%
Atlantis Factory	France	49.02%	46.13%
Banijay Central 3	France	98.04%	92.26%
Banijay Clipping	France	73.53%	69.20%
Banijay Content	France	73.53%	0.00%
BANIJAY EDITING	France	73.53%	30.72%
Banijay France	France	98.04%	92.26%
BANIJAY INTERNATIONAL	France	98.04%	92.26%
Banijay Live Events	France	98.04%	92.26%
Banijay Prod ça Tourne	France	98.04%	92.26%
Banijay Prod Editing	France	98.04%	92.26%
BANIJAY PRODUCTION MEDIA	France	98.04%	92.26%
Banijay Productions	France	98.04%	92.26%
Banijay Social Media SAS	France	73.53%	0.00%
Banijay Studios France	France	98.04%	92.26%
Banijay Studios France MA2 SAS	France	98.04%	92.26%
Banijay Talent	France	73.53%	69.20%
BASE RECORDS	France	98.04%	92.26%
Beau Soir Productions	France	49.02%	46.13%
Connecting Prod	France	98.04%	92.26%
D.M.L.S TV	France	68.63%	64.58%
DMLS Films	France	68.63%	64.58%
DMLS Productions	France	68.63%	64.58%
Endemol Fiction	France	98.04%	92.26%
Endemol France	France	98.04%	92.26%
Endemol Production	France	98.04%	92.26%
Festival'Air	France	98.04%	92.26%
Fiction'Air	France	98.04%	92.26%
Gétévé Productions	France	98.04%	92.26%
H2O DIVERTISSEMENT	France	98.04%	92.26%
H2O FICTIONS	France	98.04%	92.26%
H2O JEUX	France	98.04%	92.26%
H2O PRODUCTIONS	France	98.04%	92.26%
IMAGES ON AIR	France	98.04%	92.26%
KM	France	98.04%	92.26%
KM Presse	France	98.04%	92.26%
Lodition	France	98.04%	92.26%
Monello Productions	France	74.51%	70.12%
Montmartre Films	France	49.02%	46.13%
Non Stop Edition	France	44.83%	42.19%
Non Stop Productions	France	40.85%	38.44%
Ollenom Studio	France	74.51%	70.12%
Pistache TV	France	49.02%	46.13%
Pitchipoï Productions	France	49.02%	46.13%
Puzzle Media	France	50.00%	47.05%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Screenline	France	75.98%	92.26%
SCREENLINE SPV1	France	75.98%	92.26%
Société Miss France	France	98.04%	92.26%
Studio Kilim SNC	France	98.04%	92.26%
Studio Maboul	France	98.04%	92.26%
Survivor Central Productions	France	98.04%	92.26%
Talent Lab	France	73.53%	69.20%
Terence Films	France	98.04%	92.26%
Tooco	France	49.02%	46.13%
Upper Talent SAS	France	73.53%	69.20%
Vision Air	France	98.04%	92.26%
Yasuke	France	49.02%	46.13%
Zodiak Kids Studio France	France	98.04%	92.26%
Banijay Media Germany GmbH	Germany	78.65%	74.01%
BRAINPOOL Live Entertainment GmbH	Germany	78.65%	74.01%
Banijay Germany GmbH	Germany	78.64%	74.01%
Banijay Productions Germany GmbH	Germany	74.71%	70.31%
BRAINPOOL Beteilligungsgesellschaft mbH	Germany	78.64%	74.01%
BRAINPOOL TV GmbH	Germany	78.64%	74.01%
Cape Cross Studio und Filmlichtgesellschaft mbH	Germany	78.64%	74.01%
en2rage Management & Consulting GmbH	Germany	20.46%	19.25%
Endemol Shine Germany GmbH	Germany	78.64%	74.01%
Endemol Shine Group Germany GmbH	Germany	78.64%	74.01%
Good Times Fernsehproduktions GmbH	Germany	78.64%	74.01%
Lucky Pics GmbH	Germany	39.32%	37.00%
MadeFor Film GmbH	Germany	78.64%	74.01%
MadeFor Music Publishing GmbH	Germany	78.64%	74.01%
Major.Minor Musikverlag GmbH	Germany	78.64%	74.01%
Mile 108 Gripstore GmbH	Germany	78.64%	74.01%
MTS Management Töne Stallmeyer GmbH	Germany	70.78%	66.61%
Münsteraner Tourneeservice MTS Live GmbH	Germany	62.91%	59.21%
NOISY PICTURES GmbH	Germany	78.64%	74.01%
OGP Live GmbH i.G.	Germany	40.11%	37.74%
OGP only good people GmbH	Germany	40.11%	37.74%
POTATOHEAD PICTURES GmbH	Germany	55.05%	0.00%
Raab TV-Produktion GmbH	Germany	78.64%	74.01%
Rainer Laux Productions GmbH	Germany	40.11%	37.74%
SR Management GmbH	Germany	40.11%	37.74%
WeMynd GmbH	Germany	14.16%	13.32%
Endemol India Private Limited	India	98.04%	92.26%
Ink Pen Media Private Limited	India	98.03%	92.25%
Logline Production Private Ltd	India	97.06%	91.34%
SEVENTAURAUS ENTERTAINMENT STUDIO PRIVATE LIMITED	India	49.12%	46.22%
Beyond Entertainment Holdings Limited	Ireland	98.04%	0.00%
Beyond Rights (Ireland) Limited	Ireland	98.04%	0.00%
Beyond Rights Distribution Limited	Ireland	98.04%	0.00%
HL Beyond Limited	Ireland	98.04%	0.00%
Melodia Limited	Ireland	32.68%	0.00%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Endemol Israel Ltd	Israel	95.53%	89.89%
Movie Plus Productions (2005) Ltd.	Israel	48.72%	45.85%
Paolina Jerusalem Productions Ltd	Israel	48.72%	45.85%
4 FRIENDS SRL	Italy	98.04%	92.26%
Ascent Film S.r.l.	Italy	50.00%	47.05%
ATLANTIS FILM & VIDEO SRL	Italy	98.04%	92.26%
AURORA TV SRL	Italy	98.04%	92.26%
Balich Wonder Studio SpA	Italy	86.54%	0.00%
Banijay Italia Holding S.R.L.	Italy	98.04%	92.26%
BANIJAY ITALIA SpA	Italy	98.04%	92.26%
Banijay Music Italy SrL	Italy	98.04%	92.26%
BANIJAY STUDIOS ITALY SRL	Italy	98.04%	92.26%
Bigb Holding SrL	Italy	50.00%	0.00%
DOGHEAD ANIMATION APULIA S.r.l	Italy	32.73%	30.80%
DOGHEAD ANIMATION S.r.l	Italy	32.73%	30.80%
Endemol Shine Italy S.p.A.	Italy	98.04%	92.26%
For Fun Distribution S.r.l	Italy	34.65%	32.61%
Groenlandia S.r.l.	Italy	50.00%	47.05%
ITV MOVIE SRL	Italy	89.46%	84.19%
L'Officina SRL	Italy	98.04%	92.26%
MadDoll Srl	Italy	98.04%	92.26%
MOBO S.r.l	Italy	19.25%	18.12%
MOVIMENTI PRODUCTION SRL	Italy	38.50%	36.23%
NON PANIC SRL	Italy	98.04%	92.26%
RAIN FROG S.r.l	Italy	19.64%	18.48%
ROCKET MUSIC PUBLISHING S.r.l	Italy	19.64%	18.48%
Banijay Mexico and US Hispanic, S.A.P.I. de C.V.	Mexico	49.98%	47.03%
Boomdog Studios, S.A. de C.V.	Mexico	49.80%	46.87%
Endemol Shine Boomdog Holding, S.A.P.I. de C.V.	Mexico	50.00%	47.05%
Endemol Shine Boomdog, S.A.P.I. de C.V.	Mexico	50.00%	47.05%
625 TV Producties B.V.	Netherlands	98.04%	92.26%
8th Continent Film Production	Netherlands	98.04%	92.26%
After The Break Productions B.V.	Netherlands	98.04%	92.26%
Banijay Benelux B.V.	Netherlands	98.04%	92.26%
Banijay Benelux Holding B.V.	Netherlands	98.04%	92.26%
Blockbuster Media B.V.	Netherlands	98.04%	92.26%
Call 909 Nederland B.V.	Netherlands	98.04%	92.26%
Central Media Station Holding BV	Netherlands	98.04%	92.26%
Costa Film Productie B.V.	Netherlands	98.04%	92.26%
De Mol Catalyst B.V.	Netherlands	98.04%	92.26%
Endemol Licentie B.V.	Netherlands	98.04%	92.26%
Endemol Nederland Film B.V.	Netherlands	98.04%	92.26%
Endemol Participatie TV B.V.	Netherlands	98.04%	92.26%
Endemol Personeel B.V.	Netherlands	98.04%	92.26%
Endemol Shine IP B.V.	Netherlands	98.04%	92.26%
Endemol Shine Nederland B.V.	Netherlands	98.04%	92.26%
Endemol Shine Nederland Producties B.V.	Netherlands	98.04%	92.26%
Endemol Shine Scripted B.V.	Netherlands	98.04%	92.26%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Endemol Shine Sport B.V.	Netherlands	98.04%	92.26%
Endemol Shine Sports Investments B.V.	Netherlands	98.04%	92.26%
ES NL Scripted Holding B.V.	Netherlands	98.04%	92.26%
Escape TV Productie B.V.	Netherlands	98.04%	92.26%
Geheugenspel Film Productie B.V.	Netherlands	98.04%	92.26%
Gouden Uur TV Productie B.V.	Netherlands	98.04%	92.26%
Haagse Bluf TV Produkties B.V.	Netherlands	98.04%	92.26%
Human Playground TV Production B.V.	Netherlands	98.04%	92.26%
Neem Me Mee Film Productie B.V.	Netherlands	98.04%	92.26%
NL Film en TV B.V.	Netherlands	98.04%	92.26%
NL Film Productie B.V.	Netherlands	98.04%	92.26%
NL TV Productie B.V.	Netherlands	98.04%	92.26%
Palm Plus Music Publishing BV	Netherlands	98.04%	92.26%
Posh Productions B.V.	Netherlands	50.00%	47.05%
Scenery B.V.	Netherlands	50.00%	47.05%
Scriptstudio B.V.	Netherlands	98.04%	92.26%
Simpel Formats BV	Netherlands	98.04%	92.26%
SimpelZodiak BV	Netherlands	98.04%	92.26%
SNP Holding B.V.	Netherlands	98.04%	92.26%
SNP Media B.V.	Netherlands	98.04%	92.26%
SNP Participaties B.V.	Netherlands	98.04%	92.26%
Southfields B.V.	Netherlands	81.67%	76.85%
Topkapi Films B.V.	Netherlands	50.01%	47.06%
TVBV BV	Netherlands	98.04%	92.26%
Twentytwo Producties B.V.	Netherlands	50.00%	0.00%
Van der Valk TV Production B.V.	Netherlands	98.04%	92.26%
Vuurwerk TV Productie B.V.	Netherlands	98.04%	92.26%
153 Productions NZ Limited	New Zealand	98.04%	92.26%
Dead Head Productions Limited	New Zealand	98.04%	92.26%
ESA US Productions Limited	New Zealand	98.04%	92.26%
First Responders Productions Limited	New Zealand	98.04%	92.26%
Quimbo's Quest Limited	New Zealand	98.04%	92.26%
Remarkable Productions NZ Limited	New Zealand	98.04%	92.26%
Screentime New Zealand Limited	New Zealand	98.04%	92.26%
Straight Forward Productions Limited	New Zealand	98.04%	92.26%
THE GULF PRODUCTIONS LIMITED	New Zealand	98.04%	92.26%
THE SUMMIT PRODUCTIONS NZ 2022 LIMITED	New Zealand	98.04%	92.26%
Banijay Norway AS	Norway	98.04%	92.26%
Beforeigners Production AS	Norway	98.04%	92.26%
Mastiff AS	Norway	98.04%	92.26%
Mastiff Entertainment AS	Norway	98.04%	92.26%
NB Produksjon AS	Norway	98.04%	92.26%
Nordisk Banijay AS	Norway	98.04%	92.26%
Rubicon Produksjon AS	Norway	98.04%	92.26%
Rubicon TV AS	Norway	98.04%	92.26%
Screen Media AS	Norway	98.04%	92.26%
Yellow Bird Norge AS	Norway	98.04%	92.26%
Endemol Shine Polska Sp. z.o.o.	Poland	98.04%	92.26%
Endemol Portugal, Unipessoal Lda.	Portugal	98.04%	92.26%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Portocabo Atlantico Unipessoal Lda.	Portugal	74.02%	69.66%
Shine Iberia Portugal, Unipessoal, Lda	Portugal	98.04%	92.26%
Zodiak Vostok LLC	Russian Federation	98.04%	92.26%
The Landing Ltd	Samoa	98.04%	92.26%
BWS KSA	Saudi Arabia	46.67%	0.00%
HQWS KSA	Saudi Arabia	23.80%	0.00%
MC World App	Spain	29.41%	0.00%
1992 La Serie SLU	Spain	50.03%	47.08%
30 Monedas La Serie SL	Spain	50.03%	47.08%
Anciana Milenaria SLU	Spain	50.03%	47.08%
Banijay Iberia SLU	Spain	98.04%	92.26%
Crespeth Films AIE	Spain	49.51%	46.59%
CUARZO Producciones SL	Spain	98.04%	92.26%
Culpa Mia SLU	Spain	50.03%	47.08%
DE LORENZO PRODUCCIONES E INVERSIONES SL	Spain	49.02%	46.13%
DIAGONAL TELEVISIO SLU	Spain	98.04%	92.26%
Gestmusic Endemol, S.A.U.	Spain	98.04%	92.26%
Gestmusic Proyectos SLU	Spain	98.04%	92.26%
Global Palenove SLU	Spain	50.03%	47.08%
La Otra casa La Película AIE	Spain	50.00%	47.05%
LaLiga Studios S.L.	Spain	50.00%	0.00%
Largas Sombras S.L.U.	Spain	49.02%	46.13%
Magnolia TV Espana	Spain	98.04%	92.26%
Monos con Pistolas La Serie SLU	Spain	50.03%	47.08%
Non Stop People Espana SL	Spain	93.13%	87.64%
Perfectos Desconocidos AIE	Spain	25.01%	23.54%
Pokeepsie Films, S.L.	Spain	50.03%	47.08%
Portocabo Canarias SLU	Spain	74.02%	69.66%
Portocabo Mediterraneo SLU	Spain	74.02%	69.66%
Portocabo TV SL	Spain	74.02%	69.66%
Producciones Sol Naciente, AIE	Spain	48.97%	46.08%
Project Academy Series SL	Spain	98.04%	92.26%
R. Zinman Productions, A.I.E.	Spain	98.04%	92.26%
Sabinas Diagonal S.L.	Spain	98.04%	92.26%
Shine Iberia S.L.U.	Spain	98.04%	92.26%
The Fear Collection III AIE	Spain	49.53%	46.61%
Zeppelin Television, S.A.U.	Spain	98.04%	92.26%
Banijay Nordics AB	Sweden	98.04%	92.26%
Endemol Nordics AB	Sweden	98.04%	92.26%
Endemol Shine Nordics AB	Sweden	98.04%	92.26%
Filmlance International AB	Sweden	98.04%	92.26%
Friday TV AB	Sweden	98.04%	92.26%
Jarowskij Enterprises AB	Sweden	98.04%	92.26%
Jarowskij Management AB	Sweden	98.04%	92.26%
Jarowskij Sverige AB	Sweden	98.04%	92.26%
MAGFIVE Content AB	Sweden	98.04%	92.26%
Mastiff AB	Sweden	98.04%	92.26%
Mastiff Creative	Sweden	98.04%	92.26%
Mastiff Media Holding AB	Sweden	98.04%	92.26%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Meter Television AB	Sweden	98.04%	92.26%
NORDISK FILM & TV PRODUKTION AB	Sweden	98.04%	92.26%
Scripted Post	Sweden	98.04%	0.00%
Shine Nordics AB	Sweden	98.04%	92.26%
Solsidan Produktion HB	Sweden	49.02%	46.13%
STO-CPH Produktion AB	Sweden	98.04%	92.26%
We Are Post AB	Sweden	98.04%	92.26%
Yellow Bird Holding AB	Sweden	98.04%	92.26%
Yellow Bird Nordics AB	Sweden	98.04%	92.26%
B&B Endemol Shine AG	Switzerland	39.71%	37.37%
HQ Worldwide Shows LLC	United Arab Emirates	23.79%	0.00%
21CF Shine Holdings UK Ltd	United Kingdom	98.04%	92.26%
Among Giants Ltd	United Kingdom	98.04%	92.26%
Artists' Studio Management Ltd	United Kingdom	98.04%	92.26%
Artists' Studio TV Ltd	United Kingdom	98.04%	92.26%
Bad Ed The Movie Ltd	United Kingdom	98.04%	92.26%
Bandit (Delicious 3) Limited	United Kingdom	98.04%	92.26%
Banijay (Central) Limited	United Kingdom	98.04%	92.26%
Banijay Brands Limited	United Kingdom	98.04%	92.26%
Banijay Group Services Limited	United Kingdom	98.04%	92.26%
Banijay Kids & Family (Holding) Limited	United Kingdom	75.49%	71.04%
BANIJAY MEDIA LIMITED	United Kingdom	98.04%	92.26%
Banijay Rights Limited	United Kingdom	98.04%	92.26%
Banijay UK Limited	United Kingdom	98.04%	92.26%
Banijay UK Productions Limited	United Kingdom	98.04%	92.26%
Bazal Productions Ltd.	United Kingdom	98.04%	92.26%
Beyond Rights	United Kingdom	98.04%	92.26%
Black Mirror Drama (S4) Ltd	United Kingdom	98.04%	92.26%
Black Mirror Drama (S5) Ltd	United Kingdom	98.04%	92.26%
Black Mirror Drama Ltd	United Kingdom	98.04%	92.26%
BlackLight (On The Edge Season 4) Limited	United Kingdom	98.04%	92.26%
BlackLight Television Limited	United Kingdom	98.04%	92.26%
Brighter Pictures Ltd	United Kingdom	98.04%	92.26%
Brown Eyed Boy (MHB) Ltd	United Kingdom	98.04%	92.26%
Brown Eyed Boy Ltd	United Kingdom	98.04%	92.26%
Bwark Films Limited	United Kingdom	98.04%	92.26%
Bwark Productions Limited	United Kingdom	98.04%	92.26%
Castaway Television Productions Limited	United Kingdom	98.04%	92.26%
Channel 12 Ltd	United Kingdom	98.04%	92.26%
ChannelFlip Media Ltd	United Kingdom	98.04%	92.26%
Dangerous Films Limited	United Kingdom	63.77%	60.01%
Darlow Smithson Productions Ltd	United Kingdom	98.04%	92.26%
DINOPAWS UK Limited	United Kingdom	19.30%	18.17%
Douglas Road Productions Ltd	United Kingdom	98.04%	92.26%
Dragonfly Drama Limited	United Kingdom	98.04%	92.26%
Dragonfly Film and Television Productions Ltd	United Kingdom	98.04%	92.26%
Dream Alliance Productions Ltd	United Kingdom	98.04%	92.26%
DSP Drama 2 Limited	United Kingdom	98.04%	92.26%
DSP Drama 3 LTD	United Kingdom	98.04%	92.26%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
DSP Drama 4 Limited	United Kingdom	98.04%	92.26%
DSP Drama Ltd	United Kingdom	98.04%	92.26%
Edam SLB Ltd	United Kingdom	98.04%	92.26%
Electric Robin (BITW) Limited	United Kingdom	98.04%	92.26%
Electric Robin (BTR) Limited	United Kingdom	98.04%	92.26%
Electric Robin (GOG) Limited	United Kingdom	98.04%	92.26%
Electric Robin Ltd	United Kingdom	98.04%	92.26%
Endemol Shine Gaming Ltd	United Kingdom	98.04%	92.26%
Endemol Shine Group Ltd	United Kingdom	98.04%	92.26%
Endemol UK Holding Limited	United Kingdom	98.04%	92.26%
ESUK Productions Limited	United Kingdom	98.04%	92.26%
Fall Productions Ltd	United Kingdom	44.12%	41.52%
Far Moor Media Ltd	United Kingdom	98.04%	92.26%
Fifty Fathoms (AM) Limited	United Kingdom	98.04%	92.26%
Fifty Fathoms (Domina) Limited	United Kingdom	98.04%	92.26%
Fifty Fathoms (Fortitude 3) Ltd	United Kingdom	98.04%	92.26%
Fifty Fathoms (Guerrilla) Limited	United Kingdom	98.04%	92.26%
Fifty Fathoms (KAW2) Ltd	United Kingdom	98.04%	92.26%
Fifty Fathoms Productions Ltd	United Kingdom	98.04%	92.26%
FKAI productions Ltd	United Kingdom	19.30%	18.17%
Good Catch Ltd	United Kingdom	98.04%	92.26%
GRAYPOOLE Films Ltd	United Kingdom	19.30%	18.17%
Guilder Productions Limited	United Kingdom	98.04%	92.26%
HANK ZIPZER Productions Ltd	United Kingdom	57.19%	36.33%
Hawkshead Ltd.	United Kingdom	98.04%	92.26%
Holy Moly Entertainment Ltd	United Kingdom	98.04%	92.26%
House of Tomorrow Drama Ltd	United Kingdom	98.04%	92.26%
House of Tomorrow Holdings Ltd	United Kingdom	98.04%	92.26%
House of Tomorrow Ltd	United Kingdom	98.04%	92.26%
Initial (Seaforth) Ltd.	United Kingdom	98.04%	92.26%
Initial Film & Television (Frankies House) Ltd.	United Kingdom	98.04%	92.26%
Initial Film & Television (Horse Opera) Ltd.	United Kingdom	98.04%	92.26%
Initial Film & Television Ltd.	United Kingdom	98.04%	92.26%
IWC Media Limited	United Kingdom	98.04%	92.26%
Izenda Productions Ltd	United Kingdom	98.04%	92.26%
Kale TV Ltd	United Kingdom	52.88%	0.00%
Kindle (Little Darlings) Ltd	United Kingdom	57.19%	36.33%
Kindle Entertainment (Big and Small) Ltd	United Kingdom	57.19%	36.33%
Kindle Entertainment (HANK ZIPZER) Ltd	United Kingdom	57.19%	36.33%
KINDLE ENTERTAINMENT LIMITED	United Kingdom	57.19%	36.33%
Kindle Entertainment Productions Ltd	United Kingdom	57.19%	36.33%
KISS ME FIRST Ltd	United Kingdom	19.30%	18.17%
Kudos (BG) Ltd	United Kingdom	98.04%	92.26%
Kudos (Broadchurch) Ltd	United Kingdom	98.04%	92.26%
Kudos (Burn Up) Ltd	United Kingdom	98.04%	92.26%
Kudos (Child) Ltd.	United Kingdom	98.04%	92.26%
Kudos (Code 404) Limited	United Kingdom	98.04%	92.26%
Kudos (Deadwater) Ltd.	United Kingdom	98.04%	92.26%
Kudos (Deep Water) Ltd	United Kingdom	98.04%	92.26%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Kudos (Eternal) Ltd	United Kingdom	98.04%	92.26%
Kudos (Grantchester 8) Ltd	United Kingdom	98.04%	92.26%
Kudos (Grantchester 9) Ltd	United Kingdom	98.04%	92.26%
Kudos (Grantchester Five) Limited	United Kingdom	98.04%	92.26%
Kudos (Grantchester Four) Limited	United Kingdom	98.04%	92.26%
Kudos (Grantchester Seven) Ltd	United Kingdom	98.04%	92.26%
Kudos (Grantchester Six) Ltd	United Kingdom	98.04%	92.26%
Kudos (Grantchester) Ltd	United Kingdom	98.04%	92.26%
Kudos (Gunpowder) Limited	United Kingdom	98.04%	92.26%
Kudos (Hour) Ltd	United Kingdom	98.04%	92.26%
Kudos (Humans Three) Limited	United Kingdom	98.04%	92.26%
Kudos (Humans) Ltd	United Kingdom	98.04%	92.26%
Kudos (L&O) Ltd	United Kingdom	98.04%	92.26%
Kudos (Law) Ltd	United Kingdom	98.04%	92.26%
Kudos (Manhattan) Ltd	United Kingdom	98.04%	92.26%
Kudos (Morton) Ltd	United Kingdom	98.04%	92.26%
Kudos (Occupation) Ltd	United Kingdom	98.04%	92.26%
Kudos (Orange Shirt) Limited	United Kingdom	98.04%	92.26%
Kudos (River) Ltd	United Kingdom	98.04%	92.26%
Kudos (SAS 2) Limited	United Kingdom	98.04%	92.26%
Kudos (SAS) Limited	United Kingdom	98.04%	92.26%
Kudos (Spooks) CP Ltd	United Kingdom	98.04%	92.26%
Kudos (Squirrel) Limited	United Kingdom	98.04%	92.26%
KUDOS (THIS TOWN) LIMITED	United Kingdom	98.04%	92.26%
Kudos (Tin Star) Ltd	United Kingdom	98.04%	92.26%
Kudos (Troy) Ltd	United Kingdom	98.04%	92.26%
Kudos (Tsunami)	United Kingdom	98.04%	92.26%
Kudos (Tunnel) Ltd	United Kingdom	98.04%	92.26%
Kudos (Two Weeks) Ltd	United Kingdom	98.04%	92.26%
Kudos (WM) Ltd	United Kingdom	98.04%	92.26%
Kudos (You) Limited	United Kingdom	98.04%	92.26%
Kudos Film & Television Limited	United Kingdom	98.04%	92.26%
Kudos Financing Ltd	United Kingdom	98.04%	92.26%
Kudos Hustle Ltd	United Kingdom	98.04%	92.26%
Kudos Rights Ltd	United Kingdom	98.04%	92.26%
Kudos Scotland Ltd	United Kingdom	98.04%	92.26%
Lomond Television Ltd.	United Kingdom	98.04%	92.26%
Lovely Day Productions Ltd	United Kingdom	98.04%	92.26%
Mam Tor Productions (Chloe) Ltd	United Kingdom	50.00%	47.05%
Mam Tor Productions (Scotland) Ltd	United Kingdom	50.00%	47.05%
Mam Tor Productions (Wild Lion) Ltd	United Kingdom	50.00%	47.05%
Mam Tor Productions Limited	United Kingdom	50.00%	47.05%
NC Shine Acquisition Ltd	United Kingdom	98.04%	92.26%
Neon Ink Productions Limited	United Kingdom	98.04%	92.26%
New Moon Rising Ltd	United Kingdom	98.04%	92.26%
Newincco 1151 Ltd	United Kingdom	49.03%	46.14%
Not Driving That Limited	United Kingdom	98.04%	92.26%
OP MEDIA Ltd	United Kingdom	78.43%	73.81%
OP Talent Ltd	United Kingdom	98.04%	92.26%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Princess Productions Ltd	United Kingdom	98.04%	92.26%
RDF Television Limited	United Kingdom	98.04%	92.26%
Secret Life of Boys 5 Ltd	United Kingdom	98.04%	92.26%
Shine Creative (UK) Ltd	United Kingdom	98.04%	92.26%
Shine Jet Ltd	United Kingdom	98.04%	92.26%
Shine Ltd	United Kingdom	98.04%	92.26%
Shine Midco Ltd	United Kingdom	98.04%	92.26%
Shine Pictures (UK) Ltd	United Kingdom	98.04%	92.26%
Shine TV Limited	United Kingdom	98.04%	92.26%
Shiny Button Productions (SPV) Limited	United Kingdom	98.04%	92.26%
Shiny Button Productions (YCOM) Limited	United Kingdom	98.04%	92.26%
Shiny Button Productions limited	United Kingdom	98.04%	92.26%
Simon's Cat Ltd	United Kingdom	50.00%	47.05%
Sound Pocket Music Limited	United Kingdom	98.04%	92.26%
Spooks Ltd	United Kingdom	98.04%	92.26%
Superchargers Limited	United Kingdom	98.04%	92.26%
Ted's Top Ten Ltd	United Kingdom	75.49%	71.04%
Teen Taxis Limited	United Kingdom	98.04%	92.26%
THE A LIST (KEL) Ltd	United Kingdom	38.61%	36.33%
THE A LIST 2 (KEL) Ltd	United Kingdom	38.61%	36.33%
The Boys Are Back In Town Ltd	United Kingdom	98.04%	92.26%
The Comedy Unit Limited	United Kingdom	98.04%	92.26%
The Fall 2 Ltd	United Kingdom	98.04%	92.26%
The Fall 3 Ltd	United Kingdom	98.04%	92.26%
The Forge Entertainment (AB4) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (AB5) Ltd.	United Kingdom	52.88%	0.00%
The Forge Entertainment (Ackley Bridge) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (BE2) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Debutante) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (DM) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Elizabeth) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (GenZ) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Highlands & Islands) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Home) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Kiri) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Marriage) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (National Treasure) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Productions) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Roadkill) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (ROTG) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Sandrine) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (Shardlake) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (The Light) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment (The Miniaturist) Ltd	United Kingdom	52.88%	0.00%
The Forge Entertainment Limited	United Kingdom	52.88%	0.00%
The Foundation T.V. Productions (Scotland) Limited	United Kingdom	75.49%	71.04%
The Natural Studios Limited	United Kingdom	59.80%	56.28%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
The Natural Studios Productions Ltd	United Kingdom	59.80%	56.28%
TIGER ASPECT (3LB) LIMITED	United Kingdom	98.04%	92.26%
Tiger Aspect (BH&MP) Limited	United Kingdom	98.04%	92.26%
Tiger Aspect (Fortitude 2) Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect (GKH) Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect (GKH3) Limited	United Kingdom	98.04%	92.26%
Tiger Aspect (Good Karma) Limited	United Kingdom	98.04%	92.26%
Tiger Aspect (KAW) Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect (Viewpoint) Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Animation Ltd	United Kingdom	75.49%	71.04%
Tiger Aspect Assets Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Drama (Curfew) Limited	United Kingdom	98.04%	92.26%
Tiger Aspect Drama (Ripper Street 4) Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Drama (Ripper Street) Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Drama Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Films Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Financing Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Holdings Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Kids & Family Limited	United Kingdom	75.49%	71.04%
Tiger Aspect Pictures (Dog Eat Dog) Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Pictures (Royston Vasey) Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Pictures (Tosspot) Ltd	United Kingdom	98.04%	92.26%
Tiger Aspect Pictures Ltd	United Kingdom	98.04%	92.26%
TIGER ASPECT PRODUCTIONS (HEATWAVE) LIMITED	United Kingdom	98.04%	92.26%
Tiger Aspect Productions Limited	United Kingdom	98.04%	92.26%
Tiger Aspect Scotland Ltd	United Kingdom	98.04%	92.26%
Tiger Television Ltd	United Kingdom	98.04%	92.26%
Tigress Productions Ltd	United Kingdom	98.04%	92.26%
Tronpipe Ltd	United Kingdom	98.04%	92.26%
Victoria Real Ltd.	United Kingdom	96.52%	90.83%
Wild Mercury (Moreton) Limited	United Kingdom	73.53%	69.20%
Wild Mercury (The Rig 2) Limited	United Kingdom	73.53%	69.20%
Wild Mercury (The Rig) Limited	United Kingdom	73.53%	69.20%
Wild Mercury (Troy) Limited	United Kingdom	73.53%	69.20%
Wild Mercury Production Company Limited	United Kingdom	73.53%	69.20%
Wild West (Initial) Ltd.	United Kingdom	98.04%	92.26%
Wonder Television Limited	United Kingdom	98.04%	92.26%
Workerbee (Crouch) Limited	United Kingdom	98.04%	92.26%
Workerbee Documentary Films Limited	United Kingdom	98.04%	92.26%
YELLOW BIRD PRODUCTIONS UK LIMITED	United Kingdom	98.04%	92.26%
Yemen Distributions Ltd	United Kingdom	98.04%	92.26%
Yemen Productions Ltd	United Kingdom	98.04%	92.26%
Young Bwark Limited	United Kingdom	49.02%	46.13%
Zeppotron Drama Ltd	United Kingdom	98.04%	92.26%
Zeppotron Limited	United Kingdom	98.04%	92.26%
Zodiak Kids & Family Distribution Limited	United Kingdom	75.49%	71.04%
Zodiak Kids & Family Productions UK Limited	United Kingdom	75.49%	71.04%
Zodiak Kids UK Ltd	United Kingdom	75.49%	71.04%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Zodiak Music Publishing Limited	United Kingdom	98.04%	92.26%
1953 LLC	United States	58.82%	55.36%
1982 Productions LLC	United States	58.82%	55.36%
247 W, 37th ST Location Services LLC	United States	58.82%	55.36%
51 Minds Entertainment LLC	United States	98.04%	92.26%
51 Minds, LLC	United States	98.04%	92.26%
ACIP CO LLC	United States	98.04%	92.26%
All Knight Music LLC	United States	49.02%	46.13%
Anonymous Music Library, LLC	United States	98.04%	92.26%
Ant Eggs Rentals LLC	United States	50.00%	47.05%
Argyle Media LLC	United States	58.82%	55.36%
Atrium Entertainment LLC	United States	98.04%	92.26%
Authentic Entertainment Holding, LLC.	United States	98.04%	92.26%
Authentic Entertainment, LLC.	United States	98.04%	92.26%
Authentic Minds, LLC	United States	98.04%	92.26%
BANIJAY ENTERTAINMENT HOLDINGS US II INC	United States	98.04%	92.26%
BANIJAY ENTERTAINMENT HOLDINGS US, INC	United States	98.04%	92.26%
BANIJAY GROUP US HOLDING INC	United States	98.04%	92.26%
Banijay Mexico and US Hispanic, LLC	United States	50.00%	47.05%
Berkeley Productions Inc	United States	98.04%	92.26%
BG Apple LLC	United States	98.04%	92.26%
BG Peach Inc	United States	98.04%	92.26%
Big Ant Productions, LLC	United States	49.02%	46.13%
BL4 Productions Inc	United States	98.04%	92.26%
BMP Films Inc	United States	98.04%	92.26%
Bona Fide Productions LLC	United States	98.04%	92.26%
Brigadier Productions, Inc.	United States	98.04%	92.26%
BSNA Entertainment LLC	United States	76.77%	72.24%
BUNIM MURRAY PRODUCTIONS INC	United States	98.04%	92.26%
BUNIM MURRAY PRODUCTIONS LLC	United States	98.04%	92.26%
Burbank North Productions, LLC	United States	98.04%	92.26%
Candlestick Entertainment, LLC	United States	98.04%	92.26%
CCCM Projects LLC	United States	98.04%	92.26%
Clock Tower Productions, Inc.	United States	98.04%	92.26%
Coconunu Productions, Inc.	United States	98.04%	92.26%
Complete Solution Pictures and Sound	United States	76.77%	72.24%
Creole Manny LLC	United States	98.04%	92.26%
Cristal Ball Enterprises LLC	United States	98.04%	92.26%
Crosswalk Productions LLC	United States	98.04%	92.26%
Deep Dish Productions of Chicago LLC	United States	98.04%	92.26%
Distance Productions, Inc.	United States	98.04%	92.26%
Dos Producciones LLC	United States	98.04%	92.26%
Endemol Beyond USA, LLC	United States	98.04%	92.26%
Endemol Latino N.A., Inc	United States	98.04%	92.26%
Endemol Shine Boomdog, LLC	United States	50.00%	47.05%
Endemol Shine SPV, LLC	United States	98.04%	92.26%
Endemol Shine US Office LLC	United States	98.04%	92.26%
Endemol Studios	United States	98.04%	92.26%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Endemol USA Holding, Inc.	United States	98.04%	92.26%
Endemol USA Inc.	United States	98.04%	92.26%
Front Yard Productions Inc.	United States	98.04%	92.26%
Go Ahead Productions Inc	United States	76.77%	72.24%
Gramercy Global Entertainment	United States	58.33%	54.89%
Gulf Stream Media Inc	United States	76.77%	72.24%
Hashtag Entertainment LLC	United States	98.04%	92.26%
Hippocritical Productions LLC	United States	98.04%	92.26%
Hizzoner LLC	United States	98.04%	92.26%
Home Brewed Productions LLC	United States	98.04%	92.26%
Home Run Production Services LLC	United States	98.04%	92.26%
Impresario Productions LLC	United States	98.04%	92.26%
In the Keys Music LLC	United States	49.02%	46.13%
Keeping Track Music Inc	United States	98.04%	92.26%
Lars & Son Moisture Farm LLC	United States	98.04%	92.26%
Lock and Key Productions, Inc.	United States	98.04%	92.26%
Lock Cut 9 LLC	United States	49.02%	46.13%
Look Both Ways Productions LLC	United States	98.04%	92.26%
M Cable Television Inc	United States	98.04%	92.26%
M Theory Entertainment, Inc	United States	98.04%	92.26%
Media Production Services, LLC	United States	98.04%	92.26%
Middleman LLC	United States	98.04%	92.26%
Mindring Productions, LLC	United States	98.04%	92.26%
Mobility Productions, Inc	United States	98.04%	92.26%
Monte Pictures LLC	United States	98.04%	92.26%
Mountain View Productions LLC	United States	98.04%	92.26%
Navy Street Productions LLC	United States	98.04%	92.26%
No Doubt Post Production, Inc.	United States	98.04%	92.26%
Note Republic LLC	United States	49.02%	46.13%
NoVat Productions, LLC	United States	49.02%	46.13%
Only on Oxnard LLC	United States	98.04%	92.26%
Organized Productions LLC	United States	98.04%	92.26%
Original Ink LLC	United States	98.04%	92.26%
Original Media, LLC	United States	98.04%	92.26%
Our House Productions, Inc.	United States	98.04%	92.26%
Oxnard Cats Entertainment LLC	United States	98.04%	92.26%
Palisade Productions LLC	United States	58.82%	55.36%
Particle LLC	United States	58.82%	55.36%
Particle VFX LLC	United States	58.82%	55.36%
Pico Script Lab, Inc.	United States	98.04%	92.26%
PMPGL LLC	United States	98.04%	92.26%
Production Support Services, LLC.	United States	98.04%	92.26%
Proton Production LLC	United States	58.82%	55.36%
Road Rules Productions Inc	United States	98.04%	92.26%
Rough Cut Productions LLC	United States	98.04%	92.26%
RW Productions Inc	United States	98.04%	92.26%
Screenbox LLC	United States	58.82%	55.36%
Shadows of Doubt LLC	United States	58.82%	55.36%
SHEA OFFICE SPACE AND FURNISHINGS	United States	76.77%	72.24%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Shine Television LLC	United States	98.04%	92.26%
Shine US Holdings Inc	United States	98.04%	92.26%
Snack Tray Productions LLC	United States	98.04%	92.26%
Spring Break Films LLC	United States	49.02%	46.13%
STEPHEN DAVID ENTERTAINMENT LLC	United States	58.82%	55.36%
Stephen David Media LLC	United States	58.82%	55.36%
Suns Productions, LLC	United States	98.04%	92.26%
Sunset Ventures Inc	United States	76.77%	72.24%
Superior Production Services LLC	United States	98.04%	92.26%
Swampy Projects LLC	United States	98.04%	92.26%
Tabula Rasa Productions LLC	United States	98.04%	92.26%
Tasty Treat LLC	United States	49.02%	46.13%
The American Cue Society LLC	United States	98.04%	92.26%
Trade Winds Productions Inc	United States	76.77%	72.24%
Trapeze Productions LLC	United States	58.82%	55.36%
True Entertainment LLC	United States	98.04%	92.26%
True TTH, LLC	United States	98.04%	92.26%
Truly Original, LLC	United States	98.04%	92.26%
Turnt up Productions LLC	United States	98.04%	92.26%
UBBP Inc	United States	76.77%	72.24%
United Front Productions LLC	United States	98.04%	92.26%
UP-N-ATOM LLC	United States	58.82%	55.36%
Very Water Logged LLC	United States	98.04%	92.26%
W, 37th St Location Services LLC	United States	58.82%	55.36%
Warren & Whitmore Publishing, LLC	United States	58.82%	55.36%
Westcar LLC	United States	58.82%	55.36%
Wheelhouse Productions LLC	United States	98.04%	92.26%
World Wars WV LLC	United States	58.82%	55.36%
YOLO Productions LLC	United States	98.04%	92.26%
Zamora Films LLC	United States	98.04%	92.26%
Znak TV Inc.	United States	98.04%	92.26%
Zodiak Americas	United States	98.04%	92.26%
Zodiak USA	United States	98.04%	92.26%
Zoom Equipment Rentals LLC	United States	98.04%	92.26%
influence.vision GmbH	Austria	36.62%	34.46%
Banijay Live	France	49.02%	46.13%
Daze MGMT	France	36.77%	32.33%
Easy peasy Entertainment SAS	France	0.00%	41.52%
Financière EMG	France	4.73%	7.03%
Kons'Air	France	19.61%	18.45%
M.G. Productions	France	48.04%	45.21%
Shine Fiction	France	48.04%	45.21%
Good Humor GmbH	Germany	38.54%	36.26%
Ladykracher TV-Produktion GmbH	Germany	39.32%	37.00%
Minestrone TV Produktion GbR	Germany	39.32%	37.00%
Greenboo Production S.r.l.	Italy	48.04%	0.00%
Content Intelligence B.V.	Netherlands	24.41%	0.00%
Crossmex B.V.	Netherlands	58.82%	55.36%
Conker Pictures Limited	United Kingdom	24.51%	0.00%

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Double Dutch Productions Ltd	United Kingdom	48.92%	46.04%
Esmeralda Productions Limited	United Kingdom	29.38%	0.00%
Immovable Studios Ltd.	United Kingdom	19.61%	0.00%
Rabbit Track Pictures Limited	United Kingdom	20.97%	0.00%
Ensemble Entertainment LLC	United States	1.47%	1.38%
Flow Ventures LLC	United States	36.77%	34.60%
Hyphenated Media LLC	United States	4.90%	0.00%

31.2 Betclic Everest Group's sub-group consolidation scope

The table below presents the percentage of ownership interest in Betclic Everest Group SAS subsidiaries held by the Group (including the FL Entertainment's indirect ownership):

Name of the legal entity	Country of incorporation	31 December 2023	31 December 2022
Betclic Everest Group SAS	**France**	**Holding**	
Mangas Gambling Engineering SARL	France	94.60%	94.60%
Mangas Everest SAS	France	-	-
Betclic Overseas SAS	France	85.14%	85.14%
Betclic Côte d'Ivoire SAS	Ivory Coast	90.00%	85.14%
Betclic Sénégal SAS	Senegal	90.00%	85.14%
Betclic Bénin SAS	Benin	90.00%	85.14%
Betclic Enterprises Ltd	Malta	90.00%	85.14%
BEM Operations Ltd	Malta	100.00%	94.60%
Betclic Ltd	Malta	100.00%	94.60%
Mangas Gaming Malta Ltd	Malta	100.00%	94.60%
Mangas Investment Ltd	Malta	100.00%	94.60%
EG Portugal Sul	Portugal	100.00%	94.60%
BC Malta Services Ltd	Malta	100.00%	94.60%
BC Makreting Agency Italia Srl	Italy	100.00%	94.60%
Euro Gaming Investment SA	Luxemburg	100.00%	94.60%
Equinox Ltd	Gibraltar	100.00%	94.60%
Mater Ltd Gibraltar	Gibraltar	100.00%	94.60%
bet-at-home.com AG Germany	Germany	53.90%	50.99%
bet-at-home.com AG Austria	Austria	53.90%	50.99%
Beteiligungsholding GmbH	Austria	53.90%	50.99%
BAH Niederlande GmbH	Austria	53.90%	50.99%
bet-at-home Holding Ltd Malta	Malta	53.90%	50.99%
bet-at-home International Ltd Malta	Malta	53.90%	50.99%
bet-at-home Internet Ltd Malta	Malta	53.90%	50.99%
Jonsden Properties Ltd Gibraltar	Gibraltar	53.90%	50.99%
Skillstar SARL	France	-	-

6.2 Company only financial statements 31 December 2023

6.2.1 Company only statement of financial position

Assets

(in € million)	Note	31 December 2023	31 December 2022
Property, plant and equipment		0.0	0.0
Investments in subsidiaries	Note 4	4,394.0	4,259.6
Non-current financial assets	Note 5	73.5	-
Deferred tax assets	Note 16	-	-
NON-CURRENT ASSETS		**4,467.6**	**4,259.6**
Trade receivables		0.9	0.9
Other current assets	Note 6	3.4	4.3
Current financial assets	Note 5	12.8	41.1
Cash and cash equivalents	Note 7	1.4	10.5
CURRENT ASSETS		**18.5**	**56.8**
ASSETS		**4,486.1**	**4,316.4**

Equity and liabilities

(in € million)	Note	31 December 2023	31 December 2022
Share capital	Note 8.1	8.1	8.0
Share premiums	Note 8.1	4,108.1	4,140.3
Treasury shares		(0.2)	(0.1)
Retained earnings (deficit)		(97.0)	(3.2)
Net income/(loss)		178.4	(107.5)
TOTAL EQUITY	**Note 8.1**	**4,197.4**	**4,037.5**
Other securities	Note 9	139.4	130.5
Other non-current liabilities		0.2	-
Deferred tax liabilities	Note 16	-	-
NON-CURRENT LIABILITIES		**139.7**	**130.5**
Short-term borrowings and bank overdrafts	Note 10	143.5	138.4
Trade payables		4.0	9.3
Other current liabilities		1.5	0.8
CURRENT LIABILITIES		**149.0**	**148.5**
EQUITY AND LIABILITIES		**4,486.1**	**4,316.4**

6.2.2 Company only statement of income

(in € million)	Note	31 December 2023	31 December 2022
External expenses	Note 12	(5.7)	(3.7)
Staff costs	Note 13	(3.5)	(1.0)
Other operating income	Note 14	1.2	0.5
Other operating expenses	Note 14	(3.2)	(106.6)
Depreciation and amortization expenses		(0.0)	(0.0)
OPERATING PROFIT/(LOSS)		**(11.2)**	**(110.9)**
Financial income	Note 15	0.5	1.1
Interest expenses	Note 15	(5.5)	(2.3)
COST OF NET DEBT		**(5.0)**	**(1.2)**
Other finance income/(costs)	Note 15	194.0	4.6
NET FINANCIAL INCOME/(EXPENSE)		**189.1**	**3.4**
EARNINGS BEFORE PROVISION FOR INCOME TAXES		**177.8**	**(107.5)**
Income tax expenses	Note 16	0.6	-
NET INCOME/(LOSS) FOR THE PERIOD		**178.4**	**(107.5)**

6.2.3 Company only statement of comprehensive income

(in € million)	Note	31 December 2023	31 December 2022
NET INCOME/(LOSS) FOR THE PERIOD		**178.4**	**(107.5)**
CHANGES AND INCOME DIRECTLY RECOGNISED IN EQUITY		**-**	**-**
TOTAL COMPREHENSIVE INCOME/(LOSS)		**178.4**	**(107.5)**

6.2.4 Company only statement of cash flows

(in € million)	Note	31 December 2023	31 December 2022
Profit/(loss)		178.4	(107.5)
Adjustments:		**(189.4)**	**72.5**
Amortization, depreciation, impairment losses and provisions, net of reversals		0.0	0.0
Employee benefits LTIP expenses		0.3	
Change in fair value of financial instruments	Note 15	8.9	(4.6)
Income tax expenses	Note 16	(0.6)	-
Other adjustments[1]		(203.0)	75.9
Cost of financial debt and current accounts		5.0	1.2
GROSS CASH PROVIDED BY OPERATING ACTIVITIES		**(10.9)**	**(35.0)**
Changes in working capital		(3.0)	7.5
Income tax paid		-	-
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		**(13.8)**	**(27.5)**
Purchase of property, plant and equipment and intangible assets		(0.0)	(0.0)
Purchase of subsidiaries	Note 4	(0.0)	(392.1)
Increase in financial assets	Note 5	(87.7)	(221.0)
Dividends received		200.0	0.2
Interests received		2.6	0.5
Disposals of property, plant and equipment and intangible assets		-	-
Proceeds from sales of subsidiaries		-	-
Decrease in financial assets	Note 5	40.0	10.0
Cash received through mergers[2]		-	164.0
NET CASH PROVIDED BY/(USED FOR) INVESTING ACTIVITIES		**154.9**	**(438.4)**
Change in capital	Note 8.1	-	363.6
Change in other securities	Note 9	-	114.4
Share premium distribution / Dividends paid	Note 8.2	(148.2)	(1.6)
Proceeds from borrowings and other financial liabilities		-	-
Treasury shares		(0.1)	
Other cash items related to financial activities		(1.5)	-
Interest paid		(0.3)	-
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		**(150.2)**	**476.4**
NET INCREASE/(DECREASE) OF CASH AND CASH EQUIVALENTS		**(9.1)**	**10.5**
Net cash and cash equivalents at the beginning of the period		*10.5*	-
Net cash and cash equivalents at the end of the period		*1.4*	*10.5*

(1) In 2023, other adjustments relate mainly to the dividends received.
In 2022, other adjustments relate to the non-cash effect of IFRS2 listing costs.
(2) In 2022, cash received through the mergers (€162.6 million from Pegasus and 1.4 from Lov Banijay) as explained in note 3.2.

6.2.5 Company only statement of changes in equity

(in € million)	Share capital	Share premiums	Treasury shares	Retained earnings (deficit)	Other compre-hensive income	Total equity
Net income/(loss)	-	-	-	(107.5)	-	(107.5)
Other comprehensive income	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	**-**	**-**	**-**	**(107.5)**	**-**	**(107.5)**
Incorporation of FL Entertainment	0.0	0.0	-	-	-	0.0
Contribution in kind (shares in subsidiaries)	7.1	3,559.2	-	-	-	3,566.3
Capital increase	0.6	363.0	-	-	-	363.6
Issuance of share capital as consideration for the merger with Pegasus	0.2	188.7	-	-	-	188.9
Conversion of founder shares into ordinary shares	0.0	29.4	-	-	-	29.4
Treasury shares	-	-	(0.1)	-	-	(0.1)
Mergers with subsidiaries	-	-	-	(3.2)	-	(3.2)
BALANCE AS OF 31 DECEMBER 2022	**8.0**	**4,140.3**	**(0.1)**	**(110.7)**	**-**	**4,037.5**

(in € million)	Share capital	Share premiums	Treasury shares	Retained earnings (deficit)	Other compre-hensive income	Total equity
BALANCE AS OF 1 JANUARY 2023	**8.0**	**4 140.3**	**(0.1)**	**(110.7)**	**-**	**4,037.5**
Net income/(loss)				178.4		178.4
Other comprehensive income						-
TOTAL COMPREHENSIVE INCOME	**-**	**-**	**-**	**178.4**	**-**	**178.4**
Capital increase	-	11.7				11.7
Dividend and share premium distribution		(148.2)				(148.2)
Share-based payment				13.7		13.7
Contribution in kind (shares in subsidiaries)	0.1	104.3				104.4
Treasury shares			(0.1)			(0.1)
BALANCE AS OF 31 DECEMBER 2023	**8.1**	**4,108.1**	**(0.2)**	**81.2**	**-**	**4,197.4**

6.2.6 Notes to the Company only financial statements

Note 1 Business presentation

FL Entertainment NV, a public limited liability company (naamloze vennootschap) incorporated under the laws of the Netherlands and listed on Euronext Amsterdam under the symbol "FLE", hereafter "FL Entertainment", "the Company" or "the Parent Company", detains and fosters the development of its controlled subsidiaries, hereafter "the Group". It encompasses two main businesses operating in the Content production & distribution business and the Online sports betting & gaming business.

The audiovisual entertainment business, hereafter **"the Content production & distribution business"**, is mainly represented by Banijay Group and its subsidiaries, hereafter **"Banijay"** or **"BG"**, which operates in the production of audiovisual programs, distribution and marketing of intellectual property rights in relation to audiovisual, digital contents and/or formats and the production of live experiences

The online sports betting and gaming business, hereafter **"the Online sports betting & gaming business"** is represented by Betclic Everest Group SAS and its subsidiaries, hereafter **"Betclic Everest Group"** or **"BEG"**, which operates through its subsidiaries in the European online gaming markets, online casinos, online poker and sports betting. It operates under the names of its known brands such as Betclic and Bet-at-home, the latter being the brand name of bet-at-home.com AG, a listed company on the Frankfurt stock exchange.

As of 30 June 2022, this Company was a private limited liability company under the Dutch law, with a tax residency in France. On 1 July 2022, following the business combination agreement described in the Note 3.2 on page 318, FL Entertainment BV changed its legal structure from B.V. (Private limited company) to N.V. (Public limited company). Its tax residency is still in France.

As of 31 December 2023, FL Entertainment is the Parent Company of the Group. Its headquarters are located at 5 rue François 1er, 75008 Paris. The Company is registered in the Dutch trade register under the number 85742422. FL Entertainment is ultimately controlled by Lov Group Invest SAS, a private French company.

Note 2 Basis of preparation

2.1 Statement of compliance

FL Entertainment B.V. has been incorporated on 10 March 2022. It is controlled by Financière Lov SAS, a French entity.

These financial statements for the period ended on the 31 December 2023 are presented in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and available on the European Commission website. These standards include International Financial Reporting Standards and International Accounting Standards ("IAS"), as well as the related International Financial Reporting Interpretations Committee ("IFRIC") interpretations. The accounting policies applied by FL Entertainment N.V. also comply with the statutory provlsions of Part 9, Book 2 of the Dutch Civil Code.

These separate financial statements are prepared in relation with the consolidated financial statements of the Group for the years ended on the 31 December 2023 and 2022. These separate and consolidated financial statements were authorised for issue by the Board of Directors on 28 March 2024.

The separate financial statements are presented in euros. Unless otherwise indicated, all amounts are rounded to the nearest hundred thousand euros, rounding differences may occur.

2.2 Main accounting policies

The accounting policies for the Company's financial statements are the same as for the consolidated financial statements. Where no specific policies are mentioned, reference should therefore be made to the accounting policies relating to the consolidated financial statements under Note 2.5 on page 228.

2.2.1 Investments in subsidiaries

Investments in subsidiaries are accounted for using the cost method. Cost is determined as the amount of cash or cash equivalents paid, or the fair value of consideration given to acquire the interests in subsidiaries, measured at fair value which includes the sum of fair values of the assets transferred, the liabilities incurred, and the equity interest issued by the Company at the acquisition date. This also includes any liability/asset for contingent consideration measured at fair value at acquisition date. Direct transaction costs are included in the initial cost.

The Company periodically (at least once a year at year-end) evaluates the carrying value of assets when events and circumstances indicate that the carrying value may not be recoverable. Factors that the Company considers important, which could trigger an impairment review include, but are not limited to, significant under-performance relative to expected historical or projected future operating results, significant changes in the manner of use of the acquired assets or the strategy for the Company's overall business, significant negative industry or economic trends that are likely to prevail into the long term. The carrying value of an asset is considered impaired when the recoverable amount of such an asset is less than its carrying value and an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

2.2.2 Group transactions

Group transactions (i.e. transactions with subsidiaries or transactions with companies under common control) are accounted for in accordance with the standard applicable to similar transactions with third parties. When the transaction is not aligned with market conditions, the transaction is measured in accordance with the agreement, with an information in the Note 18 on page 333.

2.3 Significant assumptions and estimates

In addition to the significant assumptions and estimates detailed in the Note 2.4 to the consolidated financial statements on page 228, the preparation of these Company's financial statements requires the Group's management to make assumptions and estimates on the recoverable amount of shares in subsidiaries that may affect the reported amounts of assets and liabilities, as well as certain income and expenses for the period.

Note 3 Significant events

3.1 Significant events that occurred in 2023

3.1.1 Loan to Banijay Events

On June 2023, FL Entertainment enter to a loan with its subsidiary Banijay Events for an amount of €86.4 million to finance the investment in the group The Independents (TIL), with a reimbursement in fine in 2028. The loan will carry a EURIBOR 3 MONTHS interest floored to 0 and interest will be capitalised.

3.1.2 Exchange of shares and correlative issuance of ordinary shares by FL Entertainment

On 4 July 2023, some Banijay Group's key managers have contributed most of their Banijay Group's shares owned directly to FL Entertainment in exchange for FL Entertainment's ordinary shares ("FL Entertainment Shares") or have reinvested the amount of their Phantom shares plan into FL Entertainment Shares.

The transaction led to (i) the issuance of 10,441,974 FL Entertainment Shares in exchange of the contribution of 4,059,865 Banijay Group shares as well as (ii) the issuance of 1,171,685 FL Entertainment Shares following the reinvestment of Banijay Group phantom shares; for a total impact in the investments in subsidiaries of €104.4 million.

3.1.3 2023 FLE RCF facility

On 1 August 2023, FL Entertainment N.V. enter to a multicurrency revolving loan facility in an aggregate amount equal to €50.0 million (the "2023 FLE RCF"). The drawn facility will carry a floating interest with reference to a Term Reference Rate depending on the duration and the currency plus a margin between 275 and 425 bps (mainly conditional to the leverage ratio of the Group).

3.2 Significant events that occurred in 2022

3.2.1 Business combination agreement – Transaction between FL Entertainment and the SPAC Pegasus Entrepreneurs

As explained in the note 3.2.1 of the consolidated financial statements on page 241, FL Entertainment, Financière Lov and Pegasus Entrepreneurial Acquisition Company Europe B.V. (**"Pegasus Entrepreneurs"**), a special purpose acquisition company (**"SPAC"**) focused on European growth companies listed and traded on Euronext Amsterdam, entered on 10 May 2022 into a definitive business combination agreement amended on 22 June 2022 (**"Business Combination Agreement"**). The transaction consists of (i) the business combination of FL Entertainment and Pegasus Entrepreneurs resulting in a public listing of FL Entertainment on Euronext Amsterdam (**"Business Combination"**, (ii) the equity roll-over of the minority shareholders in the Banijay Group (Vivendi, Fimalac and De Agostini) and the Betclic Everest Group (SBM International) to become shareholders of FL Entertainment (the **"Lov Reorganization"**), and (iii) raising of €646 million of proceeds.

More specifically, the Company has been impacted by the steps h. to m. described in the note 3.2.1 i) on page 241) of the consolidated financial statements, as well as step o. and Marco Bassetti's contribution of Banijay Group's shares.

The contribution of all Lov Banijay shares held by Financière Lov to FL Entertainment in exchange for ordinary shares and special voting shares (Step h) relates to a common control transaction that does not follow the criteria of a structure reorganization provided by IAS 27. As explained in the note 2.2.2 on page 318, the Company has recognised this contribution as an investment in subsidiaries. The initial cost has been measured at the fair value of the shares issued as a consideration.

The contribution of all Lov Banijay shares held by De Agostini, Fimalac and Vivendi to FL Entertainment, in exchange for ordinary shares (steps i. to k.) are accounted for as an acquisition of additional equity interests in Lov Banijay. The initial cost has been measured at the fair value of the shares issued as a consideration.

The same accounting treatment has been applied to:

- the contribution of all BEG shares held by SBM International to FL Entertainment for a consideration paid with ordinary shares and cash, partially financed by a vendor loan granted by SBM International to FL Entertainment for an amount of €36.5 million;
- the contribution of Banijay Group's shares held by Marco Bassetti, to FL Entertainment in exchange for ordinary shares.

Transaction costs related to these steps amounted to €3.6 million and have been incorporated in the initial cost of the shares.

The accounting treatment of the Business Combination Agreement in the separate financial statements is aligned with the consolidated financial statements.

3.2.2 Lov Banijay and LDH mergers

In order to simplify the structure of the Group, the two following mergers occurred at the end of the year:

- Winding-up of LDH with and into Lov Banijay, occurred as at 8 December 2022 without retrospective effect;
- Cross-border merger of Lov Banijay into FL Entertainment, occurred as at 28 December 2022 with a retrospective impact as at 5 July 2022 in financial statements.

As a consequence, in the financial statements of FL Entertainment, the merger with Lov Banijay occurred before the winding-up of LDH.

Merger with subsidiaries is not covered by IAS 27. LDH and Lov Banijay being holding companies which do not have the elements of a business as defined by IFRS 3, the mergers have been accounted for as a distribution of assets and liabilities: the investment in subsidiary was first measured at fair value at the date of the merger (counterpart profit or loss) and the acquired assets and assumes liabilities were recognised at fair value. Any difference was recognised in equity.

Cross-border merger of Lov Banijay into FL Entertainment

As FL Entertainment hold 100% of Lov Banijay share capital, the cross-border merger of Lov Banijay with and into FL Entertainment did not lead to a share capital increase of FL Entertainment as no shares were allotted on occasion of the merger.

The Lov Banijay's shares were remeasured at fair value of at the effective date of the merger (5 July 2022) for an amount of €3,072.2 million, implying a decrease of the value of these shares for an amount of €2.0 million which reflect the amount of capitalised transaction costs. This change in fair value was recognised in P&L, in other finance costs.

The fair value of the Lov Banijay's assets acquired, and the liabilities assumed at the date of the merger amounted as follows:

LDH shares	€2,459.3 million
BEG shares	€879.5 million
Tangible assets	€0.0 million
Trade receivables and other current assets	€0.7 million
Cash	€1.4 million
Vendor loan	€(99.5) million
Current account with FL Entertainment	€(170.5) million
Trade payables and other creditors	€(1.9) million
FAIR VALUE OF THE LOV BANIJAY'S NET IDENTIFIABLE ASSETS	**€3,069.0 million**

The negative difference between the net identifiable assets acquired and the shares cancelled (-€3.2 million) was recognised in equity.

Winding-up of LDH

The winding-up of LDH did not lead to a share capital increase as no shares were allotted on occasion of the merger.

The LDH's shares fair value did not significantly changed at the effective date of the merger (8 December 2022).

The fair value of the LDH's assets acquired, and the liabilities assumed at the date of the merger amounted as follows:

BGH shares	€2,459.3 million
Cash	€0.0 million
Trade payables and other creditors	€(0.0) million
FAIR VALUE OF THE LDH NET IDENTIFIABLE ASSETS	**€2,459.3 million**

Note 4 Investments in subsidiaries

The investments in subsidiaries (please refer to note 2.2.1 on page 317) are the following:

Name of the legal entity	Country of incorporation	% of direct ownership 31 December 2023	% of direct ownership 31 December 2022
Betclic Everest Group	France	94.6%	94.6%
Banijay Group Holding	France	100.0%	100.0%
Banijay Group	France	6.5%[1]	2.6%
Banijay Events	France	100.0%	100.0%

(1) % of indirect ownership: 98.04%.

(in € million)	2023	2022 (10-month period)
Opening value	4,259.6	-
Additions	134.5	9,793.0
Mergers	-	(5,533.4)
GROSS VALUE AS OF 31 DECEMBER	**4,394.1**	**4,259.6**
Impairment	-	-
NET VALUE AS OF 31 DECEMBER	**4,394.1**	**4,259.6**

In 2023, the increase mainly reflects the shares that were contributed by Banijay Group's key managers as explained in note 3.1 on page 318 for a total amount of €104.4 million which are non-cash transactions; as well as the impact of the LTI plan for the Betclic Everest Group CEO which is settled in FLE shares as described in the note 7.2 to the consolidated financial statements on page 251.

In 2022, as explained in note 3.2 on page 318, the shares, that were contributed by shareholders against new shares or obtained through mergers with subsidiaries, are non-cash transactions. The only impact in the cash-flow statements relates to the cash consideration paid to SBM for an amount of €388.5 million and transaction costs paid (€3.6 million).

Impairment tests

The Company tests the shares in subsidiaries annually for impairment, or more frequently if there are indications that investments in subsidiaries might be impaired. This impairment test is performed by comparing the recoverable amount of the shares to their carrying value.

The recoverable amount as of 31 December 2023 was determined based on the fair value of the subsidiaries made by external appraisers. The valuation was performed using a multi-criteria methodology based on the implementation of income approach (DCF method) and market approaches.

The implementation of the DCF method relies on group parameters (WACC, LTG and income tax rate) for the current perimeter and non-identified acquisitions and local parameters for identified acquisitions.

The markets approaches are based on a sample of listed comparable companies and transactions multiples (Equity value/EBITDA multiple) derived from a group of comparable transactions.

The carrying amount of investments in subsidiaries based on the equity value in the context of the business combination agreement (refer to note 3.2.2 on page 319) is a midrange value.

Based on the impairment tests conducted, the Company did not identify any impairment for investments in subsidiaries as at 31 December 2023.

Sensitivity to changes in assumptions

The Company has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each investment in subsidiaries, based on the highest and lowest range of subsidiaries fair market values provided by external appraisers:

- using the lowest range of fair market values would lead to a cumulative impairment charge of -€333.7 million;
- using the highest range of fair market values, the cumulative recoverable amount would exceed the carrying amount by €765.6 million.

Note 5 Financial assets

(in € million)	31 December 2023	31 December 2022
Non-current loans, guarantee instruments and other financial assets	73.5	-
NON-CURRENT FINANCIAL ASSETS	**73.5**	**-**
Shareholders capital called and unpaid	11.7	0.0
Current accounts with subsidiaries	0.8	40.7
Current restricted cash and cash equivalents	0.3	0.5
CURRENT FINANCIAL ASSETS	**12.8**	**41.1**
TOTAL FINANCIAL ASSETS	**86.3**	**41.1**

Non-current financial assets comprise mainly, as of 31 December 2023, a non-current loan with Banijay Events as described in the notes 3.1 on page 318 and 18.3 on page 335, as well as a capitalised interest to date.

As of 31 December 2022, financial assets comprise a loan with Betclic Everest Group for an amount of €50.0 million issued on 5 July 2022 and due in July 2023 (with a potential one-year renewal), which bears an interest at a variable EURIBOR 6 months rate plus a fixed margin of 3.5%. This loan amounted to €40.7 million as at 31 December 2022 and was totally reimbursed during 2023.

Also, FL Entertainment repaid the Vivendi bonds on behalf of Lov Banijay in July 2022 for an amount of €170.5 million, that led to recognise a financial receivable towards Lov Banijay. This receivable has been cancelled following the merger of Lov Banijay into FL Entertainment.

They also comprised the account dedicated to a liquidity agreement: the Company entered into a liquidity agreement in 2022 with a liquidity provider. Under this agreement, the liquidity provider is responsible for providing liquidity in the market for FL Entertainment's shares, acting independently in compliance with Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the "MAR") and all regulations promulgated thereunder, including but not limited to the EU Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 and the EU Commission Delegated Regulation (EU) 2016/908 of 26 February 2016, each supplementing the MAR, as well as the points of convergence established by the ESMA in relation to MAR accepted market practices on liquidity contracts, providing guidance to competent authorities on such AMP (the "ESMA Opinion"). The parties shall ensure to comply with all applicable laws, rules and regulations in the Netherlands. When performing or effecting transactions or trade orders in the shares in the execution of this contract, the liquidity provider shall always act without interfering with orderly market operation or misleading other parties. The liquidity account has been credited with the sum of €500 thousand during 2022.

Expected credit losses on current financial assets are unsignificant.

Note 6 Other current assets

The breakdown of other current assets as of 31 December 2023 is as follows:

(in € million)	31 December 2023	31 December 2022
Tax receivables	2.3	3.1
Prepaid expenses	1.1	1.3
OTHER CURRENT ASSETS	**3.4**	**4.3**

Note 7 Cash and cash equivalents

Cash and cash equivalents are presented net of bank overdrafts in the Company only cash-flow statement.

(in € million)	31 December 2023	31 December 2022
Marketable securities	-	0.0
Cash	1.4	10.5
Cash and cash equivalents – Assets	1.4	**10.5**
Bank overdrafts	-	-
NET CASH AND CASH EQUIVALENTS	**1.4**	**10.5**

Note 8 Changes in equity

8.1 FL Entertainment equity instruments

As at 31 December 2023, the equity instruments of the Company are the followings:

	2023		
(in € million)	Number of shares	Share capital	Share premium
ORDINARY SHARES – OPENING (NOMINAL VALUE: €0.01)	**411,657,608**	**4.1**	**4,138.5**
Ordinary shares			
• Capital increase subscribed by Banijay key managers	1,171,685	-	11.7
• Contribution of all BG shares held by Banijay Group's key managers in exchange for Ordinary Shares	10,441,974	-	104.4
• Capital decrease	-	-	-
ORDINARY SHARES – CLOSING (NOMINAL VALUE: €0.01)	**423,271,267**	**4.2**	**4,254.6**
SVS – OPENING (NOMINAL VALUE: €0.02)	**191,999,997**	**3.8**	**1.8**
SVS			
• Capital increase	-	-	-
• Capital decrease	-	-	-
SVS – CLOSING (NOMINAL VALUE: €0.02)	**191,999,997**	**3.8**	**1.8**
Share premium distribution	-	-	(148.2)
TOTAL 31 DECEMBER 2023	**615,271,264**	**8.1**	**4,108.2**

As at 31 December 2023, the Company owned 23,676 treasury shares through the liquidity agreement (refer to note 5 on page 321), for an amount of €0.2 million.

In the context of the Group's reorganization (as explained in note 3.2 on page 318), FL Entertainment has issued ordinary shares and Special Voting Shares ("SVS") as follows in 2022 since the incorporation date:

	Number of shares		*(in € million)*
	Ordinary shares *(nominal value: €0.01)*	**SVS** *(nominal value: €0.02)*	**Company equity**
Incorporation of FL Entertainment	1,000		0.0
Contribution of all Lov Banijay shares held by Financière Lov to FL Entertainment in exchange for ordinary shares and special voting shares[(1)]	178,479,432	178,479,432	1,790.0
Contribution and sale of all LDH shares held by DEA Communications SA to the Group through several transactions, in exchange for FL Entertainment's ordinary shares[(1)]	20,408,177		204.1
Contribution of all LDH shares held by Fimalac to the Group through several transactions, in exchange for FL Entertainment's ordinary shares[(1)]	28,978,416		289.8
Contribution of all BGH shares held by Vivendi Content to the Group through several transactions, in exchange for FL Entertainment's ordinary shares[(1)]	78,829,610		788.3
Contribution and sale of all Betclic shares held by SBM International to FL Entertainment for, inter alia, ordinary shares[(2)]	42,500,000		425.0
Subscription in cash by FL to a share capital increase of FL Entertainment in exchange for ordinary shares and SVS[(2)]	13,520,565	13,520,565	135.2
Subscription in cash by Vivendi to a share capital increase of FL Entertainment for €25 million in exchange for ordinary shares	2,500,000		25.0
Contribution of all BG shares held by Marco Bassetti in exchange for ordinary shares[(1)]	6,916,269		69.2
Contribution of SPAC investors as consideration for the merger with Pegasus, including the shares issued in the context of the FPA[(3)]	16,426,140		188.9
Subscription in cash by PIPE investors to a share capital increase of FL Entertainment in exchange for ordinary shares	20,423,000		203.4
Conversion of founder shares into ordinary shares[(4)]	2,674,999		29.4
TOTAL 31 DECEMBER 2022	**411,657,608**	**191,999,997**	**4,148.2**

(1) The fair value of those shares was determined at the transaction date by an external appraiser (€10.0).
(2) In addition to ordinary shares and SVS, Financière Lov received Earn-out Shares for an amount of €114.4 million, classified in liabilities according to IAS 32 (refer to note 21 of the consolidated financial statements on page 275).
(3) The fair value of those shares was based on the listed stock price shares after the listing (€11.498).
(4) The fair value of those shares was based on the listed stock price shares at the conversion date (€11.0).

The total cash received in 2022 in regards with capital increase amounted to €363.6 million (net of transaction costs).

As at 31 December 2022, the equity instruments of the Company are the followings:

	2022 (10-month period)		
(in € million)	**Number of shares**	**Share capital**	**Share premium**
Ordinary shares			
• Capital increase	411,657,608	4.1	4,138.5
• Capital decrease	-	-	-
ORDINARY SHARES – CLOSING (NOMINAL VALUE: €0.01)	**411,657,608**	**4.1**	**4,138.5**
SVS			
• Capital increase	191,999,997	3.8	1.8
• Capital decrease	-	-	-
SVS – CLOSING (NOMINAL VALUE: €0.02)	**191,999,997**	**3.8**	**1.8**
TOTAL 31 DECEMBER 2022	**603,657,605**	**8.0**	**4,140.3**

As at 31 December 2022, the Company owned 6,975 treasury shares through the liquidity agreement (refer to note 5 on page 321), for an amount of €0.1 million.

8.2 Distribution of share premium

Following the Annual General Meeting of FL Entertainment N.V. on 15 June 2023 and the approval of the resolution 4b, a share premium distribution was paid to all holders of ordinary shares registered as shareholders as from 21 June 2023. The total distribution paid is €148.2 million (i.e., €0.36 per ordinary share).

From any profits, as remaining after application of the provisions in the Articles of Association of FL Entertainment regarding reservation and the profit entitlement of earn-out preference shares and founder shares and special voting shares an amount equal to 0.1% of the nominal value of each of the earn-out preference shares, special voting shares and founder shares shall be added to the dividend reserve of the respective shares as described in the Articles of Association and as agreed upon by each founder share holder and earn-out preference share holder in the shareholders' agreement dated 30 June 2022 of FL Entertainment (the "Shareholders' Agreement") and by the special voting shares holders in the special voting shares terms dated 30 June 2022 (the "SVS Terms"). Any profits remaining thereafter shall be at the disposal of the General Meeting for distribution to the holders of ordinary shares in proportion to the aggregate nominal value of their ordinary shares.

Pursuant to the Shareholders' Agreement and in accordance with SVS terms, founder shares holders, earn-out shares' holders and special voting shares holders have agreed to waive all profit rights due to them.

8.3 Company equity and comprehensive loss reconciliation to consolidated financials

(in € million)	Share capital	Additional paid-in capital	Treasury shares	Retained earnings (deficit)	Other compre-hensive income	Total equity
Consolidated shareholders' equity as of 1 January 2022	**0.0**	**0.0**	**0.0**	**47.6**	**(17.0)**	**30.6**
Consolidated adjustments						
Cancellation of the effect of the carry-over accounting	-	-	-	(47.6)	17.0	(30.6)
COMPANY ONLY EQUITY AS OF 1 JANUARY 2022	0.0	0.0	0.0	0.0	0.0	0.0

(in € million)	Share capital	Additional paid-in capital	Treasury shares	Retained earnings (deficit)	Other comprehensive income	Total equity
Consolidated shareholders' equity as of 31 December 2022	**8.0**	**4,140.3**	**(0.1)**	**(4,115.8)**	**(20.7)**	**11.7**
Reconciling items Group to Company – Opening balance adjustment	**0.0**	**0.0**	**-**	**(47.6)**	**(17.0)**	**(30.6)**
Consolidated adjustments						
Cancelation of the effect of the carry-over accounting in the consolidated financial statements	-	-	-	22.6	3.3	25.8
Comprehensive income (loss) for the period attributable to shareholders	-	-	-	67.8	(32.3)	35.5
Other impact in retained earnings	-	-	-	1.7	(4.7)	(2.9)
Statutory adjustments						
Effect of initial measurement of investments in subsidiaries to cost in Company financial statements	-	-	-	4,071.3	37.4	4,108.7
Loss for the period	-	-	-	(107.5)	-	(107.5)
Mergers with subsidiaries	-	-	-	(3.2)	-	(3.2)
COMPANY ONLY EQUITY AS OF 31 DECEMBER 2022	**8.0**	**4,140.3**	**(0.1)**	**(110.7)**	**0**	**4,037.5**

(in € million)	Share capital	Additional paid-in capital	Treasury shares	Retained earnings (deficit)	Other compre-hensive income	Total equity
Consolidated shareholders' equity as of 31 December 2023	**8.1**	**4,108.1**	**(0.2)**	**(4,051.4)**	**(31.5)**	**33.0**
Reconciling items Group to Company – Opening balance adjustment	**0.0**	**0.0**	**0.0**	**4,005.1**	**20.7**	**4,025.8**
Consolidated adjustments						
Comprehensive income (loss) for the period attributable to shareholders				(60.8)	10.3	**(50.4)**
Other impact in retained earnings				10.0	0.5	**10.5**
Statutory adjustments						
Loss for the period				178.4		**178.4**
COMPANY ONLY EQUITY AS OF 31 DECEMBER 2023	**8.1**	**4,108.1**	**-0.2**	**81.4**	**0.0**	**4,197.4**

Reconciliation of comprehensive loss to consolidated financial statements

(in € million)	2023	2022
Consolidated profit/(loss) attributable to shareholders	**60.8**	**(88.0)**
Reconciling items		
Cancellation of the effect of the carry-over accounting in the consolidated financial statements	0.0	12.7
Result of participations not recognised	(83.7)	(30.2)
Fair value adjustment intercompany loans	1.4	
Results with participations eliminated in the consolidated financial statements	200.0	(2.0)
COMPANY ONLY PROFIT/(LOSS) FOR THE PERIOD[(1)] ENDED	**178.4**	**(107.5)**

(1) 10-month period for the Company-only in 2022 vs 12-month period for the consolidated group.

Note 9 Other securities

Please refer to note 21 to the consolidated financial statements on page 275 for detail regarding other securities of the Company.

Note 10 Borrowings and other financial liabilities

Financial liabilities comprised vendor loans, including:

- a vendor loan amounting to €99.5 million granted by De Agostini to Lov Banijay (merged with and into FL Entertainment as note 3.2.2 on page 321) initially due in November 2023 and extended in November 2024 and bearing 3.5% interest per year until November 2023 and then 6% interest per year;
- a vendor loan amounting to €36.5 million granted by SBM International to FL Entertainment, bearing 3.5% interest per year until November 2023 and then 6% interest per year, initially due in 30 November 2023 and extended in November 2024.

The variation of the financial liabilities breaks down as follows:

		Cash-flows		Non cash-flows		
(in € million)	1 January 2023	Increase	Repayments	Other cash items	Others non cash items	31 December 2023
Vendor loans	138.4				5.2	143.5
TOTAL FINANCIAL LIABILITIES	**138.4**				**5.2**	**143.5**

		Cash-flows		Non cash-flows		
(in € million)	1 January 2022	Increase	Repayments	Other cash items	Others non cash items	31 December 2022
Vendor loans					138.4	138.4
TOTAL FINANCIAL LIABILITIES					**138.4**	**138.4**

Net financial debt

Net financial debt is determined as follows:

(in € million)	31 December 2023	31 December 2022
Vendor loans	143.5	138.4
TOTAL BANK INDEBTEDNESS AND OTHER	**143.5**	**138.4**
Cash and cash equivalents and others	(2.2)	(51.2)
Cash in trusts	(0.6)	(1,0)
NET CASH AND CASH EQUIVALENTS	**(2.8)**	**(52,1)**
NET DEBT BEFORE DERIVATIVES EFFECTS	**140.7**	**86.2**
Derivatives – liabilities	-	-
Derivatives – assets	-	-
NET DEBT	**140.7**	**86.2**

Note 11 Financial Instruments

The carrying value of financial instruments per category is determined as follows:

As of 31 December 2023 (in € million)	Carrying amount	Carrying amount of non-financial instruments	Financial instruments by category			Fair value of financial instruments
			Fair value through OCI	amortised cost	Fair value through P&L	
Non-current financial assets	73.5	-	-	73.5	-	73.5
Other non-current assets	-	-	-	-	-	-
Trade receivables	0.9	-	-	0.9	-	0.9
Other current assets	3.4	3.4	-	-	-	-
Current financial assets	12.8	-	-	12.8	-	12.8
Cash and cash equivalents	1.4	-	-	-	1.4	1.4
ASSETS	**92.0**	**3.4**	**-**	**87.2**	**1.4**	**88.6**
Other securities	139.4	-	-	-	139.4	139.4
Long-term borrowings and other financial liabilities	-	-	-	-	-	-
Other non-current liabilities	0.2	0.2	-	-	-	-
Liability instruments	-	-	-	-	-	-
Short-term borrowings and bank overdrafts	143.5	-	-	143.5	-	143.5
Trade payables	4.0	-	-	4.0	-	4.0
Other current liabilities	1.5	1.2	-	0.3	-	0.3
LIABILITIES	**288.6**	**1.5**	**-**	**147.8**	**139.4**	**287.2**

As of 31 December 2022 (in € million)	Carrying amount	Carrying amount of non-financial instruments	Financial instruments by category			Fair value of financial instruments
			Fair value through OCI	amortised cost	Fair value through P&L	
Non-current financial assets	-	-	-	-	-	-
Other non-current assets	-	-	-	-	-	-
Trade receivables	0.9	-	-	0.9	-	0.9
Other current assets	4.3	4.3	-	0.0	-	0.0
Current financial assets	41.1	-	-	41.1	-	41.1
Cash and cash equivalents	10.5	-	-	-	10.5	10.5
ASSETS	**56.8**	**4.3**	**-**	**42.0**	**10.5**	**52.5**
Other securities	130.5	-	-	-	130.5	130.5
Long-term borrowings and other financial liabilities	-	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-	-
Liability instruments	-	-	-	-	-	-
Short-term borrowings and bank overdrafts	138.4	-	-	138.4	-	138.4
Trade payables	9.3	-	-	9.3	-	9.3
Customer contract liabilities	-	-	-	-	-	-
Other current liabilities	0.8	0.7	-	0.1	-	0.1
LIABILITIES	**278.9**	**0.7**	**-**	**147.8**	**130.5**	**278.3**

Fair value hierarchy

IFRS 13 *Fair Value Measurement,* establishes a fair value hierarchy consisting of three levels:

- **Level 1:** prices on the valuation date for identical instruments to those being valued, quoted on an active market to which the entity has access;
- **Level 2:** directly observable market inputs other than Level 1 inputs; and
- **Level 3:** inputs not based on observable market data (for example, data derived from extrapolations).

This level applies when there is no observable market or data and the entity is obliged to rely on its own assumptions to assess the data that other market participants would have applied to price other instruments.

Fair value is estimated for the majority of the Group's financial instruments, with the exception of marketable securities for which the market price is used.

		Fair value hierarchy		
(in € million)	Fair Value	Level 1	Level 2	Level 3
Current financial assets	-	-	-	-
Cash and cash equivalents	1.4	1.4	-	-
Other securities	(139.4)	-	-	(139.4)
BALANCES AS OF 31 DECEMBER 2023	**(138.0)**	**1.4**	**-**	**(139.4)**

		Fair value hierarchy		
(in € million)	Fair Value	Level 1	Level 2	Level 3
Current financial assets	-	-	-	-
Cash and cash equivalents	10.5	10.5	-	-
Other securities	(130.5)	-	-	(130.5)
Balances as of 31 December 2022	**(119.9)**	**10.5**	**-**	**(130.5)**

Other securities comprised public warrants, earn-out shares, founder shares and founder warrants that are classified as Level 3.

Those instruments have been measured using a multi-model analysis based on Monte-Carlo and Black-Scholes models, including public warrants for which the lack of transactions in the public market does not provide a relevant pricing information.

Due to the low level of liquidity of FL Entertainment's shares during the period, unobservable inputs include FL Entertainment's ordinary share's price (based on a multiple analysis taking into account historical price prior and after quotation, analysts reviews and Pegasus transaction) and volatility (based on peers' index). The worst-case scenario would increase the liability for an amount of €19.3 million. The best-case scenario would decrease the liability for an amount of €13.0 million.

The fair value adjustment for the period amounted to €8.9 million recognised in financial result as an income.

Note 12 External expenses

External expenses for the years ended 31 December 2023 and 2022 are as follows:

(in € million)	2023	2022
Consulting/audit/other fees	(2.8)	(2.7)
Other external services	(2.4)	(1.0)
Marketing costs	(0.1)	(0.1)
IT costs	(0.2)	-
Lease charges	(0.2)	(0.0)
EXTERNAL EXPENSES	**(5.7)**	**(3.7)**

Note 13 Staff costs

13.1 Payroll

Payroll costs are broken down as follows in 2023 and 2022:

(in € million)	2023	2022
Employee remuneration and social security costs	(3.0)	(0.9)
Employee benefits LTIP	(0.3)	-
Other employee benefits	(0.3)	(0.1)
PERSONNEL EXPENSES	**(3.5)**	**(1.0)**

13.2 Employee benefits Long-Term Incentive Plans

Certain employees of the Company benefit from several long-term incentive plans (LTIP) whose goal is to share the created value by the FL Entertainment group.

At Holding's level, the Group issues to key management phantom shares and free share plans ("AGA").

The plans regarding each type are summarised below:

Plan	Type	Attribution date	Conditions	End of vesting period
Phantom shares	Cash-settled	2023	Presence and Performance	2027
Free shares plans (AGA)	Equity-settled	2023	Presence and Performance	2025

The Company measured the liability of the phantom shares at fair value at the closing date using a calculation methodology based on the contractual terms and the fair value of FL Entertainment shares based on an external appraisal.

The Company has recorded liabilities of €0.2 million and total expenses of €0.3 million for the period ended 31 December 2023.

13.3 Average headcount

The average headcount, representing full-time employees, amounted to 6.1 in 2023 (compared to 1.6 in 2022), of which 6.1 working outside the Netherlands, mainly related to management and corporate functions.

Note 14 Other operating income and expenses

Other operational income and expenses for the period ended in 2022 are as follows:

(in € million)	2023	2022
Restructuring charges and other non-core items	(2.5)	(106,2)
Tax and duties	(0.2)	(0,1)
President and management fees	-	-
Other operating expenses	(0.5)	(0,3)
Other operating income	1.2	0,5
OTHER OPERATING INCOME AND EXPENSES	**(2.0)**	**(106,1)**
Of which other operating income	*1.2*	*0.5*
Of which other operating expense	*(3.2)*	*(106.6)*

As of 31 December 2023, restructuring charges and non-core items comprised mainly M&A and abortive costs for €1.4 million.

As of 31 December 2022, restructuring charges and non-core items comprised FL Entertainment's reorganization operation and listing fees, which includes €20.4 million costs (mainly advisory and legal fees) related to the financial and operational/structural transactions occurred during the period within the context of FL Entertainment's reorganization process initiated in 2022 and €85.7 million of IFRS 2 listing fees (refer to note 3.2.1 iii) of the consolidated financial statements on page 242). It also included abortive costs for an amount of €0.2 million.

Note 15 Financial result

(in € million)	2023	2022
Interests costs on bank borrowings, bonds and vendor loans	(5.5)	(2.3)
Cost of gross financial debt	**(5.5)**	**(2.3)**
Interests income on cash and cash equivalents and other	0.5	1.1
Gains on assets contributing to net financial debt	**0.5**	**1.1**
Cost of net debt	**(5.0)**	**(1.2)**
Change in fair value of financial instruments	(8.9)	4.6
Other financial gains/(losses)	203.0	0.0
NET FINANCIAL INCOME/(EXPENSE)	**189.1**	**3.4**

Other financial gains/(losses) mainly comprises dividends received from FL Entertainment's subsidiaries Betclic Everest Group and Banijay.

Note 16 Income tax

16.1 Income tax expense

On a standalone basis, no income tax expense (neither current nor deferred) was recognised for the period ended 31 December 2023 and 2022.

Since 1 January 2023, FL Entertainment is the parent company of a tax consolidation group according to Article 223 A to 223 Q CGI with its following affiliates Banijay Events, Banijay Experience and Banijay Group Holding.

Under the tax consolidation, FL Entertainment is entitled to consolidate its own tax profits and losses with the tax profits and losses of entities members of the tax consolidation group.

As part of the tax consolidation, FL Entertainment recognised an income tax product of €0.6 million.

16.2 Company's tax reconciliation

The current tax rates for French companies is 25% in fiscal year 2023.

The following table shows a reconciliation of the theoretical tax expense calculated at the French applicable rate, the Company being a tax resident in France, and the recognised income tax expense:

(in € million)	2023	2022
Net income	178.4	(107.5)
Income tax	0.6	-
Net income of the Company before tax	177.8	(107.5)
Applicable corporate tax rate	25.00%	25.00%(1)
Theoretical tax income (charges)	(44.5)	26.9
Change in unrecognised deferred tax assets on tax losses carried forward	(3.7)	(2.1)
Change in unrecognised deferred tax assets other than tax losses carried forward	1.4	(6.0)
Savings/charge on permanent tax differences	46.7	(18.7)
Tax integration	0.6	
COMPANY TAX EXPENSE	**0.6**	**-**

(1) *This rate was adjusted compared to the 2022 FL Entertainment company only financial statements in 2022 as the conditions to apply the 15% rates were not applicable for FL Entertainment – no impact in the company tax expense.*

The reconciling items reflect the effect of tax rate differentials and changes as well as the tax effects of non-taxable income or non-deductible expenses arising from permanent differences between local tax bases and the financial statements presented under IFRS.

16.3 Deferred taxes

The Company analyzed the potential utilization of the deferred tax asset arising from tax losses carry-forward and from other temporary difference in a near future (i.e. based on expected taxable profits in the two next years).

The cumulated unrecognised tax loss carryforward as of 31 December 2023 amounted to €5.8 million.

The tax losses carryforward can be used indefinitely but they are restricted in their consumption (limited to a certain amount or percentage of taxable income as well as to certain companies within the new tax integration).

Note 17 Management of financial risk

17.1 Credit risk

Credit risk arises from cash at bank and related party receivables and is considered to be minimal. Majority of the cash at bank is held with high credit quality financial institutions with a credit rating of A or higher.

17.2 Liquidity risk

The Company monitors its risk of a shortage of funds using a monthly cash flow monitoring for the next 12 months and a cash flow analysis over the business plan period at the Company and Group level.

To mitigate its liquidity risk, the Company can access to the liquidity from the Content production & distribution business and from the Online sports betting & gaming business.

The contractual maturities of the Company financial liabilities, based on undiscounted cash flows and including interest payments, if applicable, are as follows:

(in € million)	Carrying amount	< 1 year	1 year – 5 years	> 5 years
Other non current-liabilities	0.2		0.2	
Shors term borrowings and bank overdrafts	143.5	143.5		
Trade payables	4.0	4.0		
Other current liabilities	1.5	1.5		
TOTAL 31 DECEMBER 2023	**149.2**	**149.0**	**0.2**	

(in € million)	Carrying amount	< 1 year	1 year – 5 years	> 5 years
Short-term borrowings and bank overdrafts	138.4	138.4		
Trade payables	9.3	9.3		
Other current liabilities	0.8	0.8		
TOTAL 31 DECEMBER 2022	**148.5**	**148.5**		

17.3 Interest rate risk

The exposure of the Company to interest rate risk is the following:

	31 December 2023		
(in € million)	Fixed rate	Variable rate	Total
Total financial assets	-	74.3	74.3
Cash and cash equivalents	1.4	-	1.4
Total borrowings and other financial liabilities	(143.5)	-	(143.5)
Net position before hedging	(142.1)	74.3	(67.8)
Hedging instrument			
NET POSITION AFTER HEDGING	**(142.1)**	**74.3**	**(67.8)**

	31 December 2022		
(in € million)	Fixed rate	Variable rate	Total
Total financial assets	-	41.1	41.1
Cash and cash equivalents	10.5	-	10.5
Total borrowings and other financial liabilities	(138.4)	-	(138.4)
Net position before hedging	**(127.8)**	**41.1**	**(86.7)**
Hedging instrument			
NET POSITION AFTER HEDGING	**(127.8)**	**41.1**	**(86.7)**

Vendor loans bearing interest at fixed rate, the Company exposure to interest rate risk is mainly driven by intercompany loans and current accounts, bearing interests at Euribor + margin.

Based on the financial assets position of FL Entertainment in 2023, if interest rate (Euribor 3 months) is to rise by 100 bps[(1)] during 2023, the estimated impact on financial income would be +€0.9 million.

A -100 bps drop in interest rate would reduce the financial income by €(0.9) million.

The Company has not elected to hedge interest-rate risk. However, the strategy may be revised if the profile of its exposure changes or depending on the future change in market interest rates.

17.4 Currency risk

The Company is not exposed to currency risk, as all its transactions are denominated in euro.

17.5 Capital risk

The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net financial debt (as disclosed in note 10 on page 326) and equity of the Company (comprising issued capital, share premiums after deduction of treasury shares, retained earnings and accumulated deficit as disclosed in note 8 on page 322 and in the statement of changes in equity).

(in € million)	31 December 2023	31 December 2022
Net financial debt (A)	140.7	86.7
Equity (B)	4,197.4	4,037.5
NET FINANCIAL DEBT TO EQUITY RATIO (A/B)	**0.03**	**0.02**

The ratio indicates what proportion of equity and debt the Company has been using to finance its assets and how encumbered a company is with debt. Debt does not include trade payables and net intercompany current accounts as they relate to operational activities and not capital activities.

The Company also manages its equity and its liquidity to be able to distribute a dividend to its shareholders in accordance with its dividend policy.

Note 18 Related parties

Related parties consist of:

- Group LOV's controlling shareholders: Financière LOV Group and LOV Group Invest;
- other shareholders, notably: Vivendi, Fimalac, De Agostini, SBM and their subsidiaries;
- subsidiaries;
- key management personnel.

18.1 Transactions with Financière LOV Group and LOV Group Invest

The Company recorded several transactions with LOV's controlling shareholder (Financière LOV) and its subsidiaries that are not part of the Group's consolidation scope, as follows:

(in € million)	31 December 2023	31 December 2022
Other securities	(103.0)	(98.3)
Net financial assets/financial liabilities/provisions	-	0.0
Net trade receivables/payables	(0.2)	0.0
Operating income/operating expenses	(0.2)	0.0
Financial income/expenses	(4.7)	17.0

In addition, as detailed in note 3.2.1 on page 241 of the consolidated financial statements, in the context of the business combination agreement, significant transactions occurred between the Company and Financière Lov in 2022.

(1) *The theoretical impact of a rise or decrease in interest rate is calculated relative to the applicable rates as of December 31, 2023: 3m Euribor (3.905%).*

18.2 Transactions with other shareholders

	De Agostini	
(in € million)	31 December 2023	31 December 2022
Net financial assets/financial liabilities/provisions	(105.0)	(101.2)
Net trade receivables/payables	-	-
Operating income/operating expenses	-	-
Financial income/expenses	(3.8)	(1.7)

	Vivendi	
(in € million)	31 December 2023	31 December 2022
Net financial assets/financial liabilities/provisions	-	-
Net trade receivables/payables	-	-
Operating income/operating expenses	-	-
Financial income/expenses	-	(3.4)

	Fimalac	
(in € million)	31 December 2023	31 December 2022
Net financial assets/financial liabilities/provisions	-	-
Net trade receivables/payables	-	-
Operating income/operating expenses	-	-
Financial income/expenses	-	-

	SBM International	
(in € million)	31 December 2023	31 December 2022
Net financial assets/financial liabilities/provisions	(38.5)	(37.2)
Net trade receivables/payables		-
Operating income/operating expenses		-
Financial income/expenses	(1.4)	(0.6)

	Pegasus Founders and Sponsors	
(in € million)	31 December 2023	31 December 2022
Other securities	(24.7)	(24.4)
Net trade receivables/(payables)	-	-
Operating income/(operating expenses)	-	-
Financial income/(expenses)	(0.3)	6.6

In addition, as detailed in note 3.2.1 on page 239 of the consolidated financial statements, in the context of the business combination agreement, significant transactions occurred between the Company and other shareholders in 2022.

18.3 Transactions with subsidiaries

(in € million)	31 December 2023	31 December 2022
Net financial assets/financial liabilities/provisions	100.6	40.7
Net trade receivables/payables	0.9	0.8
Operating income/operating expenses	1.8	0.5
Financial income/expenses	203.1	1.1

Net financial assets mainly relate to the loan with its subsidiary Banijay Events for an amount of €86.4 million. The loan will carry a EURIBOR 3 MONTHS interest as described in the note 3.1.1 on page 318. This transaction is not aligned with market conditions and thus, was recognised at fair value on initial recognition based on the market rate of interest for similar loans at the date of issue according to IFRS 9.

18.4 Key management personnel compensation

Refer to the note 27.4 of the consolidated financial statements on page 290 as regard of the key management personnel compensation.

Note 19 Off-balance sheet commitments

As of 31 December 2023, the off-balance sheet commitments of the Company were as follows:

i) Commitments given:

Betclic Group Senior Credit Facility Agreement Tranche A

The Betclic Group Senior Credit Facility Tranche A was originally guaranteed, inter alia, by Betclic and Mangas Lov and was originally secured by first ranking pledges over Betclic Group SAS shares and bet-at-home shares. A release of the pledge of Betclic Group SAS shares has been obtained as a result of the universal transmission of assets of Betclic Group SAS in Betclic, on 31 December 2021. Additional first ranking pledges have been entered into on 25 March 2022 pursuant to which Betclic Group SAS has granted pledges over Euro Gaming Investment S.A. shares (a Luxembourg subsidiary) and over Mangas Investment Limited (a Maltese subsidiary) shares held by Betclic Group SAS as security for its repayment obligations under the Betclic Group Senior Credit Facility.

Betclic Group Senior Credit Facility Agreement Tranche B

The Betclic Group Senior Credit Facility Tranche B has been secured by the pledge of second ranking over bet-at-home AG shares hold by Betclic Everest Group (3,782,382 shares) and an addendum to the existing pledge over Euro Gaming Investments SA shares and over Mangas Investment Ltd shares. The addendum replaces and extends the existing first pledge ranking to the full scope of the 2023 Betclic Group Senior Credit Facility Agreement (Tranche A and Tranche B).

Fiscal unity in France

The company forms a fiscal unity with the following affiliates Banijay Events, Banijay Experiences and Banijay Group Holding for corporate income tax. The company is liable to corporate income tax for the fiscal unity. The members of the fiscal unity are jointly and severally liable for the tax due by the company.

ii) Commitments received:

Confirmed credit lines not drawn for an amount of €50 million.

Note 20 Subsequent events

None.

CHAPTER 07/

GENERAL DESCRIPTION OF THE COMPANY AND ITS SHARE CAPITAL

7.1 Legal information on the Company and corporate purpose

The Company's legal and commercial name is FL Entertainment N.V.. On 10 March 2022, the Company was incorporated as a private company with limited liability *(besloten vennootschap met beperkte aansprakelijkheid)* under the laws of the Netherlands. On 1 July 2022, the Company converted into a public company with limited liability *(naamloze vennootschap)* under the laws of the Netherlands and its name was changed to FL Entertainment N.V. The Company operates under the laws of the Netherlands. The Company is domiciled in France. The Company's statutory seat *(statutaire zetel)* is in Amsterdam, the Netherlands and its business address is at 5, rue François 1er, 75008 Paris, France. The Company is registered with the Dutch Chamber of Commerce *(Kamer van Koophandel)* under number 85742422 and registered under number 913 167 227 RCS Paris.

The Company's telephone number is +33 1 44 95 23 00. The Company's Legal Entity Identifier (LEI) is 894500G73K46H93RF180.

The ISIN Code of the Ordinary Shares is NL0015000X07. The ISIN Code of the Warrants is NL0015000H56.

The Company's website is:

https://www.flentertainment.com.

The main websites relating to the two business lines (Banijay and Betclic respectively) are the following:

https://www.banijay.com and https://www.betclic.com

Information on FL Entertainment, Banijay and Betclic websites does not form part of this Universal Registration Document and has not been scrutinised or approved by the competent authority, the AFM. However, this comment does not apply to hyperlinks to information that is incorporated by reference as disclosed in Section 8.2 on page 362 of this Universal Registration Document.

As mentioned in Section 1.1 on page 22, FL Entertainment is a global and entrepreneur-led entertainment group combining two complementary and successful business lines in digital entertainment market segments: Banijay Group and Betclic Everest Group.

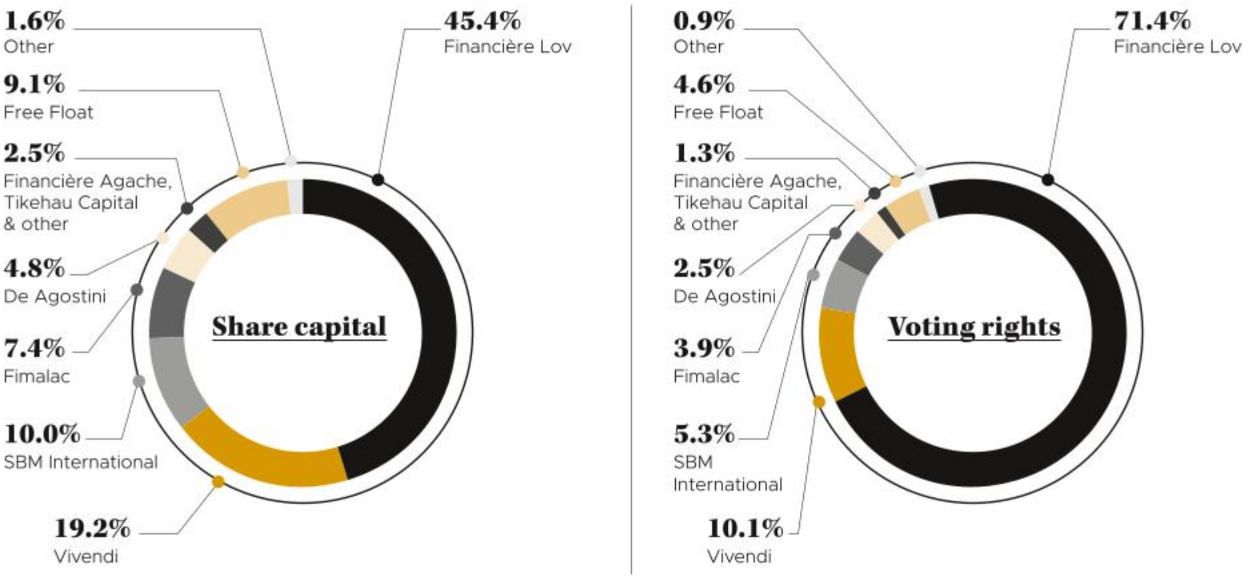
Pursuant to Article 3 of the Articles of Association, the corporate objectives of the Company are:

- to participate in, to finance, to collaborate with, to conduct the management of companies and other enterprises;
- to finance businesses and companies;
- to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as to enter into agreements in connection with aforementioned activities;
- to render advice and services to businesses and companies with which the Company forms a group and to third parties;
- to grant guarantees, to bind the Company and to pledge its assets and/or provide other security for obligations of businesses and companies with which it forms a group and on behalf of third parties;
- to acquire, use and/or assign industrial and intellectual property rights;
- to acquire, alienate, manage and exploit registered property and items of property in general;
- to trade in currencies, securities and items of property in general;
- to perform any and all activities of an industrial, financial or commercial nature;
- and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

7.2 Share capital and shareholder structure

7.2.1 Shareholder structure

The following chart shows the share capital and voting rights of the Company as at 31 December 2023, based on the total outstanding Ordinary Shares(1):



Figures are rounded.

(1) *As at 31 December 2023, the total number of outstanding Ordinary Shares is 423,271,267.*

7.2.2 Share capital

Authorised and issued share capital of the Company

As at 31 December 2023, the following table shows the detail of the authorised share capital and the issued share capital:

	Par value per share *(in €)*	Authorised share capital *(in number)*	Authorised share capital *(in €)*	Issued share capital *(in number)*	Issued share capital *(in €)*
Ordinary Shares	€0.01	800,000,000	8,000,000	423,271,267	4,232,712.67
Founder Shares	€0.01	5,250,000	52,500	2,575,001[(1)]	25,750.01
Earn-Out Preference Shares A	€0.03	13,000,000	390,000	13,000,000	390,000
Earn-Out Preference Shares B	€0.03	3,500,000	105,000	3,500,000	105,000
Earn-Out Preference Shares C	€0.03	3,500,000	105,000	3,500,000	105,000
Special Voting Shares A	€0.02	300,000,000	6,000,000	191,999,997	3,839,999.94
Special Voting Shares B	€0.02	1,00	0.02	0	0
TOTAL	**-**	**1,125,250,001**	**14,652,500.02**	**849,846,262**	**8,698,462.62**

As at 31 December 2023, all of the issued shares as set out above have been fully paid up and there are no convertible securities, exchangeable securities or securities with Warrants in the Company, other than the Founder Shares, Earn-Out Preference Shares and the Special Voting Shares A, the Warrants and the Founder Warrants. Other than in respect of the Warrants and the Founder Warrants, there are no acquisition rights and/or obligations over unissued share capital of the Company (or any undertaking to increase the share capital of the Company). All of the shares as set out above represent capital in the Company. Except as provided under "Operating and Financial Review—Material Contracts and Related Party Transactions", no share or loan capital of any member of the Group is under option or agreed, conditionally or unconditionally, to be put under option.

(1) 2,674,999 issued Founder Shares were converted into Ordinary Shares on 5 July 2022.

Categories of shares

	Ordinary Shares	Founder Shares	Earn-Out Preference Shares A/B/C	Special Voting Shares (SVS)
Form	All Ordinary Shares are in registered form *(op naam)* and are only available in the form of an entry in the shareholders' register and not in certificate form and shall at all times remain in dematerialised form. No share certificates *(aandeelbewijzen)* are or may be issued	All Founder Shares are in registered form *(op naam)* and are only available in the form of an entry in the shareholders' register and not in certificate form. No share certificates *(aandeelbewijzen)* are or may be issued.	All Earn-Out Preference Shares are in registered form *(op naam)* and are only available in the form of an entry in the shareholders' register and not in certificate form. No share certificates *(aandeelbewijzen)* are or may be issued.	All Special Voting Shares are in registered form *(op naam)* and are only available in the form of an entry in the shareholders' register and not in certificate form and shall at all times remain in dematerialised form. No share certificates *(aandeelbewijzen)* are or may be issued.
Listed	yes	no	no	no
Voting rights	1 for 1	1 for 1 but Sponsors agreed in the SHA not to vote on these Founder Shares until their conversion into Ordinary Shares.	1 for 1 but Sponsors agreed in the SHA not to vote on these Founder Shares until their conversion into Ordinary Shares.	2 for 1, in addition to 1 voting right for each corresponding Ordinary Share.
Conversion	n/a	* up to 50% of the Founder Shares will be converted on a 1-for-1 basis for Ordinary Shares (subject to lock-up arrangements applicable to the Sponsors), if the price of the Ordinary Shares equals or exceeds €11.50 per Ordinary Share for any 20 trading days within a 30 consecutive-trading day period; * up to 50% of the Founder Shares will be converted on a 1-for-1 basis for Ordinary Shares (subject to lock-up arrangements applicable to the Sponsors), if the price of the Ordinary Shares equals or exceeds €13.00 per Ordinary Share for any 20 trading days within a 30 consecutive trading day period.	* Earn-Out Preference Shares A: converted into 13,000,000 Ordinary Shares and 13,000,000 SVS A, if the price of the Ordinary Shares equals or exceeds €13.00 for any 20 trading days within a 30 consecutive trading-day period before 1 July 2027 * Earn-Out Preference Shares B: converted into 3,500,000 Ordinary Shares and 3,500,000 SVS A, if the price of the Ordinary Shares equals or exceeds €15.00 for any 20 trading days within a 30 consecutive trading-day period before 1 July 2028 * Earn-Out Preference Shares C: converted into 3,500,000 Ordinary Shares and 3,500,000 SVS A, if the price of the Ordinary Shares equals or exceeds €17.00 for any 20 trading days within a 30 consecutive trading-day period before 1 July 2028.	Special Voting Shares A can be converted into Special Voting Shares B with a nominal value of €0.02 per share as an ultimum remedium if Special Voting Shares A are held by a shareholder who does not comply with the terms and conditions set forth in the AoA and SVS Terms. Special Voting Shares B will in principle only be outstanding following a resolution of the Board to convert the relevant Special Voting Shares A into an equal number of Special Voting Shares B. Upon conversion of such Special Voting Shares A into Special Voting Shares B, such Special Voting Shares B can — and in principle — will be cancelled in accordance with the AoA, the SVS Terms and Dutch law for no consideration. The Special Voting Shares B would in principle entitle the holder to exercise two voting rights each per Special Voting Share B, except that it is envisaged that the voting rights on Special Voting Shares B (if any are outstanding) will be suspended immediately upon the conversion of Special Voting Shares A to Special Voting Shares B.

	Ordinary Shares	Founder Shares	Earn-Out Preference Shares A/B/C	Special Voting Shares (SVS)
Conversion			If at the expiry of the respective period above, no conversion in Ordinary Shares occurred, all Earn-Out Preference Shares of the same category will (i) first be combined into 1 Earn-Out Preference Share of the same category (with a nominal value of €390,000), (ii) immediately after which the nominal value of such single Earn-Out Preference Share will be reduced to €0.03 and (iii) immediately after which such Earn-Out Preference Share will be converted into 1 Ordinary Share (with a nominal value of €0.01) and 1 Special Voting Share A (with a nominal value of €0.02).	
Profit rights	Holders are entitled to profit in proportion to the aggregate nominal value of their respective Ordinary Shares	Holders are entitled to profit in the limit of the negligible amount equal to 0,1% of the nominal value (€0,01) per share	Holders are entitled to profit in the limit of the negligible amount equal to 0,1% of the nominal value (€0,01) per share	Holders are entitled to profit in the limit of the negligible amount equal to 0,1% of the nominal value (€0,01) per share

History of share capital

Since its incorporation and prior to the date of this Universal Registration Document, the following changes have been made in the Company's issued share capital:

Date	Transaction	Increase/ decrease of share capital *(in €)*	Number of shares issued/ cancelled	Class of shares issued	Par value per share *(in €)*	Total issued share capital *(in €)* after change
30 June 2022	Issuance	390,000	13,000,000	Earn-Out Preference Shares A	€0.03	390,010
30 June 2022	Issuance	105,000	3,500,000	Earn-Out Preference Shares B	€0.03	495,010
30 June 2022	Issuance	105,000	3,500,000	Earn-Out Preference Shares C	€0.03	600,010
30 June 2022	Issuance	3,840,000	191,999,997	Special Voting Shares A	€0.02	4,440,010
30 June 2022 and 1 July 2022	Issuance	3,627,162	362,716,200	Ordinary Shares	€0.01	8,067,172
30 June 2022 and 1 July 2022	Issuance	69,163	6,916,269	Ordinary Shares	€0.01	8,136,335
1 July 2022	Attribution upon legal merger Business Combination	393,491	39,349,140	Ordinary Shares	€0.01	8,529,826
1 July 2022	Attribution upon legal merger Business Combination	52,500	5,250,000	Founder Shares	€0.01	8,582,326
5 July 2022	Issuance of Ordinary Shares following conversion of Founder Shares	-	2,575,001	Ordinary Shares	€0.01	8,582,326
5 July 2022	Cancellation of Founder Shares following their conversion into Ordinary Shares	-	2,674,999	Founder Shares	€0.01	8,582,326
4 July 2023	Issuance	116,136.59	11,613,659	Ordinary Shares	€0.01	8,698,462.62

07/

Stock price

GENERAL INFORMATION

ISIN Code	NL0015000X07
Ticker (Reuters/Bloomberg)	FL Entertainment.AS / FL Entertainment NA
Price as at 1 January 2023	€9.40
Price as at 31 December 2023 (closing)	€8.45
Highest price in 2023 (closing)	€10.10
Lowest price in 2023 (closing)	€8.40
Average daily volume (in number of shares) in 2023	934.20
Market capitalisation as at 31 December 2023 (in € million)	3,577

CHANGE IN THE SHARE PRICE AND THE VOLUME OF SHARES TRADED

7.2.3 The Warrants

On 10 December 2021, Pegasus Entrepreneurs completed the Pegasus IPO in which it offered 21,000,000 Pegasus Units at a price of €10.00 per Pegasus Unit. Each Pegasus Unit consisted of one Pegasus Ordinary Share that entitled its holder to receive an additional 1/3 of a Pegasus Public Warrant. On 14 January 2022, the 13,916,666 Pegasus Public Warrants automatically commenced trading separately from the Pegasus Ordinary Shares. In addition, a further 6,916,666 Pegasus Public Warrants that were held in treasury by Pegasus Entrepreneurs were admitted to listing and trading on Euronext Amsterdam on 10 December 2021.

Pursuant to the Merger, the Company acquired the contractual arrangement of the Pegasus Public Warrants and assumed the obligations thereunder under universal title upon completion of the Merger, and subsequently the Pegasus Public Warrant holders became holders of Warrants that entitle the holder to acquire Ordinary Shares in the Company.

Time of issuance, exercise and expiration

Each Warrant entitles the Warrant Holder to purchase one Ordinary Share at a price of €11.50 per Ordinary Share, subject to adjustments as set out in the Warrant T&Cs, at any time commencing five business days after the Business Combination Date. The Warrants will expire at 18:00h CEST, on the date that is five years after the Business Combination Date, or earlier upon redemption of the Warrants or liquidation of the Company. Settlement of Ordinary Shares pursuant to the exercise of a Warrant will take not more than ten Trading Days.

The exercise of Warrants may result in dilution of the Company's share capital.

Warrant Holders do not have any voting rights and are not entitled to any dividend, liquidation or other distributions.

The Warrants do not have a fixed price or value. The price of the Warrants will be determined by virtue of trading on Euronext Amsterdam.

Warrant Holders may exercise their Warrants through the relevant intermediary through which they hold their Warrants, following applicable procedures for exercise and payment, including compliance with the applicable selling and transfer restrictions. No Warrants will be exercisable unless the issuance and delivery of the Ordinary Shares upon such exercise is permitted in the jurisdiction of the exercising Warrant Holder and the Company will not be obligated to issue any Ordinary Shares to Warrant Holders seeking to exercise their Warrants unless such exercise and delivery of Ordinary Shares is permitted in the jurisdiction of the exercising Warrant Holder. If such conditions are not satisfied with respect to a Warrant, the Warrant Holder will not be entitled to exercise such Warrant and such Warrant may have no value and expire worthless.

The date of exercise of the Warrants shall be the date on which the last of the following conditions is met: (i) the Warrants have been transferred by the accredited financial intermediary to ABN AMRO Bank NV as warrant agent (the "Warrant Agent"); (ii) the amount, if any, due to the Company as a result of the exercise of the Warrants is received by the Warrant Agent; and (iii) completion of the form of notice of Warrant exercise published on the Company's website. Delivery of Ordinary Shares upon exercise of the Warrants shall take place no later than on the tenth Trading Day after their exercise date. Upon exercise, the relevant Warrants will cease to exist and the Company will issue or transfer to the Warrant Holder the number of Ordinary Shares to which it is entitled.

The Warrant Holders will not be charged by the Company upon exercise of the Warrants. The Warrant Agent will charge financial intermediaries a fee of €0.005 per Warrant exercised with a minimum of €50.00 per exercise instruction. Financial intermediaries processing the exercise may charge costs to Warrant Holders directly. Such charges will depend on the terms in effect between the Warrant Holder and such financial intermediary.

The proceeds of a redemption of Warrants, the proceeds of the repurchase of Warrants or a full or partial cash or cashless settlement of Warrants may be subject to Dutch dividend withholding tax at a rate of 15%.

The Warrant T&Cs are available on the Company's website: https://www.flentertainment.com.

Redemption

REDEMPTION OF WARRANTS WHEN THE PRICE PER ORDINARY SHARE EQUALS OR EXCEEDS €18.00

Once the Warrants become exercisable, the Company may redeem all issued and outstanding Warrants (other than the Founder Warrants), in whole and not in part at a price of €0.01 per Warrant upon not less than 30 days' prior written notice of redemption (a Redemption Notice), if the closing price of the Ordinary Shares for any 20 Trading Days within a 30 consecutive Trading Day period ending on the third Trading Day prior to the date on which the Company issues the Redemption Notice (the "Reference Value") equals or exceeds €18.00 per Ordinary Share (as adjusted for adjustments to the number of shares issuable upon exercise or the Exercise Price of a Warrant as described under the heading "*—Anti-dilution adjustments*" below). Each Warrant Holder will be entitled to exercise its Warrant(s) prior to the scheduled redemption record date to be indicated in the Redemption Notice.

REDEMPTION OF WARRANTS WHEN THE PRICE PER ORDINARY SHARE EQUALS OR EXCEEDS €10.00 AND IS LESS THAN €18.00

Once the Warrants become exercisable, the Company may redeem all issued and outstanding Warrants (other than the Founder Warrants), in whole and not in part at a price of €0.01 per Warrant upon not less than 30 days' prior Redemption Notice, if the Reference Value equals or exceeds €10.00 per Ordinary Share and is less than €18.00 per Ordinary Share (as adjusted for adjustments to the number of shares issuable upon exercise or the Exercise Price of a Warrant as described under the heading "*—Anti-dilution adjustments*" below). However, if (after adjustments) the Reference Value equals or exceeds €10.00 per Ordinary Shares and is less than €18.00 per Ordinary Shares, Warrant Holders will be able to exercise their Warrants on a cashless basis prior to redemption and receive that number of Ordinary Shares determined by reference to the table set forth below and based on the redemption date and the Redemption Fair Market Value (as defined below) of the Ordinary Shares, except as otherwise described below.

The proceeds of a full or partial cash or cashless settlement of Warrants may be subject to Dutch dividend withholding tax at a rate of 15%.

The "Redemption Fair Market Value" of the Ordinary Shares shall mean the volume weighted average price of the Ordinary Shares during the ten Trading Days immediately following the date on which the Redemption Notice is issued. In no event will the Warrants be exercisable in connection with this redemption feature for more than 0.361 Ordinary Shares per Warrant (subject to adjustment).

Beginning on the date the Redemption Notice is issued until the Warrants are redeemed or exercised, Warrant Holders may elect to exercise their Warrants on a cashless basis if the Reference Value equals or exceeds €10.00 per Ordinary Shares and is less than €18.00 per Ordinary Share (as adjusted for adjustments to the number of shares issuable upon exercise or the Exercise Price of a Warrant as described under the heading "*—Anti-dilution adjustments*" below. The numbers in the table below represent the number of Ordinary Shares that a Warrant Holder will receive upon such cashless exercise in connection with a redemption by the Company pursuant to this redemption feature, based on the Redemption Fair Market Value of the Ordinary Shares on the corresponding redemption date (assuming Warrant Holders elect to exercise their Warrants and such Warrants are not redeemed for €0.01 per Warrant), determined for these purposes based on volume weighted average price of the Ordinary Shares during the 10 Trading Days immediately following the date on which the Redemption Notice is issued, and the number of months that the corresponding redemption date precedes the expiration date of the Warrants, each as set forth in the table below. The Company will provide Warrant Holders with the final Redemption Fair Market Value no later than one business day after the ten Trading Day period described above ends.

The prices set forth in the column headings of the table below will be adjusted as of any date on which the number of Ordinary Shares issuable or deliverable upon exercise of a Warrant or the Exercise Price of a Warrant is adjusted as set forth under the heading "*—Anti-dilution adjustments*" below. If the number of Ordinary Shares issuable or deliverable upon exercise of a Warrant is adjusted, the adjusted share prices in the column headings shall equal the share prices immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the number of Ordinary Shares issuable or deliverable upon exercise of a Warrant immediately prior to such adjustment and the denominator of which is the number of Ordinary Shares issuable or deliverable upon exercise of a Warrant as so adjusted. The number of Ordinary Shares determined by reference to the table below shall be adjusted in the same manner and at the same time as the number of Ordinary Shares issuable or deliverable upon exercise of a Warrant. In no event will the number of Ordinary Shares issued or delivered in connection with this redemption feature exceed 0.361 Ordinary Shares per Warrant (subject to adjustment).

Redemption fair market value of Ordinary Shares

Redemption Date *(period to expiration of Warrants)*	**≤€10.00**	**€11.00**	**€12.00**	**€13.00**	**€14.00**	**€15.00**	**€16.00**	**€17.00**	**≥€18.00**
60 months	0.261	0.281	0.297	0.311	0.324	0.337	0.348	0.358	0.361
57 months	0.257	0.277	0.294	0.310	0.324	0.337	0.348	0.358	0.361
54 months	0.252	0.272	0.291	0.307	0.322	0.335	0.347	0.357	0.361
51 months	0.246	0.268	0.287	0.304	0.320	0.333	0.346	0.357	0.361
48 months	0.241	0.263	0.283	0.301	0.317	0.332	0.344	0.356	0.361
45 months	0.235	0.258	0.279	0.298	0.315	0.330	0.343	0.356	0.361
42 months	0.228	0.252	0.274	0.294	0.312	0.328	0.342	0.355	0.361
39 months	0.221	0.246	0.269	0.290	0.309	0.325	0.340	0.354	0.361
36 months	0.213	0.239	0.263	0.285	0.305	0.323	0.339	0.353	0.361
33 months	0.205	0.232	0.257	0.280	0.301	0.320	0.337	0.352	0.361
30 months	0.196	0.224	0.250	0.274	0.297	0.316	0.335	0.351	0.361
27 months	0.185	0.214	0.242	0.268	0.291	0.313	0.332	0.350	0.361
24 months	0.173	0.204	0.233	0.260	0.285	0.308	0.329	0.348	0.361
21 months	0.161	0.193	0.223	0.252	0.279	0.304	0.326	0.347	0.361
18 months	0.146	0.179	0.211	0.242	0.271	0.298	0.322	0.345	0.361
15 months	0.130	0.164	0.197	0.230	0.262	0.291	0.317	0.342	0.361
12 months	0.111	0.146	0.181	0.216	0.250	0.282	0.312	0.339	0.361
9 months	0.090	0.125	0.162	0.199	0.237	0.272	0.305	0.336	0.361
6 months	0.065	0.099	0.137	0.178	0.219	0.259	0.296	0.331	0.361
3 months	0.034	0.065	0.104	0.150	0.197	0.243	0.286	0.326	0.361
0 months	—	—	0.042	0.115	0.179	0.233	0.281	0.323	0.361

The exact Redemption Fair Market Value and redemption date may not be set forth in the table above, if the Redemption Fair Market Value is between two values in the table or the redemption date is between two dates in the table. In that case, the number of Ordinary Shares to be issued or delivered for each Warrant exercised will be determined by a straight-line interpolation between the number of Ordinary Shares set forth for the higher and lower Redemption Fair Market Values and the earlier and later redemption dates, as applicable, based on a 365 or 366-day year, as applicable. Finally, as reflected in the table above, if the Warrants are out of the money and about to expire, they cannot be exercised on a cashless basis in connection with a redemption by the Company pursuant to this redemption feature, since they will not be exercisable for any Ordinary Shares.

For example, if the volume weighted average price of the Ordinary Shares during the 10 Trading Days immediately following the date on which the Redemption Notice is issued is €11.00 per Ordinary Share, and at such time there are 57 months until the expiration of the Warrants, Warrant Holders may choose to, in connection with this redemption feature, exercise their Warrants for 0.277 Ordinary Shares for each whole Warrant. For an example where the exact fair market value and redemption date are not as set forth in the table above, if the volume weighted average price of the Ordinary Shares during the 10 Trading Days immediately following the date on which the Redemption Notice is issued is €13.50 per Ordinary Share, and at such time there are 38 months until the expiration of the Warrants, Warrant Holders may choose to, in connection with this redemption feature, exercise their Warrants for 0.298 Ordinary Shares for each whole Warrant.

This redemption feature differs from the typical warrant redemption features used in special purpose acquisition company offerings, which typically only provide for a redemption of warrants for cash (other than the Founder Warrants) when the trading price for an Ordinary Share exceeds €18.00 per Ordinary Share for a specified period of time. This redemption feature is structured to allow for all of the outstanding Warrants to be redeemed when the Ordinary Shares are trading at or above €10.00 per Ordinary Share, which may be at a time when the trading price of the Ordinary Shares is below the Exercise Price of the Warrants. The Company has established this redemption feature to provide the flexibility to redeem the Warrants without the Warrants having to reach the €18.00 threshold set forth above under "*Redemption of Warrants when the price per Ordinary Share equals or exceeds €18.00*". Warrant Holders choosing to exercise their Warrants in connection with a redemption pursuant to this feature will, in effect, receive a number of Ordinary Shares for their Warrants based on an option pricing model with a fixed volatility input as at the date of the Pegasus IPO. This redemption right provides the Company with an additional mechanism by which to redeem all of the outstanding Warrants, and therefore have certainty as to its capital structure, as the Warrants would no longer be outstanding and would have been exercised or redeemed, and the Company will be required to pay the Redemption Price to Warrant Holders if it chooses to exercise this redemption right, and it will allow the Company to quickly proceed with a redemption of the Warrants if it determines it is in its best interest to do so.

If the Company chooses to redeem the Warrants when the Ordinary Shares are trading at a price below the Exercise Price of the Warrants, this could result in the Warrant Holders receiving fewer Ordinary Shares than they would have received if they had chosen to wait to exercise their Warrants for Ordinary Shares if and when such Ordinary Shares were trading at a price higher than the Exercise Price of €11.50.

The Warrant T&Cs provide that the terms of the Warrants may be amended without the consent of any Warrant Holder for the purpose of removing the terms of the Warrant T&Cs that allow for the redemption of Warrants for Ordinary Shares if the Reference Value equals or exceeds €10.00 per Ordinary Share and is less than €18.00 per Ordinary Share and making any further amendments to the Warrant T&Cs in connection with such removal, if this is necessary in the good faith determination of the Board (taking into account then existing market precedents) to allow for the Warrants to be classified as equity in the Company's financial statements.

REDEMPTION NOTICE

The Company will publish any Redemption Notice by issuing a press release. Any Redemption Notice published in this manner will be conclusively presumed to have been duly given whether or not the Warrant Holder has seen such notice. The Company has established this redemption criterion to prevent a redemption call unless there is at the time of the call a significant premium to the Exercise Price. If the foregoing conditions are satisfied and the Company issues a Redemption Notice for the Warrants, each Warrant Holder will be entitled to exercise its Warrant(s) prior to the scheduled redemption record date to be indicated in the Redemption Notice. However, the price of the Ordinary Shares may fall below the €10.00 or €18.00 redemption trigger price (as applicable and as adjusted for adjustments to the number of Ordinary Shares issuable upon exercise or the Exercise Price of a Warrant as described under the heading "*—Anti-dilution Adjustments*" below) as well as the €11.50 Warrant Exercise Price after the Redemption Notice is issued.

7.2.4 Anti-dilution adjustments

If the number of issued and outstanding Ordinary Shares is increased by a capitalisation or share dividend payable in Ordinary Shares, or by a split-up of Ordinary Shares or other similar event, then, on the effective date of such capitalisation or share dividend, split-up or similar event, the number of Ordinary Shares issuable on exercise of each Warrant will be increased in proportion to such increase in the issued and outstanding Ordinary Shares. A rights offering to holders of Ordinary Shares entitling Warrant Holders to purchase Ordinary Shares at a price less than the "Historical Fair Market Value" (as defined below) will be deemed a share dividend of a number of Ordinary Shares equal to the product of (1) the number of Ordinary Shares actually sold in such rights offering (or issuable under any other equity securities sold in such rights offering that are convertible into or exercisable for Ordinary Shares) and (2) one minus the quotient of (x) the price per Ordinary Share paid in such rights offering and (y) the Historical Fair Market Value. For these purposes, if the rights offering is for securities convertible into or exercisable for Ordinary Shares, in determining the price payable for Ordinary Shares, there will be taken into account any consideration received for such rights, as well as any additional amount payable upon exercise or conversion and (2) "Historical Fair Market Value" means the volume weighted average price of Ordinary Shares during the 10 Trading Day period ending on the Trading Day prior to the first date on which the Ordinary Shares trade on the applicable exchange or in the applicable market without the right to receive such rights (the ex-rights trading date).

In addition, if the Company at any time while the Warrants are outstanding and unexpired, pays to all or substantially all of the Ordinary Shareholders a dividend or makes a distribution in cash, securities or other assets on account of such Ordinary Shares (or other securities into which the Warrants are convertible), other than (a) as described above, or (b) Ordinary Cash Dividends (as defined below), then the Exercise Price will be decreased, effective immediately after the effective date of such event, by the amount of cash and/or the fair market value of any securities or other assets paid on each Ordinary Share in respect of such event. "Ordinary Cash Dividends" means any cash dividend or cash distribution which, when combined on a per share basis, with the per share amounts of all other cash dividends and cash distributions paid on the Ordinary Shares during the 365-day period ending on the date of declaration of such cash dividend or distribution (as adjusted to appropriately reflect any of the events described under the heading *"Anti-dilution adjustments"* and excluding cash dividends or cash distributions that resulted in an adjustment to the Exercise Price of the Warrants or to the number of Ordinary Shares issuable on exercise of each Warrant) to the extent it does not exceed €0.50.

If the number of issued and outstanding Ordinary Shares is decreased by a consolidation, combination, or reclassification of Ordinary Shares or other similar event, then, on the effective date of such consolidation, combination, reclassification or similar event, the number of Ordinary Shares issuable on exercise of each Warrant will be decreased in proportion to such decrease in issued and outstanding Ordinary Shares.

Whenever the number of Ordinary Shares purchasable upon the exercise of the Warrants is adjusted, as described above, the Exercise Price of the Warrants will be adjusted by multiplying the Exercise Price immediately prior to such adjustment by a fraction (x) the numerator of which will be the number Ordinary Shares purchasable upon the exercise of the Warrants immediately prior to such adjustment and (y) the denominator of which will be the number of Ordinary Shares so purchasable immediately thereafter.

In addition, if (x) the Company issues additional Ordinary Shares or securities of the Company that are convertible into, exchangeable for or exercisable for Ordinary Shares for capital raising purposes in connection with the Business Combination at an issue price or effective issue price of less than €9.20 per Ordinary Share (with such issue price or effective issue price to be determined in good faith by the Board or such person or persons granted a power of attorney by the Board, and in the case of any such issuance to the Sponsors, the Pegasus Board members or their affiliates, without taking into account any Ordinary Shares held by the Sponsors, the Pegasus Board members or their affiliates, as applicable, prior to such issuance) (the "Newly Issued Price"), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of the Business Combination on the Business Combination Date (net of redemptions), and (z) the volume weighted average trading price of the Ordinary Shares during the twenty Trading Day period starting on the Trading Day prior to the Business Combination Date (such price, the "Market Value") is below €9.20 per Ordinary Share, (i) the Exercise Price of the Warrants will be adjusted (to the nearest cent) to be equal to 115% of the higher of the Market Value and the Newly Issued Price, (ii) the €18.00 per Ordinary Share redemption trigger price described under *"—The Warrants—Redemption —Redemption of Warrants when the price per Ordinary Share equals or exceeds €18.00"* above and *"—The Warrants—Redemption—Redemption of Warrants when the price per Ordinary Share equals or exceeds €10.00 and is less than €18.00"* above, will be adjusted (to the nearest cent) to be equal to 180% of the higher of the Market Value and the Newly Issued Price.

In case of any reclassification or reorganisation of the issued and outstanding Ordinary Shares (other than those described above or that solely affects the nominal value of such Ordinary Shares), or in the case of a merger or consolidation of the Company with or into another company (other than a merger or consolidation in which the Company is the surviving company and that does not result in any reclassification or reorganisation of the Company's issued and outstanding Ordinary Shares), or in the case of any sale or conveyance to another company or entity of substantially all the assets or property of the Company in connection with which the Company will be dissolved, the Warrant Holders will thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the Warrant T&Cs and in lieu of Ordinary Shares immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of shares, stock or other equity securities or property (including cash) receivable upon such reclassification, reorganisation, merger or consolidation, or upon a dissolution following any such sale or transfer, that the Warrant Holder would have received if they had exercised their Warrants immediately prior to such event (the "Alternative Issuance"). However, if such Warrant Holder were entitled to exercise a right of election as to the kind or amount of securities, cash or other assets receivable upon such merger or consolidation, then the kind and amount of securities, cash or other assets constituting the Alternative Issuance for which each Warrant will become exercisable will be deemed to be the weighted average of the kind and amount received per share by such Warrant Holder in such merger or consolidation that affirmatively make such election, and if a tender, exchange or redemption offer has been made to and accepted by such Warrant Holders under circumstances in which, upon completion of such tender or exchange offer the party (and any person or persons acting in concert with such party under the Dutch FSA) instigating such tender or exchange offer owns more than 50% of the issued and outstanding Ordinary Shares, the Warrant Holder will be entitled to receive as the Alternative Issuance, the highest amount of cash, securities or other property to which such Warrant Holder would actually have been entitled as a shareholder if such Warrant Holder had exercised the Warrant prior to the expiration of such tender or exchange offer, accepted such offer and all of the Ordinary Shares held by such Warrant Holder had been purchased pursuant to such tender or exchange offer, subject to adjustment (from and after the consummation of such tender or exchange offer) as nearly equivalent as possible to the adjustments provided for in the Warrant T&Cs. Additionally, if less than 70% of the consideration receivable by the Ordinary Shareholders in such a transaction is payable in the form of Ordinary Shares in the successor entity that is listed and traded on a regulated market or multilateral trading facility in the European Economic Area (the "EEA") or the United Kingdom immediately following such event, and if Warrant Holder properly exercises the Warrant within thirty days following public disclosure of such transaction, the Exercise Price of the Warrants will be reduced as specified in the Warrant T&Cs based on the per share consideration minus Black-Scholes Warrant Value (as defined in the Warrant T&Cs) of the Warrant.

7.2.5 Warrant T&Cs

This Universal Registration Document, including this section, provides an overview of the relevant and material information regarding the Warrant T&Cs but does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by reference to, the Warrant T&Cs as published on the Company's website.

The Warrant T&Cs provide that (a) the terms of the Warrants may be amended without the consent of any Warrant Holder for the purpose of (i) curing any ambiguity or correcting any mistake or defective provision, including to conform the provisions of the Warrant T&Cs to the description of the terms of the Pegasus Public Warrants set out in this Universal Registration Document, (ii) adding or changing any provisions with respect to matters or questions arising under the Warrant T&Cs as the Company may deem necessary or desirable and that it deems to not adversely affect the rights of the Warrant Holders under the Warrant T&Cs, or (iii) making any amendments that are necessary in the good faith determination of the Board (taking into account then existing market precedents) to allow for the Warrants to be classified as equity in the Company's financial statements, such as removing the Alternative Issuance terms or removing the terms that allow for the redemption of Warrants for Ordinary Shares if the Reference Value equals or exceeds €10.00 per Ordinary Share and is less than €18.00 per Ordinary Share, together with such other amendments as are necessary in connection therewith, provided that this shall not allow for any modification or amendment to the Warrant T&Cs that would increase the Warrant Price or shorten the period in which a holder can exercise its Warrants, and (b) all other modifications or amendments require the vote or written consent of the holders of at least 50% of the then outstanding Warrants and Founder Warrants; provided that any amendment that solely affects the terms of the Founder Warrants will also require the vote or written consent of the holders of at least 50% of the then outstanding Founder Warrants; and except that the removal of the terms of the Warrant T&Cs that allow for the exercise of Founder Warrants on a cashless basis only requires the vote or written consent of the holders of at least 50% of the then outstanding Founder Warrants.

The Warrant Holders do not have the rights or privileges of Ordinary Shareholders and any voting rights until they exercise their Warrants and receive Ordinary Shares. After the issuance of Ordinary Shares upon exercise of the Warrants, each Warrant Holder will be entitled to one vote for each share held of record on all matters to be voted on by Ordinary Shareholders. No fractional Warrants will be issued or delivered and only whole Warrants will trade. The financial intermediary will be charged a fee by the Warrant Agent for the exercise of the Warrants (other than the Founder Warrants). The fee is €0.005 per Warrant with a minimum of €50.00 per instruction.

The Warrant T&Cs are governed by Dutch law. Any action, proceeding or claim against arising out of or relating in any way to the Warrant T&Cs will be brought before the applicable court in Amsterdam, the Netherlands. The Company and the Warrant Holders irrevocably submit to such jurisdiction, which jurisdiction will be the exclusive forum for any such action, proceeding or claim.

7.2.6 Founder Warrants

In a placement that closed 10 December 2021, simultaneously with the Pegasus IPO, inter alia, Tikehau Capital, Financière Agache and one of its Directors, Mr Diego De Giorgi, Mr Jean Pierre Mustier and Pegasus Acquisition Partners Holding (which is jointly controlled by Mr Pierre Cuilleret, Mr Diego De Giorgi and Mr Jean Pierre Mustier) obtained 5,250,000 Pegasus Founder Warrants at a price of €0.03 for an aggregate subscription price of €157,500.

Pursuant to the Merger, the Company acquired the contractual arrangement of the Pegasus Founder Warrants and assumed the obligations thereunder under universal title upon completion of the Merger, and subsequently these Pegasus Founder Warrant holders became holders of Founder Warrants that entitle the holder to acquire Ordinary Shares in the Company.

The Founder Warrants have substantially the same terms as the Warrants, except as follows: the Founder Warrants and the Ordinary Shares issuable or deliverable upon the exercise of the Founder Warrants will not be transferable, assignable or saleable until 30 days after the Merger becoming effective, subject to certain limited exceptions as described below. Additionally, the Founder Warrants will be exercisable on a cashless basis and be non-redeemable, except as described herein, so long as they are held by Tikehau Capital, Financière Agache, Diego De Giorgi, Jean Pierre Mustier, Pegasus Acquisition Partners or their Permitted Transferees (as defined in *"Description of Share Capital—Lock-up arrangements—Pegasus Lock-up Arrangements"* below). No voting rights attach to the Founder Warrants. If the Founder Warrants are held by someone other than Tikehau Capital, Financière Agache, Diego De Giorgi, Jean Pierre Mustier, Pegasus Acquisition Partners Holding or their Permitted Transferees, the Founder Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Warrants. The proceeds of a redemption of Warrants, the proceeds of the repurchase of Warrants or a full or partial cash or cashless settlement of Warrants may be subject to Dutch dividend withholding tax at a rate of 15%.

Each Founder Warrant is exercisable to purchase one Ordinary Share at a price of €11.50 per Ordinary Share, subject to adjustment as described above for the Warrants. Founder Warrants may be exercised only for a whole number of Ordinary Shares. The Founder Warrants may be exercised by Tikehau Capital, Financière Agache, Mr Diego De Giorgi, Mr Jean Pierre Mustier, Pegasus Acquisition Partners Holding on either a cash or cashless basis. If the Founder Warrants are exercised on a cashless basis, Tikehau Capital, Financière Agache, Mr Diego De Giorgi, Mr Jean Pierre Mustier, Pegasus Acquisition Partners Holding their Permitted Transferees would surrender their Founder Warrants for that number of Ordinary Shares equal to the quotient obtained by dividing (x) the product of the number of Ordinary Shares underlying the Founder Warrants, multiplied by the excess of the "Sponsor Fair Market Value" (as defined below) over the Exercise Price by (y) the Sponsor Fair Market Value.

Each of Tikehau Capital, Financière Agache, Mr Diego De Giorgi, Mr Jean Pierre Mustier, as well as Pegasus Acquisition Partners Holding (which is jointly controlled by Mr Pierre Cuilleret, Mr Diego De Giorgi and Mr Jean-Pierre Mustier) or their permitted transferees may elect to exchange their Founder Warrants for newly issued and listed Warrants at the earliest thirty (30) days after the Merger becoming effective.

The "Sponsor Fair Market Value" shall mean the volume-weighted average price of the Ordinary Shares for the 10 Trading Days ending on the third Trading Day prior to the date on which the notice of Warrant exercise is sent to the Warrant Agent.

If the Sponsors and Mr Pierre Cuilleret remain affiliated with the Company, their ability to sell securities in the open market will be significantly limited. The Company expects to have policies in place that restrict insiders from selling the Company's securities except during specific periods of time. Even during such periods of time when insiders will be permitted to sell the Company's securities, an insider cannot trade in the Company's securities if he or she is in possession of inside information. Accordingly, unlike Ordinary Shareholders who could exercise their Warrants and sell the Ordinary Shares received upon such exercise freely in the open market in order to recoup the cost of such exercise, the insiders could be significantly restricted from selling such securities. As a result, the Company believes that allowing the holders of Founder Warrants to exercise such Founder Warrants on a cashless basis is appropriate.

As further described in *"—Lock-up Arrangements"* below, the Founder Warrants are subject to transfer restrictions pursuant to lock-up provisions in the Pegasus Letter Agreement, until the period ending 30 calendar days from the Business Combination Date. The Ordinary Shares issued or delivered upon exercise of the Founder Warrants or Warrants are not subject to transfer restrictions.

Change in CSD

The Company resolved to change its central securities depository ("CSD") for the Ordinary Shares, the Warrants and the Special Voting Shares from Nederlands Centraal Instituut voor Giraal Effectenverkeer BV ("Euroclear Netherlands") to Euroclear France SA ("Euroclear France"). As a result, the Ordinary Shares, the Warrants and the Special Voting Shares were withdrawn from the book-entry system *(girodepot)* in the Netherlands and subsequently included in the book-entry system of Euroclear France. Consequently, the Ordinary Shares, the Warrants and the Special Voting Shares are legally deposited within the French jurisdiction and the clearance of trading in the Ordinary Shares and the Warrants on Euronext Amsterdam occurs in France via the book-entry system of Euroclear France. In view of the change of CSD the Articles of Association, the SVS Terms and the Warrant T&Cs have been updated.

7.2.7 Treasury shares

As of 31 December 2023, the Company does hold 23,676 shares in treasury, as a result of a liquidity agreement entered into with Kepler Cheuvreux S.A. on 5 December 2022, as amended on 21 December 2023, to ensure liquidity and foster regular trading in shares in the Company.

As long as any shares are held in treasury, they do not yield dividends, do not entitle the Company as a holder thereof to voting rights, and do not count towards the calculation of dividends or voting percentages and are not eligible for redemption.

7.2.8 Lock-up arrangements

Pegasus Lock-up Arrangements

Each of the Sponsors and the Pegasus Board have agreed in a letter agreement dated 10 December 2021 (the "Pegasus Letter Agreement") not to sell or contract to transfer, sell, or otherwise dispose of, directly or indirectly, or announce an offer of any Pegasus Ordinary Shares received as remuneration by the Pegasus Board members, Pegasus Founder Shares or Pegasus Founder Warrants (or any interest therein in respect thereof) or enter into any transaction with the same economic effect as any of the foregoing without the prior written consent of the joint global coordinators that assisted in the Pegasus IPO during a certain period of time (the "Pegasus Lock-up Arrangements").

As a result of the Merger becoming effective, the Sponsors and certain Pegasus Board members received (i) Ordinary Shares in return for their Pegasus Ordinary Shares, (ii) Founder Shares in return for their Pegasus Founder Shares and (iii) Founder Warrants in return for their Pegasus Founder Warrants.

Following the Pegasus Lock-up Arrangements, the Sponsors and the Pegasus Board members will not sell or contract to transfer, sell, or otherwise dispose of, directly or indirectly, or announce an offer of any Ordinary Shares received as remuneration by certain Pegasus Board members, Founder Shares or Founder Warrants (or any interest therein in respect thereof) or enter into any transaction with the same economic effect as any of the foregoing without the prior written consent of the joint global coordinators that assisted in the Pegasus IPO: (i) in respect of the Founder Warrants, until the period ending 30 calendar days from the Business Combination Date; and (ii) in respect of the Founder Shares and Ordinary Shares received upon the exchange of Founder Shares during the period up to 365 calendar days from the Business Combination Date, save that, (x) the lock-up undertaking shall not apply to the Sponsors and Pegasus Board members to the extent required to pay or provide liquidity for any taxation that becomes due by them in connection with the Business Combination, (y), from the period commencing 150 calendar days from the Business Combination Date, any such Ordinary Shares and Founder Shares held by the Sponsors and the Pegasus Board members shall be released from the lock-up undertaking immediately after the Trading Day on which the closing price of the Ordinary Shares for any 20 Trading Days out of a 30 consecutive Trading Day period equals or exceeds €12.00 and (z) the lock-up undertaking shall not apply to the transfer of Ordinary Shares by the Sponsors to certain investors that have been allocated at least 2,500,000 units in the Pegasus IPO, provided that, on the date that is two Trading Days after the date set by the Pegasus Board for redemption of the Pegasus Ordinary Shares, such investor (a) has not redeemed any of its Pegasus Ordinary Shares subscribed for in the Pegasus IPO, to the extent that such redemption would lead to such investor holding fewer than 2,500,000 Pegasus Ordinary Shares at any time and (b) owns at least 2,500,000 Pegasus Ordinary Shares. Such number of Pegasus Ordinary Shares or Ordinary Shares to be transferred by the Sponsors to these Major IPO shareholders will not exceed 140,000.

The foregoing restrictions on transfer shall not apply to transfers made to permitted transferees (the "Permitted Transferees"): (a) the Pegasus Board members, any affiliates or family members of any of the Pegasus Board members, any members or Directors of the Sponsors, or any affiliates of the Sponsors, (b) in the case of an individual, by gift to a member of the individual's immediate family or to a trust, the beneficiary of which is a member of the individual's immediate family or an affiliate of such person, or to a charitable organisation; (c) in the case of an individual, by virtue of distribution upon death of the individual; (d) any transferee, by private sales or transfers made in connection with the consummation of the Business Combination at prices no greater than the price at which the Pegasus Founder Warrants were originally subscribed for; (e) any transferee, in the event of a liquidation of the Company prior to completion of the Business Combination; (f) in the case of an entity, by virtue of the laws of its jurisdiction or its organisational documents or operating agreement; or (g) any transferee, in the event of completion of a liquidation, merger, share exchange, reorganisation or other similar transaction which results in all of the holders of the Pegasus Ordinary Shares having the right to exchange their Pegasus Ordinary Shares for cash, securities or other property subsequent to completion of the Business Combination; provided, however, that, subject to and in accordance with the terms of the Pegasus Letter Agreement, in the case of clauses (a) through (d) and (f) these Permitted Transferees must accede to and become a party to the Pegasus Letter Agreement.

In addition to the Pegasus Lock-up Arrangements, the Sponsors will commit to a new lock-up commitment pursuant to the Shareholders Agreement, as further described below.

The Group's lock-up arrangements

FL Entertainment

The following table shows the main Lock-Up Agreements pursuant to the Shareholders Agreement:

Main Shareholders under Lock-up Arrangements	Lock-up at Listing	End of Lock-up
De Agostini*	6 months	1 January 2023
SBM International*	12 months	1 July 2023
Fimalac*	12 months	1 July 2023
Vivendi*	18 months	1 January 2024
Financière Lov	36 months	1 July 2025
Sponsors (including Tikehau Capital, Financière Agache, Pegasus Acquisition Partners Holding)	36 months	1 July 2025

* *Already expired.*

Subject to the terms and exceptions, including in respect of transfers to affiliates and other permitted transfers, set out in the Shareholders Agreement:

- Financière Lov has agreed to not sell or contract to transfer, sell, or otherwise dispose of, directly or indirectly, any shares it holds in the Company's capital or enter into any transaction with the same economic effect as any of the foregoing, for three calendar years from the Business Combination Date. This restriction (i) does not apply to a number of up to 25,000,000 Ordinary Shares and Special Voting Shares obtained by Financière Lov in return as part of its contribution in cash made immediately before the Business Combination Date, and (ii) will not limit Financière Lov to freely transfer its shares in the Company to financial institutions having exercised pledges on such shares as put in place to their benefit in the context the financing granted to Financière Lov for the purpose of the Business Combination or its refinancing (and, for the avoidance of doubt, Financière Lov shall be able to freely grant such pledges to those financial institutions), it being further specified that, in case of enforcement of the pledges, such financial institutions (including any of their transferees in accordance with the underlying finance documentation or successors) shall be free to either appropriate the shares in the Company or to sell the shares in the Company in one or several transactions (including by way of private sale, public or private auction, sale on the regulated market where the shares in the Company are listed, court order or otherwise) and further to such enforcement, the financial institutions and/or the third-party assignees (and their subsequent assignees or transferees) shall be free to transfer the shares in the Company to any third-party or investor without any restriction or condition other than as provided for in the SVS Terms to the extent such transfer concerns Special Voting Shares, and (iii) any Earn-Out Preference Shares as well as any Ordinary Shares and Special Voting Shares resulting from the conversion of the Earn-Out Preference Shares may be freely pledged. For the sake of clarity, any Ordinary Shares and Special Voting Shares to be received by Financière Lov as a result of the Earn-Out shall be subject to the lock-up period;
- the Sponsors have agreed to not sell or contract to transfer, sell, or otherwise dispose of, directly or indirectly, of any shares they hold in the Company's capital or enter into any transaction with the same economic effect as any of the foregoing, for three calendar years from the Business Combination Date. This restriction will not apply to (i) Ordinary Shares received following the exercise of Warrants or Founder Warrants and (ii) the transfer of Ordinary Shares by the Sponsors to certain investors that have been allocated at least 2,500,000 units in the Pegasus IPO, provided that, on the date that is two Trading Days after the date set by the Pegasus Board for redemption of the Pegasus Ordinary Shares, such investor (a) has not

redeemed any of its Pegasus Ordinary Shares subscribed for in the Pegasus IPO, to the extent that such redemption would lead to such investor holding fewer than 2,500,000 Pegasus Ordinary Shares at any time and (b) owns at least 2,500,000 Pegasus Ordinary Shares. Such number of Pegasus Ordinary Shares or Ordinary Shares to be transferred by the Sponsors to these Major IPO shareholders will not exceed 140,000. For the avoidance of doubt, the Major IPO shareholders shall not become a party to the Shareholders Agreement;

- the other shareholders listed above (Vivendi, Fimalac, SBM International and De Agostini) have agreed to not sell or contract to transfer, sell, or otherwise dispose of, directly or indirectly, any shares it holds in the Company's capital or enter into any transaction with the same economic effect as any of the foregoing, for the respective duration detailed in the table above starting from the Business Combination Date.

Mr Stéphane Courbit has agreed in the Shareholders Agreement that during the abovementioned lock-up period applicable to Financière Lov and except in the event of death, incapacity or invalidity of Mr Stéphane Courbit, (A) the Courbit Family will keep the control of Financière Lov (i.e. to hold, directly or indirectly, the majority of the share capital and voting rights of Financière Lov) and (B) Mr Stéphane Courbit will remain, through LGI (whose share capital is owned by the Courbit Family), sole legal representative of Financière Lov (and therefore the sole legal representative of LGI).

In connection with its contribution of shares in Banijay Group in exchange for Ordinary Shares, Prader SRL, which is controlled by Marco Bassetti has agreed to not sell or contract to transfer, sell, or otherwise dispose of, directly or indirectly, any shares it holds in the Company's capital or enter into any transaction with the same economic effect as any of the foregoing, before 30 June 2024, it being specified that such undertaking shall terminate upon occurrence of change of control of the Company. This restriction does not apply to any pledge on part of the Ordinary Shares. Furthermore, Prader SRL shall be permitted to contribute to the Company at fair market value determined at the date of contribution, on one or two instalments between 31 December 2025 and 31 December 2027, the shares of Banijay Group SAS subscribed as a result of the exercise of the warrants of Banijay Group SAS held by it.

Banijay

Minority shareholders of Banijay Group SAS (which are key managers) and Banijay have entered into a shareholders agreement in relation to Banijay Group SAS on 22 June 2017, pursuant to which such minority shareholders committed not to transfer any securities for a remaining period of approximately two years in general, subject to certain individual specific arrangements.

Betclic

On 1 July 2022, Mr Nicolas Béraud committed, pursuant to the amended shareholders agreement in relation to Betclic, not to transfer any shares of Betclic he owns for a remaining period of approximately seven years. This restriction does not apply to transfers of shares within the Group.

Notwithstanding the above, any transfer of Ordinary Shares up to a number of Additional Purchased Shares (as defined below) by a party to the Shareholders Agreement that has acquired or subscribed for shall not be subject to any lock-up. Following the implementation of his LTIP, as described in section 4.5.3, Mr Nicolas Béraud gets the opportunity to exchange the Betclic' shares that he owns (5.4% of Betclic Everest Group) for the Company' shares.

7.2.9 Issuance of Shares, Pre-emptive rights and Acquisition by the Company of its Ordinary Shares

The General Meeting, or the Board, to the extent authorised by the General Meeting for a specific period with due observance of the applicable statutory provisions and the provisions included in the Articles of Association, may resolve to issue shares. This also applies to the granting of rights to subscribe for shares, such as options, but is not required for an issue of shares pursuant to the exercise of a previously acquired right to subscribe for shares. The authorisation will only be valid for a fixed term of no more than five years and may each time only be extended for a maximum period of five years. Unless determined otherwise in the designation, the designation of the Board as the corporate body authorised to resolve to issue shares cannot be revoked. The Company may not subscribe for its own shares upon issuance.

In addition, upon the issue of Ordinary Shares or grant of rights to subscribe for Ordinary Shares, each Ordinary Shareholder shall have a pre-emptive right in proportion to the aggregate nominal amount of his or her Ordinary Shares. Shareholders have no pre-emptive rights in respect of (i) the issue of shares against payment other than in cash; (ii) the issue of Special Voting Shares; or (iii) the issue of shares to employees of the Company or of a Group Company; or (iv) the issue of shares to a person exercising a previously acquired right to subscribe for shares.

The Company may acquire fully paid-up Ordinary Shares at any time for no consideration or, subject to Dutch law and the Articles of Association if: (i) its shareholder' equity less the payment required to make the acquisition, does not fall below the sum of called-up and paid-in share capital and any reserves to be maintained by Dutch law and/or the Articles of Association; (ii) the aggregate nominal value of the Ordinary Shares which the Company acquires, holds or holds as pledgee or which are held by a subsidiary does not exceed 50% of the issued share capital; and (iii) the Board has been authorised by the General Meeting to repurchase Ordinary Shares.

No authorisation from the General Meeting is required for the acquisition of fully paid up Ordinary Shares for the purpose of transferring these Ordinary Shares to employees of the Company or of a Group Company pursuant to any applicable equity plan, provided that the Ordinary Shares are quoted on an official list of a stock exchange.

The Company may not cast votes on, and is not entitled to dividends paid on, Ordinary Shares held by it nor will such Ordinary Shares be counted for the purpose of calculating a voting quorum. Pledgees or usufructuaries of an Ordinary Share owned by the Company or a subsidiary are not excluded from exercising voting rights if the right of pledge or usufruct was created before the Ordinary Share was owned by the Company or such subsidiary and the voting rights were transferred to the respective pledgee or usufructuary. For the computation of the profit distribution, the Ordinary Shares held by the Company in its own capital shall not be included. The Board is authorised to dispose of the Company's own Ordinary Shares held by it.

Authorizations to the Board as at 31 December 2023

Purpose	Date of the General Meeting (resolution number)	Size	Duration of the authorisation in force (starting as of the date of the authorisation)	Conditions
Issuance of shares and granting rights to acquire shares	15 June 2023 (7(a))	Up to 10% of the issued Shares at the time of the issuance	18-month period	At such a price, and on such conditions as determined for each issue or grant by the Management Board
Limitation or exclusion of any pre-emptive relating to the authorisation above (7(a))	15 June 2023 (7(b))	n/a	18-month period	
Issuance of shares and granting rights to acquire shares	15 June 2023 (8(a))	Up to 3% of the issued share capital at the time of issuance, in connection with any long term incentive plan(s)	18-month period	At such a price, and on such conditions as determined for each issue or grant by the Management Board
Limitation or exclusion of any pre-emptive relating to the authorisation above (8(a))	15 June 2023 (8(b))	n/a	18-month period	
Issuance of ordinary shares and to grant rights to acquire ordinary shares in relation to convertible bonds and/or any debt instrument including warrants	15 June 2023 (9(a))	Up to 10% of the issued share capital at the time of issuance, in connection with any convertible bonds and/or any debt instrument including warrants	18-month period	At such a price, and on such conditions as determined for each issue or grant by the Management Board
Limitation or exclusion of any pre-emptive relating to the authorisation above (9(a))	15 June 2023 (9(b))	n/a	18-month period	
Repurchase of shares in the Company	15 June 2023 (10)	Up to a maximum of 10% of the total issued capital on the date of this General Meeting	18-month period	At a price at least equal to the shares' nominal value and at most equal to 110% of the share's average closing price according to the listing on the Euronext Amsterdam during the 5 trading days preceding the purchase date

7.2.10 General Meetings and voting rights

General meetings

The annual General Meeting must be held at least annually and within six months of the end of the Financial Year. Extraordinary General Meetings may be held as often as the Board or the Chairperson of the Board deems desirable. In addition, (i) shareholders, who alone or together with one or more of and their affiliates who hold at least twenty percent of the issued and outstanding Ordinary Shares may convene a General Meeting and (ii) one or more shareholders (or others with meeting rights under Dutch law), who solely or jointly represent at least the percentage of the issued share capital of the Company as required by law, which currently is at least one-tenth of the issued share capital of the Company, may request that a General Meeting be convened, the request setting out in detail matters to be considered. If the Board has not taken the steps necessary to ensure that such a meeting can be held within eight weeks after the request, the shareholder(s) making such request may, on their application, be authorised by the competent Dutch court in preliminary relief proceedings to convene a General Meeting. Furthermore, within three months of it becoming apparent to the Board that the equity of the Company has decreased to an amount equal to or lower than one-half of the paid-up and called up part of the capital, a General Meeting must be held to discuss any requisite measures.

The convocation of the General Meeting must be published through an announcement by electronic means. Shareholders registered in the shareholders' register may also be convened by means of convening notices sent to them at their respective addresses as included in the shareholders' register. Furthermore, shareholders and others with meeting rights under Dutch law may, subject to such person's consent to this method of convocation, be convened by means of electronic messages sent to them (e.g. by email) in accordance with their instructions. The notice must state the subjects to be dealt with, the time, date and place of the meeting, the record date, the record date for the meeting, the manner in which persons entitled to attend the General Meeting may register and exercise their rights, the procedure for participating in the meeting by proxy, the Company's website, and such other information as may be required by Dutch law. The notice must be given by at least such number of days prior to the day of the meeting as required by Dutch law, which is currently 42 days.

The agenda for the annual General Meeting typically contains specific subjects, including, among other things, the adoption of the Annual Accounts, the discussion of substantial changes in the corporate governance structure of the Company and the distribution profits, insofar as these are at the disposal of the General Meeting, and the granting of discharge to the Directors in respect of the performance of their duties as Directors, respectively, during the Financial Year to which the Annual Accounts relate.

One or more shareholders (and others with meeting rights under Dutch law), who solely or jointly represent at least the percentage of the issued share capital of the Company as required by law, which currently is at least 3% of the Company's issued share capital, may request that an item is added to the agenda. Such requests must be made in writing or by electronic means, must either be substantiated or include a proposal for a resolution, and must be received by the Company at least 45 days before the day of the General Meeting. No resolutions may be adopted on items other than those that have been included in the agenda (unless the resolution would be adopted unanimously during a meeting where the entire issued share capital of the Company is present or represented).

Shareholders who, individually or with other shareholders, hold shares in the Company's capital that represent at least 1% of the issued share capital of the Company or a market value of at least €250,000 may request the Company to disseminate information that is prepared by them in connection with an agenda item for a General Meeting, provided that the Company has done a so-called "identification round" in accordance with the provisions of the Dutch Securities Transactions Act. The Company can only refuse disseminating such information, if received less than seven business days prior to the day of the General Meeting, if the information gives or could be expected to give an incorrect or misleading signal with respect to the Company or if, in light of the nature of the information, the Company cannot reasonably be required to disseminate it.

The General Meeting is chaired by the Chairperson of the Board or the Executive Director who has been granted the title CEO. When both are present in the General Meeting, the Chairperson of the Board will choose who will chair the General Meeting. In the absence of both the Chairperson of the Board and the Executive Director who has been granted the title CEO, the Person chosen by the Board may act as Chairperson of such General Meeting.

Directors may attend a General Meeting. In these General Meetings, Directors have an advisory vote. The Chairperson of the General Meeting may decide at his or her discretion to admit other persons to the General Meeting.

Record date, admission and registration

Each shareholder (as well as other persons with meeting rights under Dutch law) may attend the General Meeting, address the General Meeting and, insofar as they have such right, exercise voting rights attached to the relevant Ordinary Shares, either in person or by proxy. Shareholders and others with meeting rights under Dutch law may exercise these rights, if they are the shareholders (or holders of meeting rights under Dutch law) on the record date for the General Meeting, which, at the date of this Universal Registration Document, is the 28th day before the day of the General Meeting. Under the Articles of Association, shareholders and others with meeting rights under Dutch law must notify the Company of their identity and their intention to attend the meeting in writing or by electronic means. This notice must be received by the Company ultimately on the seventh day prior to the General Meeting, unless indicated otherwise when such meeting is convened.

Voting rights

Each Ordinary Share and Founder Share confers the right on the holder to cast one vote at a General Meeting. Each Special Voting Share confers the right on the holder to cast two votes at a General Meeting. Each Earn-Out Preference Share confers the right on the holder to cast three votes at a General Meeting. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of Ordinary Shares, Founder Shares, Earn-Out Preference Shares or Special Voting Shares that are held by the Company or any Group Company. Nonetheless, the holders of a right of usufruct and the holders of a right of pledge in respect of shares held by the Company or Group Companies in the Company's share capital are not excluded from the right to vote on such shares, if the right of usufruct or the right of pledge was granted prior to the time such shares were acquired by the Company or any Group Company. Neither the Company nor any Group Company may cast votes in respect of a share on which the Company or such Group Company holds a right of usufruct or a right of pledge. Shares which are not entitled to voting rights pursuant to the preceding sentences will not be taken into account for the purpose of determining the number of shareholders that vote and that are present or represented, or the amount of the share capital that is present or represented at a General Meeting.

In the Shareholders Agreement, the owners of Founder Shares and Earn-Out Preference Shares have undertaken not to exercise their voting rights attached to such shares. Pursuant to and in accordance with the Articles of Association, the holders of Special Voting Shares are subjected to a suspension of rights if the Board issues a Suspension Notice (as defined in the Articles of Association) in accordance with the provisions of the Articles of Association in relation hereto.

The Warrant Holders do not have the rights or privileges of Ordinary Shareholders and any voting rights until they exercise their Warrants and receive Ordinary Shares. After the issuance of Ordinary Shares upon exercise of the Warrants, each Warrant Holder will be entitled to one vote for each Ordinary Share held of record on all matters to be voted on by Ordinary Shareholders.

At the General Meeting, resolutions are passed by a simple majority of the valid votes cast, unless Dutch law or the Articles of Association prescribe a greater majority. If there is a tie in voting, the proposal concerned will be rejected. The Board may decide that persons entitled to attend and vote at General Meetings may cast their vote electronically or by post prior to the General Meeting. The Board may determine the period during which votes may be cast in this manner, provided that the votes shall not be cast prior to the record date for the General Meeting. Votes validly cast electronically or by post rank as equal to votes validly cast at the General Meeting.

7.2.11 Amendment of the Articles of Association

Under the Articles of Association, only the General Meeting may resolve to the amendment to the Articles of Association. A proposal to amend the Articles of Association must be included in the agenda. A copy of the proposal, containing the verbatim text of the proposed amendment, must be lodged with the Company for the inspection of every shareholder (as well as every other person with meeting rights under Dutch law) until the end of the General Meeting. Any amendments that adversely affect the rights deriving from the Earn-Out Preference Shares, the Special Voting Shares, require the prior approval of the respective meeting of holders of such Shares.

It is specified that any amendment of the Special Voting Shares terms shall require approval of (i) Financière Lov (or its subsequent transferee) and (ii) the simple majority of the vote cast (excluding Financière Lov or its subsequent transferee who shall abstain from voting) in a General Meeting.

7.3 Major shareholders

7.3.1 Shareholders

The Company is controlled by Financière Lov and indirectly by the Courbit Family. The below table provides an overview of the beneficial ownership of each shareholder who owns 3% or more of the Company's share capital, effective economic rights or voting rights and also identified shareholders, parties to the Shareholder Agreement (please refer to Section 7.3.2 (Shareholders Agreement) on page 357 of the Universal Registration Document) as at 31 December 2023.

Shareholder

	Number of Ordinary Shares	Number of Founder Shares	Number of Earn-Out Preference Shares	Number of Special Voting Shares	Actual percentage of share capital and voting rights[1]	Percentage of effective economic rights[2]	Percentage of effective voting rights[3]
Financière Lov[4]	192,150,997	0	20,000,000	191,999,997	73.13%	45.40%	71.37%
Vivendi[5]	81,329,610	0	0	0	9.35%	19.21%	10.07%
SBM International	42,500,000	0	0	0	4.89%	10.04%	5.26%
Fimalac[5]	31,478,416	0	0	0	3.62%	7.44%	3.90%
De Agostini[6]	20,408,177	0	0	0	2.35%	4.82%	2.53%
Tikehau Capital	4,588,333	858,334	0	0	0.63%	1.08%	0.57%
Financière Agache	4,588,333	858,334	0	0	0.63%	1.08%	0.57%
TOTAL[7]	**377,043,866**	**1,716,668**	**20,000,000**	**191,999,997**	**94.59%**	**89.08%**	**94.27%**

(1) The percentage of share capital and voting rights is calculated as follows: (the total number of shares (across all classes of shares) held by the relevant shareholder multiplied by the respective nominal value of each share) divided by (the total number of shares (across all classes of shares) held by all shareholders multiplied by the nominal value of each share).
(2) The effective economic rights are calculated on the basis of Ordinary Shares shown under "Number of Ordinary Shares". The calculation does not include Founder Shares, Earn-Out Preference Shares or Special Voting Shares, as the Special Voting Shares, the Founder Shares and the Earn-Out Preference Shares have a minimal economic entitlement (and any amount of profit allocated to the Special Voting Shares, Founder Shares and/or Earn-Out Preference Shares pursuant to such entitlement will not be distributed to the holders thereof but added to separate dividend reserves maintained by the Company in relation to (each class of the) Special Voting Shares, Founder Shares and Earn-Out Preference Shares).
(3) The effective voting rights are calculated on the basis of the Ordinary Shares shown under "Number of Ordinary Shares" and Special Voting Shares shown under "Number of Special Voting Shares". The calculation does not include Founder Shares and Earn-Out Preference Shares. Voting rights are attached to the Founder Shares and the Earn-Out Preference Shares, but their holders have committed to not exercise any voting rights attached to these shares.
(4) Financière Lov is controlled by Lov Group Invest, a French société par actions simplifiée, whose share capital is owned by Stéphane Courbit, the founder of the Group and the Chairman of the Board, his wife and children (the "Courbit Family"). Based on an investment agreement dated 10 May 2022, which was subsequently amended on 22 June 2022, the five members of the Courbit Family acquired 10,000 Ordinary Shares each in addition to the shares that are held indirectly via Financière Lov, at a price per share of €10 for a total amount of €500,000. The Courbit Family acts in concert (handelend in onderling overleg) and is deemed to jointly have control (overwegende zeggenschap) over the Company.
(5) Vivendi and Fimalac holding 2,500,000 Ordinary Shares each (not subject to the Group's Lock-up Agreements). Fimalac also holds 8.32% of the shares in the capital of Financière Lov. The filings for Fimalac in the AFM substantial holdings register were made by Marc Ladreit de Lacharrière.
(6) The filings in the AFM substantial holdings register were made by B&D Holding SpA.
(7) The total numbers show the number of each class of shares held in aggregate by major shareholders. It does not show the total number of each class of shares issued by the Company. Furthermore, the totals show the percentage of the share capital and voting rights, the effective economic rights and the effective voting rights held in aggregate by the major shareholders. The remainder are held by the other shareholders of the Company.

Pursuant to the Dutch Financial Supervision Act, Shareholders are required to notify the AFM in the event that they acquire or lose the disposal of a capital interest and/or voting rights in the Company as a result of which their percentage of capital interest and/or voting rights in the Company reaches, exceeds or falls below one of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%. The requirement to notify the AFM also applies in the event that their percentage of capital interest and/or voting rights in the Company passively reaches, exceeds or falls below one of the thresholds due to a change in the issued share capital of and/or voting rights in the Company.

7.3.2 Shareholders Agreement

A Shareholders' Agreement in relation to the Company was entered into between Financière Lov, Vivendi, SBM International, Fimalac, De Agostini, Pegasus Acquisition Partners Holding, Geyser Investments SA, Spf, Mr Pierre Cuilleret, Mr Diego De Giorgi, Mr Jean Pierre Mustier, TAM SARL, Tikehau Capital, Bellerophon Financial Sponsor 2 SAS, Poseidon Entrepreneurs Financial Sponsor, Mr Stéphane Courbit and the Company on 30 June 2022 (the "Shareholders Agreement"). The parties to the Shareholder Agreement will consult each other prior to any General Meeting on the published draft resolutions to be submitted to the shareholders, it being specified that (i) such consultation will take place to discuss and align, where possible, the parties' view on relevant voting items and (ii) each party maintains the discretion to vote its shares as it deems fit (without prejudice to the Board composition as described below). In addition, parties have agreed Shareholder Agreement certain arrangements in respect of the composition of the Board and the committees of the Board.

Material provisions

The Shareholders Agreement also contains the following provisions regarding the transfer of the Ordinary Shares:

- **lock-up**: the lock up undertakings are described in *"Share Capital and shareholder structure—Lock-up arrangements";*
- **prohibition to sell to competitors or activists**: (i) Vivendi, Fimalac, SBM International, the Sponsors and De Agostini have agreed to undertake not to sell the shares they hold in the Company's capital (i) to a competitor group (including its significant shareholder or affiliates, it being specified that financial player (including but not limited to investment funds) not directly involved in the management of such competitor group is excluded) of the Company (or its businesses) according to an overview of competitors that is included in the Shareholders Agreement and which may be updated periodically to include possible new players or (ii) all parties to the Shareholders Agreement will undertake not to sell the shares they hold in the Company's capital to an activist according to an overview of activists that is included in the Shareholders Agreement or if the activist is an investment fund, such fund as well as any other funds advised by the same management company or any management company which is under the same control as the management company advising or managing such activist;
- **prohibition to transfer the Company's registered office**: the parties to the Shareholders Agreement have agreed that the Company's registered office or statutory seat cannot be transferred to a country other than the United States, the United Kingdom or a Member State (as defined below), unless otherwise unanimously agreed between the parties to the Shareholders Agreement;
- **orderly sale**: For the first eighteen (18) months following the Business Combination Date, each party to the Shareholders Agreement have committed to only carry out any sale of shares issued by the Company on the market in an orderly manner and only after having informed the Company of such potential sale, to limit any negative impact on the Company share price. This arrangement is subject to the lock-up undertakings and will only apply if the relevant party holds more than 1% of the economic interest in the Company's capital, except for a transfer by a party to the Shareholders Agreement of a number of Ordinary Shares up to the number of Additional Purchased Shares (as defined below) such party has acquired or subscribed for;
- **right of first offer for the benefit of Financière Lov**: Financière Lov benefits from a right of first offer in case of a transfer to an identified party (*cession de gré à gré* or through an *application*) by any of the parties to the Shareholders Agreement, except if such transfer is (i) carried out by any of the Sponsors or (ii) represents in aggregate less than 1% of the economic interest in the Company over the last twelve (12) months;
- **right of priority for the benefit of Financière Lov**: Financière Lov benefits from a priority right to purchase all or part of the Ordinary Shares that a party to the Shareholders Agreement holding more than 2% of the economic interest in the Company contemplates to transfer directly on the market or through accelerated book-build or a fully marketed offering, except if such transfer represents in aggregate less than 0.5% of the Ordinary Shares over the last twelve (12) months;
- **proportional tag along right on Financière Lov**: subject to the exceptions as set out in the Shareholders Agreement, each party to the Shareholders Agreement holding more than 5% of the economic interest in the Company shall benefit from a proportional tag along right in case of a transfer by Financière Lov of its Company's shares, such transfer resulting in Financière Lov holding less than the majority of the voting interests in the Company, to an identified third-party (*cession de gré à gré* or through an *application*) or through an accelerated book-build or a fully marketed offer, as well as any subsequent similar transfer;
- **non-compete**: customary non-compete undertaking applicable to Stéphane Courbit and Financière Lov;
- **tender offer**: the parties to the Shareholders Agreement shall not—and will cause their respective Affiliates not to—carry out, approve, direct or cause any transaction, perform any act or enter into any arrangement that may result in an obligation for any one or more of the parties or their respective Affiliates to jointly or individually make a mandatory tender offer *(openbaar bod)* on the Company as long as the Concert exists. In case of a breach of this prohibition by any party to the Shareholders Agreement the breaching party will (i) assume all consequences of such mandatory tender offer to the extent allowed under applicable law, and (ii) hold harmless the other parties to the Shareholders Agreement and each non-breaching party will have the right to terminate the Concert with respect to itself with immediate effect.

In addition, the parties to the Shareholders Agreement have agreed to not tender their shares in the Company to a tender offer not recommended by the Board as long as Financière Lov holds more than 20% of the economic interests in the Company. Should Fimalac or Vivendi subscribe in cash for Ordinary Shares on the Business Combination Date as well as any Ordinary Shares subscribed for or purchased after such date (the "Additional Purchased Shares"), such Additional Purchased Shares shall be fully excluded of the scope of the Shareholders Agreement, including not taken into account for the purpose of determining whether Fimalac or Vivendi shall benefit from any governance rights under the Shareholders Agreement, save for Fimalac or Vivendi to elect that the provisions of the Shareholders Agreement shall apply to these Additional Purchased Shares.

Board composition

In the Shareholders Agreement the parties thereto have agreed that the Board would be comprised of nine to thirteen Directors. On the First Trading Date, the Board is composed of eleven Directors, including two Executive Directors (including the chief executive officer of the Company) and nine Non-Executive Directors. The composition of the Board as of the First Trading Date is set out in "*Management, Employees and Corporate Governance—Board—Directors*" and:

the two Executive Directors (including the CEO) have been nominated by Financière Lov. Financière Lov may nominate two Executive Directors (including the CEO), which nomination shall be proposed by the Board for appointment by the General Meeting, as long as Financière Lov holds more than 20% of the economic interests in the Company; three Non-Executive Directors have been nominated by Financière Lov (including the chairman). Financière Lov may nominate three Non-Executive Directors (including the chairman), which nomination shall be proposed by the Board for appointment by the General Meeting, as long as Financière Lov holds more than 20% of the economic interests in the Company; one Non-Executive Director fulfilling the independence criteria provided by the Dutch Corporate Governance Code (as defined below) has been nominated by Financière Lov. Financière Lov may nominate one independent Non-Executive Director, which nomination shall be proposed by the Board for appointment by the General Meeting, as long as Financière Lov holds more than 20% of the economic interests in the Company; two Non-Executive Directors fulfilling the independence criteria provided by the Dutch Corporate Governance Code have been nominated by the Director Designating Sponsors. Until the date that is four calendar years after the Business Combination Date, the Director Designating Sponsors may nominate two independent Non-Executive Directors, which nomination shall be proposed by the Board for appointment by the General Meeting; two Non-Executive Directors (of which one is fulfilling the independence criteria provided by the Dutch Corporate Governance Code) have been nominated by Vivendi. Vivendi may nominate two Non-Executive Directors (of which one is independent), which nomination shall be proposed by the Board for appointment by the General Meeting, as long as Vivendi (individually or together with its affiliates) holds at least 13% of the economic interests in the Company it being specified that Vivendi shall designate for appointment an equal number of women and men. Vivendi may nominate one Non-Executive Director, which does not have to fulfil the independence criteria provided by the Dutch Corporate Governance Code or to be a particular gender, as long as Vivendi (individually or together with its affiliates) holds between 8% and 13% of the economic interests on a non-fully diluted basis in the Company. In all events, Vivendi shall retain its right to appoint one or two Non- Executive Directors for the duration of its lock-up undertaking; one Non-Executive Director fulfilling the independence criteria provided by the Dutch Corporate Governance Code has been nominated by SBM International. SBM International may nominate one Non-Executive Director, which nomination shall be proposed by the Board for appointment by the General Meeting, as long as SBM International (individually or together with its affiliates) holds more than 8% of the economic interests in the Company, it being specified that, in all events, SBM International shall retain its right to appoint one Non-Executive Director at least for the duration of its lock up undertaking; and a vice-chairman has been designated by the Board among the Non-Executive Directors fulfilling the independence criteria provided by the Dutch Corporate Governance Code, it being specified that the vice-chairman shall not have any casting vote or any other special rights.

Subject to certain exceptions as set out in the Shareholders Agreement, the parties to the Shareholders Agreement have agreed to ensure that (i) in case of an even number of Directors, the Board keeps at least 50% of the seats available for Directors fulfilling the independence criteria provided by the Dutch Corporate Governance Code and the seats available for Directors will be equally divided between women and men (whilst always complying with Dutch law); and (ii) in case of an odd number of Board members, the 50% and gender neutrality thresholds shall be reduced to the lower whole number.

The parties to the Shareholders Agreement have further agreed that if any of Financière Lov, Vivendi, the Director Designating Sponsors and SBM International, respectively, no longer meets the conditions set forth in the Shareholders Agreement to designate one or more candidates for appointments as Directors by the General Meeting, each of one Financière Lov, Vivendi, the Director Designating Sponsors or SBM International, as the case may be, shall respectively be entitled, for as long as they individually (or together with their respective affiliates) hold more than 5% of the economic interest in the Company, to designate one Board observer (without any voting rights),which will be allowed to be present at each meeting of the Board, but will not have any voting rights.

Board committees

In the Shareholders Agreement the parties thereto have also agreed to the implementation of two Board committees comprised of Non-Executive Directors only: the Audit Committee; and the HR & ESG Committee. Please refer to Chapter 4 (Corporate Governance) on page 149 for more details.

Termination

The Shareholders Agreement and the Concert, co-existing with the Courbit Family concert, will terminate (i) after 20 calendar years from the date of the Shareholders Agreement or (ii) if all parties thereto in aggregate hold less than 30% of the voting rights in the General Meeting. Furthermore, any party (other than a Sponsor) shall be free to terminate the Shareholders Agreement (and the Concert) should it hold less than 1% of the economic interest in the Company.

Governing law and jurisdiction

The Shareholders Agreement is governed by and construed in accordance with the laws of the Netherlands, excluding its conflict of laws principles. The competent court in Amsterdam, the Netherlands, has exclusive jurisdiction, in first instance, over any dispute that may arise in connection with or resulting from the validity, construction or performance of the Shareholders Agreement, whether contractual or non-contractual.

CHAPTER

08/

OTHER INFORMATION

8.1 Information incorporated by reference

In accordance with Article 19 of Regulation (EU) 2017 / 1129 of 14 June 2017, this Universal Registration Document contains the following information by reference:

- the Consolidated Financial Statements for the year ended 31 December 2022 prepared in accordance with IFRS and with Part 9 of Book 2 of the Dutch Civil Code and the accompanying Independent Auditor's report;
- the Combined Financial Statements for the years ended 31 December 2021, 31 December 2020 and 31 December 2019 prepared in accordance with IFRS and the accompanying Independent Auditor's report. Those Combined Financial Statements have been included in the Prospectus that had been approved by the AFM on 1 July 2022;
- the Articles of association;
- the Warrant T&Cs.

8.2 Person responsible

8.2.1 Person responsible for the Universal Registration Document and the Annual Financial Report

FL Entertainment, represented by Mr François Riahi, Chief Executive Officer.

8.2.2 Declaration by the person responsible for the Universal Registration Document and the Annual Financial Report

"I declare that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and that the registration document makes no omission likely to affect its import.

I certify, to my knowledge, that the financial statements are drawn up in accordance with the applicable accounting standards and give a faithful picture of the assets, financial position and results of the Company and of all the companies included in the consolidation, and that the information included in this Universal Registration Document that falls within the Management report of the Board of Directors of this Universal Registration Document presents a faithful picture of the evolution of the business, the results and financial position of the Company and all the companies included in the consolidation and a description of the main risks and uncertainties they face."

Paris, 28 March 2024

Mr François Riahi, Chief Executive Officer

8.3 Documents available to the public

Subject to any applicable securities laws, copies of the following documents will be available and can be obtained free of charge from the Company's website (https://www.flentertainment.com) from the date of this Universal Registration Document until at least 12 months thereafter:

- the Prospectus here;
- the Articles of Association (in English) here;
- the SVS Terms here;
- the Board Rules here;
- the Remuneration policy here;
- the Warrant T&Cs here;
- the Consolidated Financial Statements for the year ended 31 December 2022, prepared in accordance with IFRS and with Part 9 of Book 2 of the Dutch Civil Code and the accompanying Statutory Auditors' report here; and
- the Combined Financial Statements for the years ended 31 December 2021, 31 December 2020 and 31 December 2019 prepared in accordance with IFRS and the accompanying Statutory Auditors' report here.

8.4 Profit appropriation section

Provisions in the Articles of Association relating to profit appropriation

Article 28.2 of the Articles of Association states that if the adopted Annual Accounts show a profit, the General meeting shall determine which part of the profits shall be reserved.

According to Article 28.3, out of the profits remaining after a reservation as referred to in Article 28.2, if any, shown in the adopted Annual Accounts:

1. First, an amount equal to one tenth per cent (0.1%) of the nominal value of each Earn-Out Preference share A, each Earn-Out Preference Share B and each Earn-Out Preference Share C than outstanding shall be added to the dividend reserves for Earn-Out Preference Shares A, B and C respectively, as described in Article 27.4;
2. Secondly, an amount equal to one tenth percent (0.1%) of the nominal value of each Founder Share shall be added to the dividend reserve for Founder Shares as described in Article 27.4;
3. Thirdly, an amount equal to one tenth per cent (0.1%) of the nominal value of each Special Voting Share A and each Special Voting Share B shall be added to the Special Voting Shares A dividend reserve and the Special Voting Shares B dividend reserve, respectively, each as described in Article 27.4; and
4. Finally, any profits remaining thereafter shall be at the disposal of the General Meeting for distribution to the holders of Ordinary Shares in proportion to the aggregate nominal value of their Ordinary Shares.

For the avoidance of doubt, the Earn-Out Preference Shares, the Special Voting Shares and the Founder Shares shall not carry any entitlement to profits other than as described in this article.

8.5 Independent Auditor's report

Report on the audit of the financial statements 2023 included in the Universal Registration Document

Our opinion

We have audited the financial statements 2023 of FL Entertainment N.V. based in Amsterdam, the Netherlands.

In our opinion the accompanying financial statements give a true and fair view of the financial position of FL Entertainment N.V. as at 31 December 2023 and of its result and its cash flows for 2023 in accordance with International Financial Reporting Standards as adopted in the European Union (EU-IFRSs) and with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- the consolidated and company only statement of financial position as at 31 December 2023;
- the following statements for 2023: the consolidated and company only statements of income, comprehensive income, changes in equity and cash flows;
- the notes comprising material accounting policy information and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements Section of our report.

We are independent of FL Entertainment N.V. (the company) in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

OUR UNDERSTANDING OF THE BUSINESS

FL Entertainment N.V. together with its subsidiaries (together, the group) is a global entertainment group combining two complementary business lines in digital entertainment market segments. The production and television programme distribution business is operated through the Banijay Group Holding and its subsidiaries ('Banijay'); and the online sports betting and gaming business is operated through the BetClic Everest Group and its subsidiaries ('Betclic'). The group draws on four strategic pillars to fulfil its ambition to become the leader in global entertainment, one of which is maximizing growth by seizing merger and acquisition opportunities. We tailored our group audit approach accordingly.

We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

MATERIALITY

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality	€15 million (2022: €13 million)
Benchmark applied	2% of Adjusted EBITDA, as defined in note 4.1 "Adjusted EBITDA" to the consolidated financial statements
Explanation	We consider Adjusted EBITDA as the most appropriate benchmark as it is a key-element in evaluating the results of the company compared to other companies that operate within the same industry

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Audit Committee appointed by the Board of Directors from its Non-Executive Directors (hereinafter: the Audit Committee) that misstatements in excess of €0.7 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

SCOPE OF THE GROUP AUDIT

FL Entertainment N.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or on specific items.

Our group audit mainly focussed on significant group entities of Banijay and Betclic, being significant by size or entities with a significant risk attached. The audits of all entities in scope are performed by auditors from the EY Global member firms, operating under our coordination and supervision, except for bet-at-home.com AG that is audited by another audit firm.

In total the scope of our audit procedures covered 79% of total consolidated revenue, 86% of total consolidated assets and 85% of total consolidated EBITDA and all adjustments to EBITDA. The remaining 21% of revenues, 14% of total assets and 15% of total EBITDA result from entities, none of which individually represents more than 2% of revenues or 3% of EBITDA. For those entities, we performed, amongst others, analytical procedures to corroborate our assessment that the financial statements are free from material misstatements.

By performing the procedures mentioned above at components of the group, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the consolidated financial statements.

TEAMING AND USE OF SPECIALISTS

We ensured that the audit teams both at group level and at component levels included the appropriate skills and competences which are needed for the audit of a listed client in the entertainment and gambling industry. Team members with specialised knowledge regarding IT, tax and forensics were part of the team. Furthermore, we involved our own IFRS, actuarial and valuation specialists to assist the audit team.

OUR FOCUS ON CLIMATE RISKS AND THE ENERGY TRANSITION

Climate change and the energy transition are high on the public agenda. Issues such as CO_2 reduction impact financial reporting, as these issues entail risks for the business operation, or the sustainability of the business model and access to financial markets of companies with a larger CO_2 footprint. The Board of Directors reported in the section 02 "ESG Report: Statement on non-financial information" of the universal registration document how the company is addressing climate-related and environmental risks. As mentioned in section 2.4 'Environmental considerations' of the universal registration document, the environment-related ESG challenges (such as carbon impact of products and office-based activities, or waste management) weren't deemed as material, but they are becoming increasing priorities, with rising stakeholders' awareness.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and the possible effects of the energy transition are taken into account in estimates and significant assumptions as well as in the design of internal controls related to relevant estimates and assumptions. Furthermore, we read the universal registration document and considered whether there is any material inconsistency between the non-financial information in section 02 and the financial statements.

Based on the audit procedures performed, we do not deem climate-related risks to have a material impact on the financial reporting judgements, estimates or significant assumptions as at 31 December 2023.

OUR FOCUS ON FRAUD AND NON-COMPLIANCE WITH LAWS AND REGULATIONS

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. 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.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and the Board of Directors' process for responding to the risks of fraud and monitoring the system of internal control, as well as the outcomes. We refer to section 03 'Risk factors' of the universal registration document for the Board or Directors' (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, the whistleblower policy and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all companies. For these risks we performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 2.4 'Significant assumptions and estimates' to the consolidated financial statements. We have also used data analysis to identify and address high-risk journal entries and we evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

Additionally, in order to respond to the identified risk of management override of controls with the intention to improve (Adjusted) EBITDA, we specifically examined all adjustments in reported EBITDA and examined and challenged changes in estimations.

When identifying and assessing fraud risks, we presumed that there are risks of fraud in revenue recognition as management has the opportunity to accelerate production revenues by manipulating the timing of delivery of productions to the clients or by recognizing fictious revenue. We considered among others the company's revenue targets and their realization. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk, including the following audit procedures: examining contracts entered into during the year, verification of acceptance of productions by the customer and detailed gross margin analysis on production level and agreeing revenue amounts to underlying contracts.

We considered available information and made enquiries of relevant executives, internal audit, legal, compliance, divisional management and the Board of Directors.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the Board of Directors, reading minutes, inspection reports from the internal audit and compliance reports, and performing substantive tests of details of classes of transactions, account balances or disclosures.

We identified the following risk of non-compliance and performed the following specific procedures:

Presumed risk of non-compliance with anti-money laundering and responsible gaming legislation

Risk	FL Entertainment's online sports betting and gaming business in Europe, mainly represented by Betclic, highly depends on its gambling licences. As such, Betclic is required to have a robust control framework regarding anti-money laundering and countering the financing of terrorism (AML-CFT) and know your customer processes (KYC) as well as a robust control framework safeguarding fair and responsible gaming (RG). Should Betclic not comply with the requirements of its gambling licences, enforcement actions can be initiated by the relevant licensing or regulatory authorities. In identifying and assessing risks, we considered the risks of non-compliance with the requirements of its gambling licences as a result of shortcomings to implement (IT-) controls regarding AML-CFT and KYC RG to be an inherent risk. We refer to the discussion of non-compliance risks in section 3.1.3 'Risks relating to the Group's Online sports betting & gaming business' of the section 03 'Risk factors' of the universal registration document.
Our audit approach	We performed the following specific audit procedures responsive to the risks identified, amongst others. These audit procedures have been designed and performed in conjunction with our own forensic specialists: • evaluating the tone set by the Board of Directors as well as the company's approach in managing this risk; • evaluating the overall control environment and the company's policies and AML-CFT, KYC and RG procedures; • evaluating the design and implementation of the control framework related to AML-CFT, KYC and RG; • inspecting the correspondence with relevant licensing or regulatory authorities • evaluating the reports of the monitoring and incidents reporting system of the group.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

OUR AUDIT RESPONSE RELATED TO GOING CONCERN

As disclosed in section 2.6 'Going concern' in note 2 'Basis of preparation' to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the Board of Directors made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the Board of Directors exercising professional judgment and maintaining professional skepticism. We considered whether the Board's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company'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 financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. 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 a company to cease to continue as a going concern.

OUR KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Audit Committee. The key audit matters are not a comprehensive reflection of all matters discussed.

The key audit matter "Accounting for the merger of FL Entertainment with the special purpose acquisition company Pegasus" which was included in our last year's auditor's report, is not considered a key audit matter for this year as it related to a one-off transaction in 2022.

In comparison with previous year, a new key audit matter "Valuation and accounting acquisitions of Balich Wonder Studios, Beyond and the investment in The Independents" has been defined.

Valuation and accounting acquisitions of Balich Wonder Studios, Beyond and the investment in The Independents.

Risk	During the year, three sizeable acquisitions have been undertaken by the Company. At the end of December 2022, Banijay acquired 100% of Beyond International in Australia. As a late acquisition, the investment in Beyond was presented as non-consolidated shares as of December 2022. From January 2023, Beyond is consolidated in the financial statements. In September 2023, the Company acquired a 52% controlling stake in Balich Wonder Studio. In June 2023, the Company acquired a minority share in The Independents Group (TIL Group), with put and call mechanisms which give the Company rights to acquire additional shares in K10 (the holding company of the TIL Group) and to get control of TIL Group in 2026. In the event Banijay Events does not exercise its call option, the founders of the TIL Group might exercise a call option which entitles them to require Banijay Events to sell them all the securities held by Banijay Events or FLE in K10. The Balich Wonder Studios and Beyond transactions are accounted for as business combinations. The investment in TIL Group is accounted as a financial asset measured at fair value. Considering the inherent complexities associated with business combinations, the significant judgements and estimates involved in determining the fair values of the identifiable assets acquired and liabilities assumed and the significance of the values involved, we considered this to be a key audit matter. Reference is made to the disclosures in Note 3.1 'Significant events that occurred in 2023' , Note 16 'Investments in entities accounted for under the equity method' and Note 12 'Goodwill' to the consolidated financial statements.
Our audit approach	Our audit procedures included, but were not limited to: • obtaining an understanding of the group's internal control relevant to acquisitions and business combinations • inspecting the purchase and investment agreements to gain an understanding of the structure and conditions of the transactions • auditing the accounting entries, assisted by our IFRS specialists, related to the transactions and assessment of the applicable accounting treatments in line with the purchase and investment agreements. Our procedures specifically relating to the investments in Balich Wonder Studio's and Beyond that were accounted for as business combinations, include amongst others: • evaluating the appropriateness of the accounting treatment of the various transactions in accordance with IFRS 3 'Business Combinations' and IFRS 2 'Share-based payment'; • challenging the appropriateness of the methods, assumptions and estimates used by management in identifying and valuing the assets and liabilities acquired in the business combination; • engaging our valuation experts in evaluating management's expert reports and corroborating key assumptions, verifying of the valuation of the library of Beyond Distribution. Our procedures specifically relating to the investments in TIL Group that was accounted as a financial asset measured at fair value, include amongst others: • evaluating the appropriateness of the accounting treatment of each financial instrument in accordance with IFRS 9 'Financial Instruments'; • engaging our valuation experts in evaluating management's expert reports and corroborating key assumptions, verifying of the valuation of call and put options for the TIL Group. Finally, we evaluated the related disclosures in the financial statements in and whether significant judgments are disclosed in accordance with EU-IFRSs.
Key observations	Based on procedures performed, we concluded that the accounting of the transactions and the related disclosures are adequate and in accordance with EU-IFRSs.

Valuation of goodwill

Risk	At 31 December 2023, the carrying amount of goodwill amounts to 2,834 million, approximately 49% of total assets. As disclosed in note 12 'Goodwill' management performed the annual impairment tests for goodwill, not resulting in an impairment for goodwill. The impairment test is performed by comparing the recoverable amount of each cash generating unit (CGU) or, if necessary, group of CGUs with the carrying value of the corresponding assets. These tests are carried out with discount rates specific for each division. We consider the valuation of goodwill a key audit matter due to (i) the significance of the amount recognised in the financial statements, (ii) the judgement required to determine the CGUs, and (iii) the estimates and assumptions used to determine the recoverable value, most often based on the financial projections derived from budgets that are subjective in nature and preparing these projections requires considerable judgment. Reference is made to the disclosures on Note 2.5 'Main Accounting Policies' and Note 12 'Goodwill' to the consolidated financial statements.
Our audit approach	Our audit procedures included, amongst others: • evaluating that the accounting policy for impairments of goodwill is in accordance with IAS 36 'Impairment of Assets'; • obtaining an understanding of the group's internal control relevant to impairment test for goodwill • evaluating the goodwill impairment model; • evaluating the key assumptions underlying the cash flows based on budget 2024 and business plan at the level of individual programs as well as at group level; • evaluating management's outlook in the explicit period, in particular around forecasted revenues and EBITDA's as well as the long-term growth rate as approved by the Board of Directors; • review of the outcome or re-estimation of previous accounting estimates related to revenues and EBITDA (retrospective review); • assisted by our own specialist, assessing of the discount rate calculations are based on an appropriate methodology taking into account the correct market derived information; • performing independent sensitivity analyses. Finally, we evaluated the related disclosures in the financial statements and whether significant judgments are disclosed and adequately convey the degree of estimation uncertainty in accordance with EU-IFRSs.
Key observations	We consider the method applied for valuation of goodwill is adequate and that the assumptions and the chosen valuation basis and accounting method are acceptable. We have determined that the disclosures are in accordance with EU-IFRSs and that the inherent uncertainty has been adequately disclosed.

Employee benefits under IFRS 2

Risk	The Group issued employee benefit long-term incentive plans (LTIP) to key personnel based on their respective contribution to the value creation of their entity and the group during a defined period, in accordance with formulas mostly based on operating KPI (such as Adjusted EBITDA, Net Profit After Tax or based on the fair value of the relevant business unit). Some of them are settled in shares the others are settled in cash. Depending on the plans' terms and conditions, those transactions are recognised in accordance with IFRS 2 (cash-settled share-based payment) or IAS 19 'Employee Benefits' (long-term incentives). These plans are subject to service conditions. As part of its acquisition strategy, the group often enters into an employment agreement with the managers and creative talents and/or service agreement with the acquiree, pursuant to the closing. Share purchase agreements with the acquiree may also specify contingent restrictions on the acquisition price, on the potential earn-outs or on the remaining minority interest options in case of early departure of the managers. These contingent consideration arrangements aim at compensating former management of the business acquired for future services and shall be recognised as a separate transaction as required by IFRS 3. Depending on the description of the consideration, those transactions are recognised in accordance with IFRS 2 (cash-settled share-based payment) or IAS 19 (long-term incentives). The Group measures the LTIP liability at fair value at the closing date using the same calculation methodology as at the previous closing and based on: • updated budget forecasts based on the budget and the business plan adopted as part of the impairment tests; • assumptions used in determining the fair value of the relevant business unit or entity, such as the discount rate (9.5% for Banijay and 9.9% for Betclic) and the discounts in connection with the contractual clauses of good and bad leaver updated compared to the previous closing. We consider the valuation of employee benefits LTIPs a key audit matter due to the (complex) contracts that impact the accounting complexity and the fact that the valuation is affected by subjective elements as budget forecasts and assumptions used in determining the fair value of the relevant business unit or entity. Reference is made to Note 7.2 'Employee benefits long-term incentive plans' to the consolidated financial statements.

Employee benefits under IFRS 2

Our audit approach	Our audit procedures included, amongst others: • evaluating that the accounting policy for the employee benefits LTIPs is in accordance with IFRS 2 or IAS 19; • obtaining an understanding of the group's internal control relevant to accounting and valuation of the LTIPs; • inspecting new entities acquisitions contracts to conclude whether they include long-term incentive agreements with managers or creative talents; • assessing management's accounting treatment applied in accordance with applicable accounting standard; • evaluating the basis of the valuation of the LTIP and challenging the underlying assumptions as budget forecasts and the discount rate used in determining the fair value of the relevant business unit or entity; • assisted by our own specialist, assessing of the discount rate calculations are based on an appropriate methodology taking into account the correct market derived information; • review the fair value of the share of the relevant business unit or entity for the schemes linked to it; • review of the outcome or re-estimation of previous accounting estimates related to revenues and EBITDA (retrospective review); • checking the calculation of the employee benefits LTIP calculations. Finally, we evaluated the related disclosures in the financial statements and whether significant judgments are disclosed and adequately convey the degree of estimation uncertainty in accordance with EU-IFRSs.
Key observations	We consider the assumptions and the chosen valuation basis and accounting method for determining the valuation of employee benefits under IFRS 2 acceptable. We have determined that the disclosures are in accordance with EU-IFRSs and that the inherent uncertainty has been adequately disclosed.

Report on other information included in the universal registration document

The universal registration document contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub-Section 2 of the Dutch Civil Code for the remuneration report.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code, other information as required by Part 9 of Book 2 of the Dutch Civil Code and for ensuring that the remuneration report is drawn up and published in accordance with Sections 2:135b and 2:145 sub-Section 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the Board of Directors as statutory auditor of FL Entertainment N.V. on 22 September 2022 as of the audit for the year 2022 and have operated as statutory auditor ever since that date.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Reporting Format (ESEF)

FL Entertainment N.V. has prepared the universal registration document in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the universal registration document, prepared in the XHTML format, including the partially marked-up consolidated financial statements, as included in the reporting package by FL Entertainment N.V., complies in all material respects with the RTS on ESEF.

The Board of Directors is responsible for preparing the universal registration document, including the financial statements, in accordance with the RTS on ESEF, whereby the Board of Directors combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the universal registration document in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:

- obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package;
- identifying and assessing the risks that the universal registration document does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF,
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRSs and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the shareholders either intend to liquidate the company or to cease operations or have no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Audit Committee is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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 financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The 'Information in support of our opinion' Section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included, amongst others:

- performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion;
- obtaining 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 the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures;
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION

We communicate with the Audit Committee and the Board of Directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the Audit Committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Audit Committee 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, related safeguards.

From the matters communicated with the Audit Committee, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 28 March 2024

Ernst & Young Accountants LLP

Signed by J.J. Vernooij

TABLES OF CONCORDANCE AND GLOSSARY

Cross-reference table with Annex 1 to the Commission Delegated Regulation (EU) 2019 / 980

The table below identifies in this document the information mentioned by the different headings of the Universal Registration Document.

Information		Chapters	Pages
1	**Persons responsible, third party information, experts' reports and competent authority approval**		
1.1	Persons responsible for the information	8.2.1	362
1.2	A declaration by those responsible for the universal registration document	8.2.2	362
1.3	A statement or report attributed to a person as an expert	n/a	n/a
1.4	Information sourced from a third party	5.2.2	176-177
1.5	A statement that the universal registration document has been approved by the competent authority	n/a	1, 5
2	**Statutory auditors**		
2.1	Names and addresses of the issuer's auditors (together with their membership in a professional body)	8.5	364
2.2	If auditors have resigned, been removed or have not been re-appointed, indicate details if material.	n/a	n/a
3	**Risk factors**	3	107-148
4	**Information about the issuer**		
4.1	The legal and commercial name of the issuer	7.1	338
4.2	The place of registration of the issuer, its registration number and legal entity identifier ('LEI')	7.1	338
4.3	The date of incorporation and the length of life of the issuer	7.1	338
4.4	The domicile and legal form of the issuer, the legislation under which the issuer operates	7.1	338
5	**Business review**		
5.1	Principal activities	1.1	23-29, 42-45
5.2	Principal markets	1.1	30-40, 46-47
5.3	The important events in the development of the issuer's business	1.1	23-24, 42
5.4	Strategy and objectives	1.2	56-57, 58-59
5.5	Summary information regarding the extent to which the issuer is dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes	1.1, 5.4	40-41, 46-47, 49, 213-215
5.6	The basis for any statements made by the issuer regarding its competitive position	1.3	60
5.7	Investments		
5.7.1	*A description, (including the amount) of the issuer's material investments*	5.3.6	211
5.7.2	*A description of any material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments (home and abroad)*	5.3.5	211
5.7.3	*Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses*	5.2.3	178-179
5.7.4	*A description of any environmental issues that may affect the issuer's utilisation of the tangible fixed assets*	*2.4*	95-96
6	**Organisational structure**		
6.1	A brief description of the group	1.1	22
6.2	A list of the issuer's significant subsidiaries	1.1, 6.1.6	22, 296-311

Information		Chapters	Pages
7	**Operating and financial review**		
7.1	Financial condition		
7.1.1	*A fair review of the development and performance of the issuer's business and of its position for each year*	5.1, 5.2	174-196
7.1.2	*The review shall also give an indication of the issuer's likely future development and its activities in the field of research and development*	*1.2*	51-59
7.2	Operating results		
7.2.1	*Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer's income from operations*	5.1, 5.2	174-196
7.2.2	*Where the historical financial information discloses material changes in net sales or revenues, provide a narrative discussion of the reasons for such changes*	5.2.6, 5.2.7	185-186, 187-196
8	**Capital resources**		
8.1	Information concerning the issuer's capital resources	5.3	197-212
8.2	An explanation of the sources and amounts of and a narrative description of the issuer's cash flows	5.3.1	197-200
8.3	Information on the borrowing requirements and funding structure of the issuer	5.3.2	201-210
8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	5.3.2	201-210
8.5	Information regarding the anticipated sources of funds needed to fulfil commitments	n/a	n/a
9	**Regulatory environment**		
9.1	Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	1.4	61-64
10	**Trend information**		
10.1	A description of: (a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last Financial Year to the date of the universal registration document; (b) any significant change in the financial performance of the group	5.2.3	178-182
10.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current Financial Year	5.2.3	178-182
11	**Profit forecasts or estimates**	1.2.1.3	53-55
12	**Administrative, management and supervisory bodies and senior management**		
12.1	Information on administrative, management and supervisory bodies and senior management	4.2, 4.3	153-165
12.2	Administrative, management and supervisory bodies and senior management conflicts of interests	4.2.2.6, 5.4.1, 7.2.8	162-163 213-214, 350-352
13	**Remuneration and benefits**		
13.1	The amount of remuneration paid and benefits in kind granted	4.5	168-171
13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits	4.5	168-171
14	**Board practices**		
14.1	Date of expiration of the current term of office	4.2.2.5	155-161
14.2	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer	4.5	168-171
14.3	Information about the issuer's Audit Committee and remuneration committee	4.2.2.6	162-163
14.4	A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer	4.1	152
14.5	Potential material impacts on the corporate governance, including future changes in the Board and committees composition	n/a	n/a

Information		Chapters	Pages
15	**Employees**		
15.1	Number of employees	2.2	73
15.2	Shareholdings and stock-options	4.5	168-171
15.3	Description of any arrangements for involving the employees in the capital of the issuer	6.1.6	251-252
16	**Major shareholders**		
16.1	Shareholders holding more than 5% of the capital	7.3	356
16.2	Whether the issuer's major shareholders have different voting rights, or an appropriate statement to the effect that no such voting rights exist	7.3	356
16.3	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom	7.3	356-359
16.4	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	n/a	n/a
17	**Related party transactions**		
17.1	Details of related party transactions	5.4.1	213-214
18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information	6	217-335
18.2	Interim and other financial information	n/a	n/a
18.3	Auditing of historical annual financial information	8.5	364-371
18.4	Pro forma financial information	n/a	n/a
18.5	Dividend policy	1.2.1.4	55
18.6	Legal and arbitration proceedings	3.4	146-148
18.7	Significant change in the issuer's financial position	5.5	216
19	**Additional information**		
19.1	Share Capital		
19.1.1	*The amount of issued capital, and for each class of share capital*	7.2	339-340
19.1.2	*If there are shares not representing the capital, state the number and main characteristics of such shares*	n/a	n/a
19.1.3	*The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer*	7.2.7	350
19.1.4	*The amount of any convertible securities, exchangeable securities or securities with Warrants*	7.2	339-355
19.1.5	*Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital*	7.2	339-355
19.1.6	*Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options*	5.4	213-214
19.1.7	*A history of share capital, highlighting information about any changes, for the period covered by the historical financial information*	7.2.2	340
19.2	Memorandum and Articles of Association		
19.2.1	*The register and the entry number therein, and a brief description of the issuer's objects and purposes*	7.1	336
19.2.2	*Where there is more than one class of existing shares, a description of the rights, preferences and restrictions attaching to each class*	7.2	339-355
19.2.3	*A brief description of any provision of the issuer's Articles of Association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer*	n/a	n/a
20	**Material contracts**	5.4.2	214-215
21	**Documents available**	8.3	363

Cross-reference table with Annex 2 to the Commission Delegated Regulation (EU) 2019 / 980

Reference table in accordance with Annex 2 of Commission Regulation (EU) 2017/1129

Information		Chapters	Pages
1.1	Disclosure requirements for the registration document for equity securities laid down in Annex 1	n/a	371-373
1.2	Statement that the URD may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by amendments, if applicable, and a securities note and summary approved in accordance with Regulation (EU) 2017/112	Foreword	1

Cross-reference table with the Annual Financial Report

The Universal registration Document also concerns the Annual Financial Report within the meaning of 5:25c(2) of the Dutch Financial Supervision Act

Information		Chapters	Pages
1	**Declaration by the individuals responsible for the Annual Financial Report**	8.2	362
2	**Management report**	Group overview – Highlights of the year, 1, 2, 3, 4.1, 4.2, 4.3, 5, 6.1.6 note 26 *(for the financial risk management)*,7	10-17, 18-19, 21-64, 65-106,107-152-165, 173-216, 287-289, 337-359
3	**Financial statements and independent auditor's report**		
3.1	Company only Financial statements	6.2	312-336
3.2	Consolidated financial statements	6.1	218-311
3.3	Independent auditors' report on the financial statements	8.5	364-371

Glossary

This Universal Registration Document is published in English only. Definitions used in this Universal Registration Document are defined below:

2020 Banijay Facilities B	the 2020 Banijay Facility B (EUR) and 2020 Banijay Facility B (USD).
2020 Banijay Facility B (EUR)	the euro-denominated term loan in an aggregate principal amount of €453 million made available pursuant to 2020 Banijay Senior Facilities Agreement.
2020 Banijay Facility B (USD)	the US dollar-denominated term loan in an aggregate principal amount of €415.9 million (equivalent) made available pursuant to 2020 Banijay Senior Facilities Agreement.
2020 Banijay RCF	a revolving credit facility in a principal amount of €170 million made available pursuant to 2020 Banijay Senior Facilities Agreement.
2020 Banijay Senior Facilities Agreement	the senior secured credit facilities entered into on 7 February 2020, by and among, inter alios, Banijay Group SAS as topco, Banijay Entertainment SAS, as company, the original lenders (as named therein), U.S. Bank National Association as agent and Elavon Financial Services DAC as security agent, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time, pursuant to which the (i) euro-denominated term loan in an aggregate principal amount of €453 million, (ii) the US dollar-denominated term loan in an aggregate principal amount of $415.9 million (equivalent) and (iii) the €170 million (equivalent) senior secured revolving credit facility have been made available to the borrowers by the lenders.
2020 Banijay Senior Notes	the €400 million senior unsecured notes issued by Banijay Group SAS on 11 February 2020, maturing on 1 March 2026.
2020 Banijay Senior Secured Notes or 2020 Banijay SSN	the €575 million senior secured notes and the $403 million senior secured notes issued by Banijay Entertainment SAS on 11 February 2020, reimbursed through the issuance of the 2023 Banijay Senior Secured Notes.
2020 Betclic Group Senior Credit Facility Agreement Tranche A	the senior secured credit facility entered into on 23 June 2020, by and among, inter alios, Betclic Group SAS as borrower, Betclic as parent and Guarantor, Mangas Lov as Guarantor, BNP Paribas, Natixis and Société Générale as mandated lead arrangers and Société Générale as agent and security agent and Natixis as documentation agent as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time, pursuant to which the euro-denominated term loan in an aggregate principal amount of €165 million has been made available by the lenders to the borrower.
2023 Banijay Facilities B1	the 2023 Banijay Facility B (EUR) and 2023 Banijay Facility B (USD).
2023 Banijay Facility B1 (EUR)	the 2020 Banijay Facility B (EUR) as extended under 2023 Banijay Senior Facilities Agreement, together with the new euro-denominated term loan in an aggregate principal amount of €102 million made available pursuant to 2023 Banijay Senior Facilities Agreement.
2023 Banijay Facility B1 (USD)	the 2020 Banijay Facility B (USD) as extended under 2023 Banijay Senior Facilities Agreement, together with the new US dollar-denominated term loan in an aggregate principal amount of $110 million (equivalent) made available pursuant to 2023 Banijay Senior Facilities Agreement.
2023 Banijay RCF	the 2020 Banijay RCF as amended by 2023 Banijay Senior Facilities Agreement, resulting in a 3 years maturity extension to September 2027 at EURIBOR + 3.75%.
2023 Banijay Senior Facilities Agreement	the agreement entered into on 25 April 2023 by and among, inter alios, Banijay Group SAS, Banijay Entertainment SAS and Banijay Group US Holding Inc., as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time, resulting in (i) a 3-year extension of the 2020 Banijay Facilities B maturities until March 2028 under the 2020 Banijay Senior Facilities Agreement, as further amended and restated and (ii) in an extension of the maturity of its €170 million 2020 Banijay RCF by 3 years to September 2027; and (iii) pursuant to which (x) a new euro-denominated term loan in an aggregate principal amount of €102 million and (y) a new US dollar-denominated term loan in an aggregate principal amount of $110 million (equivalent) have been made available to the borrowers by the lenders.
2023 Banijay Senior Secured Notes or **2023 Banijay SSN**	the €540 million senior secured notes and $400 million senior secured notes issued by Banijay Entertainment SAS on 19 September 2023 maturing on 1 May 2029.
2023 Betclic Group Senior Credit Facility Agreement	the 2020 Betclic Group Senior Credit Facility Agreement Tranche A and he 2023 Betclic Group Senior Credit Facility Agreement Tranche B.
2023 Betclic Group Senior Credit Facility Agreement Tranche B	the amendment of 2020 Betclic Group Senior Credit Facility Agreement Tranche A entered on 22 May 2023, by and among, inter alios, Betclic Group SAS as borrower, FL Entertainment as Guarantor, BNP Paribas, Natixis, Société Générale, Crédit Agricole Corporate and Investment Bank, Crédit Lyonnais, Goldman Sachs Bank Europe as mandated lead arrangers, Société Générale as agent and security agent and Natixis as documentation agent as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time, pursuant to which the Tranche B euro-denominated term loan in an aggregate principal amount of €150 million has been made available by the lenders to the borrower.

2023 FLE RCF	the multicurrency revolving facility agreement entered into on 1 August 2023 by and among, inter alios, FL Entertainment as borrower, BNP Paribas, Deutsche Bank Aktiengesellschaft, Goldman Sachs Bank Europe SE and Natixis as mandated lead arrangers, and Natixis as agent, security agent and documentation agent as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time, pursuant to which a revolving credit facility in a principal amount of €50 million (equivalent) has been made available by the lenders to the borrower.
Adjusted Cash Conversion	Adjusted Free Cash Flow divided by Adjusted EBITDA
Adjusted EBITDA	the Operating Profit for that period excluding restructuring costs and other non-core items, costs associated with the LTIP and employment related earn-out and option expenses, and depreciation and amortisation (excluding D&A fiction).
Adjusted EBITDA Forecasts	the Adjusted EBITDA Forecasts refer to Adjusted EBITDA forecast for 2024 for Banijay Group, Betclic Everest Group and the Group.
Adjusted EBITDA Margin	Adjusted EBITDA for a certain period as a percentage of revenue for that period
Adjusted Free Cash Flow	Adjusted EBITDA adjusted for purchase and disposal of property plant and equipment and of intangible assets and cash outflows for leases that are not recognised as rental expenses
Adjusted Net Income	net income (loss) adjusted for restructuring costs and other non-core items, costs associated with the LTIP and employment related earn-out and option expenses and other financial income
ADM	Agenzia delle Dogane e dei Monopoli
AFJEL	The French Association of Online Games the *(Association française des jeux en ligne)*
AFM	the Dutch Authority for the Financial Markets *(Stichting Autoriteit Financiële Markten)*
AML	laws aimed at preventing money laundering
ANJ	The French National Gaming Authority *(Autorité nationale des jeux)*
Annual Accounts	The annual accounts referred to in Article 2:361 DCC
Annual Financial Report	The Annual Financial Report within the meaning of 5:25c(2) of the Dutch Financial Supervision Act
Articles of Association	the Articles of Association of the Company
ATAD	Directive 2016/1164/EU (as amended from time to time)
ATAD 2	Directive 2017/952/EU
ATAD 3	a proposal published by the European Commission on 22 December 2021 for a directive laying down rules to prevent the misuse of shell entities for improper tax purposes and amending Directive 2011/16/EU
Audiovisual Media Services Directive	Directive 2010/13/EU (as amended by Directive 2018/1808/EU)
Audit Committee	The Audit and Risk Committee of the Company
AVOD	Advertising-based Video on Demand
Banijay	Banijay Group Holding SAS, a French joint stock company *(société par actions simplifiée)* duly organised and existing under the laws of France, having its business address at 5 rue François 1er, 75008 Paris, France, registered under number 829 295 138 RCS PARIS
Banijay Entertainment	Banijay Entertainment SAS
Banijay Events	Banijay Events SAS
Banijay Indentures	the 2020 Banijay Senior Notes indenture and the 2023 Banijay Senior Secured Notes indenture
Banijay Intercreditor Agreement	the intercreditor agreement between, among others, Banijay Group SAS, Banijay Entertainment and the Guarantors dated 11 February 2020 (as amended from time to time)
Banijay Rights	Banijay Rights Limited
Banijay Senior Secured Net Leverage Ratio	the ratio of consolidated senior secured net debt to consolidated pro forma EBITDA (as defined in the Banijay Senior Secured Credit Facilities Agreement)
Benelux	Belgium, the Netherlands and Luxembourg together
BEPS	base erosion and profit shifting
Bet-at-home	Bet-at-home AG
Betclic	Betclic Everest Group SAS, a French joint stock company *(société par actions simplifiée)* duly organised and existing under the laws of France, having its business address at 5 rue François 1er, 75008 Paris, France, registered under number 501 420 939 RCS Paris
Betclic Everest Group or **BEG**	Betclic together with its subsidiaries, including Bet-at-home
Betclic Group	Betclic together with its subsidiaries, excluding Bet-at-home

Business Combination	the business combination between the Company and Pegasus Entrepreneurs which took place on 1 July 2022
Business Combination Agreement	the business combination agreement between the Company, Pegasus Entrepreneurs and Financière Lov dated 10 May 2022, which was subsequently amended on 22 June 2022
Business Combination Date	the date on which Pegasus Entrepreneurs and the Company entered into the notarial deed of merger between Pegasus Entrepreneurs and the Company dated 30 June 2022
BWS	Balich Wonder Studio
CA Media	CA Media Mauritius Holding, the minority shareholder of ES India
CAGR	Compound annual growth rate
CEO	Chief Executive Officer
CEST	Central European Summer Time
CFO	Chief Financial Officer
CFT	laws aimed at preventing bribery and the financing of terrorism
Combined Financial Statements	the audited combined full year financial statements of the Group for (i) the Financial Year 2021, (ii) the year ended 31 December 2020 and (iii) the year ended 31 December 2019
Company	FL Entertainment N.V.
Concert	a concerted action within the meaning of Dutch law in relation to the Shareholders Agreement by its parties, together with Financière Agache (fully owned by Agache, the Arnault family holding company) as controlling parent of Poseidon Entrepreneurs Financial Sponsor SAS
CSAT	Customer Satisfaction Score
Consolidated Financial Statements	the consolidated financial statements of FL Entertainment and the notes to the consolidated financial statements for the Financial Year ended 31 December 2023
Content production and distribution business	the business line of FL Entertainment led through Banijay Group and focusing on the content production & distribution business as well as the live experiences business
Courbit Family	Mr Stéphane Courbit, his wife and children
CSD	Central Securities Depository
D&I	Diversity & Inclusion
DCC	Dutch Civil Code *(Burgerlijk Wetboek)*
DCF	Discounted Cash Flow
De Agostini	DEA Communications SA, a Luxembourg *société anonyme,* having its business address at 31, rue Philippe II, Luxembourg, Grand Duchy of Luxembourg, registered under number B116877
DEI	Diversity, Equality & Inclusion
Director Designating Sponsors	Geyser Investments S.A., Spf, Mr Pierre Cuilleret, Tikehau Capital, Poseidon Entrepreneurs Financial Sponsor SAS, Mr Diego De Giorgi and Mr Jean Pierre Mustier
Directors	the Executive Directors or Non-Executive Directors
Dutch Corporate Governance Code or **DCGC**	the Dutch Corporate Governance Code issued on 8 December 2016
Dutch Nexus Investor	a holder of Ordinary Shares that is resident in the Netherlands for tax purposes
Dutch Securities Transactions Act	Dutch securities giro transactions act (Wet giraal effectenverkeer)
Earn-Out Preference Shares A	earn-out preference shares A in the Company's capital with a nominal value of €0.03 per share
Earn-Out Preference Shares B	earn-out preference shares B in the Company's capital with a nominal value of €0.03 per share
Earn-Out Preference Shares C	earn-out preference shares C in the Company's capital with a nominal value of €0.03 per share
Earn-Out Preference Shares	Earn-Out Preference Shares A, Earn-Out Preference Shares B and Earn-Out Preference Shares C
EEA	European Economic Area
Endemol Shine Group	AP NMT JV Newco B.V and its subsidiaries
Endemol Shine Turkey	Endemol Medya Prodüksiyon Tic. Ltd. Şti.
ES India	Endemol Private India Limited
ESG	environmental, social and governance
ESMA	European Securities and Markets Authority
EU	European Union

EU List	the Black List and the Grey List
EUR or euro or €	the lawful currency of the European Economic and Monetary Union
EURIBOR	the Euro Interbank Offered Rate
Euroclear France	French Central Securities Depositary
Euronext Amsterdam	Euronext Amsterdam, a regulated market of Euronext Amsterdam N.V.
Executive Directors	Executive Directors of the Board
FAST	Free Ad-Supported streaming TV
FDJ	Française des Jeux
Fimalac	F. Marc de Lacharrière (Fimalac), a French *société européenne,* having its business address at 97, rue de Lille, 75007 Paris, France, registered under number 542 044 136
Financial Year 2021	the Financial Year ended 31 December 2021
Financial Year 2022	the Financial Year ended 31 December 2022
Financial Year 2023	the Financial Year ended 31 December 2023
Financière Agache	Financière Agache SA and its subsidiary Poseidon Entrepreneurs Financial Sponsor SAS
Financière Lov	Financière Lov SAS
First Trading Date	the date on which trading, to the extent applicable on an "as-if-and-when-issued/delivered" basis, in the Ordinary Shares and trading in the Warrants on Euronext Amsterdam which happened on 1 July 2022
FL Entertainment	FL Entertainment N.V.
FL Entertainment Shares	FL Entertainment's ordinary shares
Forward Purchase Securities	2,500,000 Ordinary Shares and 833,333 Warrants to be subscribed by each of Tikehau Capital and Financière Agache (through Poseidon Entrepreneurs Financial Sponsor SAS), therefore in the aggregate 5,000,000 Ordinary Shares and 1,666,666 Warrants
Founder Shares	Founder shares in the Company's capital with a nominal value of €0.01 per share
Founder Warrants	Pegasus Founder Warrants which are assumed by the Company pursuant to the Merger
French-Dutch Tax Treaty	the 1973 Convention between the Kingdom of the Netherlands and the French Republic for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital
GDPR	Regulation (EU) 2016/679 of the Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data
General Meeting	General Meeting *(algemene vergadering)* of shareholders of the Company, being the corporate body, or where the context so requires, the physical meeting of the Company's shareholders
GGL	Gemeinsame Glücksspielbehörde der Länder
Grey List	annex 2 of the list of non-cooperative tax jurisdictions, adopted by the Council of the European Union on 5 December 2017, as amended
Gross Gaming Revenue	the difference between bets and winnings paid to players for sports betting and casino products, and commissions on horse betting and entry fees for poker products for a certain period
Group Companies	the Company's subsidiaries within the meaning of Article 2:24b DCC
Group	the Company and its subsidiaries or, when referring to a period or point in time prior to the First Trading Date, to Lov Banijay, LDH, the Banijay Group and Betclic Everest Group and their subsidiaries, under the common control of Financière Lov
Guarantor	a guarantor in relation to the Senior Secured Notes or the Senior Notes
Historical Fair Market Value	the volume weighted average price of Ordinary Shares during the 10 Trading Day period ending on the Trading Day prior to the first date on which the Ordinary Shares trade on the applicable exchange or in the applicable market without the right to receive such rights (the ex-rights trading date)
Human Resources & Environment, Social and Governance Committee	the Company's Human Resources & Environment, Social and Governance Committee
IAS	International Accounting Standards
IFRIC	International Financial Reporting Interpretations Committee
IFRS	the International Financial Reporting Standards as adopted by the European Union
Investment Agreement	the investment agreement between Stéphane Courbit, Lov Group Invest, Financière Lov, SBM International, De Agostini, F. Marc De Lacharrière (Fimalac), Pegasus Acquisition Partners Holding, Pegasus Entrepreneurs, Tikehau Capital, Bellerophon Financial Sponsor 2 SAS (a subsidiary of the Sponsor Tikehau Capital SCA), Poseidon Entrepreneurs Financial Sponsor SAS (a subsidiary of the Sponsor Financière Agache SA), Financière Agache (a Sponsor), Vivendi, SIG 116, Vivendi SE and the Company in the presence of Lov Banijay, Mangas Lov, LDH, Banijay Group Holding and Betclic Everest Group dated 10 May 2022, which was subsequently amended on 22 June 2022.

ISIN	International Securities Identification Number
LDH	LDH, a French joint stock company *(société par actions simplifiée) duly* organised and existing under the laws of France, having its business address at 5 rue François 1er, 75008 Paris, France, registered under number 817 471 402 R.C.S Paris
LEI	Legal Entity Identifier
Leverage	Net Debt divided by Adjusted EBITDA
LGI	Lov Group Invest, a French *société par actions simplifiée,* controlling Financière Lov and whose share capital is owned by the Courbit Family
LIBOR	the London Interbank Offered Rate
Listing	the Company's listing of all Ordinary Shares and all Warrants on Euronext Amsterdam
LONACI	Loterie Nationale de Côte d'Ivoire
Lov Banijay	Lov Banijay SAS
Lov Group	LGI and its direct and indirect subsidiaries
LTIP	any long-term incentive plan within the Group
Management report	the management report referred to in Article 2:391 DCC
Mangas Lov	Mangas Lov, a French joint stock company *(société par actions simplifiée)* and a subsidiary of Financière Lov, duly organised and existing under the laws of France, having its business address at 5 rue François 1er, 75008 Paris, France, registered under number 510 815 020 R.C.S Paris
Market Abuse Regulation or **MAR**	Regulation (EU) No 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse and the regulations promulgated thereunder
Member States	Member state of the EEA
Merger	the merger between Pegasus Entrepreneurs and the Company that became effective as from 1 July 2022 with Pegasus Entrepreneurs as the disappearing entity
MLI Tie-Breaker Reservation	the reservation France has made under Article 4(3) of the MLI
MLI	the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting
MTT	Multi-Table Tournament
NBA	the Royal Netherlands Institute of Chartered Accountants (Koninklijke Nederlandse Beroepsorganisatie van Accountants)
Net Debt	the sum of bonds, bank borrowings, bank overdrafts, vendor loans and accrued interests on bonds and bank borrowings minus cash and cash equivalents, trade receivables on providers and cash in trusts, plus players liabilities plus (or minus) the fair value of net derivatives liabilities (or assets) for a certain period
Non-Executive Directors	Non-Executive Directors of the Board
Notes	the Senior Notes and the Senior Secured Notes
NPS	Net Promoter Score
OECD	Organisation for Economic Cooperation and Development's
Online sports betting & gaming business	the business line of FL Entertainment led through Betclic Group and focusing on theonline sports betting &gaming business
Ordinary Cash Dividends	any cash dividend or cash distribution which, when combined on a per share basis, with the per share amounts of all other cash dividends and cash distributions paid on the Ordinary Shares during the 365-day period ending on the date of declaration of such dividend or distribution
Ordinary Shareholders	shareholders of Ordinary Shares
Ordinary Shares	Ordinary shares in the Company's share capital, with a nominal value of €0.01 each
OTT	Over-The-Top content
Pegasus Entrepreneurs	Pegasus Entrepreneurial Acquisition Company Europe B.V.
Pegasus IPO	Pegasus Entrepreneurs' initial private placement of the Pegasus Ordinary Shares and Pegasus Public Warrants
Pegasus Letter Agreement	the letter agreement entered into by the Sponsors and the Pegasus Board dated 10 December 2021
Pegasus Lock-up Arrangements	the agreement that each of the Sponsors and the Pegasus Board do not sell or contract to transfer, sell, or otherwise dispose of, directly or indirectly, or announce an offer of any Pegasus Ordinary Shares received as remuneration by the Pegasus Board Members, Pegasus Founder Shares or Pegasus Founder Warrants (or any interest therein in respect thereof) or enter into any transaction with the same economic effect as any of the foregoing without the prior written consent of the joint global coordinators that assisted in the Pegasus IPO during a certain period of time, as set out in the Pegasus Letter Agreement
Pegasus Ordinary Shares	class A ordinary shares in Pegasus Entrepreneurs' capital

Pegasus Public Warrants	public warrants issued by Pegasus Entrepreneurs
Pegasus Units	21,000,000 units in the capital of Pegasus Entrepreneurs, each which consisted of one Pegasus Ordinary Share that entitled its holder to receive an additional 1/3 of a Pegasus Public Warrant
Pillar 1	the update issued by OECD on 8 October 2021 on the major reform of international tax system, so-called two pillar solution, agreed on 1 July 2021, and aimed at aligning taxing rights more closely with local market engagement
Pillar 2	the update issued by OECD on 8 October 2021 on the major reform of international tax system, so-called two pillar solution, agreed on 1 July 2021, and aimed at implementing as from 2023 a minimum 15% taxation rate in each country where the groups operate
PIPE Financing	a private investment in public equity transaction entered into by the Company in connection with the Business Combination
PIPE Investors	each investor with which the Company has entered into subscription agreements for the PIPE Financing
PMU	Pari Mutuel Urbain, a French horse racing betting company
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017 supplmented with Commission Delegated Regulation (EU) 2020/1272 (including any amendments and relevant delegated regulations)
Prospectus	The prospectus dated 1 July 2022 relating to the Listing and admission to trading of 408,982,609 Ordinary Shares and 13,916,660 Warrants on Euronext Amsterdam by FL Entertainment
Remuneration policy	the remuneration policy as adopted and amended by the General Meeting and setting the compensation structure for Executive and Non-Executive Directors
Senior Credit Facilities Agreements	the 2023 Banijay Senior Facilities Agreement and the 2023 Betclic Group Senior Credit Facility Agreement.
Senior Credit Facilities	the facilities made available under 2023 Banijay Senior Facilities Agreement and under 2023 Betclic Group Senior Credit Facility Agreement.
Senior Management Members	Mr Marco Bassetti and Mr Nicolas Béraud
Senior Management Team	the Executive Directors and the Senior Management Members
Shareholders' Register	the Company's shareholders' register (*aandeelhoudersregister*)
Shareholders' Agreement	the shareholders' agreement dated 30 June 2022 of FL Entertainment
SPAC	Special purpose acquisition company
Special Voting Plan	a special voting plan implemented by the Company
Special Voting Shares A	special voting shares A in the Company's capital with a nominal value of €0.02 per share
Special Voting Shares B	special voting shares B in the Company's capital with a nominal value of €0.02 per share
Special Voting Shares	Special Voting Shares A and Special Voting Shares B
SRIJ	Serviço de Regulação Inspeção de Jogos
SVS Terms	the terms and conditions that will be applicable to the holders of Special Voting Shares, as amended from time to time
SVOD	Subscription Video On Demand
the Netherlands	the part of the Kingdom of the Netherlands located in Europe
Tikehau Capital	Tikehau Capital SCA (a French partnership limited by shares that is listed on Euronext Paris) and its subsidiary Bellerophon Financial Sponsor 2 SAS
TIL	The Independents
UX	User Experience
Vivendi SE	Vivendi SE, a French *société européenne,* having its business address at 42, avenue de Friedland, 75008 Paris, registered under number 343 134 763
Vivendi	Vivendi Content, a French *société par actions simplifiée,* having its business address at 1, place du Spectacle, 92130 Issy-les-Moulineaux, registered under number 789 568 797
VOD	Video On Demand
Warrants	warrants issued by the Company, each which entitles the Warrant Holder to purchase one Ordinary Share at a price of €11.50, subject to adjustments as set out in the Warrant T&Cs
Withholding Tax Restriction	the restriction, based on the French-Dutch Tax Treaty and case law of the Dutch Supreme Court, that the Netherlands imposes Dutch dividend withholding tax on dividends paid by the Company to a holder of Ordinary Shares other than a Dutch Nexus Investor, as long as the Company for the purposes of the French-Dutch Tax Treaty will be considered to be exclusively tax resident in France and subject to the Company meeting the Principal Purpose Test

Photo credit: Apple TV / Balich Wonder Studios / Banijay / BBC / CBS / Douglas Road / Endemol Shine Finland / Endemol Shine North America / Endemol Shine Poland / Groenlandia / Initial / ITV / Kudos / La1 / Mastiff Denmark / Mastiff Norway / Netflix / Pokeepsie / Prime Video / Remarkable Entertainment / Shine Iberia / The Forge / Tiger Aspect / TV Norge / Wild Mercury

FL/ENTERTAINMENT

FL Entertainment N.V.
5 rue François 1er
75008 Paris
France

Dutch Chamber of Commerce
under number 85742422
Paris Trade and Companies register
under number 913 167 227

www.flentertainment.com