TF1 GROUP

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

The consolidated financial statements of the TF1 group for the year ended 31 December 2022 should be read in conjunction with the audited consolidated financial statements for the years ended 31 December 2021 and 31 December 2020, prepared in accordance with international financial reporting standards, as presented in the 2021 French-language *Document de Référence* filed with the *Autorité des Marchés Financiers* (AMF) on 10 March 2022 under reference number D.22-0082. An English-language version of the audited consolidated financial statements for the year ended 31 December 2021 is included in the TF1 2021 Universal Registration Document, available on the TF1 corporate website at: https://groupe-tf1.fr/en/investors/results-and-publications#reference.

The financial statements have been audited, and an unqualified opinion has been issued by the auditors.

CONSOLIDATED INCOME STATEMENT

(€m)	Note	Full year 2022	Full year 2021
Revenue	*5.1*	**2,507.7**	**2,427.1**
Other income from operations		46.9	29.4
Purchases consumed	*5.2*	(885.2)	(882.3)
Staff costs	*5.3*	(530.9)	(575.9)
External expenses	*5.4*	(550.4)	(464.0)
Taxes other than income taxes	*5.5*	(103.2)	(102.5)
Net charges for depreciation, amortization and impairment losses on property, plant & equipment and intangible assets		(445.9)	(371.0)
Net depreciation and impairment expense on right of use of leased assets		(21.1)	(21.5)
Charges to provisions and other impairment losses, net of reversals due to utilization		6.2	5.2
Other current operating income	*5.6*	615.9	487.6
Other current operating expenses	*5.6*	(323.8)	(188.9)
Current operating profit/(loss)		**316.2**	**343.2**
Non-current operating income	*5.7*	-	-
Non-current operating expenses	*5.7*	(15.0)	(10.3)
Operating profit/(loss)		**301.2**	**332.9**
Financial income		3.1	1.5
Financial expenses		(5.7)	(3.0)
Income from net surplus cash/(cost of net debt)	*5.8*	**(2.6)**	**(1.5)**
Interest expense on lease obligations		(2.9)	(2.8)
Other financial income	*5.9*	2.2	2.2
Other financial expenses	*5.9*	(11.0)	(7.9)
Income tax expense	*5.11*	(56.3)	(70.4)
Share of net profits/(losses) of joint ventures and associates	*7.4.4*	(48.6)	(28.5)
Net profit/(loss) from continuing operations		**182.0**	**224.0**
Net profit/(loss) from discontinued operations		**-**	**-**
Net profit/(loss) for the period		**182.0**	**224.0**
Net profit/(loss) attributable to the Group		***176.1***	***225.3***
Net profit/(loss) attributable to non-controlling interests		***5.9***	***(1.3)***
Basic earnings per share from continuing operations (€)		0.84	1.07
Diluted earnings per share from continuing operations (€)		0.83	1.07

STATEMENT OF RECOGNISED INCOME AND EXPENSE

(€m)	Full year 2022	Full year 2021
Net profit/(loss) for the period	**182.0**	**224.0**
Items not reclassifiable to profit or loss		
Actuarial gains/(losses) on post-employment benefits [1]	7.2	2.6
Fair value remeasurement of investments in equity instruments	(0.2)	5.1
Taxes on items not reclassifiable to profit or loss	(1.8)	(0.7)
Share of non-reclassifiable income and expense of joint ventures and associates		0.4
Items reclassifiable to profit or loss		
Remeasurement of hedging assets	2.3	(0.5)
Translation adjustments	1.6	2.8
Taxes on items reclassifiable to profit or loss	(0.6)	0.1
Share of reclassifiable income and expense of joint ventures and associates		
Income and expense recognised directly in equity	**8.6**	**9.8**
Total recognised income and expense	**190.6**	**233.8**
Recognised income and expense attributable to the Group	184.7	235.1
Recognised income and expense attributable to non-controlling interests	5.9	(1.3)

[1] *Reflects changes in actuarial assumptions, including an increase in the discount rate from 1.013% as of 31 December 2021 to 3.563% as of 31 December 2022.*

CONSOLIDATED CASH FLOW STATEMENT

(€m)	Note	Full year 2022	Full year 2021
Net profit/(loss) from continuing operations		182.0	224.0
Net charges to/(reversals of) depreciation, amortisation, impairment of property, plant and equipment and intangible assets, and non-current provisions	*6.2.1*	449.8	378.7
Depreciation, impairment and other adjustments on right of use of leased assets		20.7	18.6
Other non-cash income and expenses	*6.2.2*	*(86.8)*	*(64.9)*
Gains and losses on asset disposals		*7.5*	*(10.2)*
Share of net (profits)/losses of joint ventures and associates, net of dividends received		*49.4*	*29.7*
Dividends from non-consolidated companies		*(0.2)*	*(0.1)*
Income taxes paid		*(64.8)*	*(63.1)*
Income taxes, including uncertain tax positions	*5.11*	56.3	70.4
Cash flow after income from net surplus cash/cost of net debt, interest expense on lease obligations and income taxes paid		**613.9**	**583.1**
Reclassification of cost of net debt/income from net surplus cash and interest expense on lease obligations		5.5	4.3
Changes in working capital requirements related to operating activities (including current impairment and provisions) (1)	*6.2.3*	(156.1)	55.1
Net cash generated by/(used in) operating activities		**463.3**	**642.5**
Purchase price of property, plant and equipment and intangible assets		(312.6)	(330.8)
Proceeds from disposals of property, plant & equipment and intangible assets		1.2	1.5
Net liabilities related to property, plant & equipment and intangible assets		1.9	(1.3)
Purchase price of non-consolidated companies and other investments		(0.8)	(0.3)
Proceeds from disposals of non-consolidated companies and other investments		-	5.1
Net liabilities related to non-consolidated companies and other investments		-	-
Purchase price of investments in consolidated activities		*(20.1)*	*(38.3)*
Proceeds from disposals of consolidated activities		*163.9*	*38.0*
Net liabilities related to consolidated activities		*0.7*	*8.0*
Other changes in scope of consolidation: cash of acquired or divested entities		*(11.8)*	*(4.4)*
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies		(27.5)	13.8
Net cash generated by/(used in) investing activities		**(205.1)**	**(308.7)**
Capital increases/(reductions) paid by shareholders and non-controlling interests and other transactions between shareholders		(20.4)	(11.3)
Dividends paid to shareholders of the parent company		(94.7)	(94.7)
Dividends paid by consolidated companies to non-controlling interests		(2.3)	(2.5)
Change in current and non-current debt	*7.6.1*	(10.5)	3.2
Repayments of lease obligations	*7.6.1*	(21.3)	(19.3)
Cost of net debt/income from net surplus cash and interest expense on lease obligations		(5.5)	(4.8)
Other cash flows related to financing activities		-	-
Net cash generated by/(used in) financing activities		**(154.7)**	**(129.4)**
EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS		**0.1**	**0.7**
CHANGE IN NET CASH POSITION		**103.6**	**205.1**
Net cash position at start of period		**379.7**	**174.6**
Net cash flows		103.6	205.1
Net cash position at end of period		**483.3**	**379.7**

(1) Current assets minus current liabilities excluding (i) income taxes, (ii) receivables and payables relating to non-current assets, (iii) current debt, (iv) current lease obligations, and (v) financial instruments used to hedge debt, which are classified in financing activities.

CONSOLIDATED BALANCE SHEET

ASSETS (€m)	*Note*	31/12/2022	31/12/2021
Goodwill	*7.4.1*	**730.2**	**799.7**
Intangible assets	*7.1*	**275.1**	**364.6**
Property, plant and equipment	*7.4.2*	**231.3**	**221.5**
Right of use of leased assets	*7.4.3*	**70.3**	**58.5**
Investments in joint ventures and associates	*7.4.4*	**11.7**	**16.5**
Other non-current financial assets	*7.4.5*	**12.4**	**15.3**
Deferred tax assets		**-**	**-**
NON-CURRENT ASSETS		**1,331.0**	**1,476.1**
Inventories	*7.2*	**404.6**	**443.9**
Advances and down-payments made on orders	*7.3.1*	**133.5**	**121.5**
Trade receivables	*7.3.1*	**829.8**	**830.2**
Customer contract assets		**-**	**-**
Current tax assets		**3.6**	**-**
Other current receivables	*7.3.1*	**452.9**	**465.7**
Financial instruments - Hedging of debt		**2.7**	**-**
Other current financial assets		**0.3**	**0.2**
Cash and cash equivalents	*7.6.1*	**484.5**	**384.0**
CURRENT ASSETS		**2,311.9**	**2,245.5**
Held-for-sale assets and operations		**-**	**-**
TOTAL ASSETS		**3,642.9**	**3,721.6**
Net surplus cash/(net debt)	*7.6.1*	**325.7**	**198.5**

CONSOLIDATED BALANCE SHEET (continued)

SHAREHOLDERS' EQUITY AND LIABILITIES (€m)	*Note*	**31/12/2022**	**31/12/2021**
Share capital	*7.5.1*	42.1	42.1
Share premium and reserves		1,641.5	1,499.0
Translation reserve		3.2	1.7
Treasury shares		-	-
Net profit/(loss) attributable to the Group		176.1	225.3
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP		**1,862.9**	**1,768.1**
Non-controlling interests		0.9	(1.2)
SHAREHOLDERS' EQUITY		**1,863.8**	**1,766.9**
Non-current debt	*7.6.1*	**108.0**	**109.3**
Non-current lease obligations	*7.6.3*	**58.4**	**44.0**
Non-current provisions	*7.4.6*	**41.3**	**46.2**
Deferred tax liabilities	*5.11*	**23.2**	**29.6**
NON-CURRENT LIABILITIES		**230.9**	**229.1**
Current debt	*7.6.1*	**50.9**	**71.9**
Current lease obligations	*7.6.3*	**15.9**	**19.7**
Trade payables	*7.3.2*	**702.3**	**686.2**
Customer contract liabilities	*7.3.2*	**30.8**	**40.5**
Current provisions	*7.3.3*	**31.2**	**27.2**
Other current liabilities	*7.3.2*	**714.1**	**874.1**
Overdrafts and short-term bank borrowings	*6.1*	**1.2**	**4.3**
Current tax liabilities		**0.1**	**0.4**
Financial instruments - Hedging of debt		**1.4**	-
Other current financial liabilities		**0.3**	**1.3**
CURRENT LIABILITIES		**1,548.2**	**1,725.6**
Liabilities related to held-for-sale operations		**-**	**-**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		**3,642.9**	**3,721.6**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital & share premium	**Reserves related to share capital & retained earnings**	**Consolidated reserves & profit/(loss) for period**	**Treasury shares held**	**Items recognised directly in equity**	**TOTAL - GROUP**	**Non-controlling interests**	**TOTAL**
POSITION AT 31/12/2020 (RESTATED) [(1)]	**62.3**	**1,345.0**	**269.5**	**-**	**(70.3)**	**1,606.5**	**(0.8)**	**1,605.7**
Movements during 2021						-		-
Net profit/(loss)	-	-	225.3	-	-	225.3	(1.3)	224.0
Income and expense recognised directly in equity	-	-	-	-	9.8	9.8		9.8
Total comprehensive income	**-**	**-**	**225.3**	**-**	**9.8**	**235.1**	**(1.3)**	**233.8**
Share capital and reserves transactions, net		(294.2)	294.2	-	-	-	-	-
Acquisitions & disposals of treasury shares	-	-	-	-	-	-	-	-
Acquisitions & disposals without loss of control	-		3.2	-	-	3.2	(0.1)	3.1
Dividends distributed	-		(94.7)	-	-	(94.7)	(2.5)	(97.2)
Share-based payment	-		1.6	-	-	1.6	-	1.6
Other transactions (changes in scope of consolidation, other transactions with shareholders, & other items)	-		16.4	-	-	16.4	3.5	19.9
POSITION AT 31 DECEMBER 2021	**62.3**	**1,050.8**	**715.5**	**-**	**(60.5)**	**1,768.1**	**(1.2)**	**1,766.9**
Movements during 2022						-		-
Net profit/(loss)	-	-	176.1	-	-	176.1	5.9	182.0
Income and expense recognised directly in equity	-	-	-	-	8.6	8.6		8.6
Total comprehensive income	**-**	**-**	**176.1**	**-**	**8.6**	**184.7**	**5.9**	**190.6**
Share capital and reserves transactions, net		-	-	-	-	-	-	-
Acquisitions & disposals of treasury shares	-	-	-	-	-	-	-	-
Acquisitions & disposals without loss of control	-		(1.2)	-	-	(1.2)	-	(1.2)
Dividends distributed	-		(94.7)	-	-	(94.7)	(2.3)	(97.0)
Share-based payment	-		3.0	-	-	3.0	-	3.0
Other transactions (changes in scope of consolidation, other transactions with shareholders, & other items)	-		3.0	-	-	3.0	(1.5)	1.5
POSITION AT 31 DECEMBER 2022	**62.3**	**1,050.8**	**801.7**	**-**	**(51.9)**	**1,862.9**	**0.9**	**1,863.8**

(1) *Shareholders' equity as of 31 December 2020 has been restated for the effects of applying the IFRS IC agenda decision on the method for calculating the period of service used when measuring the provision for lump-sum retirement benefits.*

Refer to Note 7-5, "Consolidated shareholders' equity", for an analysis of these changes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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1 Significant events of 2022

Abandonment of the proposed merger of the operations of TF1 and M6

On 17 May 2021, TF1, M6, Bouygues and RTL Group announced that they had signed agreements to enter into exclusive negotiations to merge the activities of TF1 and M6, creating a major French media group.
The transaction was approved unanimously by the Boards of Directors of TF1, Bouygues and RTL Group and the Supervisory Board of M6, and by the employee representative bodies of Bouygues, TF1 and M6 on 24 June 2021; this in turn led to the signature of agreements between the Bouygues group and RTL Group, and between TF1 and M6, on 8 July 2021.

Closing of the transaction remained subject to the customary conditions precedent, including regulatory approvals from the French competition authority (ADLC) and French broadcasting industry regulator (ARCOM) and the holding of general meetings of TF1 and M6 shareholders.

On 16 September 2022, Bouygues, RTL Group, TF1 and the M6 group halted the proposed merger between the TF1 and M6 groups. This decision came after the parties appeared at the hearings of the ADLC board on 5 and 6 September 2022 to argue in favour of the benefits and necessity of the merger. Following discussions with the ADLC, and despite the additional remedies proposed, it became clear that only structural remedies involving as a minimum the divestment of either the TF1 TV channel or the M6 TV channel would have been sufficient for the merger to have been approved. The parties therefore concluded that the proposed merger no longer had any strategic rationale. Consequently, the parties decided to end the ADLC review of the transaction, and hence to abandon the proposed merger.

As a result, the sale agreements entered into by TF1 with Altice (relating to TFX) and with France Télévisions (relating to the buyout of the residual equity interest in Salto) lapsed, insofar as those agreements were subject to the merger being approved by the ADLC.

The costs incurred in connection with the proposed merger during 2022 amounted to €15.0 million, and were recognised within “Non-current operating expenses”.

Judgment against Molotov for copyright infringement

Molotov TV filed an action against the TF1 group in the Commercial Court on 10 November 2020, seeking damages for unfair contractual terms and violation of TF1’s undertakings regarding Salto.
On 7 January 2022, the Paris Judicial Court ordered Molotov to pay €8.5 million in damages. Because this was a summary judgment, the funds had been paid over to TF1 by 31 March 2022. On 16 February 2022, Molotov lodged an appeal, which is still pending. In light of the information and legal opinions known to management, the entire amount has been recognised within “Other current operating income”.

Military conflict between Russia and Ukraine

On 24 February 2022, a military conflict broke out between Russia and Ukraine. Because TF1 has only very limited operations in those two countries it is not directly impacted by the ongoing conflict. In 2022, the Group recognised no revenue in either Russia or Ukraine, versus €87,000 and €24,000 respectively in 2021.
However, TF1 is paying very close attention to macro-economic trends and to the direct and indirect repercussions for the Group’s operations and profits.

End to broadcasting of the daily soap "Plus Belle La Vie"

On 5 May 2022, France Télévisions management issued a press release officially announcing that it would stop broadcasting "Plus Belle La Vie" on 18 November 2022. The impacts of that decision have been fully recognised in the TF1 group consolidated financial statements for the year ended 31 December 2022.

Sale of Gamned

On 22 June 2022, the TF1 group sold the Gamned entities, which specialise in digital marketing, to the HLD fund. The sale reflects the strategy (as mentioned above) of refocusing on content publisher, multi-channel streaming and production operations. As a result of the sale, the Gamned entities were deconsolidated in the second quarter of 2022.

Sale of Ykone

On 27 July 2022, the TF1 group signed a sale agreement with Future Technology Retail relating to the influence marketing operations carried on by the Ykone entities.

The Ykone entities were considered to be held for sale as of 30 June 2022, and had therefore been reclassified to "Held-for-sale assets and operations" and "Liabilities related to held-for-sale operations" (which are separate line items presented at the foot of the balance sheet) in accordance with IFRS 5. Consequently, those entities were deconsolidated in the third quarter of 2022.

Sale of the Digital Media division's Web Publisher operations

On 28 June 2022, the TF1 group signed an agreement with a view to selling its Digital Media division's Web Publisher operations - including the Aufeminin, Marmiton, Doctissimo, and Les Numériques brands - to the Reworld Media group.

The proposed sale reflects firstly the TF1 group's aim to focus on its content publisher, multi-channel streaming and production interests, and secondly a wave of consolidations driven by profound changes in display and special campaigns within the online ad sector. The Reworld Group agreed to take over all of Unify Publisher's employees. The proposed sale was presented to the employee representative bodies of the TF1 group. In a decision issued on 7 October 2022, the ADLC confirmed that the transaction would not have an adverse effect on competition. The sale was completed on 18 October 2022.

The Web Publisher entities were considered to be held for sale as of 30 September 2022, and had therefore been reclassified to "Held-for-sale assets and operations" and "Liabilities related to held-for-sale operations" (which are separate line items presented at the foot of the balance sheet) in accordance with IFRS 5.

Consequently, those entities were deconsolidated in the fourth quarter of 2022.

Withdrawal from Salto

The proposed M6/TF1 merger having been abandoned, and in the absence of any satisfactory offers to buy the platform, the three partners in Salto decided to proceed with the voluntary liquidation of Salto. The liquidation follows a decision taken by TF1 and M6to withdraw from Salto (the streaming platform held jointly by them and France Télévisions) on the second anniversary in November 2022 of the founding of Salto, as permitted under the terms of the agreement between the shareholders.

The costs of the withdrawal for each of the partners were recognised by way of provisions as of 31 December 2022, over and above their share of Salto's net loss for the year. Consequently, the TF1 group's share of net losses from Salto for 2022 amounted to €46.1 million, including €22.0 million of non tax-deductible provisions incurred to cover the costs of the liquidation.

The excess of the accumulated losses arising since the incorporation of Salto (including the €46.1 million loss for 2022) over the carrying amount of the TF1 group's equity interest in Salto has been offset against short-term cash advances held in its shareholder current account (regarded as a component of the TF1 group's investment in Salto), with the residual €15.3 million recognised as a provision for charges.

In addition, on 29 March 2022 the TF1 group subscribed €41.4 million to a capital increase at Salto via offset of short-term cash advances held in its shareholder current account.

2 Accounting principles and policies

Accounting policies

The financial statements have been prepared on a going concern basis.

Accounting policies are described in text boxes at the start of the relevant notes to the financial statements.

2-1. Declaration of compliance and basis of preparation

The consolidated financial statements of the TF1 group for the year ended 31 December 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union, as required under EC Regulation 1606/2002 of 19 July 2002.
They are presented comparatively with the consolidated financial statements for the year ended 31 December 2021.
They include the financial statements of TF1 SA and its subsidiaries and joint ventures, and the TF1 group's interests in associated undertakings. They take account of recommendation no. 2016-01 on the presentation of financial statements, issued by the ANC (the French national accounting standard-setter) on 2 December 2016.

The consolidated financial statements are presented in millions of euros.

2-2. New and amended IFRS accounting standards and interpretations

In preparing its consolidated financial statements for the year ended 31 December 2022, the TF1 group applied the same standards, interpretations and accounting policies as those used in the preparation of its consolidated financial statements for the year ended 31 December 2021, plus the new standards applicable from 1 January 2022.

The principal new IFRS standards, amendments and interpretations effective within the European Union and mandatorily applicable with effect from 1 January 2022 are:

- ✓ **Amendments to IAS 37**

On 14 May 2020, the IASB issued amendments to IAS 37, relating to onerous contracts. The amendments clarify what costs an entity considers in determining the cost of fulfilling a contract, in order to assess whether that contract is onerous. The impact of the amendments on the Group is immaterial.

- ✓ **Amendments to IAS 16**

On 2 July 2021, the IASB issued amendments to IAS 16, relating to how entities account for the net proceeds generated by an item of property, plant and equipment while that item is being brought to the location and condition necessary for it to be operated. The amendments prohibit entities from deducting such proceeds from the cost of the item; rather, the proceeds generated by the sale and the corresponding costs must be recognised in profit or loss. The impact of the amendments on the Group is immaterial.

- ✓ **IFRS IC agenda decision on IAS 38**

In April 2021, the IASB approved the December 2020 agenda decision of the IFRS IC on accounting for the costs of configuring or customising application software in a Software as a Service (SaaS) arrangement. Depending on their nature, such costs are generally required to be recognised as an expense, either immediately or over the term of the contract. The TF1 group completed its analysis of the agenda decision and concluded that the impacts on the Group are immaterial. Opening shareholders' equity was not restated. All costs of configuring or customising application software brought into service from 1 January 2022 onwards have been accounted for in accordance with the IFRS IC agenda decision.

The principal new IFRS standards, amendments and interpretations effective within the European Union and mandatorily applicable with effect from 1 January 2023 are:

- ✓ **Amendments to IAS 12**

On 7 May 2021, the IASB issued amendments to IAS 12 on accounting for deferred taxation on the initial recognition of a single transaction that gives rise to deferred tax assets and liabilities of equal amounts. The amendments apply to transactions in which an entity recognises both an asset and a liability, such as when accounting for a lease or a decommissioning obligation, and were endorsed by the European Union on 11 August 2022.
An impact analysis is ongoing, and is due to be completed in the first quarter of 2023. At this stage, the impact on the Group would appear to be immaterial.

2-3. Changes in accounting policy

The TF1 group did not make any changes in accounting policy during 2022.

2-4. Exercise of judgement and use of estimates

Preparation of the consolidated financial statements requires TF1 management to exercise judgement in the selection of accounting treatments. In addition, the Group uses estimates and assumptions regarded as realistic and reasonable for the remeasurement of assets, liabilities, income and expenses; those estimates and assumptions may have a material impact on the amounts reported in the financial statements. Subsequent events or circumstances may result in changes to those estimates or assumptions, which could affect the value of the Group's assets, liabilities, equity or net profit.

Accounting policies applied to balance sheet items that require the use of estimates are indicated in the relevant notes to the financial statements. Estimates are used in particular for goodwill (see Note 7-4-1); indefinite-lived brands (see Note 7-1-2); audiovisual and broadcasting rights (see Notes 7-1-1 and 7-2); revenue recognition (see Note 5-1); deferred taxes, especially where there is a history of tax losses over a number of years (see Note 5-11); provisions, including for litigation and claims (see Notes 7-3-3 and 7-4-6); leases (lease terms and incremental borrowing rates, see Note 7-6-3); and retirement benefit obligations (see Note 7-4-6-2).

The Group has also analysed the potential impacts of climate change. That analysis did not materially call into question the useful lives and residual values of non-financial assets such as property, plant and equipment, intangible assets, goodwill, or rights of use of leased assets.

3 Scope of consolidation: significant changes and held-for-sale operations

Accounting policy: business combinations, divestments and goodwill

Business combinations are accounted for using the acquisition method in accordance with IFRS 3.

The cost of a business combination is the fair value, at the date of exchange, of the assets transferred, the liabilities incurred or assumed, and the equity instruments issued by the Group, in exchange for control over the acquiree.

The identifiable assets, liabilities and contingent liabilities of the acquiree that satisfy the IFRS recognition criteria are recognised at their fair value at the acquisition date, subject to the exceptions specified in IFRS 3 (such as deferred taxes).

Any excess of the cost of a business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities at the acquisition date is recognised as goodwill. For each business combination, the Group can elect to account for non-controlling interests:

- at fair value (full goodwill method); or
- at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets (partial goodwill method), with the difference treated as an adjustment to the goodwill arising on the acquisition.

Subsequent changes in percentage interest with no loss of control over the acquiree are accounted for as transactions between shareholders, with the difference between the purchase price (or sale price) and the carrying amount of the interest acquired (or sold) recognised in equity.

In the case of step acquisitions, equity interests held prior to acquisition of control are remeasured at fair value, with the effect of the remeasurement recognised in profit or loss or in other comprehensive income. The same applies to equity interests retained after loss of control.

Costs directly incurred to effect a business combination are recognised in profit or loss.

If the initial accounting for a business combination can be determined only provisionally by the end of the period in which the combination is effected, the TF1 group recognises any adjustments to the provisional values within twelve months following the acquisition date. If the adjustment between provisional and final fair value accounting materially affects the presentation of the financial statements, the comparative information for the period preceding the final accounting for the combination is restated as though the final accounting had been completed at the acquisition date.

If the share of the fair value of the identifiable assets and liabilities acquired exceeds the cost of the combination, the excess is recognised immediately in the income statement as negative goodwill (i.e. gain from a bargain purchase).

Subsequent to initial recognition, goodwill is measured at cost less any impairment losses, determined using the method described in Note 7-4-1. Any impairment losses are charged as an operating item in the income statement, and may not be subsequently reversed.

In the event of a partial sale of the component operations of a CGU, or if a CGU is split up, the TF1 group usually allocates the goodwill of the CGU in proportion to the relative values (as defined in the IFRS 13 hierarchy of valuation methods, see Note 7-4-5) of the divested, retained or split operations at the sale/split date, unless it can be demonstrated that another method better reflects the goodwill of the divested operation, in accordance with paragraph 86 of IAS 36.

The consolidated financial statements of the TF1 group for the year ended 31 December 2022 include the financial statements of the companies listed in Note 9-5.

3-1. Significant changes in scope of consolidation in 2022

Acquisitions

In 2022, the TF1 group carried out individually immaterial acquisitions settled in cash, for a total amount of €20.1 million.

Sale of the Digital Media division's Web Publisher operations

On 28 June 2022, the TF1 group signed an agreement with a view to selling its Digital Media division's Web Publisher operations - including the Aufeminin, Marmiton, Doctissimo, and Les Numériques brands - to the Reworld Media group.
The proposed sale reflects firstly the TF1 group's aim to focus on its content publisher, multi-channel streaming and production interests, and secondly a wave of consolidations driven by profound changes in display and special campaigns within the online ad sector. The Reworld Group agreed to take over all of Unify Publisher's employees. The proposed sale was presented to the employee representative bodies of the TF1 group. In a decision issued on 7 October 2022, the ADLC confirmed that the transaction would not have an adverse effect on competition. The sale was completed on 18 October 2022.

Sale of Ykone

On 27 July 2022, the TF1 group signed a sale agreement with Future Technology Retail relating to the influence marketing operations carried on by the Ykone entities.
The Ykone entities were considered to be held for sale as of 30 June 2022, and had therefore been reclassified to "Held-for-sale assets and operations" and "Liabilities related to held-for-sale operations" (which are separate line items presented at the foot of the balance sheet) in accordance with IFRS 5. Consequently, those entities were deconsolidated in the third quarter of 2022.

Sale of Gamned

On 22 June 2022, the TF1 group sold the Gamned entities, which specialise in digital marketing, to the HLD fund. The sale reflects the strategy (as mentioned above) of refocusing on content publisher, multi-channel streaming and production operations. As a result of the sale, the Gamned entities were deconsolidated in the second quarter of 2022.

3-2. Significant changes in scope of consolidation in 2021

Acquisition of the iZen group

On 27 April 2021, the Newen group finalised the acquisition of a 65% equity interest in the iZen group, a Spanish audiovisual producer, for a purchase consideration of €22.4 million. The vendors and the Newen group entered into a shareholder agreement which specifies the terms for (i) the payment of contingent consideration and (ii) the exercise of the reciprocal undertakings whereby the vendors have an option to sell, and the Newen group has an option to acquire, additional equity interests of 15% between 2025 and 2027, and then of 10% between 2028 and 2031.

The iZen group has been fully consolidated in the TF1 group consolidated financial statements since June 2021. Subsequent to the purchase price allocation, goodwill of €16.0 million was recognised as of the date control was obtained.

Divestment of the Games business

On 15 April 2021, the TF1 group divested its Games business with the sale of Dujardin to Jumbodiset. As a consequence, Dujardin wase deconsolidated with effect from the start of the second quarter of 2021.

4 Segment information

TF1 organises its operating activities into strategic business units, each of which is managed appropriately to the nature of (i) the products and services sold and (ii) the end customer. This segmentation serves as the basis for the presentation of internal management data, and is also used by the Group's operating decision-maker to monitor performance. The operating segments reported by the Group are those reviewed by the chief operating decision-maker.

Management assesses segmental performance on the basis of current operating profit. Segmental results, assets and liabilities include items directly or indirectly attributable to the relevant segment. Segmental capital expenditure represents total acquisitions of property, plant and equipment and intangible assets as recognised in the corresponding balance sheet line items. Inter-segment sales and transfers are conducted on an arm's length basis.

Media

The Media segment includes all of the Group's TV channels; online content distribution and special-interest web communities; content creation and audience-buying via special-interest online content and brand development; developing and showcasing talent via multi-channel networks (MCNs); and subsidiaries that produce and acquire audiovisual rights for the Group's TV channels in line with French broadcasting industry regulations.

Revenues from such activities derive mainly from the sale of advertising space through individually-negotiated space-buying deals and programmatic ad sale auctions; they also include revenue from making content and services from the Group's TV channels available to cable, satellite and ADSL operators, and from interactivity embedded within broadcast programmes.

This segment also includes entertainment activities (music, live shows, licences, artist support) that add value to the Group's audiovisual content, and sales of subscription boxes, magazines and physical events that receive financial support from the Group's advertising clients.

As indicated in Note 1, "Significant Events of 2022", the digital agency and marketing activities of Ykone and Gamned, previously part of the Media segment, were sold during 2022.

Newen Studios

This segment comprises content subsidiaries whose activities are primarily focused on producing, acquiring, developing and distributing audiovisual rights (films, drama, TV movies, cartoons, documentaries, unscripted shows, etc) for exploitation independently of the Group's broadcasting operations.

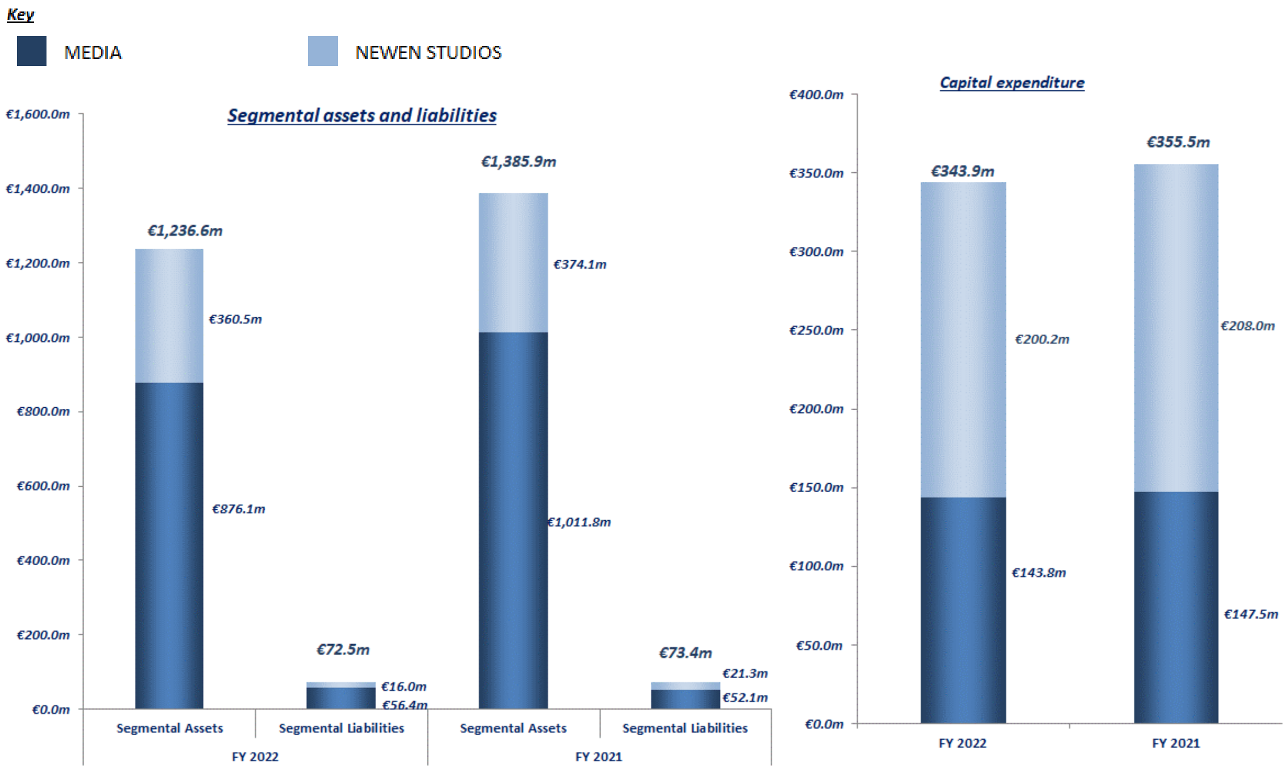
Revenues are derived from fees for the sale of broadcasting rights and all other exploitation rights in France or internationally.

4-1. Information by operating segment

(€m)	MEDIA		NEWEN STUDIOS		TOTAL TF1 GROUP	
SEGMENTAL INCOME STATEMENT	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
Segment revenue	2,093.3	2,106.4	472.2	380.8	2,565.4	2,487.2
Elimination of inter-segment transactions	(13.5)	(14.9)	(44.3)	(45.2)	(57.7)	(60.1)
GROUP REVENUE CONTRIBUTION	2,079.8	2,091.5	427.9	335.6	2,507.7	2,427.1
of which Advertising revenue	*1,668.9*	*1,694.1*	*(0.1)*	*0.5*	*1,668.8*	*1,694.6*
of which Other revenue	*410.9*	*397.4*	*428.0*	*335.1*	*838.9*	*732.5*
CURRENT OPERATING PROFIT FROM ACTIVITIES (COPA)	270.1	305.8	52.1	42.9	322.2	348.7
CURRENT OPERATING PROFIT	269.0	304.6	47.2	38.6	316.2	343.2
% operating margin on Group contribution	*12.9%*	*14.6%*	*11.0%*	*11.5%*	*12.6%*	*14.1%*
Interest expense on lease obligations	(1.6)	(2.2)	(1.3)	(0.6)	(2.9)	(2.8)
CURRENT OPERATING PROFIT after leases	267.4	302.4	45.9	38.0	313.2	340.4
Share of net profits/(losses) of joint ventures and associates	(48.9)	(28.3)	0.2	(0.2)	(48.6)	(28.5)

“Current operating profit/(loss) after leases” represents current operating profit after deducting interest expense on lease obligations.

With effect from the 2022 financial year, the TF1 group is reporting “Current operating profit from activities” (COPA), a new financial indicator which equates to current operating profit before amortisation and impairment of intangible assets recognised as a result of acquisitions. Comparatives for 2021 are shown the table above, on an overall basis and by segment.

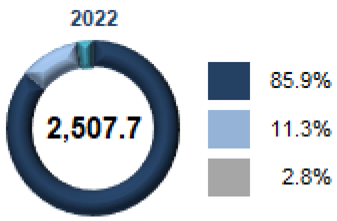


Segmental assets include audiovisual rights, other intangible assets, goodwill, and property, plant and equipment (excluding rights of use of leased assets).

Segmental liabilities include current and non-current provisions.

4-2. Information by geographical segment

Revenue is generated mainly in France (excluding non-European territories).



	Revenue	
(€m)	2022	2021
France (excluding non-European territories)	2,155.2	2,158.2
Continental Europe	282.9	186.9
Other countries	69.6	82.0
TOTAL	**2,507.7**	**2,427.1**

France accounts for the vast majority of the Group's assets and capital expenditure; the amounts for other geographical segments are immaterial. There was no significant year-on-year change in the geographical split of segmental assets or capital expenditure.

5 Notes to the income statement

5-1. Revenue

Accounting policy:

TF1 recognises revenue either when the performance obligation is satisfied or when the customer obtains control over the good or service sold. Control is defined as the ability to direct the use of, and obtain substantially all of the remaining benefits from, an asset.

The specific revenue recognition policies applied to each business line are as follows:

Media segment

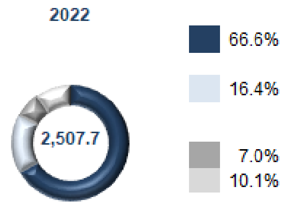
- **Advertising revenue:** Sales of advertising airtime are recognised on transmission of the related advertisement.
  - **TV and radio advertising:** Sales of advertising airtime are recognised on transmission of the related advertisement.
    - **TF1 group channels:** Advertising airtime sold by the Group's channels is measured either individually (spot by spot) or on a more aggregated basis according to campaign audience objectives (guaranteed GRP sales), applying the Group's general terms and conditions of sale and the specific terms applicable to each advertiser.

      Where the Group uses third-party advertising sales houses to sell advertising airtime but retains control over that airtime (as is the case in Switzerland and Belgium), it regards itself as acting as principal; the amount recognised in consolidated revenue is the gross sales revenue before deducting commission charged by the third party.
    - **Third-party media:** Where the TF1 group sells advertising airtime on media owned by third parties, it is acting as a commercial agent for that airtime, and therefore recognises only its commission as revenue.
  - **Digital media:** Content on the TF1 group's websites generates audiences, which are monetised with advertisers. Sales of advertising airtime are recognised when the relevant page and/or advertising banner has been viewed. Where the TF1 group uses a third-party advertising sales house or a third-party programmatic advertising auction platform and the third party deducts a commission before remitting the balance to the Group, the revenue is recognised net of the commission charged by the third party.
- **Other revenue:**
  - **Theme channel distribution revenue:** Fees charged by theme channels to cable and satellite operators that broadcast them are calculated on a per subscriber basis or as a fixed annual fee invoiced to the operator. Subscriber-based fees are recognised monthly on the basis of statements received from the operator. Fixed annual fees are recognised as revenue on a straight-line basis over the course of the year.
  - **Free-to-air channel distribution revenue:** "TF1 Premium" (an offer which includes access to the signal for the TF1 group's free-to-air channels plus a range of add-on services and content such as enhanced catch-up, start-over and bonus channels) is sold and billed to TV and telecoms operators by the Group. The operators invoice fees to TF1 for transmission of the content and services. TF1 acts as agent in the provision of this transmission service, and recognises the revenue net of transmission fees.
  - **Interactivity:** "Other revenues" also include interactivity revenue, which arises when viewers play or vote during shows broadcast on TF1 group channels. The revenue collected is recognised gross in real time as and when calls are received; commission charged by telecoms operators is recognised as an expense, on the basis that the Group retains control over the programming of its interactive slots.
  - **Social e-commerce:** The TF1 group has also developed physical offers targeted at web communities, such as gift boxes, magazines and events. Revenue on sales of those physical offers is recognised on the date of delivery to the customer.

Newen Studios segment

- **Production and sale of audiovisual rights:** Sales of audiovisual rights (whether acquired or produced in-house) are recognised on the date when the rights are opened. Where the Group has been commissioned by a content producer to sell programmes, the proceeds of the sale are recorded gross, before deducting paybacks to rights holders.

An analysis of revenue is provided below:



(€m)	FY 2022	FY 2021	Chg €m	Chg %
Advertising revenue	1,668.9	1,694.1	(25.2)	-1%
of which digital advertising revenue (1)	128.2	142.5	(14.3)	-10%
Other revenue	410.9	397.4	13.5	3%
Media	**2,079.8**	**2,091.5**	**(11.7)**	**-1%**
Newen - France	174.4	174.4	(0.0)	0%
Newen - Outside France	253.5	159.0	94.5	59%
Revenue from games, music, live shows & distance selling (2)	-	2.2	(2.2)	-100%
Newen Studios	**427.9**	**335.6**	**92.3**	**27%**
Total revenue	**2,507.7**	**2,427.1**	**80.6**	**3%**

(1) *Digital advertising revenue, combining advertising revenue from MyTF1/LCI and the former Digital division. As described in Note 1, "Significant events of 2022", the Web Publishers business was sold during 2022.*
(2) *TF1 Games division retained within the Studios & Entertainment segment (renamed Newen Studios) until its divestment in April 2021.*

The Group's audiovisual production order book represents the volume of activity still to be completed on productions for which a firm order has been placed (signed contract or deal memo) with a unitary value in excess of €1 million. It stood at €167.5 million as of 31 December 2022, compared with €201.2 million as of 31 December 2021.

There were no material exchanges of goods or services in the years ended 31 December 2022 and 2021, and there is no material revenue that is contingent on a performance obligation that pre-dates the reporting period.

5-2. Purchases consumed and changes in inventory

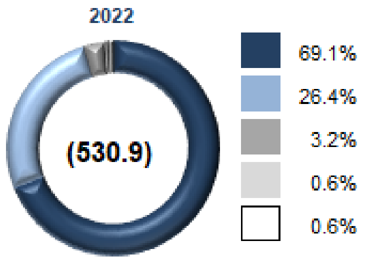
This item breaks down as follows:

(€m)	2022	2021
External production consumed [1]	(622.2)	(676.1)
Purchases of services [2]	(227.7)	(154.0)
Purchases of goods	(11.7)	(17.9)
Other purchases	(23.6)	(34.3)
Purchases consumed	(885.2)	(882.3)

(1) *"External production consumed" relates mainly to programmes acquired from third parties and broadcast by TF1, TMC, TFX and TF1 Séries Films, and by the theme channels TV Breizh, Histoire and Ushuaïa TV.*
(2) *Purchases include sports transmission rights acquired during the period.*

5-3. Staff costs

Staff costs break down as follows:



(€m)	2022	2021
Staff remuneration	(366.8)	(393.6)
Social security charges	(140.4)	(148.1)
Statutory employee profit-sharing	(17.1)	(30.1)
Share-based payment expense	(3.2)	(1.6)
Other staff costs	(3.4)	(2.5)
Staff costs	**(530.9)**	**(575.9)**

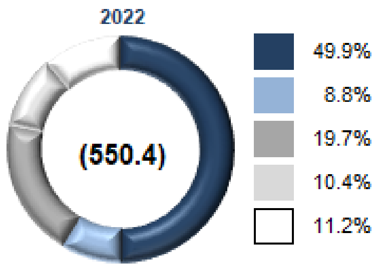
Defined-contribution pension plan expenses are included in "Social security charges", and totaled €38.4 million in 2022 (2021: €37.0 million).

Expenses relating to retirement benefits under the collective agreements applicable to TF1 group companies are recognised as part of the net change in non-current provisions (see Note 7-4-6). Retirement benefits paid during the period are recorded in “Staff remuneration”.

Expenses calculated in accordance with IFRS 2 in respect of stock option plans and performance share plans awarded by the parent company (TF1 SA) are classified as equity-settled share-based payment transactions (see Note 7-5-4).
Expenses calculated in accordance with IFRS 2 in respect of stock option plans and performance share plans awarded by other Group companies are classified as cash-settled share-based payment transactions, and recognised in “Staff remuneration”.
The TF1 group had 2,810 employees on permanent contracts as of 31 December 2022.

5-4. External expenses

External expenses break down as follows:

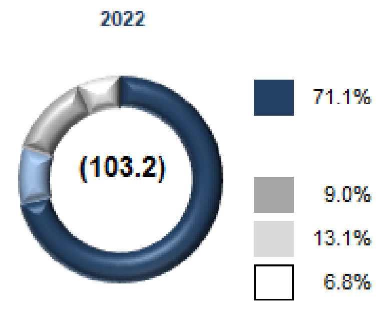


(€m)	2022	2021
Subcontracting	(274.6)	(203.4)
Rent and associated charges	(48.3)	(58.9)
Agents' fees and professional fees	(108.4)	(105.0)
Advertising, promotion and public relations	(57.1)	(41.4)
Other external expenses	(62.0)	(55.3)
External expenses	**(550.4)**	**(464.0)**

“Rent and associated charges” includes €11.2 million of payments on leases exempt from IFRS 16. For 2022, that amount mainly comprises lease expenses relating to short-term leases or to assets with a low as-new value. Non-lease (service) components are recognised on the same line.

5-5. Taxes other than income taxes

Taxes other than income taxes break down as follows:



(€m)	2022	2021
Audiovisual taxes	**(73.4)**	**(73.7)**
- National Centre for Cinematography (CNC) taxes	*(73.4)*	*(73.7)*
Other taxes	**(29.8)**	**(28.8)**
- Local business taxes	*(9.3)*	*(9.8)*
- Payroll-based taxes	*(13.5)*	*(12.9)*
- Miscellaneous taxes	*(7.0)*	*(6.1)*
Taxes other than income taxes	**(103.2)**	**(102.5)**

5-6. Other current operating income and expenses

(€m)	2022	2021
In-house production capitalised, and cost transfers	291.2	303.6
Reversals of unused provisions	19.9	9.6
Operating grants	4.3	20.8
Investment grants	36.5	19.2
Foreign exchange gains	8.2	3.5
Other income *(including proceeds from divestments of consolidated entities and broadcaster/audiovisual tax credit)*	255.7	130.9
Other current operating income	615.8	487.6
Royalties and paybacks to rights-holders	(131.1)	(136.3)
Bad debts written off	(1.8)	(6.7)
Foreign exchange losses	(7.8)	(3.0)
Other expenses *(including carrying amount of divested consolidated entities)* (1)	(183.1)	(42.9)
Other current operating expenses	(323.8)	(188.9)

(1) The net change in "Other income" and "Other expenses" was mainly due to (i) the effects of the changes in the scope of consolidation described in Note 1, "Significant Events of 2022" and (ii) a €12.4 million increase in audiovisual tax credit.

5-7. Non-current operating income and expenses

Accounting policy: These line items contain a limited number of income and expense items, which are unusual but are material to the consolidated financial statements. TF1 reports these items separately in its income statement in order to give users of the financial statements a better understanding of the Group's ongoing operating performance.

Non-current operating items comprised costs connected with the proposed merger of the operations of TF1 and M6, as described in the relevant section of Note 1 ("Significant events of 2022"), and amounting to €15.0 million in 2022 and €10.3 million in 2021.

5-8. Income from net surplus cash/(cost of net debt)

Accounting policy:

"Cost of net debt" (if negative) or "Income from net surplus cash" (if positive) represents the net total of "Expenses associated with net debt" and "Income associated with net debt".

"Expenses associated with net debt" comprise:

- interest expense on current and non-current debt;
- amortisation of financial assets and liabilities measured at amortised cost;
- expenses arising from currency hedges;
- expenses arising from the use of fair value accounting for financial assets and financial liabilities (such as changes in the fair value of the ineffective portion of currency derivatives, and in the fair value of cash equivalents and of financial assets used for treasury management purposes);
- expenses arising on the disposal of assets used for treasury management purposes.

Interest expense is recognised in the income statement in the period in which it is incurred.

"Income associated with net debt" comprises:

- interest income associated with cash and cash equivalents and with financial assets used for treasury management purposes;
- income arising from currency hedges;
- other revenues generated by cash equivalents and financial assets used for treasury management purposes;
- income arising from the use of fair value accounting for financial assets and financial liabilities (such as changes in the fair value of the ineffective portion of currency derivatives, and in the fair value of cash equivalents and of financial assets used for treasury management purposes);
- income generated by the disposal of assets used for treasury management purposes.

Income from net surplus cash/(cost of net debt) breaks down as follows:

(€m)	2022	2021
Interest income	1.0	-
Change in fair value of hedged portion of bond issue	-	-
Change in fair value of interest rate derivatives	1.4	-
Income and revenues from financial assets	0.7	1.5
Income associated with net debt	**3.1**	**1.5**
Interest expense on debt	(4.3)	(3.0)
Change in fair value of interest rate derivatives	(1.4)	-
Expenses associated with net debt	**(5.7)**	**(3.0)**
Income from net surplus cash/(cost of net debt)	**(2.6)**	**(1.5)**

5-9. Other financial income and expenses

Other financial income and expenses break down as follows:

(€m)	2022	2021
Dividend income	-	-
Gains on financial assets	0.1	-
Gains arising from changes in value of forward currency purchase/sale contracts	-	0.2
Gains arising from the effect of discounting assets and liabilities	-	-
Other income	2.1	2.0
Other financial income	**2.2**	**2.2**
Losses on financial assets	-	-
Losses arising from changes in value of forward currency purchase/sale contracts	-	(0.1)
Losses arising from the effect of discounting assets and liabilities	(9.0)	(3.0)
Other expenses	(2.0)	(4.8)
Other financial expenses	**(11.0)**	**(7.9)**

5-10. Net income and expense on financial assets and financial liabilities

The table below shows income, expenses, gains and losses arising on financial assets and liabilities by category, split between items affecting financial income/expense and items affecting operating profit:

(€m)	Financial - FY 2022	Financial - FY 2021	Operating – FY 2022	Operating – FY 2021
Net income/(expense) on loans and receivables at amortised cost	3.3	0.4	(4.0)	(5.9)
Net income/(expense) on financial assets at fair value through profit or loss	0.1	0.2	-	-
Net income/(expense) on financial liabilities at amortised cost	(14.9)	(7.8)	-	-
Net income/(expense) on derivatives	-	-	0.2	-
Other income/(expense), net	0.1	-	-	0.1
Net income and expense on financial assets and financial liabilities	**(11.4)**	**(7.2)**	**(3.8)**	**(5.8)**

5-11. Income tax expense

Accounting policy:

Deferred taxation is recognised using the liability method on all temporary differences existing at the end of the reporting period between the carrying amount of assets and liabilities in the consolidated balance sheet and their tax base, except in the specific cases mentioned in IAS 12 (primarily goodwill).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets arising on deductible temporary differences and on the carry-forward of unused tax losses are recognised only to the extent that it is probable that they can be offset against future taxable profits.

Taxes on items recognised directly in equity are taken to consolidated reserves.

Deferred taxes are presented in the balance sheet in non-current assets or liabilities, after offset of assets and liabilities in each tax jurisdiction.

5-11-1. Current and deferred taxes

5-11-1-1. Income statement

(€m)	2022	2021
Current taxes	(58.7)	(72.1)
Deferred taxes	2.4	1.7
Income tax expense	**(56.3)**	**(70.4)**

As of 31 December 2022, timing differences of French entities were accounted for at the enacted tax rate, which is 25.83% for 2023 and future years.

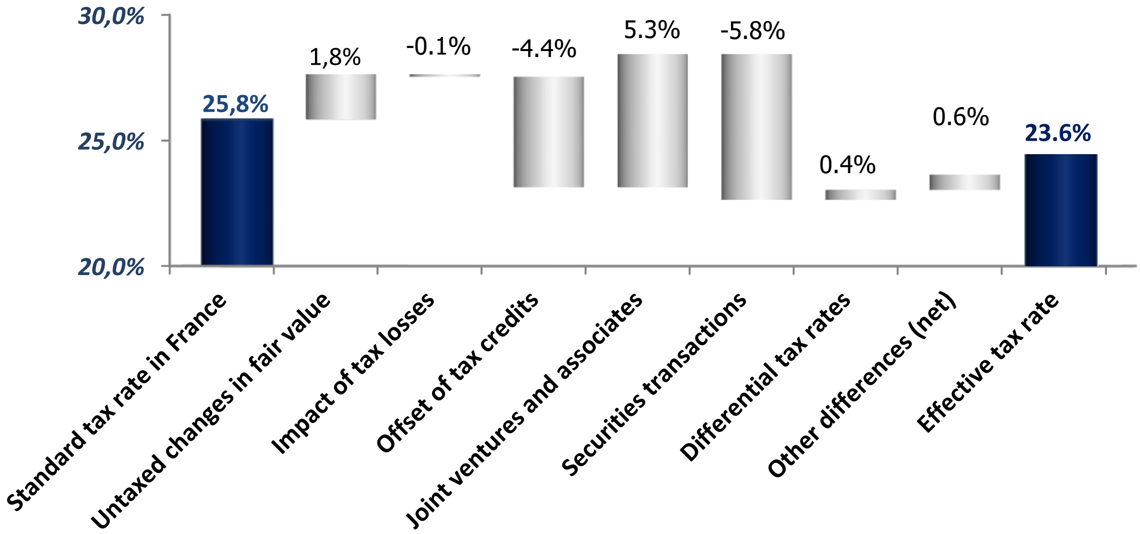
5-11-1-2. Tax proof

(€m)	**2022**	**2021**
Net profit attributable to the Group	**176.1**	**225.3**
Income tax expense	56.3	70.4
Non-controlling interests	5.9	(1.3)
Net profit from continuing operations before tax and non-controlling interests	**238.3**	**294.4**

TF1 made a group tax election on 1 January 1989, and has renewed this election regularly since that date.

The theoretical tax rate applicable for 2022 was 25.83%, compared with 28.41% for 2021. The Group's effective tax rate in 2022 was 23.63%, versus 23.92% for 2021.

2022 tax proof



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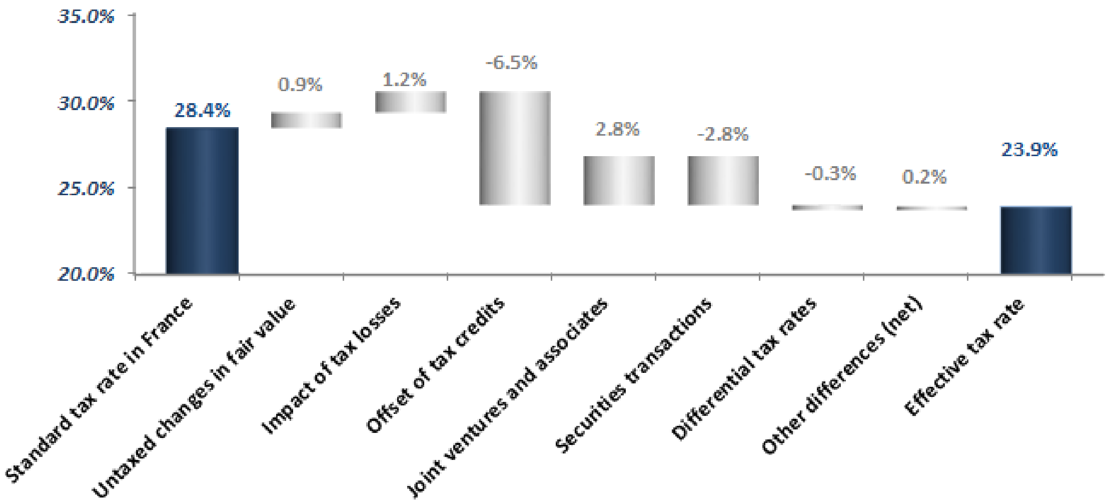
2021 tax proof



5-11-2. Deferred tax assets and liabilities

5-11-2-1. Change in net deferred tax position

(€m)	2022	2021
Net deferred tax asset/(liability) at 1 January	**(29.6)**	**(38.3)**
Recognised in equity	(2.4)	2.8
Recognised in profit or loss	2.4	1.7
Changes in scope of consolidation and other items	6.4	4.2

Net deferred tax asset/(liability) at 31 December	**(23.2)**	**(29.6)**

5-11-2-2. Principal sources of deferred taxation

The principal sources of deferred taxation are as follows:

(€m)	2022	2021
Provisions		
Provisions for programmes	0.9	0.9
Provisions for retirement benefit obligations	8.2	11.5
Provisions for impairment of audiovisual rights		
Provisions for trade receivables	0.5	0.5
Other provisions	2.8	4.8
Employee profit-sharing	1.7	2.8
Tax losses available for carry-forward	-	-
Other deferred tax assets [(1)]	9.0	3.2
Offset of deferred tax assets and liabilities	(23.1)	(23.7)
Deferred tax assets	**-**	**-**
Accelerated depreciation, and depreciation timing differences	(24.9)	(25.9)
Depreciation of head office building	(4.3)	(4.9)
Remeasurement of assets	(15.4)	(25.7)
Other deferred tax liabilities	(1.8)	3.2
Offset of deferred tax assets and liabilities	23.1	23.7
Deferred tax liabilities	**(23.2)**	**(29.6)**
Net deferred tax asset/(liability) at 31 December	**(23.2)**	**(29.6)**

Unrecognised deferred tax assets totalled €4.6 million as of 31 December 2022 (versus €6.2 million as of 31 December 2021), and comprised tax losses the recovery of which is not sufficiently probable to justify recognition. Such tax losses are available for carry-forward indefinitely.

5-11-2-3. Period to recovery of deferred tax assets

(€m)	Less than 2 years	2 to 5 years	More than 5 years	Offset of deferred tax assets and liabilities	Total
Deferred tax assets	**14.9**	**-**	**8.2**	**(23.1)**	**-**

Deferred tax assets recoverable after more than five years relate to timing differences in the recording of provisions for retirement benefit obligations.

6 Notes to the consolidated cash flow statement

6-1. Definition of "Net surplus cash/(net debt)"

"Net surplus cash/(net debt)" is obtained by aggregating the following items:

- cash and cash equivalents;
- overdrafts and short-term bank borrowings;
- non-current and current debt; and
- financial instruments (hedging of debt measured at fair value).

"Net surplus cash/(net debt)" as reported by the TF1 group excludes non-current and current lease obligations.

A reconciliation between the cash position in the cash flow statement and the "Cash and cash equivalents" line in the balance sheet is presented below:

(€m)	2022	2021
Cash and cash equivalents in the balance sheet	484.5	384.0
Cash of held-for-sale operations	-	-
Treasury current account credit balances	-	-
Short-term bank borrowings	(1.2)	(4.3)
Total cash position at period-end per the cash flow statement	**483.3**	**379.7**

6-2. Net cash generated by/used in operating activities

6-2-1. Depreciation, amortisation, provisions and impairment

An analysis of depreciation, amortisation, provisions and impairment is provided below:

(€m)	2022	2021
Intangible assets (1)	419.8	346.5
Property, plant and equipment	25.9	24.6
Financial assets	-	-
Non-current provisions	4.1	7.6
Net charges to/(reversals of) depreciation, amortisation, impairment of property, plant and equipment and intangible assets, and non-current provisions	**449.8**	**378.7**

(1) *Includes amortisation, provisions and impairment of audiovisual rights (Note 7.1.1) and intangible assets (Note 7.1.2).*

6-2-2. Other non-cash income and expenses

Other non-cash income and expenses comprise the following items:

(€m)	2022	2021
Effect of fair value remeasurement	7.5	1.2
Share-based payment	3.1	1.6
Grants released to profit or loss	(97.4)	(67.7)
Total other non-cash income and expenses	**(86.8)**	**(64.9)**

6-2-3. Change in operating working capital needs

The change in operating working capital needs breaks down as follows:

(€m)	2022	2021
Increase/(decrease) in net inventories	(40.6)	(40.6)
Increase/(decrease) in trade and other receivables	47.2	217.0
Decrease/(increase) in trade and other creditors	123.7	(208.1)
Decrease/(increase) in other liabilities	25.8	(23.4)
Increase/(decrease) in operating working capital needs before taxes	**156.1**	**(55.1)**

6-3. Net cash generated by/used in investing activities

6-3-1. Purchase price of property, plant and equipment and intangible assets

The purchase price of property, plant and equipment and intangible assets includes audiovisual rights amounting to €89.4 million for the Media segment (versus €96.3 million for 2021) and of €164.7 million for the Newen Studios segment (versus €182.4 million for 2021).

6-3-2. Cash effect of changes in scope of consolidation

This item breaks down as follows:

(€m)	2022	2021
Net cash outflows on acquisitions	(16.6)	(28.8)
Net cash inflows from disposals	149.4	32.1
Effect of changes in scope of consolidation	**132.8**	**3.3**

In 2022, the main changes in scope of consolidation were the divestments of the Web Publishers, influence marketing and digital marketing activities, as described in Note 3-1, "Significant changes in scope of consolidation in 2022".

In 2021, the main changes in scope of consolidation were the acquisition of control over the iZen group and the divestment of the Games business, as described in Note 3-2, "Significant changes in scope of consolidation in 2021".

"Net cash outflows on acquisitions" consists of the following items:

(€m)	2022	2021
Purchase price		
Cash and cash equivalents acquired	2.7	1.3
Financial assets acquired	0.3	2.8
Other assets acquired	37.6	28.7
Non-controlling interests acquired	(1.1)	(3.5)
Other liabilities acquired	(35.4)	(17.8)
Net assets acquired	4.1	11.5
Share of net assets acquired (A)	3.6	12.1
Goodwill (B)	16.4	26.0
Cash outflow (A) + (B)	**20.0**	**38.1**
Cash acquired	2.7	1.3
Net liabilities related to consolidated activities	0.7	8.0
Net cash outflow	**16.6**	**28.8**

The table below shows the cash flow effects of disposals of subsidiaries:

(€m)	2022	2021
Sale price		
Cash inflows	163.9	37.8
Cash divested	(14.5)	(5.7)
Subscriptions to capital increases carried out by subsidiaries	-	-
Net cash inflow	**149.4**	**32.1**

For 2022, cash inflows mainly related to the divestments of the Web Publishers, influence marketing and digital marketing activities.

For 2021, cash inflows mainly related to the divestments of Dujardin, Gofeminin, Alfeminin and Livingly Media.

7 Notes to the consolidated balance sheet

7-1. Intangible assets: audiovisual rights and other intangible assets

The line item "Intangible assets" consists of audiovisual rights and other intangible assets, as shown below:

(€m)	31/12/2022	31/12/2021
Audiovisual rights	178.6	221.1
Other intangible assets	96.5	143.5
Total	**275.1**	**364.6**

7-1-1. Audiovisual rights

Accounting policy:

This item primarily includes shares in films and audiovisual programmes produced or co-produced by TF1 SA, TF1 Films Production and TF1 Production; audiovisual rights produced by Newen; audiovisual distribution and trading rights owned by TF1 Studios and TF1 Entertainment; and music rights owned by TF1 group entities.

Audiovisual rights are recognised as an asset in the balance sheet at historical cost under "Audiovisual rights".

Amortisation methods for the various categories of audiovisual rights are as follows:

- producer shares in French drama acquired by broadcasters: amortised on a straight line basis over the projected period of rights exploitation, in line with the expected pattern of consumption of future economic benefits;
- producer shares in French drama produced by the TF1 group: amortised on a reducing balance basis, in line with the expected pattern of consumption of future economic benefits;
- shares in movie co-productions and audiovisual distribution rights: amortised on a reducing balance basis, in line with the expected pattern of consumption of future economic benefits;
- audiovisual trading rights: amortised on a straight-line basis over the contractual term or the projected period of rights exploitation;
- music rights: amortised over 2 years, 75% of gross value in the first year and the remaining 25% in the second year.

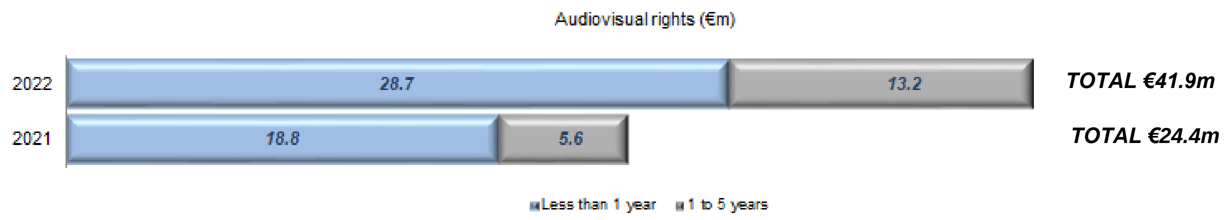
Use of estimates and judgement:

Impairment losses are recognised against audiovisual rights on a case by case basis, following an analysis of the expected future economic benefits relative to their carrying amount.

Movements in audiovisual rights during 2022 and 2021 were as follows:

(€m)	**Gross value**	**Amortisation**	**Impairment**	**Total audiovisual rights**
31 December 2020	**3,340.1**	**(2,867.8)**	**(273.7)**	**198.6**
Increases	353.3	(311.5)	(93.8)	(52.0)
Decreases	(4.4)	0.5	72.3	68.4
Changes in scope of consolidation and reclassifications	33.3	(23.0)	(4.2)	6.1
Translation adjustments				
31 December 2021	**3,722.3**	**(3,201.8)**	**(299.4)**	**221.1**
Increases	344.5	(395.4)	(88.4)	(139.3)
Decreases	(9.5)	5.0	80.2	75.7
Changes in scope of consolidation and reclassifications	19.1	4.0	(2.0)	21.1
Translation adjustments				
31 December 2022	**4,076.4**	**(3,588.2)**	**(309.6)**	**178.6**

The chart below shows the maturities of capitalisable audiovisual rights acquisition contracts entered into by the Group to secure future programming schedules.



7-1-2. Intangible assets (other than audiovisual rights, see Note 7-1-1)

Accounting policy:

Intangible assets (other than audiovisual rights) mainly comprise operating licences (other than broadcasting licences and audiovisual rights), brands and similar rights, and software. On the acquisition date, they are measured as follows:

- at acquisition cost, net of accumulated amortisation and impairment losses; or
- at fair value as of the acquisition date, if acquired in a business combination.

Subsequent to the acquisition date, intangible assets are measured at initial recognition cost less accumulated amortisation and impairment losses.

Intangible assets with finite useful lives are amortised using the straight-line method over their expected useful lives.

Intangible assets with indefinite useful lives, such as commercial brands owned by the Group, are not amortised. Those brands are tested for impairment using the royalties method, which takes account of the future royalty cash flow streams that each brand would generate individually, based on the premise that a third party would be prepared to pay a royalty for using the brand (see Note 7-3).

The figures shown below are net carrying amounts:

(€m)	Indefinite-lived brands [1] [2]	Concessions, patents & similar rights	Other	TOTAL
1 January 2021	**95.1**	**12.4**	**33.4**	**140.9**
Increases	-	4.8	17.7	22.5
Amortisation & impairment	1.1	(5.7)	(10.0)	(14.6)
Decreases	(2.7)	(0.2)	(2.8)	(5.7)
Changes in scope of consolidation and reclassifications	-	5.0	(4.6)	0.4
31 December 2021	**93.5**	**16.3**	**33.7**	**143.5**
Increases	-	10.3	11.4	21.7
Amortisation & impairment	-	(7.9)	(9.1)	(17.0)
Decreases	-	(0.2)	(0.2)	(0.4)
Changes in scope of consolidation and reclassifications	(39.8)	9.0	(20.5)	(51.3)
31 December 2022	**53.7**	**27.5**	**15.3**	**96.5**
gross value	*59.6*	*103.4*	*51.0*	***214.0***
amortisation and impairment	*(5.9)*	*(75.9)*	*(35.7)*	***(117.5)***

[1] Impairment tests conducted as of 31 December 2021 on other indefinite-lived brands, using the method described in the "Accounting policies" section of this note, identified an impairment loss relating to the Aufeminin brand (€2.5 million) and a reversal of an impairment loss relating to the MyLittleParis brand (€3.6 million). The decrease of €2.7 million reflects the divestment of Gofeminin and Alfeminile, both associated with the Aufeminin brand.

[2] In 2022, as a result of the sale of the Web Publishers business (as described in Note 1, "Significant events of 2022"), the Aufeminin, Marmiton and Doctissimo brands were divested.

The "Other" column includes intangible assets in progress that may be transferred to "Concessions, patents and similar rights" (via the "Increases" and "Decreases" lines) when they are brought into use.

7-2. Inventories: broadcasting rights and other inventories

Accounting policy:

Programmes and broadcasting rights

✓ Initial recognition:

In order to secure programming schedules for future years, the Group enters into binding contracts, sometimes for a period of several years, under which it acquires (and the other party agrees to deliver) programme rights and sports transmission rights.

A programme is treated as ready for transmission and recognised in inventory under “Programmes and broadcasting rights” when the following two conditions are met: technical acceptance (for in-house and external productions), and opening of rights (for external productions).

In the case of rights and programmes for which these two criteria have not been met (programmes not yet delivered, sports rights for which the right to broadcast is not activated until the date of the event, etc), the Group takes the view that it does not control the asset, since it has neither the right nor the ability to broadcast the programme. Consequently, such rights are not recognised in the balance sheet.

However, any advance payments made to acquire such rights are recognised as supplier prepayments.

The balance sheet line item “Programmes and broadcasting rights” includes:

- in-house productions, made by TF1 group companies for TF1 channels;
- external productions, comprising broadcasting rights acquired by the Group’s channels.

The value of programmes and broadcasting rights is measured as follows:

- in-house production: at overall production cost (direct costs plus a portion of indirect production costs);
- broadcasting rights and co-productions: at purchase cost, less consumption for the year calculated at the end of each reporting period.

✓ Accounting for consumption of programmes:

TF1 SA programmes (which account for most of the Group’s programme inventory) are deemed to have been consumed as transmitted. If they are acquired for a single transmission, they are regarded as having been consumed in full at the time of that transmission. If they are acquired for two or more transmissions, consumption is calculated according to the type of programme using the rules described below, unless otherwise specified in the acquisition contract:

	Dramas with a running time of at least 52 minutes	Series	Films, TV movies and cartoons	Other programmes and broadcasting rights
1st transmission	80%	67%	50%	100%
2nd transmission	20%	33%	50%	-

“Other programmes and broadcasting rights” in the table above refers to children’s programmes (other than cartoons), light entertainment, plays, factual and documentary programmes, news, sport, and dramas with a running time of less than 52 minutes.

✓ Impairment and write-offs:

A provision for impairment is recorded once it becomes probable that a programme will not be transmitted, or if the contractual value at which it was recognised in inventory exceeds the value attributable to it using the rules described above.

Use of estimates and judgement:

Probability of transmission is assessed on the basis of the most recent programming schedules approved by management. If rights are resold, a provision is recorded once the sale is probable to cover any excess of the value at which the rights were initially recognised in inventory (or the amount of advance payments) over the actual or estimated selling price.

Programmes that have not been transmitted and the rights to which have expired are written off as a component of current operating profit, and any previously-recognised provisions are reversed.

✓ Rights acquired to secure future programming schedules:

Rights ordered under irrevocable contracts but not yet available for transmission (see above) are disclosed in the section relating to contracts entered into by TF1 to secure future programming schedules, and are priced at the contractual amount (or the estimated future cash outflow in the case of output deal contracts) less any advance payments made.

Other inventories

Other inventories comprise assets held for sale in the ordinary course of business, in the form of supplies or goods that are consumed as part of a sale process. They are carried at the lower of cost or net realisable value.

Cost includes the purchase price plus customs duties and other taxes, and other directly attributable costs, minus trade discounts, rebates and other similar items (settlement discounts).

The line item “Inventories” consists mainly of programmes and broadcasting rights:

(€m)	***31 December 2022***	***31 December 2021***
Programmes and broadcasting rights	387.8	431.7
Other inventories	16.8	12.2
Total	**404.6**	**443.9**

The table below shows the movement in programme and broadcasting rights inventory, valued in accordance with the accounting policy described above.

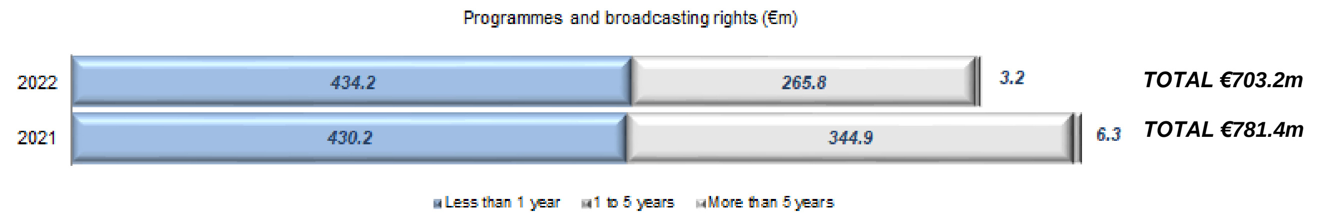
(€m)	Gross value	Impairment (net)	Inventories
1 January 2021	**612.2**	**(141.8)**	**470.4**
Net movement	(69.1)	30.4 [1]	**(38.7)**
Translation adjustments	-	-	**-**
Changes in scope of consolidation and reclassifications	-	-	**-**
31 December 2021	**543.1**	**(111.4)**	**431.7**
Net movement	(74.1)	28.2 [2]	**(45.9)**
Translation adjustments	-	-	**-**
Changes in scope of consolidation and reclassifications	2.0	-	**2.0**
31 December 2022	**471.0**	**(83.2)**	**387.8**

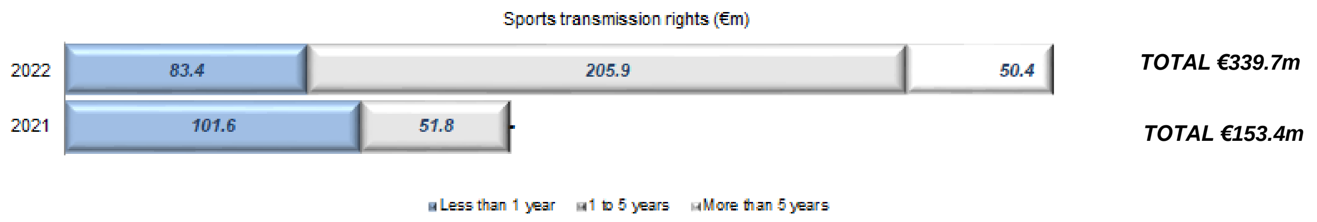
[1] Includes €39.6 million of impairment losses charged, €70.0 million of impairment losses reversed.

[2] Includes €20.2 million of impairment losses charged, €48.4 million of impairment losses reversed.

The programme and broadcasting rights inventory reported above is owned primarily by TF1 SA and the TF1 Acquisition de Droits economic interest grouping.

The charts below show the maturities of broadcasting and sports transmission rights acquisition contracts entered into by the Group to secure future programming schedules.





Some of those broadcasting and sports transmission rights contracts are expressed in US dollars; the amounts involved were the US dollar equivalent of €32.8 million in 2022 and €33.3 million in 2021.
In 2022, programmes and broadcasting rights related mainly to TF1 SA (€257.2 million, versus €309.5 million in 2021) and to the Acquisition de Droits economic interest grouping (€339.1 million, versus €364.6 million in 2021).
Sports transmission rights commitments related mainly to TF1 DS (€339.8 million in 2022, €153.4 million in 2021).

7-3. Current assets and liabilities

7-3-1. Trade and other receivables

Accounting policy:

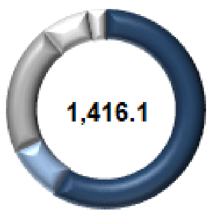
These financial assets are initially recognised at fair value plus directly attributable transaction costs. At the end of each subsequent reporting period, they are measured at amortised cost using the effective interest method.

This category includes trade receivables, other receivables, loans receivable, deposits and caution money, loans and advances to non-consolidated equity investments, cash, and current account advances to joint ventures, associates and non-consolidated entities.

Loans and receivables are assessed individually for objective evidence of impairment.

Impairment of trade receivables is measured using an expected loss model at the time of initial recognition. Because the Group's trade receivables do not have a material financing component, a standard simplified expected loss model is applied to all such receivables.

Carrying amount 2022



	(€m)	Gross value 2022	Impairment 2022	Carrying amount 2022	Carrying amount 2021
58.6%	Trade receivables	841.4	(11.6)	829.8	830.2
9.4%	Supplier prepayments [1]	134.0	(0.5)	133.5	121.5
21.3%	Other operating receivables [2]	301.2	-	301.2	330.6
7.7%	Other receivables [3]	117.8	(8.3)	109.5	94.5
3.0%	Prepayments	42.1	-	42.1	40.6
	Trade and other receivables	**1,436.5**	**(20.4)**	**1,416.1**	**1,417.4**

[1] This line includes advance payments in respect of acquisitions of programmes and sports transmission rights.

[2] Primarily amounts due to the government, local authorities, employees and social security bodies.

[3] Primarily receivables relating to minimum guaranteed payments to rights holders under contracts for the distribution of audiovisual content.

Movements in provisions for impairment of trade and other receivables during the period are shown below:

(€m)	2022	2021
Impairment as of 1 January	**(20.5)**	**(141.2)**
Additional provisions booked during the year	(6.5)	(3.6)
Reversals for debts written off during the year	3.1	7.0
Recovered during the year	0.6	0.5
Held-for-sale operations	-	-
Changes in scope of consolidation, translation adjustments and reclassifications [1]	2.9	116.8
Impairment as of 31 December	**(20.4)**	**(20.5)**

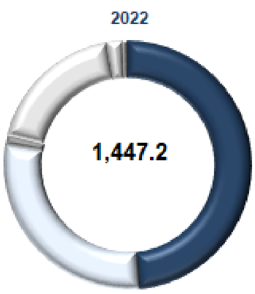
[1] In 2021, TF1 Video transferred its catalogue to TF1 Studios at a gross value of €122.3 million with an impairment allowance of €122.2 million, i.e. at a carrying amount of close to zero.

7-3-2. Trade and other payables

7-3-2-1. Breakdown of trade and other payables

Accounting policy:

Grants received by the TF1 group mainly comprise grants received by the Group's production companies from funds set up to support the audiovisual industry, in particular grants awarded by the French National Centre for Cinematography (CNC). Grants awarded by audiovisual industry support funds are initially recorded as deferred income in "Trade and other creditors" on the liabilities side of the balance sheet once the grant has been definitively awarded. They are taken to the income statement under "Other current operating income" on exploitation of the corresponding rights.



%	*(€m)*	2022	2021
48.5%	Trade payables	702.3	686.2
	Advance payments received	-	-
29.0%	Tax and employee-related liabilities [1]	419.4	469.2
1.4%	Payables related to acquisitions of non-current assets	19.9	14.8
18.3%	Other payables	265.2	376.5
2.1%	Customer contract liabilities	30.8	40.5
0.7%	Deferred and prepaid income and audiovisual industry support fund grants [2]	9.6	13.6
	Trade and other creditors	**1,447.2**	**1,600.8**

[1] *Mainly comprises VAT payable, and amounts owed to employees and social security bodies.*

[2] *Audiovisual industry support fund grants included in payables mainly comprise grants awarded by the CNC.*

7-3-2-2. Movement in customer contract liabilities

	Upfront payments	Campaign audience guarantees	Sales of rights not yet opened	Other	Total
2021	26.0	11.0	3.5	0.0	**40.5**
Increases	17.0	9.3	4.1	0.0	**30.4**
Revenue recognised in the period	-26.0	-11.0	-3.5	0.0	**-40.5**
Changes in scope of consolidation	0.4	0.0	0.0	0.0	**0.4**
2022	**17.4**	**9.3**	**4.1**	**0.0**	**30.8**

7-3-3. Current provisions

Accounting policy:

Provisions are recorded when there is a legal or constructive obligation to a third party arising from a past event; the obligation will certainly or probably result in an outflow of resources with no corresponding inflow of resources; and the amount of the outflow can be measured reliably. Provisions are reviewed at the end of each reporting period, and adjusted where necessary to reflect the best estimate of the obligation as of that date.

Contingent liabilities are obligations whose existence will be confirmed only by the occurrence of future events or for which the outflow of resources cannot be measured reliably. No provision is recorded for contingent liabilities.

Use of estimates and judgement:

Provisions include those booked to cover litigation and claims of whatever kind, the amount of which is estimated based on assumptions regarding the most likely outcomes. In determining those assumptions, TF1 management may if necessary rely on the assessments of external advisors.

Current provisions mainly comprise provisions for litigation and claims arising in the normal operating cycle and for which settlement will probably occur within twelve months. They are determined in the same way as non-current provisions (see Note 7-3-6).

The table below shows movements in current provisions during 2022:

(€m)	**Litigation and claims: employees**	**Litigation and claims: commercial**	**Other contractual litigation, claims, and risks**	**Other**	**TOTAL CURRENT PROVISIONS**
1 January 2022	**5.9**	**7.3**	**11.8**	**2.2**	**27.2**
Charges	3.8	0.7	2.3	(0.6)	**6.2**
Reversals: used	(1.7)	(2.3)	(3.1)	-	**(7.1)**
Reversals: unused	(0.4)	(1.0)	(10.0)	(0.1)	**(11.5)**
Changes in scope of consolidation and reclassifications	(0.5)	(1.9)	18.6	0.2	**16.4**
31 December 2022	**7.0**	**2.9**	**19.6**	**1.7**	**31.2**

No material contingent liabilities had been identified as of the date of preparation of the financial statements.

Provisions for commercial litigation and claims mainly relate to ongoing disputes with customers, producers and rights-holders.

Provisions for other contractual litigation, claims and risks are intended to cover risks of claims from other third parties with contractual relations with TF1, including guarantees given by TF1 in connection with divestments of equity interests.

✓ Status of litigation and claims

In 2014, the Canal+ group filed a complaint with the Competition Authority against TF1, M6 and France Télévisions relating to certain practices adopted in the buying of rights to original French movies known as "catalogue" movies; TF1 was also heard. TF1 received a notice of complaint in February 2018, and presented its counter-arguments on 26 April 2018. In a decision of 27 May 2019, the Competition Authority rejected the complaint, which it judged to be without foundation. The Canal+ group lodged an appeal against this decision; the appeal was rejected by the Appeal Court, which on 8 October 2020 upheld the Competition Authority's original decision. The Canal+ group then lodged an appeal with the *Cour de Cassation* (the French supreme court). The *Cour de Cassation* non-suited the Canal+ group's claims in a ruling issued on 7 December 2022, so this litigation is now definitively ended.

In July 2019, Molotov filed a complaint against TF1 and M6 with the Competition Authority alleging abuse of dominant position and abuse of economic dependency. The Competition Authority rejected the complaint on 30 April 2020, on the grounds that Molotov had provided insufficient evidence to substantiate its allegations. On 24 June 2020, Molotov referred the matter to the Paris Appeal Court, seeking to have the Competition Authority's decision struck out and reversed; on 30 September 2021, that appeal was rejected by the Appeal Court. Molotov lodged an appeal against the Appeal Court's decision; that appeal is still pending.

In a separate claim, Molotov brought an action in damages against TF1 in the Commercial Court on 10 November 2020, alleging unfair contractual terms and breach of the undertakings relating to Salto. On 10 December 2020, TF1 requested a stay in proceedings pending a ruling from the judicial court on counterfeiting. That request having been rejected on 18 October 2021, TF1 filed its pleadings on 10 December 2021. The case is still pending.

On 7 January 2022, the Paris Judicial Court ordered Molotov to pay €8.5 million in damages for counterfeiting. An attachment order for payment of the damages to TF1 was issued on 8 February 2022. Molotov paid the damages on that day. On 16 February 2022, Molotov lodged an appeal with the Paris Appeal Court against the ruling of the Judicial Court. The appeal pleadings of the parties were submitted on 16 May 2022 (Molotov) and 11 August 2022 (TF1). The case is still pending. As described in Note 1 ("Significant events of 2022"), and in light of the information and legal opinions known to management, the entire €8.5 million paid by Molotov as damages for counterfeiting was recognised within "Other current operating income" during 2022.

7-4. Non-current assets and liabilities

Accounting policy:

The recoverable amount of an asset is the higher of value in use or fair value less costs to sell. If fair value less costs to sell cannot be reliably measured, the recoverable amount of an asset is its value in use.

The value in use of assets to which independent cash flows can be directly allocated is determined individually. All other assets are grouped within cash-generating units (CGUs) to determine their value in use. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The value in use of an asset or a CGU is measured using the discounted cash flow (DCF) method, based on 3-year cash flow projections in business plans approved by TF1 management and the Board of Directors plus a standard annual cash flow figure (after lease expenses) for the time horizon beyond the 3-year business plan. The cash flows used are determined on an after-tax basis.
These cash flow projections are discounted using an after-tax discount rate, determined on the basis of the weighted average cost of capital (calculated using market parameters, such as beta and capitalisation) of a sample of companies representative of the business sector to which the asset being tested belongs.

The recoverable amount of the CGU's assets is then compared with their carrying amount in the consolidated balance sheet (after including the right of use of leased assets, and deducting lease obligations).

Use of estimates and judgement:

The carrying amount of goodwill in the TF1 consolidated financial statements is reviewed at least annually. These impairment tests are sensitive to medium-term financial forecasts and to the discount rates used to estimate the value in use of cash-generating units (CGUs).

Impairment:

At the end of each reporting period, the Group assesses whether there are internal or external events or circumstances which indicate that a non-current asset may have been impaired. If there is such an indication, or if the asset is required to be tested for impairment annually (goodwill, and intangible assets with indefinite useful lives), the recoverable amount of the asset is estimated.

An impairment loss is recognised where the recoverable amount of an asset or CGU is less than its carrying amount. Impairment losses on finite-lived and indefinite-lived items of property, plant and equipment and intangible assets may be reversed subsequently if the recoverable amount of the asset becomes greater than its carrying amount again. The only impairment losses that may not be reversed are those taken against goodwill.

7-4-1. *Goodwill*

In applying IFRS, the TF1 group has elected to recognise goodwill using the partial goodwill method, i.e. without remeasuring at fair value the non-controlling interests at the acquisition date based on the purchase consideration. Consequently, the effect of fair value remeasurements recognised on buyouts of non-controlling interests is offset against consolidated shareholders' equity, with no additional assets recognised in the balance sheet as a result of the acquisition.

The TF1 group's operations are split into two CGUs:

- Media: includes all of the Group's TV channels and online content creation/publishing activities (monetised primarily through sales of advertising space), distribution of the Group's channels via ISPs and OTT operators, and various associated services.
- Newen Studios: includes content subsidiaries whose activities are primarily focused on producing, acquiring, developing and distributing audiovisual rights.

The table below shows movements in goodwill for the period, by segment:

(€m)	Media	Newen Studios	Digital [1]	TOTAL
Goodwill at 1 January 2021	**408.4**	**190.6**	**187.3**	**786.3**
Acquisitions	0.7	21.8	-	22.5
Disposals	(7.9)	-	(2.4)	(10.3)
Translation adjustments	-	1.2	-	1.2
Other adjustments	-	-	0	-
Reclassifications	184.9	-	(184.9)	-
Impairment	-	-	-	-
Goodwill at 31 December 2021	**586.1**	**213.6**	**(0.0)**	**799.7**
Acquisitions	-	16.2	-	16.2
Disposals	(143.4)	-	-	(143.4)
Translation adjustments	-	(0.5)	-	(0.5)
Other adjustments	-	0.3	-	0.3
Reclassifications	-	-	-	-
Impairment	57.9	-	-	57.9
Goodwill at 31 December 2022	**500.6**	**229.6**	**-**	**730.2**
gross value	***505.1***	***229.6***	***-***	***734.7***
accumulated impairment	***(4.5)***	***-***	***-***	***(4.5)***

(1) The Digital segment was absorbed into the Media segment in 2021.

The decrease in goodwill during 2022 was mainly due to the sale of the Web Publishers activities of the Media segment, and the sale of the digital and influence marketing businesses.

During 2022, the TF1 group acquired (i) a 60% interest in IndaloMedia (Spain), a production company specialising in entertainment shows and (ii) an 89.3% interest in the Anagram group, one of the leading drama producers in Scandinavia. Those two acquisitions account for the bulk of the increase in goodwill for the Newen Studios segment.

In 2021, increases in goodwill mainly comprised €15.4 million generated by the acquisition of 65% of the iZen group (Spain), and €4.9 million generated by the acquisition of 51% of the Flare group (Germany).

Decreases in goodwill mainly related to the successive divestments of Alfemminile (Italy), Gofeminin.de (Germany) and Livingly Media (USA). All three divestments were deemed to fall within the scope of IFRS 3, and resulted in the derecognition of goodwill.

(€m)	**Media segment**		**Newen Studios segment**		**TOTAL**	
Year	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Number of CGUs	**1**	**1**	**1**	**1**	**2**	**2**
Media CGU	500.6	586.1			500.6	586.1
Newen Studios CGU			229.6	213.6	229.6	213.6
Total	**500.6**	**586.1**	**229.6**	**213.6**	**730.2**	**799.7**

Impairment testing of goodwill

The recoverable amount of each of the two CGUs (Media and Newen Studios) was determined by calculating the value in use using the discounted cash flow (DCF) method, based on three-year cash flow projections compiled from plans and budgets approved by the TF1 Board of Directors. Cash flows beyond the projection time horizon were extrapolated at a perpetual growth rate that reflects past experience and incorporates prudent assumptions about the growth potential of the markets in which each CGU operates, and their competitive positions in those markets.

The business plans used in the tests were prepared on the basis of revenue growth rates and operating margins consistent with actual performances over the previous five years. Those business plans take account of factors including:

- the impacts of the economic situation and competitive environment, and of trends in how content is consumed and in advertising media;
- the acceleration of the transformation of the TF1 group, and the organic expansion of its activities;
- the ongoing implementation of a resolutely multi-channel, multi-media and multi-line strategy that allies mass audience power with targeting across all platforms, plus the expansion of production activities and the development of new monetisation techniques, which is reflected by:
  - securing the core Media business: TV and online content (including news) and advertising;
  - delivering a high-performance digital offering;
  - opening up new distribution channels (platformisation, OTT) via the MYTF1 site; and
  - ongoing build-up of Newen to reinforce the production and distribution side, in France and internationally.

The perpetual growth rates applied for impairment testing as of 31 December 2022 were in a range between 1% and 2% depending on the nature of the CGU's business; the rates used in 2021 were in the same range.

The after-tax discount rate used as of 31 December 2022 was determined using external data sources, using the method described in Note 7-3 (data sources: market data from Associés en Finances). The TF1 group is aware of the growing convergence between TV broadcasting, online video and TV/video content production within key media industry players.

The market inputs available in determining the discount rates used by the Group for the Media and Newen Studios CGUs reflect that convergence, and led the Group to set a single discount rate of 6.65% (versus 7.30% for 2021). The reduction in the discount rate in 2022 was due to the removal of peer comparisons for digital sector entities, following the sale of the Web Publishers and digital and influence marketing activities. Normative cash flows were determined on the basis of the business plan, and take account of the issues mentioned above.

For both CGUs, analyses were performed of the sensitivity of the calculations to key assumptions (discount rate, growth rate, normative cash flows), both individually and using combinations of discount rate and normative cash flow scenarios, including reasonably possible changes in those assumptions.

In both cases, the recoverable amount of the CGU would equal the carrying amount of the assets tested if the following assumptions (taken individually) were to be applied:

2022	**Change in discount rate**	**Change in normative cash flows**	**Change in perpetual operating margin**
Media CGU	1,056 bp	-75%	-815 bp
Newen Studios CGU	566 bp	-62%	-563 bp

2021	**Change in discount rate**	**Change in normative cash flows**	**Change in perpetual operating margin**
Media CGU	799 bp	-65%	-762 bp
Newen Studios CGU	531 bp	-56%	-553 bp

For the Media CGU, in the event of a 10% reduction in normative margin combined with an increase of 50 basis points in the discount rate, the recoverable amount would exceed the carrying amount by €1,315 million (€1,198 million at end 2021).
For the Newen Studios CGU, in the event of a 10% reduction in normative margin combined with an increase of 50 basis points in the discount rate, the recoverable amount would exceed the carrying amount by €281 million (€218 million at end 2021).

7-4-2. Property, plant and equipment

Accounting policy:

- **Property, plant and equipment owned outright**

Property, plant and equipment is carried at acquisition cost net of accumulated depreciation and impairment losses.

Depreciation is charged on a straight-line basis over the expected useful life of the asset, taking account of any residual value of the asset:

Buildings	25 to 50 years
Technical installations:	3 to 7 years
Other property, plant and equipment:	2 to 10 years

Land is not depreciated.

Where an asset is made up of components with different useful lives, those components are recognized and depreciated as separate items within property, plant and equipment.

Gains or losses on disposals of property, plant and equipment represent the difference between the sale proceeds and the net carrying amount of the asset, and are included in "Other current operating income and expenses".

The table below shows movements in property, plant and equipment, and in depreciation and impairment, during the years ended 31 December 2022 and 2021 (the figures shown are net carrying amounts):

(€m)	Land	Buildings	Technical facilities	Other property, plant and equipment	Property, plant and equipment in progress	TOTAL
1 January 2021	**64.8**	**72.3**	**26.7**	**53.1**	**1.3**	**218.2**
Increases	-	-	9.6	15.6	4.4	**29.6**
Depreciation & impairment	-	(2.6)	(10.5)	(11.7)	-	**(24.8)**
Decreases	(0.9)	(0.2)	(0.7)	(0.3)	-	**(2.1)**
Changes in scope of consolidation and reclassifications	-	(0.1)	3.2	0.5	(3.0)	**0.6**
31 December 2021	**63.9**	**69.4**	**28.3**	**57.2**	**2.7**	**221.5**
Increases	-	0.1	9.6	17.4	9.7	**36.8**
Depreciation & impairment	-	(1.9)	(11.3)	(13.0)	-	**(26.2)**
Decreases	-	-	(0.1)	0.3	-	**0.2**
Changes in scope of consolidation and reclassifications	-	-	2.5	-	(3.5)	**(1.1)**
31 December 2022	**63.9**	**67.6**	**29.0**	**61.9**	**8.9**	**231.3**
gross value	*63.9*	*107.5*	*196.3*	*151.1*	*8.9*	***527.7***
depreciation and impairment	-	*(39.9)*	*(167.3)*	*(89.2)*	-	***(296.4)***

7-4-3. Right of use of leased assets

Accounting policy:

IFRS 16 defines the right of use under a lease as an asset that represents a lessee's right to use an underlying asset for the lease term.

This right of use is recognised on the commencement date of the lease (the date on which the asset is made available). It is measured at cost, which includes:

- the initial amount of the lease obligation;
- lease payments made in advance to the lessor, less any lease incentives received from the lessor;
- material initial direct costs incurred by the lessee to obtain the lease, i.e. costs that would not have been incurred if the lease had not been obtained; and
- an estimate of the costs of dismantling the leased asset, or restoring it to the condition required by the terms of the lease.

The right of use asset is depreciated on a straight line basis over the lease term. It is written down by means of an impairment allowance if there is an indication that it may have become impaired.

The lease term is the non-cancellable period for which the lessee has the right to use the underlying asset, including any extension or termination options the lessee is reasonably certain to exercise. Within the TF1 group, rights of use relate mainly to property leases contracted within France, generally with a lease term of nine years.

An analysis of the right of use of leased assets is presented below:

(€m)	Land and buildings	Technical facilities	Other property, plant and equipment	TOTAL
1 January 2021	**86.3**	**-**	**-**	**86.3**
Translation adjustments	0.1	-	-	**0.1**
Changes in scope of consolidation	(4.9)	-	-	**(4.9)**
Lease modifications and other movements	(2.7)	-	1.2	**(1.5)**
Net depreciation expense	(21.1)	-	(0.4)	**(21.5)**
31 December 2021	**57.7**	**-**	**0.8**	**58.5**
Translation adjustments	-	-	-	-
Changes in scope of consolidation	(2.2)	-	-	**(2.2)**
Lease modifications and other movements	34.8 (1)	-	-	**34.8**
Net depreciation expense	(20.4)	-	(0.4)	**(20.8)**
31 December 2022	**69.9**	**-**	**0.4**	**70.3**
gross value	*173.5*	-	*1.2*	***174.7***
depreciation and impairment	*(103.6)*	-	*(0.8)*	***(104.4)***

(1) As of 31 December 2021, TF1 had entered into a new lease (within the Newen Studios segment) that falls within the scope of IFRS 16. The right of use asset and lease liability (€29 million) relating to that lease were not recognised as of 31 December 2021 because the leased asset had not been made available by the lessor as of that date. The asset was made available in the first quarter of 2022, thereby extinguishing the commitment entered into during 2021.

In 2021 and 2022, the TF1 group sub-let part of the Atrium building. The sublease is classified as an operating lease in the TF1 financial statements, since the Group takes the view that it does not transfer substantially all the risks and rewards of ownership to the lessee. Consequently, the rental income derived from the sub-lease is being recognised in profit or loss on a straight line basis over the entire lease term (€2.8 million in 2022).

Timing of sub-lease rental income

	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 years or more	Total due > 1 year
Timing of sub-lease rental income - 2022	**2.1**	1.6					**1.6**

During 2022, the Group was granted rent concessions of €0.5 million, recognised in profit or loss under the option permitted by the June 2020 amendment to IFRS 16 that allows entities to take such concessions to profit or loss without adjusting the carrying amounts of lease assets and liabilities.

7-4-4. Investments in joint ventures and associates

Accounting policy:

Because goodwill included in the carrying amount of investments in associates and joint ventures is not presented separately, this goodwill is not tested individually for impairment, in accordance with IAS 36. The total carrying amount is tested for impairment by comparing its recoverable amount to its carrying amount if there is evidence that the investment is impaired.

The table below gives details of investments in joint ventures and associates:

(€m)	Extension TV 50%	Salto [1] 33.33%	Other [2]	TOTAL
1 January 2021	**10.6**	**(0.0)**	**0.4**	**11.0**
Share of profit/(loss) for the period	0.7	(28.6)	(0.6)	**(28.5)**
Provision for impairment	-	-	-	**-**
Dividends paid	(1.7)	-	-	**(1.7)**
Changes in scope of consolidation and reclassifications	-	28.6	7.1	**35.7**
Provision for risks	-	-	-	**-**
31 December 2021	**9.6**	**(0.0)**	**6.9**	**16.5**
Share of profit/(loss) for the period	0.3	(46.1)	0.9	**(44.9)**
Provision for impairment	(3.6)	-	-	**(3.6)**
Dividends paid	(0.8)	-	(0.1)	**(0.9)**
Changes in scope of consolidation and reclassifications	-	46.1	(1.5)	**44.6**
Provision for risks	-	-	-	**-**
31 December 2022	**5.5**	**(0.0)**	**6.2**	**11.7**

(1) *In 2022 (as in 2021 and 2020), Salto was financed essentially through short-term cash advances held in shareholder current accounts (effectively quasi-equity). Consequently, the advance to Salto is recognised as an investment in a joint venture to the extent of Salto's net loss for the period, with the balance recognised in "Non-current financial assets".*

(2) *In 2021, the €7.1 million increase recorded in "Other" on the "Changes in scope of consolidation and reclassifications" line mainly comprised (i) acquisitions made within the Newen Studios segment and (ii) the retained 20% equity interest in Alfemminile.*

No other material income or expenses recognised directly in equity were reported by joint ventures or associates.

Salto

The table below shows the principal assets, liabilities, income and expenses with respect to the TF1 group's equity interest in Salto:

	Salto	
Amounts shown are for 100% of the investee (€m)	**2022**	**2021**
Non-current assets	-	38.0
Current assets [1]	29.8	37.0
TOTAL ASSETS	**29.8**	**75.0**
Shareholders' equity	(131.2)	(60.9)
Non-current liabilities [2]	-	1.2
Current liabilities	161.0	134.7
TOTAL LIABILITIES AND EQUITY	**29.8**	**75.0**
REVENUE	**44.0**	**39.6**
NET PROFIT/(LOSS)	**(138.4)**	**(68.1)**

(1) *For 2022, includes €4.0 million of net non-current assets reclassified as current assets and €16.4 million of cash and cash equivalents.*

(2) *For 2022, includes €32.9 million of provisions relating to the liquidation and €85.9 million of shareholder current accounts.*

Reconciliation of shareholders' equity to the carrying amount of the Group's equity interest:

	Salto	
	2022	**2021**
SHAREHOLDERS' EQUITY OF SALTO	**(131.2)**	**(60.9)**
TF1 equity interest (33.3%)	**(43.7)**	**(20.3)**
CARRYING AMOUNT (TF1 SHARE OF NET ASSETS) [1]	**(15.3)**	**-**

(1) *TF1's share of negative net assets corresponds to the equity-accounted interest in Salto and loans receivable from Salto net of impairment, and includes a €15.3 million provision as mentioned in Note 1 ("Significant events of 2022").*

As mentioned in Note 1 ("Significant events of 2022"), the three partners in Salto have formally instigated the voluntary liquidation of Salto.

The excess of the accumulated losses arising since the incorporation of Salto (including the €46.1 million loss for 2022) over the carrying amount of the TF1 group's equity interest in Salto has been offset against short-term cash advances held in its shareholder current account (regarded as a component of the TF1 group's investment in Salto), with the residual €15.3 million recognised as a provision for charges.

Extension TV

The table below shows the principal assets, liabilities, income and expenses with respect to the Group's equity interest in Extension TV:

	Extension TV	
Amounts shown are for 100% of the investee (€m)	**2022**	**2021**
Non-current assets	0.1	0.1
Current assets	9.3	9.6
TOTAL ASSETS	**9.4**	**9.7**
Shareholders' equity	0.8	1.9
Non-current liabilities (1) (2)	3.0	0
Current liabilities	5.6	7.8
TOTAL LIABILITIES AND EQUITY	**9.4**	**9.7**
REVENUE	**10.6**	**11.1**
NET PROFIT/(LOSS)	**0.6**	**1.5**

(1) *Includes €3.0 million of non-current debt in 2022.*

(2) *Includes €0 million of current debt in 2022.*

Reconciliation of shareholders' equity to the carrying amount of the Group's equity interest:

	Extension TV	
	2022	**2021**
SHAREHOLDERS' EQUITY OF EXTENSION TV	**0.8**	**1.9**
TF1 equity interest (50%)	**0.4**	**1.0**
CARRYING AMOUNT (TF1 SHARE OF NET ASSETS)	**5.5**	**9.6**

The TF1 group conducted impairment testing on the equity interest in Extension TV at the end of 2022 and recognised an impairment loss of €3.6 million, reducing the carrying amount of the equity-accounted interest to €5.5 million.

7-4-5. Other non-current financial assets

Accounting policy:

With effect from 1 January 2018, financial assets are classified in one of three categories (financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets fair value through profit or loss) depending on the business model for managing the asset and the contractual cash flow characteristics of the asset, which for each of those categories respectively are:

- assets held within a business model whose objective is to hold assets in order to collect contractual cash flows;
- assets held within a business model whose objective is to hold assets in order to collect contractual cash flows and cash flows from selling the asset;
- assets held within any other business model.

IFRS 9 also allows an elective treatment for equity instruments not held for trading, under which changes in fair value can be recognised through other comprehensive income (OCI); this treatment must be elected for each instrument individually, and is irrevocable.

Classification:

The TF1 group holds financial assets in the following categories:

- Financial assets at amortised cost: These are assets held within a business model whose objective is to hold assets in order to collect contractual cash flows ("basic loans"). The TF1 group classifies the following assets within this category: trade receivables, other receivables, loans receivable, deposits and caution money, loans and advances to non-consolidated equity investments, cash, and current account advances to joint ventures, associates and non-consolidated entities. Such assets are accounted for using the effective interest method, which means that on initial recognition they are measured at fair value (acquisition cost plus transaction costs). They are assessed individually for objective evidence of impairment.
- Financial assets at fair value: The Group classifies the following financial assets in this category:
    - Equity instruments owned by the Group: These are assets held within a business model whose objective is to hold assets in order to collect contractual cash flows and cash flows from selling the asset. TF1 classifies in this category equity interests in companies over which the Group exercises neither control nor significant influence. They are accounted for at fair value through profit or loss or through OCI, depending on the option elected by the Group. None of the Group's equity interests is held for trading.
    - Derivative instruments (other than designated and effective hedging instruments): These are held-for-trading instruments (other business models).

Use of estimates and judgement:

IFRS 13 establishes a three-level hierarchy of fair value measurement methods for financial instruments:

- Level I: measurement based on quoted prices in active markets
- Level II: measurement based on observable market parameters
- Level III: measurement based on non-observable market parameters

The methods used by the TF1 group in applying those principles are as follows:

The fair value of financial instruments is where possible measured by reference to the market price derived from trading on a national stock exchange or over-the-counter market. Where no quoted market price is available, fair value is estimated using other valuation methods such as the actual valuation of comparable transactions (revenue or EBITDA multiples) or the discounted cash flow method, which rely on observable (level II) or non-observable (level III) parameters.

Financial instruments whose fair value cannot be measured reliably are carried at cost.

The fair value of interest rate derivatives and currency derivatives is estimated using valuations obtained from bank counterparties or from financial models generally used in the financial markets, on the basis of market data at the end of the reporting period (level II method).

Because of their short maturities, the carrying amount of trade and other receivables, cash, and treasury current accounts is regarded as the best approximation of their fair value.

7-4-5-1. Analysis of all financial assets by category

2022 (€m)	Financial assets at amortised cost	Financial assets at fair value		Level	TOTAL
		Fair value through profit or loss	Fair value through OCI		
Other non-current financial assets	9.4	1.6	1.4	III	**12.4**
Advances and down-payments made on orders	133.5				**133.5**
Trade receivables	829.8				**829.8**
Customer contract assets	-				**-**
Other current receivables	452.9				**452.9**
Other current financial assets					**-**
Currency derivatives			*0.3*	II	***0.3***
Interest rate derivatives			*1.3*	II	***1.3***
Financial assets used for treasury management purposes					**-**
Cash and cash equivalents	484.5				**484.5**

2021 (€m)	Financial assets at amortised cost	Financial assets at fair value		Level	TOTAL
		Fair value through profit or loss	Fair value through OCI		
Other non-current financial assets	12.2	1.2	1.9	III	**15.3**
Advances and down-payments made on orders	121.5				**121.5**
Trade receivables	830.2				**830.2**
Customer contract assets	-				**-**
Other current receivables	465.7				**465.7**
Other current financial assets					**-**
Currency derivatives			*0.2*	II	***0.2***
Interest rate derivatives					**-**
Financial assets used for treasury management purposes					**-**
Cash and cash equivalents	384.0				**384.0**

No transfers between levels in the fair value hierarchy were made in either 2022 or 2021.

7-4-5-2. Other non-current financial assets

Accounting policy:

This category mainly comprises equity instruments at fair value through profit or loss or through other comprehensive income (OCI), depending on the option elected by the Group. TF1 classifies in this category equity interests in companies over which the Group exercises neither control nor significant influence. Equity instruments are classified at fair value through profit or loss if the investee's business activities are aligned on the Group's core business.

Other non-current financial assets break down as follows:

(€m)	2022	2021
Equity investments in non-consolidated entities	3.0	3.1
Loans and advances to non-consolidated equity investees	0.1	-
Loans receivable [1]	5.7	6.6
Deposits and caution money	3.6	5.6
Other financial assets	**12.4**	**15.3**

(1) "Loans receivable" mainly comprise production finance advanced by a subsidiary of Première Bobine Inc. to Canadian audiovisual production companies belonging to the Champlain group, which is accounted for as an associate using the equity method in the TF1 group consolidated financial statements.

The main equity investments in non-consolidated entities as of 31 December 2022 break down as follows:

2022

(€m)	% interest at year-end	Financial assets at fair value		Total
		Through profit or loss	Through OCI	
ILW	12%		0.6	0.6
Soundcast	4%		0.3	0.3
Faciliti	4%		0.3	0.3
Others		1.6	0.2	1.8
Equity investments in non-consolidated entities		**1.6**	**1.4**	**3.0**

No material changes in fair value were recognised through shareholders' equity during 2022.

The main equity investments in non-consolidated entities as of 31 December 2021 break down as follows:

(€m)	% interest at year-end	Financial assets at fair value		
		through profit or loss	through OCI	
Studio71	0%			
Other		1.2	1.9	3.1
Equity investments in non-consolidated entities		**1.2**	1.9	**3.1**

In 2021, changes in the fair value of non-consolidated equity investments recognised in equity amounted to €27.5 million and related to Studio 71. The equity investment in Studio 71 was divested during 2021.

7-4-6. Non-current provisions

Accounting policy:

The main types of non-current provisions are described below.

- Provisions for retirement benefits

  The Group's employees are entitled to retirement benefits under defined-contribution and defined-benefit plans, which may be partially managed via the Group's pension funds.

  Employees of the TF1 group's French subsidiaries belong to general and supplementary French pension schemes. These are defined-contribution plans, under which the TF1 group's obligation is limited to the payment of a periodic contribution based on a specified percentage of staff costs. Those contributions are expensed in profit or loss for the period under "Staff costs".

  The Group's obligation is partially covered by an insurance contract. The provision for retirement benefits recognised in the balance sheet represents the total obligation less the value of this contract.

  Use of estimates and judgement:

  The pension cost recognised for defined-benefit plans is determined using the projected unit credit method at the expected retirement date, based on final salary, and taking account of:

  - vested benefit entitlements under collective agreements for each category of employee based on length of service;
  - staff turnover rate, calculated using historical average data for employees leaving the company;
  - salaries and wages, including a coefficient for employer's social security charges as currently payable;
  - an annual salary inflation rate;
  - life expectancy of employees, determined using statistical tables;
  - a discount rate, applied to the obligation and reviewed annually.

  Benefit entitlements are recognised on a straight line basis only over the final years of the period of service during which employees' capped benefits vest.

  Actuarial gains and losses arise on defined-benefit post-employment benefit plans as a result of changes in the actuarial assumptions used to measure the obligation and plan assets from one period to the next, and of differences between actual market conditions and the expected market conditions used in the assumptions. Since 1 January 2011, the TF1 group has recognised actuarial gains and losses directly in equity, in accordance with the revised IAS 19.

- **Other non-current provisions**

  These provisions cover litigation and claims, and risks relating to non-recurring commitments for which settlement occurs outside the normal operating cycle.

  Provisions for litigation and claims include the estimated amount payable to third parties in respect of litigation and claims. They also include provisions for charges relating to disputes with tax and social security authorities; in such cases, the amount shown on reassessment notices issued by the authorities is provided for unless the company concerned regards it as highly probable that it will successfully defend its position against the authorities.

  Use of estimates and judgement:

  These provisions are measured as the probable outflow of resources resulting from ongoing litigation or claims arising from an event prior to the end of the reporting period.

7-4-6-1. Analysis of non-current provisions

The table below shows movements in non-current provisions during 2022 and 2021:

(€m)	Provisions for:		TOTAL
	Retirement benefits	Other	
31 December 2020 restated*	**39.3**	**2.5**	**41.8**
Charges	5.0	6.5	11.5
Reversals: used	(1.8)	(0.3)	(2.1)
Reversals: unused	(1.8)	-	(1.8)
Actuarial (gains)/losses	(2.6)	-	(2.6)
Changes in scope of consolidation and other items	(0.2)	(0.4)	(0.6)
31 December 2021	**37.9**	**8.3**	**46.2**
Charges	4.7	4.4	9.1
Reversals: used	(0.1)	(1.6)	(1.7)
Reversals: unused	(3.3)	-	(3.3)
Actuarial (gains)/losses	(7.2)	-	(7.2)
Changes in scope of consolidation and other items	(1.3)	(0.5)	(1.8)
31 December 2022	**30.7**	**10.6**	**41.3**

(*) Provisions for retirement benefits as of 31 December 2020 have been restated for the effects of applying the IFRS IC agenda decision on the method for calculating the period of service used when measuring the provision for lump-sum retirement benefits.

7-4-6-2. Provisions for retirement benefit obligations

Accounting policy:

Use of estimates and judgement: provisions for retirement benefit obligations are calculated by the TF1 group itself using the projected unit credit method, as described in Note 7-4-6. This calculation is sensitive to assumptions regarding the discount rate, the salary inflation rate and the staff turnover rate.

Main actuarial assumptions

	2022	2021	2020	2019	2018
Discount rate (iBoxx A10)	3.6%	1.0%	0.6%	0.9%	2.1%
Expected rate of return on plan assets	0.0%	0.0%	0.0%	2.5%	2.7%
Expected salary inflation rate	2.5%	2.0%	2.0%	2.0%	2.0%
Life table	INSEE	INSEE	INSEE	INSEE	INSEE

In accordance with CNC recommendation 2013-02, only voluntary departures may be used when calculating the staff turnover rate for this purpose. Consequently, staff turnover rates were revised in 2022, based on actual voluntary departures in previous years.

Due to significant changes in the parameters during 2022, the actuarial assumptions relating to the discount rate (1.0% as of 31 December 2021, 3.6% as of 31 December 2022) and to the salary inflation rate (2.0% as of 31 December 2021, versus 2.5% as of 31 December 2022) have been updated. The impact is a gain of €7.2 million (€5.4 million net of deferred taxes), recognised in the statement of recognised income and expense for 2022.

The impact of an additional increase or decrease of 70 basis points in the discount rate on the amount of the provision would be -€1.9 million or +€2.1 million, respectively.

The impact of an additional increase or decrease of 50 basis points in the salary inflation rate for employees in France on the amount of the provision would be +€1.5 million or -€1.4 million, respectively.
Those impacts would be recognised in the statement of recognised income and expense.

Expense recognised in the income statement for retirement benefit obligations

(€m)	2022	2021
Current service cost	(3.4)	(4.7)
Interest expense on the obligation	(1.3)	(0.3)
Expected return on plan assets	-	-
Past service cost	-	-
Expense recognised	**(4.7)**	**(5.0)**
amount recognised in "Staff costs"	*(4.7)*	*(5.0)*
Actual return on plan assets	**-**	**-**

Changes in the fair value of the retirement benefit obligation and of plan assets

(€m)	Retirement benefit obligation 2022	Fair value of plan assets 2022	Carrying amount 2022	Carrying amount 2021
Start of period	**45.0**	**(7.1)**	**37.9**	**39.3**
Current service cost for the period	3.5	-	3.5	4.7
Interest cost (unwinding of discount)	1.3	-	1.3	0.3
Reversals of provisions	(3.4)	-	(3.4)	(3.6)
Actuarial (gains)/losses	(7.2)	-	(7.2)	(2.6)
Changes in scope of consolidation and reclassifications	(1.3)	(0.1)	(1.4)	(0.2)
Expected return on plan assets	-	-	-	-
Held-for-sale operations	-	-	-	-
End of period	**37.9**	**(7.2)**	**30.7**	**37.9**

Plan assets are in the form of contributions paid into "Fonds Club no.1", a mutual fund denominated in euros and managed by an independent financial institution. Based on financial information supplied by the fund manager, the gross return was 0% in 2022. As of 31 December 2022, the fund had an estimated fair value of €7.2 million.

7-5. Shareholders' equity

7-5-1. Share capital of TF1 SA

Accounting policy:

Treasury shares acquired by the TF1 group are deducted from consolidated equity. No gains or losses arising on the purchase, sale or cancellation of treasury shares are recognised in the income statement.

As of 31 December 2022, the share capital of TF1 SA consisted of 210,485,635 fully paid ordinary shares. Movements in share capital during 2022 were as follows:

Number of shares	Number of shares outstanding	Number of treasury shares	Total number of shares
1 January 2021	**210,392,991**	**-**	**210,392,991**
Capital increases (1)	92,644		92,644
Purchases of treasury shares (2)			-
Share exchange transaction			-
Cancellation of treasury shares			-
31 December 2021	**210,485,635**	**-**	**210,485,635**
Capital increases (1)			-
Purchases of treasury shares (2)			-
Share exchange transaction			-
Cancellation of treasury shares			-
31 December 2022	**210,485,635**	**-**	**210,485,635**
Par value	*€0.20*	*€0.20*	*€0.20*

(1) *Arising from exercise of stock options (see Note 7-5-4-2).*

(2) *Treasury shares: see Note 7-5-4-4 on share buybacks below.*

7-5-2. Earnings per share

Accounting policy:

Basic earnings per share is obtained by dividing net profit for the period by the weighted average number of shares outstanding during the period.

All shares conferring unrestricted rights upon the shareholder are included. Shares in the parent company held by the company itself or by consolidated companies are excluded from the average number of shares outstanding.

Diluted earnings per share is calculated by including all financial instruments giving future access to the capital of the parent company, whether these instruments are issued by the parent company itself or by a subsidiary. The dilutive effect is calculated separately for each instrument, based on the conditions prevailing at the end of the reporting period and excluding anti-dilutive instruments.

Non-dilutive stock subscription option plans are excluded from this calculation.

Basic earnings per share is calculated on the basis of net profit for the year attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the year.

Because potentially dilutive ordinary shares have no adjusting effect on net profit for the year, diluted earnings per share is calculated on the basis of net profit for the year attributable to ordinary shareholders and of the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of all potentially dilutive ordinary shares. Diluted earnings per share takes account of the dilutive effect of performance share plans, and of stock subscription option plans where the exercise price is lower than the average quoted market price of TF1 shares over the period.

	2022	2021
Net profit/(loss) from continuing operations attributable to the Group	176.1	225.3
Net profit/(loss) from discontinued or held-for-sale operations	-	-
Net profit attributable to the Group (in millions of euros)	176.1	225.3
Weighted average number of ordinary shares	**210,485,635**	**210,447,033**
Earnings per share from continuing operations	0.84	1.07
Earnings per share from discontinued or held-for-sale operations	-	-
Basic earnings per share (in euros)	0.84	1.07
Average number of ordinary shares after dilution	**210,898,935**	**210,704,979**
Diluted earnings per share (in euros)	0.83	1.07

The average number of ordinary shares after dilution is obtained by taking account of the following dilutive effects:

(number of shares)	2022	2021
Weighted average number of ordinary shares for the period	210,485,635	210,447,033
Dilutive effect of stock subscription option plans		
Dilutive effect of performance share plans	413,300	257,946
Average number of ordinary shares after dilution	**210,898,935**	**210,704,979**

In 2022, only the 2021 and 2022 performance share plans had a dilutive effect.

In 2021, only the 2018 and 2021 performance share plans had a dilutive effect.

7-5-3. Changes in equity not affecting the income statement

Dividends

The proposed dividend in respect of the year ended 31 December 2022, to be paid in 2023, amounts to €105.2 million, or €0.50 per share.
The dividend paid in 2022 in respect of the year ended 31 December 2021 amounted to €94.7 million, or €0.45 per share.
The yield on TF1 shares for each of the last five financial years is presented in the Universal Registration Document.

Because the dividend payable in 2023 is subject to approval by the shareholders, it was not recognised as a liability in the consolidated financial statements as of 31 December 2022.

7-5-4. Share-based payment and stock option plans

7-5-4-1. Stock option and performance share plan (PSP) awards

The table below shows the terms of awards made in 2022. Details of the terms of previous awards are provided in the notes to the financial statements of previous years.

	2022 plan	**2022 PSP**
Date of Shareholders' Meeting	18/04/2021	
Date of Board meeting	10/02/2022	
Date of grant	25/03/2022	
Type of plan	Subscription	Performance shares
Total number of options/shares awarded	879,200	172,550
- to corporate officers	*12,000*	*0*
- to the 10 employees awarded the greatest number	*138,000*	*85,000*
Total number of options/shares awarded subject to performance conditions	879,200	172,550
Start date of exercise/vesting period	25/03/2022	25/03/2022
Expiration date	25/03/2032	N/A
Exercise price	€8.66	N/A
Terms of exercise	Options may be exercised and shares sold from 2nd anniversary of date of grant	Options may be exercised and shares sold from 2nd anniversary of date of grant
Accounting method	Equity	Equity

7-5-4-2. Movement in number of options and performance shares outstanding

	2022		2021	
	Number of options/performance shares	Weighted average subscription/purchase price (€)	Number of options/performance shares	Weighted average subscription/purchase price (€)
Options/shares outstanding at 1 January	**5,255,628**	**9.25**	**4,649,400**	**9.82**
Options/shares awarded	1,051,750	8.69	1,512,000	7.53
Options/shares cancelled, not vested, or forfeited	(1,125,308)	15.11	(821,074)	9.32
Options exercised/shares vested			(84,698)	9.38
Options/shares expired	-	-	-	-
Options/shares outstanding at 31 December	**5,182,070**	**7.86**	**5,255,628**	**9.25**
Options/shares exercisable at 31 December	*2,674,320*	*9.97*	*3,764,682*	*11.49*

No options were exercised during 2022. The average residual life of options outstanding as of 31 December 2022 was 71 months (compared with 59 months as of 31 December 2021).

7-5-4-3. Share-based payment expense

Accounting policy:

TF1 may award stock subscription option plans and performance share plans to its employees (see Note 7-5-4-1).

In accordance with IFRS 2, the cost of these equity-settled share-based payment plans is recognised as an expense in “Staff costs”, with the opposite entry recognised in equity.

The total expense relating to stock subscription option plans is measured at the date of grant using the Black-Scholes-Merton model, and is recognised on a straight-line basis over the vesting period.

The total expense relating to performance share plans is measured at the date of grant (taking into account any specific terms and conditions liable to affect fair value), and recognised over the vesting period on a straight line basis.

The opposite entry for the movement in this reserve during the period is charged to “Staff costs” in the income statement (see Note 5-3).

- **Expense related to stock option plans and performance share plans awarded by the TF1 group**

The expense related to stock option plans and performance share plans, as recognised in "Staff costs", breaks down as follows:

(€m)	Date of grant	Lock-up period	*Residual fair value*	Staff costs	
				2022	**2021**
2021 plan	25/03/2021	2 years	0.2	0.9	0.8
2022 plan	23/03/2022	2 years	0.2	0.6	
TF1 2018 PSP	08/06/2018	3 years	-		(0.3)
TF1 2021 PSP	23/03/2021	2 years	0.2	0.7	1.1
TF1 2022 PSP	23/03/2022	2 years	0.4	1.2	
Total				**3.4**	**1.6**

Stock option plan expense was computed using the Black-Scholes model and the following assumptions:

	Exercise price	*Expected volatility*	Average maturity	Risk-free rate	*Payout ratio*	Liquidity discount	Fair value per option
Plan no. 14	€15.46	28%	4.06 years	0.41%	1.57%	-15%	€2.75
Plan no. 15	€10.99	34%	4.06 years	-0.18%	1.81%	-15%	€2.15
2017 plan	€11.45	30%	4.06 years	-0.24%	1.78%	-15%	€1.85
2018 plan	€9.83	26%	4.06 years	-0.01%	3.23%	-15%	€0.89
2019 plan	€8.87	31%	8.12 years	-0.47%	4.24%	-15%	€0.97
2021 plan	€7.50	41%	7.10 years	-0.61%	2.89%	-15%	€1.47
2022 plan	€8.66	29%	9.13 years	0.54%	5.07%	-15%	€0.88

The average maturity used is less than the contractual life of the option in order to take account of exercises by grantees ahead of the contractual expiry date. The volatility assumptions used are consistent with the implied volatility reflected in the price offered at the date of grant by leading banks for TF1 stock options with the same maturity.

The expense relating to the TF1 2022 performance share plan was determined on the basis of the reference quoted market price of TF1 shares at the date of grant, i.e. €8.87.

- **Expense related to employee benefit plans awarded by the Bouygues group**

The expense related to plans awarded by the Bouygues group to TF1 group employees was not material for 2022.

7-5-4-4. Share buybacks

TF1 did not repurchase any of its own shares during 2022 or 2021.

7-5-4-5. Call options granted to non-controlling interests

The TF1 group had no commitments in place at 31 December 2022 that constituted a call option over TF1 or Bouygues shares exercisable by non-controlling interests.

7-5-5. Cash flow hedge reserve

(€m)	2022	2021
Reserve as of 1 January	**(0.9)**	**(0.2)**
Cash flow hedges reclassified to profit or loss during the period [1]	(0.2)	-
Change in fair value of new cash flow hedges contracted during the period	2.3	(0.7)
Change in fair value of existing portfolio of cash flow hedges during the period	-	-
Reclassification to profit or loss of upfront payment on pre-hedge swap	-	-
Reserve as of 31 December	**1.2**	**(0.9)**

[1] Amounts reclassified from equity to profit or loss are recognised as a component of operating profit.

7-6. Net debt and financial liabilities

7-6-1. Net debt

Net debt as reported by the TF1 group comprises the following items:

(€m)	31/12/2021	Translation adjustments	Changes in scope of consolidation [1]	Cash flows	Changes in fair value via equity or profit/loss	Other movements	31/12/2022
Cash and cash equivalents	384.0	0.1	(11.8)	112.2			484.5
Financial assets used for treasury management purposes	-						-
Overdrafts and short-term bank borrowings	(4.3)			3.1			(1.2)
Available cash	**379.7**	**0.1**	**(11.8)**	**115.3**		**-**	**483.3**
Interest rate derivatives - assets	-					2.7	2.7
Interest rate derivatives - liabilities	-					(1.4)	(1.4)
Fair value of interest rate derivatives	-					1.3	1.3
Non-current borrowings	(109.3)	0.9	(3.7)	3.2	(7.1)	8.0	(108.0)
Current debt excluding overdrafts and short-term bank borrowings	(71.9)	0.2	1.4	7.3	(1.3)	13.4 [3]	(50.9)
Total debt	**(181.2)**	**1.1**	**(2.3)**	**10.5** [2]	**(8.4)**	**21.4**	**(158.9)**
Net surplus cash/(net debt)	**198.5**	**1.2**	**(14.1)**	**125.8**	**(8.4)**	**22.7**	**325.7**
Lease obligations	(63.7)		-	21.2		(31.8) [4]	(74.3)
Net surplus cash/(net debt) including lease obligations	**134.8**	**1.2**	**(14.1)**	**147.0**	**(8.4)**	**(9.1)**	**251.4**

(1) Mainly relates to the acquisition of control over the iZen group, as described in Note 3.2 ("Significant changes in scope of consolidation in 2021").

(2) The net cash outflow of €10.5 million shown within "Net cash generated by/(used in) financing activities" in the 2022 cash flow statement comprises a cash inflow of €14.8 million and a cash outflow of €25.3 million.

(3) Other movements in "Current debt excluding overdrafts and short-term bank borrowings" amounted to €13.4 million, and mainly relate to buyouts of put options granted to non-controlling shareholders of subsidiaries of Newen Studios.

(4) The negative movement of €31.8 million in the "Other movements" column for lease obligations in 2022 was mainly due to Newen taking occupancy of its premises during the first quarter of 2022 under a new contract signed in 2021 which qualifies as a lease under IFRS 16, and which was presented as an off balance sheet commitment as of 31 December 2021; see Note 9.1.2 ("Reciprocal financial commitments") in the 2021 consolidated financial statements.

Cash and cash equivalents

Accounting policy:

The line "Cash and cash equivalents" in the balance sheet comprises cash, cash equivalents, and debit balances on treasury current accounts.

Cash consists of liquidity available in bank current accounts, and sight deposits. Cash equivalents are assets held in order to meet short-term treasury needs. Investments qualify as cash equivalents if they are readily convertible into cash, are subject to an insignificant risk of changes in value, and have a maturity of less than three months. Treasury current accounts represent cash invested with non-consolidated equity investees, joint ventures or associates, and current accounts with other Bouygues group entities.

Cash and treasury current accounts are financial assets classified in the "Loans and receivables" category, and carried at amortised cost.

Cash and cash equivalents consist of the following items:

(€m)	**2022**	**2021**
Cash	53.0	72.3
Money-market funds	0.3	0.3
Treasury current accounts [1]	431.2	311.4
Cash and cash equivalents of continuing operations	**484.5**	**384.0**

(1) For 2022, "Treasury current accounts" include €428.5 million with Bouygues Relais, compared with €308 million at end 2021.

7-6-2. Financial liabilities

Accounting policy:

Financial liabilities are classified in one of two categories: financial liabilities at fair value through profit or loss, or financial liabilities at amortised cost.

- Financial liabilities at **fair value** through profit or loss comprise:
  - liabilities regarded as held for trading, comprising liabilities incurred principally with a view to their redemption in the near term;
  - liabilities designated by the Group on initial recognition as financial instruments at fair value through profit or loss.
- Non-derivative financial liabilities at **amortised cost** mainly comprise borrowings (including credit facilities contracted with banks or with the Group), treasury current accounts with credit balances, bank overdrafts, and finance lease obligations.

Where a financial liability is wholly or partially hedged by an interest rate instrument, the hedged portion is accounted for under hedge accounting rules (see Note 8-2-2).

- **Commitments to buy out non-controlling interests:**

Commitments to buy out non-controlling interests are recognised as a financial liability, in accordance with IAS 32, with the opposite entry recognised in equity. Apart from discounting effects (recognised in "Expenses associated with net debt"), the effects of subsequent changes in the liability are also recognised in equity.

Use of estimates and judgement: the fair value of financial instruments is determined by reference to market prices. In the case of derivatives, market prices are determined and supplied to the TF1 group by its bank counterparties. Where no quoted market price is available, fair value is estimated using other valuation methods such as the discounted cash flow method.

Fair value of financial liabilities: Because of their short maturities, the carrying amount of bank overdrafts, trade and other creditors and current debt is regarded by the Group as an approximation of their fair value.

The fair value of derivatives is estimated using valuations obtained from bank counterparties or from financial models generally used in the financial markets on the basis of market data at the end of the reporting period (level II method).

The tables below shows financial liabilities by category:

2022 *(€m)*	Financial liabilities at fair value through profit or loss			Commitments to buy out non-controlling interests measured at fair value		Financial liabilities at amortised cost	
	Designated at fair value on initial recognition	Held for trading	Level		Level		**TOTAL**
Non-current debt	-	-		67.8	III	108.0	**175.8**
Current debt	-	-		7.5	III	50.9	**58.4**
Trade payables	-	-		-		702.3	**702.3**
Customer contract liabilities	-	-		-		30.8	**30.8**
Other current liabilities	-	-		-		714.1	**714.1**
Overdrafts and short-term bank borrowings	-	-		-			**-**
Other current financial liabilities	-	-		-		-	**-**
Currency derivatives	-	-		-		-	-
Interest rate derivatives	-	-		-		-	-

2021 *(€m)*	Financial liabilities at fair value through profit or loss			Commitments to buy out non-controlling interests measured at fair value		Financial liabilities at amortised cost	
	Designated at fair value on initial recognition	Held for trading	Level		Level		**TOTAL**
Non-current debt	-	-		69.3	III	40.0	**109.3**
Current debt	-	-		21.0	III	50.9	**71.9**
Trade payables	-	-		-		686.2	**686.2**
Customer contract liabilities	-	-		-		40.5	**40.5**
Other current liabilities	-	-		-		874.1	**874.1**
Overdrafts and short-term bank borrowings	-	-		-			**-**
Other current financial liabilities	-	-		-		-	**-**
Currency derivatives	-	-		-		-	-
Interest rate derivatives	-	-		-		-	-

In 2022, TF1 signed commitments to buy out non-controlling interests amounting to €8.6 million. A number of buyout commitments to non-controlling interests were renegotiated to take account of the impact of the 2022 economic crisis on actual and projected performance.

In 2021, TF1 signed commitments to buy out non-controlling interests amounting to €15.9 million. A number of buyout commitments to non-controlling interests were renegotiated to take account of the impact of the 2021 economic crisis on actual and projected performance.

7-6-3. Lease obligations

In accordance with IFRS 16, on commencement of a lease the lessee recognises a lease obligation in the balance sheet, equivalent to the present value of the lease payments over the lease term.

The following amounts are included in the lease payments used to measure the obligation:

- fixed payments (including in-substance fixed payments, i.e. payments that may in form contain variability, but in substance are unavoidable) ;
- variable lease payments that depend on an index or a rate at the commencement date of the lease ;
- payments due by the lessee under residual value guarantees ;
- the exercise price of a purchase option, if that option is reasonably certain to be exercised ;
- payments of penalties for terminating or not extending the lease.

During the term of the lease, the carrying amount of the lease obligation is:

- increased to reflect interest on the lease obligation, which is recognised as an expense in the income statement and calculated using the discount rate used on initial measurement; and
- reduced to reflect lease payments made.

The discount rate used to calculate the lease obligation is determined for each asset on the basis of the incremental borrowing rate at the inception date of the lease. That rate is obtained by aggregating a market rate that reflects the location, currency and lease term, and a sector-specific spread that reflects the nature of the lease.

The Group elected to apply the practical expedients permitted by IFRS 16 to exclude leases where the as-new value of the underlying asset is less than €5,000, and assets where the lease term is reasonably certain to be less than twelve months. Such leases are recognised in profit or loss as and when lease payments are made. The Group also elected to account for each lease component separately, distinguishing the lease components from the non-lease (service) components.

As permitted by IFRS 16, the TF1 group elected not to apply the standard to leases of intangible assets.

The portion of long-term lease obligations due within less than one year is included in current liabilities.

(€m)	**31/12/2021**	**Translation adjustments**	**Changes in scope of consolidation**	**Cash flows**	**New leases, lease modifications and other lease movements**	**31/12/2022**
Non-current lease obligations	44.0		(1.0)		15.4	58.4
Current lease obligations	19.7		(1.0)	(21.3)	18.5	15.9
TOTAL LEASE OBLIGATIONS	**63.7**		**(2.0)**	**(21.3)**	**33.9**	**74.3**

Maturity of lease obligations

The table below provides a schedule of discounted future repayments (principal and interest) of lease obligations, based on residual contractual maturities:

	Current lease obligations			**Non-current lease obligations**						
	1 to 3 months	**4 to 12 months**	**Total due < 1 year**	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**5 to 6 years**	**6 years or more**	**Total due > 1 year**
2021 lease obligations	4.8	11.2	**15.9**	20.5	15.7	4.7	4.8	4.2	8.6	**58.4**
2021 lease obligations	5.2	14.5	**19.7**	15.3	13.9	11.7	1.1	1.1	0.9	**44.0**

8 Risk management

8-1. Capital management policy

The TF1 group has a policy of maintaining a stable capital base, apart from any share buybacks (see the present Annual Financial Report and Registration Document).

In terms of equity capital, the Group uses various indicators, including gearing (defined as the ratio of net debt to equity). Gearing provides investors with an indication of the Group's level of indebtedness relative to the level of equity capital. It is calculated on the basis of net debt as defined in Note 7-6-1 and of shareholders' equity, including reserves used to recognise changes in the fair value of cash flow hedges and of available-for-sale financial assets.

Because the Group had net surplus cash of €325.7 million as of 31 December 2022 and of €198.1 million as of 31 December 2021, the gearing ratio is non-applicable as of both dates.

8-2. Financial risk management policy

Liquidity risk and market risk (interest rate risk, foreign exchange risk and own equity risk) are managed centrally by the Treasury unit within the Finance function.

8-2-1. Liquidity risk

The Treasury unit is responsible for ensuring that the Group has access to adequate, sustainable and appropriate sources of financing. This involves:

- regular multi-currency pooling of surplus cash held by all entities controlled by TF1, to minimise the need for external funding;
- analysis and periodic updating of cash flow projections for all Group entities;
- negotiating credit facilities with phased maturities, and ensuring that such facilities are in place at all times.

The Group assesses liquidity risk primarily by reference to the global drawdown on its confirmed credit facilities, net of available cash.

Financing risk:

The TF1 group's financing strategy aims to ensure that the Group can cope with market fluctuations and a deteriorating economy while retaining its financial autonomy vis-à-vis the financial and banking markets. The strategy is devised so as to retain the possibility of seizing opportunities for organic growth or acquisitions, while at the same time optimizing the cost of financing by actively managing and renewing the portfolio of credit facilities. The Group's credit facilities are spread among a significant number of French and international banks. They are bilateral facilities and not subject to covenants regarding financial ratios.

The Group's confirmed credit facilities are backed up by bridging and cash pooling agreements with the financial entities of the Bouygues Group.

2022 (€m)	***Authorised facilities***			***Drawdowns***			***Available facilities***
	Less than 1 year	**1 to 5 years**	**Total**	**Less than 1 year**	**1 to 5 years**	**Total**	
Confirmed bilateral facilities	0.0	1,094.6	1,094.6	3.4	18.8	22.3	1,072.3
Bouygues cash pooling agreement				39.9		39.9	(39.9)
TOTAL	**0.0**	**1,094.6**	**1,094.6**	**43.4**	**18.8**	**62.2**	**1,032.4**

2021 (€m)	***Authorised facilities***			***Drawdowns***			***Available facilities***
	Less than 1 year	**1 to 5 years**	**Total**	**Less than 1 year**	**1 to 5 years**	**Total**	
Confirmed bilateral facilities	0.0	1,100.0	1,100.0	5.9	25.4	31.3	1,068.7
Bouygues cash pooling agreement				32.9		32.9	(32.9)
TOTAL	**0.0**	**1,100.0**	**1,100.0**	**38.8**	**25.4**	**64.2**	**1,035.8**

Credit rating:

The TF1 group has a credit rating from Standard & Poor's, which currently stands at BBB+/Negative Outlook/A-2 (December 2022).

Maturity of non-derivative financial liabilities

The tables below provide a schedule of undiscounted future repayments (principal and interest) of financial liabilities (excluding lease liabilities, see Note 7-6-3), based on residual contractual maturities:

	Carrying amount	Residual contractual amount		
2022 (€m)		**Less than 1 year**	**1 to 5 years**	**Total**
Trade and other payables	1,447.2	1,447.2	-	1,447.2
Other financial liabilities	160.1	52.1	108.0	160.1
TOTAL	**1,607.3**	**1,499.3**	**108.0**	**1,607.3**

	Carrying amount	Residual contractual amount		
2021 (€m)		**Less than 1 year**	**1 to 5 years**	**Total**
Trade and other payables	1,600.8	1,600.8	-	1,600.8
Other financial liabilities	185.5	76.2	109.3	185.5
TOTAL	**1,786.3**	**1,677.0**	**109.3**	**1,786.3**

Investment of surplus cash

The Group exercises great care in choosing the vehicles in which it invests temporary or structural cash surpluses, which must be:

- liquid, i.e. immediately accessible (current accounts, interest-bearing instant access accounts, etc), with a maturity of no more than 3 months;
- paid interest on the basis of money-market indices, with no capital risk other than counterparty risk;
- contracted with high-grade counterparties.

As of 31 December 2022, €428.5 million out of the Group's €484.5 million of cash and cash equivalents was invested with Bouygues Relais under the terms of the cash pooling arrangement between the two entities.

(€m)	**2022**	**2021**	**2020**
Interest-bearing bank account	2.7	3.1	3.0
Bouygues Relais cash pooling agreement	428.5	308.0	113.0
Other bank current accounts	53.3	72.9	62.6
TOTAL	**484.5**	**384.0**	**178.6**

8-2-2. Market risk

The Group manages its exposure to interest rate risk and exchange rate risk by using hedging instruments such as swap contracts and forward currency purchases/sales. Derivatives are used solely for hedging purposes and are never used for speculative purposes.

The Treasury unit monitors the financial markets on a regular basis, and periodically updates the positions to be hedged after netting similar types of exposures between Group entities. The unit submits hedging scenarios to the Finance function for approval; once they have been approved, it executes and administers the relevant market transactions.

Accounting policy:

Derivative financial instruments are initially recognised at fair value as of the inception date of the contract, and are subsequently measured at fair value in accordance with IFRS 13.

The Group uses derivative financial instruments such as swaps, interest rate options, forward currency purchases and currency options to hedge its exposure to fluctuations in interest rates and exchange rates. Group policy is to trade on the financial markets solely for hedging purposes related to its business activities, and not to trade for speculative purposes.

- Derivative financial instruments designated as hedges

For hedge accounting purposes, a hedge may be classified into one of three categories:

- fair value hedges, which hedge the exposure to changes in fair value of a recognised asset or liability or of a firm commitment, such as a fixed-rate loan or borrowing or an asset or liability denominated in a foreign currency;
- cash flow hedges, which hedge the exposure to variability in cash flows attributable to:
    - an asset or liability such as a floating-rate loan or borrowing;
    - a highly probable forecast transaction; or
    - foreign exchange risk relating to a firm commitment.
- hedges of a net investment in a foreign operation.

At the inception of a hedge, the Group formally designates the financial instrument to which hedge accounting will apply, and documents:

- the hedging relationship;
- the effectiveness of the hedging relationship, by conducting effectiveness tests both at inception and throughout all the financial reporting periods during which the hedge is designated.

Hedging instruments that qualify for hedge accounting are accounted for as follows:

- fair value hedges: changes in the fair value of the hedging instrument are recognised in profit or loss for the period symmetrically with changes in the fair value of the hedged item. The hedging instrument and the hedged item are both recognised in the balance sheet at fair value;
- cash flow hedges: the gain or loss (net of taxes) arising on the effective portion of the hedging instrument is recognised in equity, and the gain or loss on the ineffective portion is recognised in profit or loss. The amounts recognised in equity are taken to profit or loss in the period in which the hedged transaction affects the income statement.
- hedges of a net investment in a foreign operation: Hedges of a net investment in a foreign operation are accounted for in the same way as cash flow hedges.

- Derivative financial instruments not designated as hedges

Gains and losses arising from changes in the fair value of derivatives not designated as hedges within the meaning of IFRS 9 are recognised in the income statement.

8-2-2-1. Interest rate risk

The objective of the Group's interest rate risk management strategy is to lock in a fixed rate for medium and long-term debt, in order to minimise cost of net debt over the medium to long term. Because TF1 SA, the parent company, is carrying no debt at present, it acts as intermediary between its subsidiaries and their banks in setting up interest rate hedges for financing provided to the subsidiaries. The principle applied within Group entities is to hedge some or all of their existing or probable financial assets and liabilities liable to generate interest payments in the medium to long term. The aim is to control future financial income and expenses by locking in the cost of debt in the medium to long term by using swaps of amounts and maturities that match those of the financial assets and liabilities in question. Interest rate positions are managed centrally.

Exposure and sensitivity to interest rate risk:

The schedules below analyse financial assets and financial liabilities, and the net exposure, by interest rate type and maturity.

2022 (€m)	Financial assets		Financial liabilities		Net pre-hedging exposure		Hedging instruments		Net post-hedging exposure	
	Fixed rate	Floating rate	Fixed rate (1)	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
Less than 1 year	0.0	484.5	(7.5)	(22.1)	(7.5)	462.4	0.0	0.0	(7.5)	462.4
1 to 5 years			(79.3)	(50.0)	(79.3)	(50.0)	49.9	(49.9)	(129.2)	(0.1)
TOTAL	**0.0**	**484.5**	**(86.8)**	**(72.1)**	**(86.8)**	**412.4**	**49.9**	**(49.9)**	**(136.7)**	**462.3**

(1) *Includes commitments to buy out non-controlling interests.*

As of 31 December 2022, the net post-hedging position comprises a fixed-rate position of €136.7 million and a floating-rate position of €462.3 million.

2021 (€m)	Financial assets		Financial liabilities		Net pre-hedging exposure		Hedging instruments		Net post-hedging exposure	
	Fixed rate	Floating rate	Fixed rate (1)	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
Less than 1 year	0.0	384.0	(76.2)	0	(76.2)	384.0	-	-	**(76.2)**	**384.0**
1 to 5 years			(109.3)	0	(109.3)	0	-	-	**(109.3)**	**0**
TOTAL	**0.0**	**384.0**	**(185.5)**	**0**	**(185.5)**	**384.0**	**-**	**-**	**(185.5)**	**384.0**

(1) *Includes commitments to buy out non-controlling interests.*

The sensitivity analysis shown below measures the theoretical impact on cost of net debt of an immediate and constant movement of 1% across the entire yield curve for 2022 and 2021.

It is defined as the impact of applying this 1% movement to the net floating-rate exposure (this exposure being assumed to be constant over one year).

	2022		2021	
(€m)	**Pre-tax impact on profit or loss**	**Pre-tax impact on equity**	**Pre-tax impact on profit or loss**	**Pre-tax impact on equity**
Impact of a movement of +1% in interest rates	4.1	-	3.8	-
Impact of a movement of -1% in interest rates	(4.1) (1)	-	(3.8) (1)	-

(1) As of 31 December 2022 and 31 December 2021, the level of short-term interest rates is such that TF1 has no material exposure to a fall in interest rates.

Interest rate derivatives:

The TF1 group began using interest rate derivatives in 2022. TF1 SA uses interest rate swaps to protect its subsidiaries against fluctuations in interest rates on loans contracted by the subsidiaries. Changes in the fair value of swaps designated as hedges are recognised directly in equity. No hedge ineffectiveness has been recognised.

Previously, the TF1 group did not hold any interest rate derivatives. The interest rate derivatives portfolio is summarised below:

(€m)	Ineligible for hedge accounting	Designated as fair value hedges	Designated as cash flow hedges	TOTAL Fair value of financial instruments
2022				
Interest rate derivatives - assets			1.3	**1.3**
Interest rate derivatives - liabilities				
TOTAL			1.3	**1.3**
2021				
Interest rate derivatives - assets				
Interest rate derivatives - liabilities				
TOTAL				

CHANGE IN FAIR VALUE OF INTEREST RATE DERIVATIVES

(€m)	Ineligible for hedge accounting	Designated as fair value hedges	Designated as cash flow hedges	TOTAL
2022				0.0
effective portion	-	-	1.3	1.3
ineffective portion	-	-	-	-
2021				
effective portion	-	-	-	-
ineffective portion	-	-	-	-

8-2-2-2. Foreign exchange risk

Accounting policy:

Foreign currency translation: transactions denominated in foreign currencies carried out by subsidiaries are initially translated into the functional currency of the subsidiary or entity using the exchange rate at the transaction date. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the closing exchange rate. Any resulting translation differences are taken to profit or loss. Non-monetary assets and liabilities denominated in a foreign currency are recognised at historical cost and translated using the exchange rate at the transaction date.

Multi-currency foreign exchange risk

The Group's exposure to operating foreign exchange risk derives from recurring cash flows under contracts denominated in US dollars (multi-year broadcasting and sports transmission rights acquisition contracts, purchases of consumer goods and broadcasting rights sales); Canadian dollars (audiovisual content production); Swiss francs (advertising airtime sales); and pound sterling (audiovisual production).

In overall terms, any significant appreciation in the exchange rate of the US dollar against the euro could have a negative effect on the financial income and expenses of the Media segment, while any significant appreciation in the Swiss franc would have a positive effect; and any significant appreciation in the exchange rate of the US dollar against the Canadian dollar would have a positive effect on the financial results of the Newen Studios segment.

The objective of the Group's foreign exchange risk management policy is to lock in a maximum exchange rate or guarantee a minimum exchange rate on its net long position and a minimum exchange rate on its net short position in each of the currencies used, over a rolling 12-to-18-month period.

The risk is managed using appropriate hedging instruments that provide protection against a deterioration in the exchange rate position. At the same time, the Group is committed to reducing its exposure to the US dollar by increasing the extent to which it uses the euro as the currency of payment in programme acquisition contracts.

During 2022, approximately 97.7% of cash inflows were in euros, 1.8% in US dollars, and 0.5% in Swiss francs. As regards cash outflows, approximately 97.6% (including acquisitions of broadcasting rights) were in euros, approximately 1.8% in US dollars, and 0.6% in Swiss francs.

Net investment foreign exchange risk

In 2019, Newen contracted a loan from the Bouygues group of 45 million Canadian dollars (€31.2 million) to finance its acquisition of Première Bobine (Reel One) in Canada, which constitutes a net investment hedging relationship. Since 2022, that financing has been hedged against US dollar interest rate risk by means of a swap (see disclosures about interest rate derivatives above).

Foreign exchange gains and losses arising from the translation of the loan and the net investment into euros, and changes in the fair value of the interest rate swap, are recognised directly in equity. No hedge ineffectiveness has been recognised.

Exposure and sensitivity to foreign exchange risk

The table below shows the Group's exposure to foreign exchange risk as of 31 December 2022:

Equivalent value in euros at 2022 closing exchange rates (€m)	**USD** (1)	**CHF** (2)	**CAD** (3)	**Other currencies**	**Total**
Assets	28.9	6.3	25.5	9.6	70.3
Liabilities	(21.8)	0.0	(32.2)	(8.8)	(62.9)
Off balance sheet commitments	(31.1)	0.0	0.0	0.0	(31.1)
Pre-hedging position	**(24.1)**	**6.3**	**(6.7)**	**0.8**	**(23.7)**
Forwards and futures	4.0	(12.2)			(8.2)
Currency swaps					
Net post-hedging position	**(20.1)**	**(5.9)**	**(6.7)**	**0.8**	**(31.9)**

(1) *Net exposure in US dollars (USD): several Group entities enter into multi-year rights acquisition contracts in the course of their ordinary activities that give rise to off balance sheet commitments. TF1 SA hedges its USD-denominated purchases.*

(2) *Net exposure in Swiss francs (CHF): this mainly relates to the ordinary activities of TF1 SA; forward contracts in CHF are contracted solely to hedge future cash flows.*

(3) *Net exposure in Canadian dollars (CHF): this mainly relates to the commercialisation of Canadian audiovisual productions.*

The table below shows the Group's exposure to foreign exchange risk as of 31 December 2021:

Equivalent value in euros at 2021 closing exchange rates (€m)	**USD** (1)	**CHF** (2)	**CAD** (3)	**Other currencies**	**Total**
Assets	47.7	6.7	32.5	4.4	91.2
Liabilities	(39.5)	(0.3)	(31.3)	(2.2)	(73.3)
Off balance sheet commitments	(50.7)	13.4	1.5	2.6	(33.3)
Pre-hedging position	**(42.5)**	**19.7**	**2.7**	**4.9**	**(15.3)**
Forwards and futures	3.8	(12.1)			(8.3)
Currency swaps					
Net post-hedging position	**(38.7)**	**7.6**	**2.7**	**4.9**	**(23.6)**

(1) *Net exposure in US dollars (USD): several Group entities enter into multi-year rights acquisition contracts in the course of their ordinary activities that give rise to off balance sheet commitments. TF1 SA hedges its USD-denominated purchases.*

(2) *Net exposure in Swiss francs (CHF): this mainly relates to the ordinary activities of TF1 SA; forward contracts in CHF are contracted solely to hedge future cash flows.*

(3) *Net exposure in Canadian dollars (CHF): this mainly relates to the commercialisation of Canadian audiovisual productions.*

The sensitivity analysis shown below measures the impact on profit or loss and equity of an immediate unfavourable uniform movement of 1% in the rate of the euro against all the other currencies involved, and represents the sum total of:

- the impact of applying that 1% movement to the net pre-hedging positions presented above;
- the change in the fair value of the portfolio of foreign exchange instruments in place at the end of the reporting period, applying the accounting treatments specified in IFRS 9.

	2022				2021			
(€m)	**Pre-tax impact on profit or loss**		**Pre-tax impact on equity**		**Pre-tax impact on profit or loss**		**Pre-tax impact on equity**	
	+1%	-1%	+1%	-1%	+1%	-1%	+1%	-1%
USD	(0.3)	0.3	-	-	0.4	(0.4)	-	-
CHF	(0.1)	0.1	-	-	(0.3)	0.1	(0.1)	(0.1)
CAD	0.2	(0.2)	0.1	(0.1)	-	-	-	-
Other	0.6	-	-	-	-	-	-	-
TOTAL	**0.4**	**0.2**	**0.1**	**(0.1)**	0.1	(0.3)	(0.1)	(0.1)

As of 31 December 2022, the sensitivity of the TF1 group's equity (including net profit for the period) to changes in the net foreign-currency accounting position arising from a uniform unfavourable movement of 1% in the rate of the euro against all the currencies involved would be -€0.1 million, before taking account of the effects of such a movement on the Group's future foreign-currency cash flows. The comparable figure at end 2021 was also -€0.1 million.

<u>Analysis of foreign exchange derivative instruments by currency</u>

The tables below analyse foreign exchange hedging instruments by currency at the end of the reporting period:

		Nominal amount of hedges				Fair value (in euros)	
			Amount in euros				
31 December 2022 *(in millions)*	**Currency**	**Total foreign-currency amount**	**Total**	**Less than 1 year**	**1 to 5 years**	**Total amount**	**Of which designated as cash flow hedges**
Currency swaps	USD	-	-	-	-	-	-
	CAD	-	-	-	-	-	-
	CHF	-	-				
Forward purchases	USD	6.0	5.6	5.6		(0.2)	(0.2)
Forward sales	CHF	12.0	12.2	12.2	-	0.1	0.1
	USD	1.7	1.6	1.6		(0.1)	-
TOTAL		**19.7**	**19.4**	**19.4**	**-**	**(0.2)**	**(0.1)**

31 December 2021 *(in millions)*	Currency	Nominal amount of hedges				Fair value (in euros)	
		Total foreign-currency amount	Amount in euros				
			Total	Less than 1 year	1 to 5 years	Total amount	Of which designated as cash flow hedges
Currency swaps	USD						
	CAD						
	CHF						
Forward purchases	USD	9.0	7.9	7.9		(0.4)	(0.3)
Forward sales	USD	4.7	4.1	2.4	1.7	(0.1)	0.0
	CHF	12.5	12.1	12.1		(0.7)	(0.7)
TOTAL		**26.2**	**24.1**	**22.4**	**1.7**	**(1.2)**	**(1.0)**

The nominal amount represents the amount sold or purchased forward in the currency.

The fair value of foreign exchange instruments is the difference between (i) the nominal amount translated into euros at a forward rate recalibrated to reflect closing exchange rates and (ii) the nominal amount translated into euros at closing exchange rates.

Accounting classification and treatment

All foreign exchange instruments used by the Group are contracted to hedge its exposure to financial risks. In accordance with IFRS 9, they are classified as fair value hedges or cash flow hedges depending on the strategy applied. However, some instruments are ineligible for hedge accounting because they do not meet the relevant criteria, in particular where there has been a reversal of the initial strategy.

Transactions designated as cash flow hedges are used by TF1 SA to hedge sports transmission rights and audiovisual rights acquisition contracts, on which the amount and timing of payments are precisely agreed on a contractual basis.

(€m)	Ineligible for hedge accounting	Designated as fair value hedges	Designated as cash flow hedges	TOTAL Fair value of financial instruments
2022				
Foreign exchange instruments – assets			0.3	**0.3**
Foreign exchange instruments – liabilities	(0.1)		(0.2)	**(0.3)**
TOTAL	**(0.1)**		**0.1**	**-**
2021				
Foreign exchange instruments – assets				
Foreign exchange instruments – liabilities			(0.4)	**(0.4)**
TOTAL			**(0.4)**	**(0.4)**

Change in fair value of foreign exchange instruments

Changes in the fair value of foreign exchange instruments that qualify for hedge accounting consist of two elements:

- ✓ an effective portion (i.e. the portion closely correlated to changes in the fair value of the hedged items), which is recognised in remeasurement reserves as a component of equity;
- ✓ an ineffective portion.

CHANGE IN FAIR VALUE OF FOREIGN EXCHANGE INSTRUMENTS

(€m)	Ineligible for hedge accounting	Designated as fair value hedges	Designated as cash flow hedges	TOTAL
2022	(0.1)		1.3	**1.2**
effective portion	-	-	1.3	**1.3**
ineffective portion	(0.1)	-	-	**(0.1)**
2021				
effective portion	-	-	-	**-**
ineffective portion	-	-	-	**-**

Counterparty risks:

The Group applies policies designed to limit its exposure to counterparty risk, and in particular (i) the risk of non-recovery of trade receivables in connection with its ordinary activities, (ii) the risk of being unable to recover assets held by financial counterparties and (iii) the risk that financial counterparties will default on their commitments to the Group.

The Group believes that its exposure is limited, given that the cost of such risks has historically been immaterial both in overall terms and for each business segment.

In 2022, no single customer of the Group represented more than 3% of consolidated revenue.
The five largest customers represented no more than 8% of consolidated revenue.
The ten largest customers represented no more than 12% of consolidated revenue.

In 2022, no single supplier of the TF1 group represented more than 3% of consolidated revenue.
The five largest suppliers represented no more than 10% of consolidated revenue.
The ten largest suppliers represented no more than 16% of consolidated revenue; this figure reflects the specialised nature of some suppliers, such as production studios.

Risk of non-recovery of receivables

2022	**Carrying amount**	**Not past due**	**Past due**			
(€m)			**Total**	**< 6 months**	**6-12 months**	**> 12 months**
Trade receivables	**841.4**	769.4	71.2	29.1	29.5	13.4
Provisions for impairment of trade receivables	**(11.6)**	(6.7)	(5.0)	(2.0)	(0.0)	(2.9)
TOTAL trade receivables, net	**829.8**	**762.7**	**67.0**	**27.1**	**29.5**	**10.5**

2021	Carrying amount	Not past due	Past due			
(€m)			Total	< 6 months	6-12 months	> 12 months
Trade receivables	**842.2**	723.1	119.1	85.6	12.1	21.4
Provisions for impairment of trade receivables	**(12.0)**	(5.5)	(6.5)	(0.1)	(0.1)	(6.3)
TOTAL trade receivables, net	**830.2**	**717.6**	**112.6**	**85.5**	**12.0**	**15.1**

In 2016, the TF1 group introduced a trade receivables management software program with recovery, risk management and financial information modules.

This program incorporates standardised reminder processes, and bolstered the resources dedicated to revenue collection.

This has helped keep the risk of non-payment by customers to less than 0.1% of total annual billings.

Advertising airtime sales

TF1 Publicité sells advertising airtime on media for which it acts as agent (TV channels, radio stations and websites) to advertisers who over the years have often become regular airtime buyers, developing well-established partnerships. TF1 Publicité applies risk management policies adapted to the profile of its customer base.

The policy for managing the underlying counterparty risk relies on the operating terms of TF1 Publicité, of which its customers are aware. Those terms include:

- upfront payment in full, in advance of broadcast, for airtime orders placed by a new advertiser;
- upfront payment for new advertising campaigns from any advertiser with a track record of payment incidents. If those payment terms are rejected, TF1 Publicité may refuse to sell airtime to the buyer;
- payment of annual rebates in the form of "end-of-order" credit notes issued at the start of the following year, the final amount of which is contingent on the buyer paying its invoices on time.

On top of these procedures, TF1 Publicité has a Credit Management department which performs regular financial health checks on advertisers, issues preventive payment reminders to agencies and advertisers, and (in the event of late payment) systematically issues graded reminders, charges late payment interest, and prepares legal recovery proceedings.

Subscriptions to pay-TV channels

There is no significant risk of non-recovery as regards revenues payable by cable operators in France.

Rights sales

Rights sales within France present little risk since the main customers are French broadcasters and ISP/video operators, who are relatively few in number and are high grade counterparties with no history of payment default.

Risks are also limited as regards rights sales outside France, because the media needed to exploit the audiovisual works are not supplied until after the majority of the contractual amounts due have been paid.

There are no other significant exposures to individual customers in other Group subsidiaries that might have a lasting adverse impact on the Group's profitability.

Financial counterparties

In investing surplus cash, the TF1 group applies a policy of selecting only high-grade banks and financial institutions that meet minimum rating criteria and with which the Group has well-established relationships, including the provision of credit facilities to the Group (see Note 8-2-1 on liquidity risk).

9 Other notes to the financial statements

9-1. Off balance sheet commitments:

The off balance sheet commitments reported below comprise guarantee commitments given and received by the Group; reciprocal commitments not associated with the Group's operating cycles; and operating and finance lease commitments.
A commitment is reciprocal if the future commitment given by the Group is inseparable from the commitment given by the other party or parties to the contract. Reciprocal commitments given and received in connection with the Group's operating cycles are reported in the note relating to the relevant balance sheet item: Note 7-2 ("Inventories: broadcasting rights and other inventories ") for purchase contracts designed to secure future programming schedules, and Note 8-2-1 ("Liquidity risk") for confirmed bank credit facilities, etc.

Off balance sheet commitments are stated at the amount of the outflow or inflow of resources specified in the contract. In the case of renewable contracts, the commitment is measured on the basis of the period until the next renewal date.
In the case of reciprocal commitments, the commitment given and the commitment received are measured on the basis of the net cash outflow or inflow for the Group.

The various types of commitments given and received by the Group are described below:

- Guarantee commitments:
This item comprises guarantees provided in connection with commercial contracts or leases.
None of the non-current assets held by TF1 (intangible assets, property, plant and equipment or financial assets) is subject to any pledge or mortgage.

- Reciprocal contractual commitments:

Image transmission:
Image transmission commitments relate to the supply of television transmission services (Télédiffusion de France), and to the leasing of satellite capacity and transponders from private-sector companies.

Commitments relating to equity interests:
This item comprises firm or optional commitments to deliver or receive securities.

Other reciprocal contractual commitments:
This comprises commitments given or received under various contracts not associated with the recurring operations of Group companies.

No material off balance sheet commitments, as defined in the applicable accounting standards, are omitted from the disclosures below.

9-1-1. Guarantee commitments

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2022	Total 2021
Guarantee commitments					
Pledges, mortgages and collateral	-	-	-	-	-
Guarantees and endorsements given	3.3	13.7	8.1	25.1	23.8
Guarantee commitments given	**3.3**	**13.7**	**8.1**	**25.1**	**23.8**
Pledges, mortgages and collateral	-	-	-	-	-
Guarantees and endorsements received	-	-	-	-	-
Guarantee commitments received	**-**	**-**	**-**	**-**	**-**
Guarantee commitments, net	**3.3**	**13.7**	**8.1**	**25.1**	**23.8**

9-1-2. Reciprocal contractual commitments

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2022	Total 2021
Miscellaneous contractual commitments					
Image transmission	24.2	50.5	-	74.7	83.8
Other	123.6	47.0	-	170.6	130.7
Miscellaneous contractual commitments given	**147.8**	**97.5**	**-**	**245.3**	**214.5**
Image transmission	24.2	50.5	-	74.7	83.8
Other	123.6	47.0	-	170.6	130.7
Miscellaneous contractual commitments received	**147.8**	**97.5**	**-**	**245.3**	**214.5**
Miscellaneous contractual commitments, net	**-**	**-**	**-**	**-**	**-**

9-2. Related party information

9-2-1. Executive remuneration

Total remuneration paid during 2022 to key executives of the Group (i.e. the ten members of the TF1 Executive Committee mentioned in the Universal Registration Document) was €13.3 million, comprising:

(€m)	2022	2021
Fixed remuneration	**3.7**	**4.7**
Variable remuneration and benefits in kind	**9.6**	**3.1**

Additional information:

- the portion of expenses relating to stock options and performance shares awarded to these key executives was €0.8 million;
- the portion of the total obligation in respect of retirement and other post-employment benefits relating to those key executives was €1.2 million.

The Bouygues group offers the members of its Group Management Committee, who include Gilles Pélisson and Rodolphe Belmer, a supplementary pension capped at 0.92% of the reference salary for each year's membership of the scheme, which represents a post-employment benefit.

The expense (invoiced to TF1 by Bouygues) relating to the contribution paid in 2022 was €0.9 million, including amounts contributed to URSSAF (the French state social security system).

Apart from loans of shares made to key executives who are also members of the Board of Directors in connection with their duties, no material loans or guarantees were extended to key executives or members of the Board of Directors.

9-2-2. Transactions with other related parties

Transactions with other related parties are summarised in the table below:

	Income		Expenses		Debtors		Creditors	
(€m)	2022	2021	2022	2021	2022	2021	2022	2021
Parties with an ownership interest	48.3	43.1	(35.5)	(34.9)	441.8 [(1)]	312.8 [(1)]	55.3	51.0
Joint ventures	(7.1)	11.9	0.2	29.7	20.7	20.7	0.4	0.5
Associates	-	-	2.7	-	-	-	-	-
Other related parties	-	-	-	-	-	-	-	-
TOTAL	**41.2**	**55.0**	**(32.6)**	**(5.2)**	**462.5**	**333.5**	**55.7**	**51.5**

[(1)] *Primarily the Bouygues Relais cash pooling agreement (see Note 8-2-1).*

In 2022, agreements entered into with joint ventures and associates related primarily to operating transactions in the ordinary course of business in the audiovisual sector, recharges of head office administrative expenses, and income and expenses arising from short-term cash pooling transactions.

Agreements entered into with parties with an ownership interest comprise agreements with Bouygues SA and with other Bouygues group companies that are subsidiaries of Bouygues SA. Those agreements are of an ordinary commercial nature (including in particular sales of advertising airtime to Bouygues Telecom and services purchased from Bouygues Energies & Services), except in the case of transactions with Bouygues Relais under the short-term cash pooling agreement.

In 2022, the TF1 group sub-let part of the Atrium building to Bouygues Telecom, on a lease that expires on 31 December 2024. The sub-lease is classified as an operating lease in the TF1 financial statements; see Note 7-4-3 ("Right of use of leased assets") for further details. The off balance sheet commitments reported in Note 9-1 do not include any material commitments to related parties.

9-3. Auditors' fees

The table below shows fees paid by the Group to its auditors:

	Mazars				EY				Other audit firms			
	Amount		%		Amount		%		Amount		%	
(€ '000)	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Audit of consolidated and individual company financial statements	**(1,270)**	**(1,222)**	**96%**	**95%**	**(923)**	**(994)**	**93%**	**94%**	**(83)**	**(55)**	**100%**	**93%**
- TF1 SA	*(248)*	*(279)*			*(230)*	*(225)*			*-*	*-*		
- Subsidiaries	*(1,022)*	*(959)*			*(693)*	*(769)*			*(83)*	*(55)*		
Other procedures and services related directly to the audit engagement	**(50)**	**(42)**	**4%**	**3%**	**(68)**	**(68)**	**7%**	**6%**	**-**	**(4)**	**0%**	**7%**
- TF1 SA	*-*	*-*			*(41)*	*(41)*			*-*	*-*		
- Subsidiaries	*(50)*	*(42)*			*(27)*	*(27)*			*-*	*(4)*		
Audit-related fees	**(1,320)**	**(1,280)**	**100%**	**100%**	**(991)**	**(1,062)**	**100%**	**100%**	**(83)**	**(59)**	**100%**	**100%**
Other services provided by audit firms to fully consolidated subsidiaries												
Company law, tax and employment law	-	-	-	-	-	-	-	-	-	-	-	-
Other (if > 10% of audit-related fees)	-	-	-	-	-	-	-	-	-	-	-	-
Other fees	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL AUDITORS' FEES	**(1,320)**	**(1,280)**	**100%**	**100%**	**(991)**	**(1,062)**	**100%**	**100%**	**(83)**	**(59)**	**100%**	**100%**

The amount of fees paid by the TF1 group to its auditors for the statutory audit of the consolidated and individual company financial statements for the year ended 31 December 2022 was €2.3 million.

The amount of fees paid by the Group in 2022 for services other than statutory audit (other procedures and services related directly to the audit engagement, and other services provided by the audit firms to fully consolidated companies) was €0.1 million (CSR report, assurance and advisory services on corporate actions during the year).

9-4. Dependence on licences

TF1 is an audiovisual communications service that requires a licence. Initially, TF1 was awarded a 10-year licence from 4 April 1987 (under the law of 30 September 1986); that licence expired in 1997.

The licence was renewed for a further five-year period (via decision no. 96-614 of 17 September 1996) from 16 April 1997, with no requirement to submit to a competitive tendering process.

In accordance with Articles 28-1, 82 and 99 of the law of 30 September 1986 as amended, TF1's broadcasting licence has been "automatically" renewed several times.

In addition, TF1 obtained a 10-year supplementary licence to broadcast in high definition (HD), awarded by the CSA (the then French broadcasting regulator) in decision no. 2008-524 of 17 June 2008. That licence was renewed by CSA decision no. 2016-818 of 19 October 2016 for a five-year period ending 5 May 2023.

On 7 December 2022, ARCOM (the current French broadcasting regulator) launched a bidding process ahead of the expiry of that licence. On 23 January 2023, TF1 officially submitted a bid to have its frequency renewed. Hearings before the ARCOM Board are scheduled for 15 February 2023. ARCOM will then select the successful bidders and begin negotiations on the licence agreement before finally issuing the licence.

9-5. Detailed list of companies included in the consolidation

Consolidation method :

Subsidiaries

Subsidiaries are entities over which TF1 exercises control. TF1 controls an entity where it has (i) power over the entity, (ii) exposure, or rights, to variable returns from its involvement with the entity, and (iii) the ability to affect those returns. Subsidiaries are included in the consolidation from the date on which control is effectively transferred to the Group. Divested subsidiaries are excluded from the consolidation from the date on which the Group ceases to have control. The Group accounts for investees over which it exercises exclusive control using the full consolidation method.

Under this method, 100% of all assets, liabilities, equity, income and expenses of each subsidiary are combined on a line-by-line basis in the consolidated financial statements. Non-controlling interests in equity and in net profit are identified separately under "Non-controlling interests" in the consolidated balance sheet and the consolidated income statement.

Joint ventures

Joint ventures are equity investees over which TF1 contractually shares control with one or more other parties.

Joint ventures are accounted for by the equity method.

Associates

An associate is an entity over which TF1 exercises significant influence, which means that it has the power to participate in the financial and operating policy decisions of the investee without exercising control. Significant influence is presumed to exist if the parent company holds, directly or indirectly, 20% or more of the voting power of the investee. This presumption is reviewed in light of the way in which the investee is effectively governed and managed. The Group accounts for investments in associates using the equity method.

Under this method, the investment in the associate is initially recorded in the balance sheet at acquisition cost. The carrying amount is then increased or decreased by the Group's share of the associate's profits or losses and of other changes in the equity of the associate subsequent to the acquisition date.

Translation of the financial statements of foreign entities:

The financial statements of foreign operations are translated into euros, the reporting currency of the TF1 group. All assets and liabilities of foreign entities are translated at the closing exchange rate; income and expenses are translated at the average rate for the period. Translation differences arising from this treatment, and from retranslating the opening equity of foreign entities at the closing exchange rate, are taken to equity under "Share premium and reserves". On disposal of a foreign entity, these differences are taken to profit or loss as part of the gain or loss on disposal.

COMPANY	COUNTRY	ACTIVITY	31 December 2022 % CONTROL	31 December 2022 % INTEREST	31 December 2022 METHOD	31 December 2021 % CONTROL	31 December 2021 % INTEREST	31 December 2021 METHOD
MEDIA								
TF1 SA	***FRANCE***	***Broadcasting***	***Parent company***	***Parent company***	-	***Parent company***	***Parent company***	-
APHELIE	FRANCE	Real estate company	100.00%	100.00%	Full	100.00%	100.00%	Full
ALFEMMINILE.COM	ITALY	Digital content management	-	-	-	20.00%	20.00%	Full
AUFEMININ	FRANCE	Digital content management	-	-	-	100.00%	100.00%	Full
BEMFEMENINO	BRAZIL	Digital content management	-	-	-	100.00%	100.00%	Full
BIGGIE HOLDING	FRANCE	Digital marketing consultancy	-	-	-	100.00%	100.00%	Full
CUP INTERACTIVE SAS	FRANCE	Audiovisual production	-	-	-	100.00%	100.00%	Full
DEVTRIBU	FRANCE	Commercial operation of live show venues	-	-	-	100.00%	100.00%	Full
DOCTISSIMO	FRANCE	Holding company	-	-	-	100.00%	100.00%	Full
E-TF1	FRANCE	Content/broadcasting: internet and TV services	100.00%	100.00%	Full	100.00%	100.00%	Full
ENFEMENINO.COM	SPAIN	Audiovisual production	-	-	-	100.00%	100.00%	Full
ETOILE CASTING SAS	FRANCE	Advertising airtime sales	-	-	-	100.00%	100.00%	Full
EXTENSION TV	FRANCE	Theme channel	50.00%	50.00%	Equity	50.00%	50.00%	Equity
FACTORY ELEVEN	FRANCE	Audiovisual production	-	-	-	100.00%	100.00%	Full
GAMNED	FRANCE	Advertising airtime sales	-	-	-	100.00%	100.00%	Full
GAMNED BENELUX	BELGIUM	Advertising airtime sales	-	-	-	100.00%	100.00%	Full
GAMNED DO BRAZIL	BRAZIL	Advertising airtime sales	-	-	-	100.00%	100.00%	Full
GAMNED GROUP	FRANCE	Advertising airtime sales	-	-	-	100.00%	100.00%	Full
GAMNED MIDDLE EAST	UNITED ARAB EMIRATES	Advertising airtime sales	-	-	-	100.00%	100.00%	Full
GAMNED SEA	MALAYSIA	Advertising airtime sales	-	-	-	100.00%	100.00%	Full
GAMNED SUISSE	SWITZERLAND	Advertising airtime sales	-	-	-	100.00%	100.00%	Full
GBE & W	FRANCE	Digital content management	100.00%	100.00%	Full	100.00%	100.00%	Full
GIE ACHAT DROITS	FRANCE	Acquisition/sale of audiovisual rights	100.00%	100.00%	Full	100.00%	100.00%	Full
GLOWRIA SOCIAL E-COMMERCE	FRANCE	Digital marketing consultancy	-	-	-	100.00%	100.00%	Full
HISTOIRE	FRANCE	Theme channel	100.00%	100.00%	Full	100.00%	100.00%	Full
JOYCE	FRANCE	Digital content management	-	-	-	100.00%	100.00%	Full
LA CHAINE INFO	FRANCE	Theme channel	100.00%	100.00%	Full	100.00%	100.00%	Full
MAGNETISM	FRANCE	Digital marketing consultancy	100.00%	100.00%	Full	100.00%	100.00%	Full
MARMITON	FRANCE	Digital content management	-	-	-	100.00%	100.00%	Full
MAYANE COMMUNICATIONS	FRANCE	Advertising airtime sales	-	-	-	100.00%	100.00%	Full
MEDIA SQUARE	FRANCE	Advertising airtime sales	13.40%	13.40%	Equity	13.40%	13.40%	Equity
MERCI ALFRED	FRANCE	Digital content management	100.00%	100.00%	Full	100.00%	100.00%	Full
MONTE CARLO PARTICIPATIONS	FRANCE	TMC holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
MUZEEK ONE	FRANCE	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
MY LITTLE BOX GmBH	GERMANY	e-commerce	100.00%	100.00%	Full	100.00%	100.00%	Full
MY LITTLE BOX KK	JAPAN	e-commerce	100.00%	100.00%	Full	100.00%	100.00%	Full
MY LITTLE PARIS	FRANCE	Digital content management	100.00%	100.00%	Full	100.00%	100.00%	Full
NETMUMS LTD	UNITED KINGDOM	Audiovisual production	-	-	-	100.00%	100.00%	Full
NEW MEDIA AGENCY	ITALY	Digital marketing consultancy	-	-	-	51.00%	51.00%	Full
NEW MEDIA AGENCY SOCIAL	ITALY	Digital marketing consultancy	-	-	-	100.00%	51.00%	Full
NEWEB DEVELOPPEMENT	FRANCE	Holding company	-	-	-	91.84%	100.00%	Full
NEW REPLAY	FRANCE	Digital marketing consultancy	51.00%	51.00%	Full	51.00%	51.00%	Full
PLAY 2	FRANCE	Music production	42.00%	42.00%	Full	42.00%	42.00%	Full
RAISE MEDIA INVESTMENT	FRANCE	Management of equity holdings	99.50%	99.50%	Equity	99.50%	99.50%	Equity
SALTO	FRANCE	Broadcasting of internet and TV services	33.33%	33.33%	Equity	33.33%	33.33%	Equity
SALTO GESTION	FRANCE	Holding company	33.33%	33.33%	Equity	33.33%	33.33%	Equity
SOFEMININE.CO.UK	UNITED KINGDOM	Digital content management	-	-	-	100.00%	100.00%	Full
STS EVENEMENTS	FRANCE	Commercial operation of live show venues	55.00%	55.00%	Full	55.00%	55.00%	Full
TF1 BUSINESS SOLUTIONS	FRANCE	Telematics, spin-off rights	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 DIGITAL CONTENT	FRANCE	Audiovisual production	-	-	-	100.00%	100.00%	Full
TF1 DISTRIBUTION	FRANCE	Distribution of TV channels	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 DS	FRANCE	Acquisition/sale of audiovisual rights	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 FACTORY	FRANCE	Event management	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 EXPANSION	FRANCE	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 FILMS PRODUCTION	FRANCE	Movie co-production	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 MARKETING SERVICES	FRANCE	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 ONE INNOVATION	FRANCE	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 PRODUCTION	FRANCE	Programme production	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 PUBLICITE	FRANCE	TF1 advertising airtime sales	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 SERIES FILMS	FRANCE	Theme channel	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 SOCIAL E-COMMERCE	FRANCE	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 SPV SAS	FRANCE	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
TFX	FRANCE	Theme channel	100.00%	100.00%	Full	100.00%	100.00%	Full
TMC	MONACO	Theme channel	100.00%	100.00%	Full	100.00%	100.00%	Full
TV BREIZH	FRANCE	Theme channel	100.00%	100.00%	Full	100.00%	100.00%	Full
UNE MUSIQUE	FRANCE	Publisher of music & sound recordings	100.00%	100.00%	Full	100.00%	100.00%	Full
UNIFY DIGITAL FACTORY	FRANCE	Audiovisual production	-	-	-	100.00%	100.00%	Full
UNIFY	FRANCE	Audiovisual production	-	-	-	100.00%	100.00%	Full
UNIFY ADVERTISING	FRANCE	Audiovisual production	-	-	-	100.00%	100.00%	Full
UNIFY STUDIO	FRANCE	Audiovisual production	-	-	-	100.00%	100.00%	Full
USHUAIA TV	FRANCE	Theme channel	100.00%	100.00%	Full	100.00%	100.00%	Full
YKONE	FRANCE	Digital content management	-	-	-	100.00%	100.00%	Full
YKONE ABU DHABI	UNITED ARAB EMIRATES	Digital marketing consultancy	-	-	-	100.00%	100.00%	Full
YKONE ASIA	HONG KONG	Digital marketing consultancy	-	-	-	25.00%	25.00%	Full
YKONE USA	UNITED STATES	Digital content management	-	-	-	100.00%	100.00%	Full

COMPANY	COUNTRY	ACTIVITY	31 December 2022 % CONTROL	% INTEREST	METHOD	31 December 2021 % CONTROL	% INTEREST	METHOD
NEWEN STUDIOS								
17 JUIN DEVELOPPEMENT ET PARTICIPATIONS	FRANCE	Holding company	99.97%	99.97%	Full	99.97%	99.97%	Full
17 JUIN FICTION	FRANCE	Audiovisual production	100.00%	99.97%	Full	100.00%	99.97%	Full
17 JUIN MEDIA	FRANCE	Audiovisual production	100.00%	99.97%	Full	100.00%	99.97%	Full
ABRAFILMS	FRANCE	Audiovisual production	80.00%	80.00%	Full	80.00%	80.00%	Full
ADICTIV	FRANCE	Audiovisual production	70.00%	70.00%	Full	70.00%	70.00%	Full
AMSTO	FRANCE	Audiovisual production	70.00%	70.00%	Full	-	-	
ANAGRAM LIVE AB	SWEDEN	Audiovisual production	100.00%	100.00%	Full	-	-	
ANAGRAM NORGE AS	NORWAY	Audiovisual production	100.00%	100.00%	Full	-	-	
ANAGRAM PRODUKTION AB	SWEDEN	Audiovisual production	100.00%	100.00%	Full	-	-	
ANAGRAM RIGHTS AB	SWEDEN	Audiovisual production	100.00%	100.00%	Full	-	-	
ANAGRAM SVERIGE AB	SWEDEN	Audiovisual production	100.00%	100.00%	Full	-	-	
AND SO ON	FRANCE	Audiovisual production	-	-	-	100.00%	100.00%	Full
AND SO ON MEDIA	FRANCE	Audiovisual production	14.00%	14.00%	Equity	14.00%	14.00%	Equity
AUX SINGULIERS	FRANCE	Audiovisual production	70.00%	70.00%	Full	-	-	
BARJAC PRODUCTION	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
BARJAC PRODUCTIONS	FRANCE	Digital marketing consultancy	-	-	-	100.00%	100.00%	Full
BIRBO	DENMARK	Audiovisual production	33.33%	33.33%	Equity	33.33%	33.33%	Equity
BLUE SPIRIT LAB	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
BLUE SPIRIT LINE	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
BLUE SPIRIT PRODUCTION	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
BLUE SPIRIT STUDIO	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
BOXEUR 7	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
BRUSSELS PRODUCTIONS LTD	UNITED KINGDOM	Audiovisual production	100.00%	82.50%	Full	100.00%	82.50%	Full
B-SIDE FILM & TV LTD	UNITED KINGDOM	Audiovisual production	30.00%	19.50%	Equity	-	-	
CANADA INC.	CANADA	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
CAPA DEVELOPPEMENT	FRANCE	Holding company	88.09%	88.09%	Full	88.09%	88.09%	Full
CAPA DRAMA	FRANCE	Audiovisual production	100.00%	88.09%	Full	100.00%	88.09%	Full
CAPA ENTREPRISE	FRANCE	Audiovisual production	100.00%	88.09%	Full	100.00%	88.09%	Full
CAPA M.A.	FRANCE	Audiovisual production	100.00%	88.09%	Full	100.00%	88.09%	Full
CAPA PICTURES	FRANCE	Audiovisual production	90.00%	79.28%	Full	90.00%	79.28%	Full
CAPA PRESSE	FRANCE	Audiovisual production	100.00%	88.09%	Full	100.00%	88.09%	Full
CAPA PROD	FRANCE	Audiovisual production	100.00%	88.09%	Full	100.00%	88.09%	Full
CAPA STUDIO	FRANCE	Audiovisual production	100.00%	88.09%	Full	100.00%	88.09%	Full
CCCP TELEVISIE BV	NETHERLANDS	Audiovisual production	51.00%	51.00%	Full	51.00%	51.00%	Full
CHALKBOARD	UNITED KINGDOM	Audiovisual production	68.20%	27.28%	Full	50.00%	34.28%	Equity
CHAMPLAIN MEDIA INC.	CANADA	Audiovisual production	25.00%	25.00%	Equity	25.00%	25.00%	Equity
CIBY 2000	FRANCE	Exploitation of audiovisual rights	100.00%	100.00%	Full	100.00%	100.00%	Full
CINETWORK	FRANCE	Development of production software	100.00%	100.00%	Full	100.00%	100.00%	Full
CLAPPERBOARD	UNITED KINGDOM	Audiovisual production	77.00%	30.80%	Full	50.00%	30.80%	Equity
COLUMN FEATURES	NETHERLANDS	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
COLUMN FILM NEDERLAND BV	NETHERLANDS	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
COLUMN PROJECTS	NETHERLANDS	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
COSTUMES ET DECO	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
DAÏ-DAÏ FILMS	FRANCE	Audiovisual production	80.00%	80.00%	Full	-	-	
DE MENSEN	BELGIUM	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
EL DISCURSO	SPAIN	Audiovisual production	99.00%	79.20%	Full	99.00%	79.20%	Full
EXPLORER	FRANCE	Audiovisual production	100.00%	88.09%	Full	100.00%	88.09%	Full
FICTION HOUSE	UNITED KINGDOM	Audiovisual production	33.33%	21.67%	Equity	33.33%	21.67%	Equity
FLANAGAN PROD	FRANCE	Audiovisual production	70.00%	70.00%	Full	-	-	
FLARE ENTERTAINMENT	GERMANY	Audiovisual production and distribution	75.00%	75.00%	Full	75.00%	75.00%	Full
FLARE FILM	GERMANY	Audiovisual production	100.00%	75.00%	Full	100.00%	75.00%	Full
FURTHER SOUTH PRODUCTIONS	UNITED KINGDOM	Audiovisual production	49.00%	31.85%	Full	49.00%	31.85%	Full
FUTURO IMPERFECTO MOVIE	SPAIN	Audiovisual production	99.50%	79.60%	Full	99.50%	79.60%	Full
GALLOP TAX SHELTER	BELGIUM	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
GARDNER & DOMM	BELGIUM	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
HET LAASTE BEDRIJF	BELGIUM	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
HUYSEGEMS	BELGIUM	Real estate company	100.00%	100.00%	Full	100.00%	100.00%	Full
INDALO MEDIA	SPAIN	Audiovisual production	60.00%	48.00%	Full	-	-	
ITC PROD	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
IZEN DOCUMENTALES S.L.	SPAIN	Audiovisual production	70.00%	70.00%	Full	-	-	
IZEN PRODUCCIONES AUDIOVISUALES	SPAIN	Holding company	80.00%	80.00%	Full	80.00%	80.00%	Full
IZEN PRODUCTIONS LIMITED	UNITED KINGDOM	Audiovisual production	50.00%	40.00%	Full	50.00%	40.00%	Equity
JOI PRODUCTIONS LIMITED	UNITED KINGDOM	Audiovisual production	30.00%	19.50%	Equity	-	-	
KUBIK FILM	SPAIN	Digital marketing consultancy	15.00%	15.00%	Equity	15.00%	15.00%	Equity
LEONIS	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
LEONIS PRODUCTIONS LIMITED	UNITED KINGDOM	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
LES FILMS A5	FRANCE	Audiovisual production	-	-	-	100.00%	88.09%	Full
LES GENS	BELGIUM	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
MARGANA PRODUCTIONS AS	NORWAY	Audiovisual production	100.00%	100.00%	Full	-	-	
MARYSOL	FRANCE	Audiovisual production	70.00%	70.00%	Full	-	-	
MASKINERIET AB	SWEDEN	Audiovisual production	100.00%	100.00%	Full	-	-	
MOONSHAKER II	FRANCE	Audiovisual production	35.00%	35.00%	Equity	35.00%	35.00%	Equity
MOONSHINER PRODUCTIONS	FRANCE	Audiovisual production	35.00%	35.00%	Equity	35.00%	35.00%	Equity
NABI PRODUCTION UK LTD	UNITED KINGDOM	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
NEWCO AUDIOVISUAL	SPAIN	Audiovisual production	70.00%	56.00%	Full	70.00%	56.00%	Full
NEWEN CONNECT	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
NEWEN CONNECT UK	UNITED KINGDOM	Audiovisual production	100.00%	100.00%	Full	-	-	
NEWEN DISTRIBUTION LTD	UNITED KINGDOM	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
NEWEN FRANCE (formerly TELFRANCE & CIE)	FRANCE	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
NEWEN KIDS & FAMILY (formerly BSH)	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
NEWEN PROD A	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
NEWEN STUDIOS	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
NIMBUS FILM SALES	DENMARK	Audiovisual production	33.08%	33.08%	Equity	33.08%	33.08%	Equity

NIMBUS FILM	DENMARK	Audiovisual production	33.08%	33.08%	Equity	33.08%	33.08%	Equity
NIMBUS FILM HOLDING	DENMARK	Holding company	33.08%	33.08%	Equity	33.08%	33.08%	Equity
PARTITA FILMS	FRANCE	Audiovisual production	100.00%	100.00%	Full	-	-	
PREMIERE BOBINE INC.	CANADA	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
PRODUCTION VALLEY	FRANCE	Audiovisual production	-	-	-	100.00%	100.00%	Full
PROIMA - ZEBRASTUR	SPAIN	Audiovisual production	100.00%	80.00%	Full	100.00%	80.00%	Full
PULSATIONS	FRANCE	Audiovisual production	-	-	-	100.00%	99.97%	Full
PULSATIONS MULTIMEDIA	FRANCE	Audiovisual production	100.00%	99.97%	Full	100.00%	99.97%	Full
PUPKIN FILM	NETHERLANDS	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
PUPKIN FILM & TELEVISIE	NETHERLANDS	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
PUPKIN FILM HOLDING	NETHERLANDS	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
REAL LAVA	DENMARK	Development and commercialisation of artistic projects	51.00%	51.00%	Full	51.00%	51.00%	Full
REEL ONE ENTERTAINMENT, INC.	UNITED STATES	Programme distribution	100.00%	100.00%	Full	100.00%	100.00%	Full
REEL ONE INTERNATIONAL LIMITED	UNITED KINGDOM	Programme distribution	100.00%	100.00%	Full	100.00%	100.00%	Full
RINGSIDE MEDIA LIMITED	UNITED KINGDOM	Holding company	65.00%	65.00%	Full	65.00%	65.00%	Full
RINGSIDE STUDIOS LIMITED	UNITED KINGDOM	Audiovisual production	65.00%	65.00%	Full	65.00%	65.00%	Full
RISE COMEDY LIMITED	UNITED KINGDOM	Audiovisual production	50.00%	50.00%	Equity	-	-	
RISE FILMS (14 WAYS) LIMITED	UNITED KINGDOM	Audiovisual production	100.00%	100.00%	Full	-	-	
RISE FILMS LIMITED	UNITED KINGDOM	Audiovisual production	100.00%	100.00%	Full	-	-	
ROGER FILM	FRANCE	Audiovisual production	40.00%	40.00%	Equity	40.00%	40.00%	Equity
ROYAL ME UP PRODUCTIONS	FRANCE	Audiovisual production	80.00%	80.00%	Full	80.00%	80.00%	Full
SKYLINE ENTERTAINMENT	BELGIUM	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
SLATE ENTERTAINMENT	UNITED KINGDOM	Audiovisual production	30.00%	19.50%	Equity	30.00%	19.50%	Equity
SNC EDITIONS MUSICALES BOXEUR DE LUNE	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
STORYBOARD	UNITED KINGDOM	Audiovisual production	37.50%	30.00%	Equity	37.50%	30.00%	Equity
STUDIO BLUE SPIRIT CANADA	CANADA	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
STUDIOS DE MARSEILLE	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
STUDIOS DE SETE	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
STUDIOS POST & PROD	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
TEL SETE	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
TELECIP	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
TELFRANCE	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
TELFRANCE SERIE	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
TELFRANCE SERIES MARSEILLE (formerly RDVPS)	FRANCE	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
TF1 STUDIOS	FRANCE	Exploitation of audiovisual rights	100.00%	100.00%	Full	100.00%	100.00%	Full
TUVALU DIGITAL BV	NETHERLANDS	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
TUVALU MEDIA BV	NETHERLANDS	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
TUVALU MEDIA GROUP BV	NETHERLANDS	Audiovisual production	100.00%	100.00%	Full	100.00%	100.00%	Full
TUVALU MEDIA NETHERLANDS BV	NETHERLANDS	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
TUVALU MEDIA NETHERLANDS MANAGEMENT BV	NETHERLANDS	Holding company	100.00%	100.00%	Full	100.00%	100.00%	Full
UTE ZEBRA PRODUCCIONES SOYCA	SPAIN	Audiovisual production	50.00%	40.00%	Full	50.00%	40.00%	Full
VERALIA CONTENIDOS AUDIOVISUALES	SPAIN	Audiovisual production	100.00%	80.00%	Full	100.00%	80.00%	Full
WBM B.V.	NETHERLANDS	Audiovisual production	75.00%	75.00%	Full	-	-	
YELLOW AFFAIR OY	FINLAND	Audiovisual production	33.06%	33.06%	Equity	-	-	
YELLOW THING	FRANCE	Audiovisual production	33.34%	33.34%	Equity	33.34%	33.34%	Equity
ZEBRA PRODUCCIONES	SPAIN	Audiovisual production	100.00%	80.00%	Full	100.00%	80.00%	Full
ZEBRA SERIES	SPAIN	Audiovisual production	85.70%	70.90%	Full	85.70%	70.90%	Full

9-6. Events after the reporting period

Withdrawal from Salto

The proposed M6/TF1 merger having been abandoned, and in the absence of any satisfactory offers to buy the platform, the three partners in Salto have decided, after consulting and obtaining the opinion of the employee representative bodies on 2 February 2023, to proceed with the voluntary liquidation of Salto.

Name of reporting entity or other means of identification: TELEVISION FRANCAISE 1 – TF1

Domicile of the entity: 1, Quai du Point du Jour – 92100 Boulogne-Billancourt

Legal form of the entity: *Société anonyme* (public limited company)

Country of incorporation: FRANCE

Address of the entity's registered office: 1, Quai du Point du Jour – 92100 Boulogne-Billancourt

Principal place of business: 1, Quai du Point du Jour – 92100 Boulogne-Billancourt

Description of the entity's operations and principal activities: Media

Name of parent company: TF1 SA

Name of ultimate parent company of the group: TF1 SA