

TOGETHER

LETTER TO OUR SHAREHOLDERS

MARCH 2021

RESULTS P.3

— 2020 annual results

NEWS P.4

— Universal Music Group
opens its share capital

DIARY P.8

— Shareholders' diary
Vivendi and you



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vivendi



Photos/DR

VIVENDI, as dynamic as ever

Yannick Bolloré, Chairman of the Supervisory Board,
and **Arnaud de Puyfontaine**, Chairman of the Management Board

Dear Shareholders,

2020 was a year rich in initiatives for Vivendi. The group successfully opened up the share capital of Universal Music Group (UMG). A consortium led by Tencent acquired 10% of the music major's share capital in March 2020, and an additional 10% in December 2020, based on an enterprise value of €30 billion (for 100% of UMG). We want to thank the Vivendi teams who achieved these transactions amid the health crisis and those at Tencent for their confidence and this partnership.

Building on this success, the Management Board is currently working on a plan to distribute 60% of UMG's capital to the group's shareholders. The listing of UMG's shares on the Amsterdam Stock Exchange by the end of the year is also being considered. This transaction should allow us to reduce the discount that has affected Vivendi's share price for many years.

Vivendi will also be able to accelerate its ambition of creating a leader in content, media and communications. The last few months have provided the opportunity to pursue several initiatives in the media sector in France and Spain. In December 2020, Vivendi signed a put option agreement to acquire 100% of Prisma Media from Gruner + Jahr – Bertelsmann. With its 20 flagship brands, Prisma Media is the French leader in magazine press, both printed and digital. One month later, in January 2021, Vivendi acquired 9.9% of Prisa, the leading media and education group in the Spanish-speaking world.

In parallel with these major transactions, the group has taken time to reflect, defining its *raison d'être* and redefining its corporate social responsibility (CSR) approach. Its *raison d'être*, *Creation Unlimited*, reflects the group's desire to unleash creativity by revealing all talents, valuing all ideas and all cultures, and sharing them with as many people as possible.

Vivendi's new CSR program, *Creation for the Future*, directly ties in with this *raison d'être*, putting the group's social, societal and environmental impacts into perspective and setting a first milestone for 2025, especially in terms of carbon neutrality.

We hope you enjoy reading this letter and thank you for your continued support.

RESULTS

2020 ANNUAL RESULTS

In 2020, Vivendi demonstrated resilience and agility in the face of the health crisis. Revenues remained almost stable compared to 2019 (−0.6% at constant currency and perimeter **(1)**), amounting to €16.09 billion. After strong growth in the first quarter (+4.4% at constant currency and perimeter **(1)**) and a decline in the second (−7.9%), revenue growth recovered in the third and fourth quarters (both +0.7%).

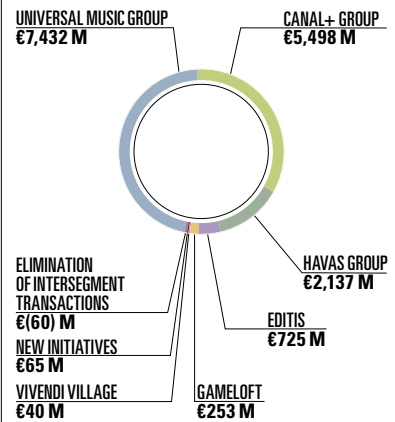
EBITA was €1.63 billion, up 6.6% compared to 2019, driven by growth at Universal Music Group and Canal+ Group, and moderated by downturns that primarily impacted Havas Group and Vivendi Village.

Earnings before provision for income taxes and minority interest, the metric that is most comparable to the performance recorded in 2019, increased by 47.7% compared to 2019, amounting to €2.18 billion.

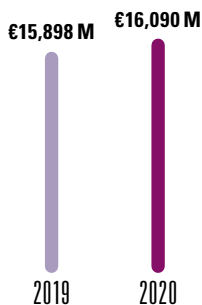
(1) Constant perimeter particularly reflects the impacts of the acquisition of M7 by Canal+ Group (September 12, 2019), the acquisition of the remaining interest in Ingrooves Music Group, which was consolidated by Universal Music Group (March 15, 2019) and the acquisition of Editis (January 31, 2019).

Earnings attributable to Vivendi SE shareowners amounted to €1.44 billion, compared with €1.58 billion in 2019. Excluding the current tax income of €473 million relating to the utilization of foreign tax receivables in respect of the group's exit from the consolidated global profit tax system recorded in 2019, net income, group share would have increased by 29.7%. As for 2021, Vivendi is continually analyzing the current and potential consequences of the health crisis. It is difficult at this time to determine how it will impact Vivendi's results this year. Businesses related to advertising and live performance are likely to be more affected than the others. Nevertheless, the group remains confident in the resilience of its core businesses. It continues to make every effort to ensure the continuity of its activities and to best serve and entertain its customers and audiences while complying with the authorities' guidelines in each country where it operates.

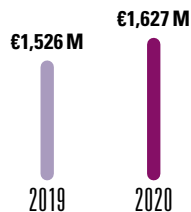
REVENUES BY ACTIVITY



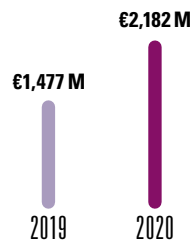
REVENUES



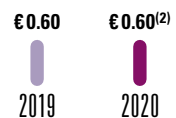
EBITA



EARNINGS BEFORE PROVISION FOR INCOME TAXES AND MINORITY INTEREST



PROPOSED DIVIDEND FOR THE FISCAL YEAR



(2) Subject to approval at the Annual General Shareholders' Meeting on June 22, 2021.

UMG opens its share capital

Vivendi has opened the share capital of Universal Music Group (UMG), the world leader in recorded music. After the sale of 20% of UMG's capital, Vivendi contemplates the distribution of 60% of the music major's share capital to its shareholders.

The opening of UMG's capital, announced several months ago, is being carried out in several stages. First, a consortium led by Tencent bought 10% (transaction finalized on March 31, 2020) and an additional 10% (transaction finalized in January 2021) of UMG's capital. The acquisitions were made based on an enterprise value of €30 billion for 100% of UMG. The presence of Tencent and its co-investors in UMG's share capital will allow UMG to accelerate its development in Asia. On its side, Vivendi announced that it would use the cash from these two transactions to buy back its own shares, reduce its financial debt and finance acquisitions. Vivendi is now considering the distribution of 60% of UMG's share capital to Vivendi shareholders. Vivendi's institutional shareholders have been pressing for a number of years for a split or the distribution of UMG to reduce Vivendi's discount. Prior to considering a favorable response to this request, the Management Board wished to obtain a fair value for UMG to better serve the interests of its shareholders and therefore

accelerate its ambition to create a global leader in content, media and communications. The sale of 20% of the share capital to the Tencent-led consortium has allowed us to crystalize the fair value given that other investors have expressed interest in investing at potentially higher prices. A Vivendi Extraordinary Shareholders' Meeting has been convened for March 29, 2021, to modify the company's by-laws and make this distribution possible. Subject to a positive shareholder vote, another shareholders' meeting will be convened before the end of 2021 to vote on the distribution. This distribution, exclusively in kind, would take the form of an exceptional distribution ("special dividend"). The exchange ratio between UMG and Vivendi shares is currently under review. The listing of UMG's shares would be applied for on the market of Euronext NV in Amsterdam, in a country that has been one of UMG's historical homes.



The Weekend – Blinding Lights DRUMG

Vivendi invests in media

Since 2014, Vivendi has had the ambition of creating a world-class leader in content, media and communications. At the end of last year, the group, whose media activities have up to now mainly involved television, decided to invest in the magazine press. Thus, in December 2020, it signed a put option agreement to acquire 100% of Prisma Media from Gruner + Jahr – Bertelsmann. The latter is the leading French press group in the sector, with 20 flagship brands (*Femme actuelle*, *GEO*, *Capital*, *Gala*, *Télé-Loisirs*, etc.). More than 42 million French people connect with a Prisma Media brand every month. This acquisition, which is perfectly in line with Vivendi's strategy,

will also provide Prisma Media with some interesting collaborative opportunities with the group's entities. The proposed acquisition remains subject to the information and consultation process with Prisma Media's employee representative bodies, the authorization from the competition authorities and finalization of the legal documentation. In addition to Prisma Media, Vivendi acquired 9.9% of Prisa in January 2021. Prisa is the leading media and education group in the Spanish-speaking world and owns *El País*, Santillana, Cadena SER, Radio Caracol, AS and Los 40 Principales. The acquisition of a stake in Prisa will enable Vivendi to strengthen its position as a global media group and to expand its access to Spanish-speaking markets in Europe, Latin America and the United States. Vivendi already has a strong presence in these areas. In Spain, it owns in particular the television production company Bambú Producciones, a large video game creation studio, as well as advertising and communication activities.

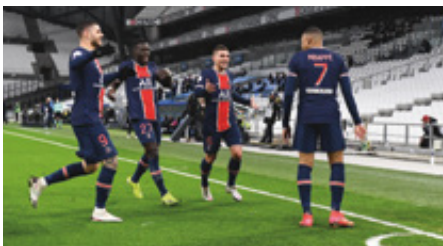
Canal+ provides complete coverage of Ligue 1 Uber Eats 2020-2021

Ligue 1 Uber Eats matches will join the major sports competitions that Canal+ already offers to its subscribers.

On February 4, 2021, to the delight of its soccer-fan subscribers, Canal+ Group and the French professional soccer league announced a global agreement for the audiovisual rights for Ligue 1 Uber Eats and Ligue 2 BKT for the 2020-2021 season. Every day, from day 25 of the competition, Canal+ Group has exclusive audiovisual rights for the full live coverage of all Ligue 1 Uber Eats matches and for eight of the ten Ligue 2 BKT matches, as well as all magazine rights. Also in soccer, Canal+ broadcasts the entire Premier League, the two premium packages of the Champions League, as of the 2021-2022 season, and the French women's soccer league, D1 Arkema.

As for other sports, Canal+ holds the rights to Top 14, Pro D2, Formula 1, Moto GP, WRC and the most prestigious golf competitions, not to mention its partnerships with RMC Sport and beIN Sports. This sports offer is rounded out with the best of French and international cinema and the best series, thanks in particular to the unique savoir-faire of the *Création Originale* label (*The Bureau, Spiral, Validé*, etc.).

The various agreements entered into in recent months allow Canal+ Group to bring together, under a single subscription, the richness of Canal+ content and the best channels and applications from partners around the world, including Netflix, Disney+ and, most recently, Starzplay.



A. Dibon / Icon Sport

HAVAS GROUP CSR COMMITMENTS

In the third quarter of 2020, Havas Group launched Havas Positive Impact (Impact+), an umbrella brand that brings together all of the group's CSR initiatives and actions from around the world.

This operation aims to maximize and promote the impact of its sustainable development approach. It is based on three key components: the environment, talent and responsible communication.

In the same quarter, Havas Group also rolled out its Commit to Change initiative in the United States, with the implementation of an action plan to promote greater diversity within its agencies.

To drive this initiative, Havas has created a DE&I committee (Diversity, Equity and Inclusion), whose members represent the African American, Hispanic, Asian and LGBTQ+ communities. The Commit to Change initiative is gradually being rolled out to other markets.

Havas Group continues its strategy of targeted acquisitions

In recent months, Havas Group has strengthened its presence in the United States, Israel and Singapore, consolidating its presence in growth markets.



© Camp + King 2021

Havas Group continued its acquisitions in the second half of 2020 and into early 2021. In September, following the acquisition of Hyland media agency in Australia at the end of August 2020, Havas Group acquired a majority stake in Camp + King in the United States, an independent creative agency voted four times "Small Agency of the Year" by *Advertising Age*. Camp + King has the distinctive feature of combining brand storytelling with expertise in digital, social and content development to make brands more engaging.

Thanks to the cutting-edge expertise and renowned audacity of Camp + King, this acquisition strengthens the creative power of Havas Group in North America. It also develops its presence in the region alongside its Havas Villages and agencies such as Battery and Arnold. In February 2021, Havas Group also announced the acquisition of Israeli agency Inbar Merhav G. This is an advertising agency specializing in marketing strategy, consulting and creation (offline and digital), and media services.

The acquisition of Inbar Merhav G follows the 2017 acquisition of Blink, an Israeli social media agency. As a world leader in innovation and entrepreneurship, Israel is home to many startups, making it a country with great potential.

Finally, just recently, Havas Group announced its acquisition of a majority stake in the Singaporean creative agency BLKJ. Set up in late 2016, BLKJ has quickly established itself as the fastest-growing independent agency in Singapore. Its strong performance is the result of creations that are turning the industry on its head.

With over 650 million inhabitants and strong economic growth, Southeast Asia is a highly strategic market for the entire Havas Group.



Editis / DR

Editis, the French leader in bestseller sales in 2020

Editis should be proud of its achievements in 2020, across all book categories. It has nine titles in the French top 20 bestseller list.

Editis coped very well despite the severe restrictions imposed in 2020. It performed better than the market average in terms of revenues (-1.3% at constant currency and perimeter compared to 2019), against a -2.7% market average compared to 2019, according to GfK 2020.

With a total of nine titles, Editis is the best-represented publishing group in France's top 20 bestseller list for 2020. The winning titles were hardbacks: *The Evening and the Morning*, by Ken Follett (Robert Laffont publishing house) and Marc Lévy's *C'est arrivé la nuit* (Robert Laffont/Versilio); cookbooks: volumes 1, 2 and 3 of *Fait maison*, by Cyril Lignac; non-fiction: *Toujours plus*, by the influencer Léna Situations (Robert Laffont); comic books: volume 5 of *L'Arabe du futur*, by Riad Sattouf (Allary); and young people's literature: *L'Agenda scolaire*, by Roxane (Solar).

Things are also looking good for 2021: in February, Michel Bussi (Presses de la Cité) released *Rien ne t'efface*, his thirteenth thriller, and in January, Raphaëlle Giordano, another star novelist, published her fourth novel, *Le Bazar du zèbre à pois* (Plon). In addition, several of Editis' new releases have won literary prizes: *La Grâce*, by Thibault de Montaignu (Plon), was awarded the Prix de Flore; *Apeirogon*, by Colum McCann (Belfond), received the best foreign book award; and the Prix Renaudot paperback was awarded to *Charles de Gaulle*, by Éric Roussel (Perrin). Editis' partner publishers were not left out, receiving the Prix Interallié for *Un crime sans importance*, by Irène Frain (Seuil), the Prix Médicis for French literature for *Le Cœur synthétique*, by Chloé Delaume (Seuil), the Prix Médicis for a foreign book published in translation for *To Walk Alone in the Crowd*, by Antonio Muñoz Molina (Seuil), and the Prix Femina Étranger for foreign novels for Deborah Levy's autobiographical diptych (Sous-sol).

GAMELOFT STRENGTHENS ITS POSITION IN THE NARRATIVE GAMES INDUSTRY
In September 2020, Gameloft announced the acquisition of The Other Guys, the creative studio behind the narrative game *Linda Brown* and the *Journeys* interactive series platform. Founded in 2013, The Other Guys is an expert in producing compelling interactive series. It is a unique hybrid of mobile application developer and TV production studio, bringing together more than 30 talented writers capable of creating more than one interactive episode per day. The studio currently offers more than 2,300 episodes across 119 seasons and boasts over 37 million cumulative downloads. This acquisition adds to Gameloft's expertise in narrative games and enriches its catalog with a new genre of audiovisual entertainment.

Gameloft increases its collaborations within the group

In recent months, Gameloft has taken full advantage of group synergies, developing several projects with other subsidiaries.

For its 20th anniversary, Gameloft published a beautiful book with Le Cherche midi (an Editis publishing house). It also collaborated with Vivendi Village.

After joining forces last July for the first virtual edition of the Junction 2 festival, U-Live (Vivendi Village) and Gameloft for Brands – Gameloft's entity specialized in the creation of gaming experiences for brands – took the experience a step further in January 2021 by directly livestreaming the second edition, Junction 2: Connections into the games *Asphalt 8: Airborne* and *Asphalt 9: Legends*. This collaboration attracted 546,000 unique participants and 1.8 million clicks to the festival platform. Gameloft for Brands also developed a partnership with Pioneer DJ for this festival, which had branded billboards displayed in the games *Asphalt 8: Airborne* and *Asphalt 9: Legends*.

In addition, in March 2021, UMG and Gameloft launched the first official mobile video game featuring the rock band Queen, *Queen: Rock Tour*, which allows fans of the mythical band to play along with their emblematic hits or to relive the band's concerts from around the world.

Gameloft / DR



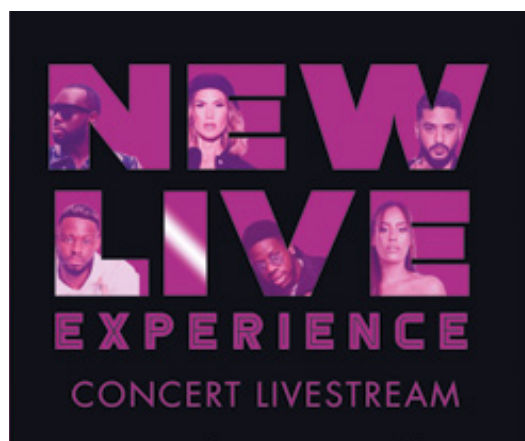
Vivendi Village monetizes its virtual concerts

Vivendi Village's various teams have been imaginative and innovative in offering virtual concerts and events.

Olympia Production co-produced M Pokora and Jenifer concerts in December 2020, and the New Live Experience event with Vitaa and Slimane, Gims, Dadju, Amel Bent and Franglish in February 2021. These livestream broadcasts were much more than just a concert without an audience. For example, Jenifer's fans could enjoy her concert live from the Olympia from any of four different camera angles (and choose the one they preferred), observe the singer and her musicians in the minutest detail, share messages in a chat room, vote for their favorite song (played again at the end of the concert), and visit the backstage of the venue.

Other unique events included the all-virtual techno music festivals J2v and Junction 2: Connections, organized by another Vivendi Village entity, U-Live, in July 2020 and January 2021, respectively. Junction 2: Connections, for example, broadcast six hours of live DJ sets from London, Berlin and Detroit on three 3D digital stages. Some 3 million people tuned in live to the festival. Gameloft participated in both of these Junction 2 concerts (see page 6). Gameloft for Brands, which specializes in creating gaming experiences for brands, boosted the event's publicity and audience through in-game advertising and by the use of tracks in its games *Asphalt 8: Airborne* and *Asphalt 9: Legends*.

These various initiatives are a natural complement to Vivendi Village's live performance activities and may well generate additional and sustainable revenues in the future.



Olympia Production/DR



Vivendi defines its *raison d'être*, *Creation Unlimited*

Vivendi offers a perfect environment for all types of talent in the creative industries, and the group wants its *raison d'être* to reflect this approach. Therefore, it has defined its *raison d'être* through the tagline *Creation Unlimited*, meaning to unleash creation by revealing all talent, valuing all ideas and cultures and sharing them with as many people as possible. There are three dimensions to this *raison d'être*:

- implementing all means necessary to promote diverse, inclusive and original creation;
- guiding new talent and supporting established talent in an artistic and professional approach;
- making the most beautiful content and talent shine as widely as possible.

In 2020, Vivendi also redefined its CSR program, setting a first milestone for 2025. The new program, which is entitled "*Creation for the Future*", directly ties in with the group's *raison d'être*. It consists of three pillars:

- *Creation for the Planet*, "Innovating to preserve the planet", shapes the group's commitment to addressing the climate emergency and to protecting the environment. Vivendi has defined its 2020-2035 climate strategy, which is in line with the 2015 Paris Agreement and the Science-Based Targets initiative. However, the group's objective is to take things even further by reaching net zero carbon emissions by 2025. Some entities are already carbon neutral;
- *Creation for Society*, "Imagining tomorrow's society", reflects the group's commitment to social responsibility through the content it produces and distributes. Vivendi is particularly committed to fostering open societies, by making culture and education more accessible; and
- *Creation with All*, "Working together to build a responsible world", formalizes Vivendi's ambition to involve its in-house and external stakeholders in building a more inclusive and responsible world.

Finally, the year 2020 was also marked by the accelerated integration of environmental, social and governance criteria (ESG) into Vivendi's financial communications. This process was initiated by the Chairman of the Supervisory Board, Yannick Bolloré, at the Annual General Shareholders' Meeting on April 20, 2020.

SHAREHOLDERS' DIARY

VIVENDI
AND YOU

QUESTION FROM A SHAREHOLDER

I'm a little confused. Given the planned distribution of 60% of the shares of Universal Music Group (UMG), how many shareholders' meetings will you hold this year? What is the proposed dividend for 2020?

In order to carry out this planned distribution of 60% of UMG's share capital to shareholders, Vivendi SE's by-laws require amendment. An Extraordinary General Meeting of Vivendi SE shareholders has been convened for March 29, 2021, at 3 pm (public notices of February 19, 2021 and March 10, 2021) in order to vote on the amendment to the by-laws and enable this distribution in kind of UMG shares to take place. Given the current health situation, this meeting will be held behind closed doors and broadcast live, and a recorded version will be made available on the website www.vivendi.com and www.dailymotion.com.

If shareholders return a favorable vote on March 29, 2021, Vivendi will continue to pursue the project, and another general shareholders' meeting would be held to vote on the distribution.

This distribution could be completed before the end of 2021.

In addition, the Combined General Shareholders' Meeting (annual and extraordinary), which will be held on June 22, 2021, will, among other things, vote on the approval of Vivendi's 2020 financial statements. The Management Board will propose an ordinary dividend of €0.60 per share for 2020.

This dividend represents a yield of more than 2% (as of March 11, 2021). The ex-dividend date will be June 23, 2021, with payment on June 25, 2021.

VIVENDI SHARE PRICE

Stock price/reinvested dividends



Important disclaimer: forward-looking statements. This *Letter to our Shareholders* contains forward-looking statements concerning Vivendi's financial condition, results of transactions, businesses, strategy and prospects, including issues regarding the impact of certain transactions and the payment of dividends and distributions, as well as share repurchases. Although Vivendi believes that such statements are based on reasonable assumptions, they do not constitute guarantees of future performance by the company. Actual results may differ materially from forward-looking statements because of a number of risks and uncertainties, many of which are beyond our control, in particular risks related to obtaining the consent of competition authorities and other regulatory authorities, as well as all other authorizations that may be required in conjunction with certain transactions and the risks described in the documents Vivendi has filed with the *Autorité des marchés financiers*. Also available in English on our website (www.vivendi.com). Investors and securities holders may obtain free copies of the documents filed by Vivendi from the *Autorité des marchés financiers* (www.amf-france.org) or directly from Vivendi. This *Letter to our Shareholders* contains forward-looking statements that can be assessed only as of the date of its dissemination. Vivendi makes no commitment to supplement, update or alter these forward-looking statements as a result of new information, future events or any other reason. Unsponsored ADRs: Vivendi does not sponsor American Depositary Receipt (ADR) programs for its shares. Any currently existing ADR program is "unsponsored" and has no connection of any kind with Vivendi. Vivendi disclaims all responsibility for such programs.

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IF YOU OWN AT LEAST ONE VIVENDI SHARE

You can join the Vivendi Shareholders' Club. Send us your membership form downloadable from the Internet or sent on request by the Shareholders Information department.

www.vivendi.com

2021 FINANCIAL AGENDA

March 29 at 3 pm:

Extraordinary General Shareholders Meeting ("behind closed doors")

April 22 after the close of trading

Publication of the revenues of the 1st quarter

June 22:

Combined Annual General Shareholders Meeting

July 28:

Publication of first-half 2021 earnings

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