



# FY-2021 RESULTS

## PRESENTATION TO FINANCIAL ANALYSTS

15 FEBRUARY 2022



# FY-2021 RESULTS: NET INCOME AT €223.8M – 100% PROPOSED PAY-OUT

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# PART 1

## FY-2021 HIGHLIGHTS

# COFACE REPORTS €223.8M NET INCOME OF WHICH €32.9M IN Q4-2021

## Turnover reached €1,568m y-t-d, up by +8.3% at constant FX and perimeter

- › Trade Credit Insurance growing +9.7% driven by activity recovery and past repricing
- › Pricing impact is still positive on the year (+0.7%) but evolution has been negative for three quarters (-2.2% cumulated)
- › Information services growing +18.1% for FY-21 and +30.5% in Q4-21
- › Factoring is up +10.7% while debt collection is down by -24.1% on low claims activity

## FY-21 net loss ratio improved by -14.4 pts at 33.3%; Net combined ratio at 64.6% (54.5% excl. public schemes)

- › Q4-2021 net loss ratio at 50.4% (10.9% excl. government schemes) with continued reserve releases
- › FY-2021 net cost ratio improved by -0.8 ppt at 31.3% vs 32.1% in 2020
- › Net combined ratio at 83.0% for Q4-21 (42.7% excl. government schemes)
- › Government schemes have lowered pretax profit by €160m in 2021, o/w €103m in Q4-21

## Net income (group share) at €223.8m, of which €32.9m in Q4-21

- › Earning per share reaches €1.50 vs €0.55 in 2020

# SOLVENCY RATIO AT 196%<sup>1</sup> ; 100% PROPOSED PAY-OUT<sup>2</sup>



**RoATE<sup>3</sup> stands at 12.2% for the year**

## **Estimated solvency ratio at c. 196%<sup>1</sup> (194%<sup>1</sup> excluding government schemes)**

- › Limited remaining impact from government schemes
- › Solvency above target range set at 155-175%
- › Stable retention with reinsurance cession rate at 23% for 2022; private reinsurance renewed at improved conditions despite a generally tighter market

## **Strong balance sheet and high profitability allow for record dividend**

- › ***€1.5 dividend per share<sup>2</sup>, corresponding to an 100% pay-out ratio in line with Build to Lead target***

## **On track with Build to Lead strategic objectives**

<sup>1</sup> This estimated solvency ratio constitutes a preliminary calculation made according to Coface's interpretation of Solvency II regulations and using the Partial Internal Model. The result of the definitive calculation may differ from the preliminary calculation. The estimated solvency ratio is not audited.

<sup>2</sup> The proposed distribution is subject to approval by the general shareholders meeting on 17 May 2022

<sup>3</sup> RoATE = Average return on equity

# BUILD TO LEAD – OBJECTIVES REMAIN UNCHANGED



## BUILD TRADE CREDIT INSURANCE LEADERSHIP

SIMPLIFY AND DIGITIZE OPERATING MODEL	INFORMATION AND RISK CAPABILITIES	PROFITABLE GROWTH
<ul style="list-style-type: none"> <li>• <b>Migrate to X-Liner product suite.</b> 75% complete for mid-market</li> <li>• <b>Reduce IT complexity and invest in digitization.</b> Investing €100m between 2018 and 2023</li> <li>• <b>Drive productivity.</b> +100 FTEs in Shared Service Centers</li> <li>• <b>Focus on service quality and client satisfaction.</b> S2-2021 NPS above 30%</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Continuing to develop underwriting agility.</b> Covid crisis management demonstrate Coface progress</li> <li>• <b>Leveraging Partial Internal Model to upgrade pricing tool</b></li> <li>• <b>Continuing expansion of data pool scale, quality and accuracy.</b> Enlarged database from 70m to 130m corporates</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Completed realignment of sales and regional organizations</b></li> <li>• <b>Driving retention through service and technology.</b></li> <li>• <b>Diversifying in new risk segments</b> (e.g., XoL in the US, bonding)</li> </ul>

## GROW SELECT SPECIALTIES

FACTORING	SINGLE RISK AND BONDING	INFORMATION AND SERVICES
<ul style="list-style-type: none"> <li>• <b>Driving higher value client segments:</b> PE, cross border ...</li> <li>• <b>Improve portfolio risk profile</b></li> <li>• <b>Increase efficiency through digitization and cross-sell with TCI</b></li> <li>• <b>Optimize capital consumption</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Appointed senior leader to drive growth</b></li> <li>• <b>Reinforcing position in established markets</b></li> <li>• <b>Launched bonding in Romania</b></li> <li>• <b>Signed first treaties as Bonding reinsurer</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Aggressively developing information as new “core” activity for Coface</b></li> <li>• <b>Investing in comprehensive information technology platform</b></li> <li>• <b>Launching a single worldwide collection tool in 45 countries</b></li> </ul>

# INVESTING IN INFORMATION, LEVERAGING CURRENT INFRASTRUCTURE AND SYNERGIES WITH TCI

## COFACE ASSETS

- Data assets and payment behaviour
- Underwriting expertise
- Global network and brand

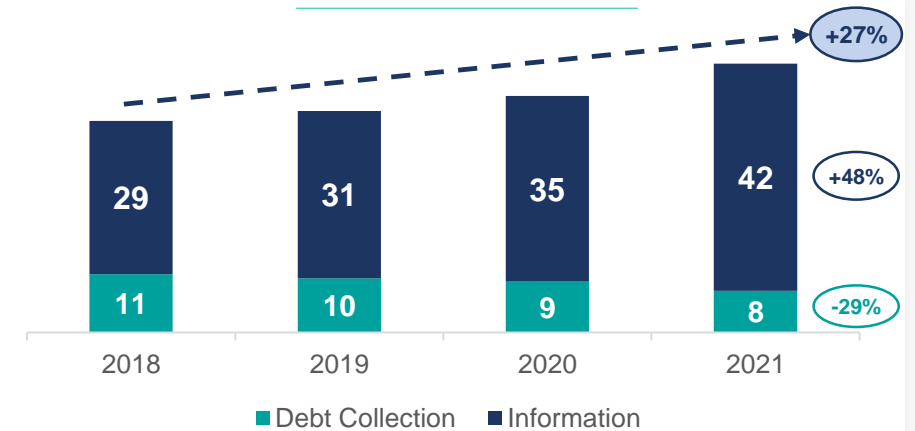
## MARKET TRENDS

- Need for more “informed” decisions
- High quality data and risk insights
- Delivered on a worldwide basis

## ONGOING INVESTMENTS IN INFORMATION PLATFORM

- Commercial setup: recruiting dedicated teams, cross selling
- Data assets enhancement: upgrading connectivity and matching
- Product portfolio expansion: business reports and credit attributes
- Technology: investment in the Icon platform and API for delivery

## CONSOLIDATED TURNOVER (€M)

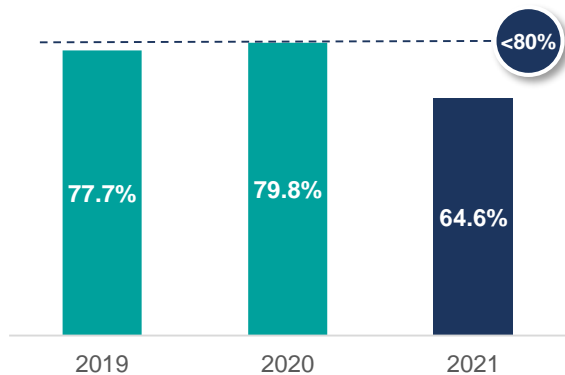


## 2021 ACHIEVEMENTS

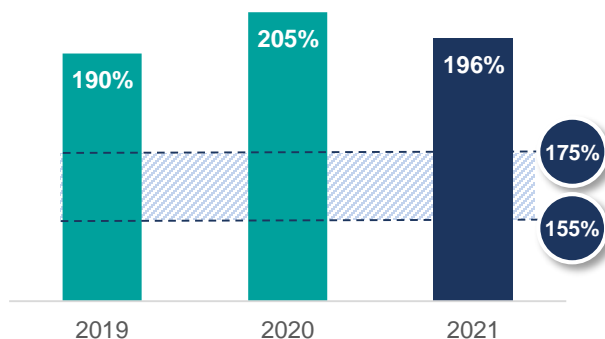
- Consolidated information turnover: €42.3m
- Full scope information turnover: €48.3m
- Contribution margin above 30%
- Self-financing platform-related investments

# BUILD TO LEAD – ON TRACK WITH TARGETS

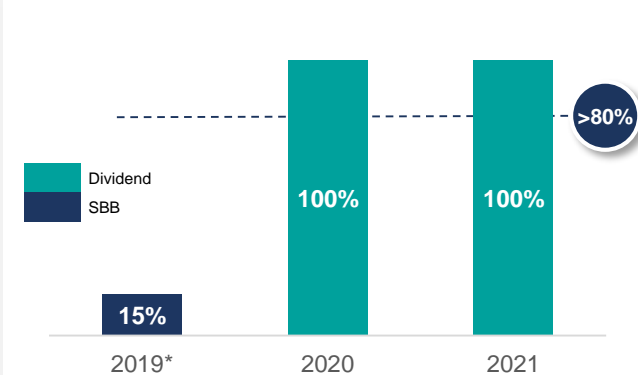
## COMBINED RATIO



## SOLVENCY RATIO

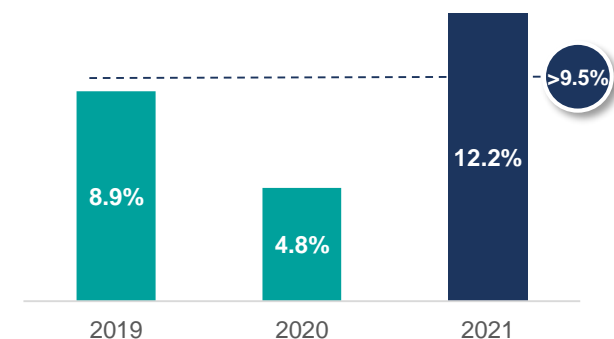


## PAY-OUT RATIO







\*In view of the scale of the health crisis and following the vote at the Combined General Shareholders' Meeting of May 14, 2020, it was decided not to pay a dividend for the fiscal year ended December 31, 2019.

## ROATE





# CSR: EMBEDDING STRATEGY AND SETTING TARGETS

	RESPONSIBLE INSURER	RESPONSIBLE EMPLOYER	RESPONSIBLE ENTERPRISE	DRIVING THE CULTURE
ACTIONS TAKEN	<ul style="list-style-type: none"> <li>› Improved ESG rating of investment portfolio from C- to C</li> <li>› Built and tested internal tool to assess environmental impact of debtor portfolio</li> <li>› Integrated 3 ESG indicators into Risk Appetite Statement</li> </ul>	<ul style="list-style-type: none"> <li>› Diversity &amp; Inclusion:               <ul style="list-style-type: none"> <li>✓ 84/100 in the Group Gender Index (+3 pts vs 2020)</li> <li>✓ Signed "Autre cercle" charter</li> </ul> </li> <li>› Increased employee engagement (+24 pts)</li> <li>› Drove employee development (mentoring, mobility, ...)</li> </ul>	<ul style="list-style-type: none"> <li>› Launched full carbon footprint assessment (direct and indirect emissions)</li> <li>› Reduced Coface carbon footprint:               <ul style="list-style-type: none"> <li>✓ Introduction of hybrid and electric cars in the car fleet</li> <li>✓ Travel policy</li> <li>✓ Flex office, etc.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>› Appointed Senior group CSR Manager</li> <li>› Drove engagement through internal communication</li> <li>› Supported grass root employee-driven initiative Green to Lead</li> </ul>
NEXT STEPS	<ul style="list-style-type: none"> <li>› Further improve investment portfolio ESG rating</li> <li>› Integrate environmental impact into commercial policy</li> <li>› Upgrade procurement policy</li> </ul>	<ul style="list-style-type: none"> <li>› Formalise D&amp;I policy and launch thematic Employee Resource Groups</li> <li>› Digitize on boarding program and strengthen functional Academies</li> <li>› Promote equal opportunities in the regions</li> </ul>	<ul style="list-style-type: none"> <li>› Develop reduction plan to achieve Net Zero</li> <li>› Define responsible IT ambition and roadmap</li> </ul>	<ul style="list-style-type: none"> <li>› Full CSR governance revamping in progress</li> <li>› Joining public initiative (e.g. Principles for Responsible Insurance)</li> </ul>
TARGET	 <p>20% reduction of investment portfolio emissions by 2025</p>	 <p>40% women in top 200 manager by 2030</p>	 <p>3g reduction in average CO<sub>2</sub>e for the French car fleet in 2022</p>	 <p>All employees trained in 2022</p>

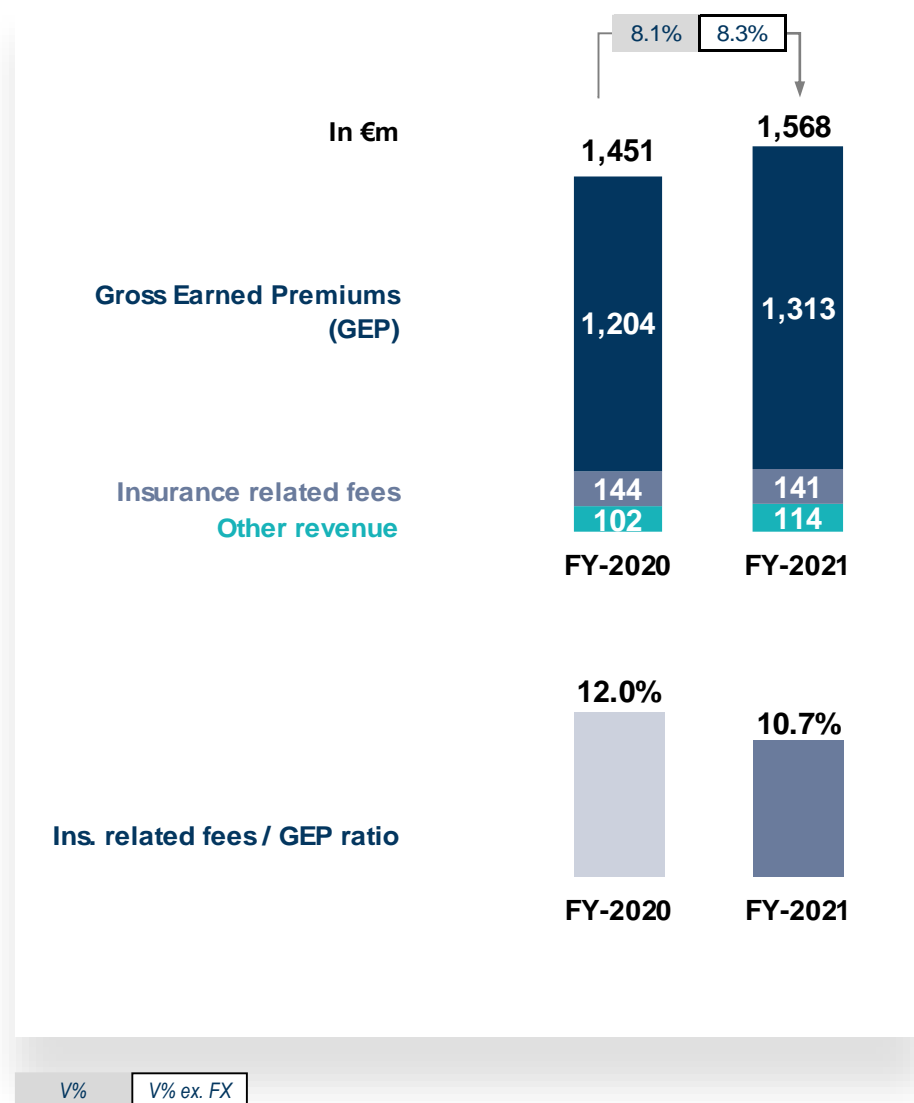


# PART 2

## FY-2021 RESULTS



# TURNOVER GROWTH AT 8.3% DRIVEN BY TCI PREMIUMS UP 9.7%



## Total revenue up +8.3% vs FY-2020 at constant FX and perimeter

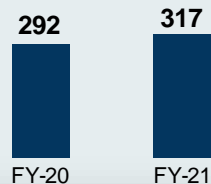
- › Trade Credit Insurance\* increasing by +9.7% at constant FX and perimeter driven by positive client activity, high retention and past repricing
- › Business information sales up +18.1% (and +30.5% in Q4-2021)
- › Factoring up by +10.7% due to rebounding financed volumes
- › Third party collection revenues down by -24.1%
  
- › Fees down by -4.1% at constant FX and perimeter on lower collection fees

\* Including Bonding and Single Risk

# CONTINUED ECONOMIC REBOUND DRIVING REVENUE GROWTH

## Western Europe

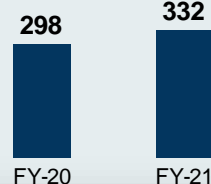
8.5% 8.2%



Pricing, good retention and activity partially offset by refunds.

## Northern Europe

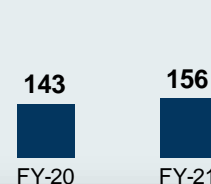
11.4% 9.4%



New business, activity drive TCI growth. Factoring growing +8.1%.

## Central Europe

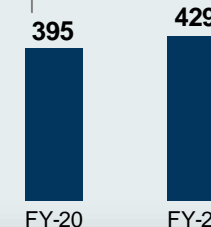
9.2% 8.1%



Retention and activity partially offset by refunds. Factoring growing +24%.

## Mediterranean & Africa

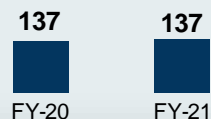
8.7% 9.4%



New business, activity and services.

## North America

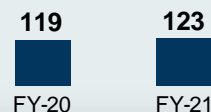
0.7% 3.2%



Higher activity and new business partially offset by refunds.

## Asia Pacific

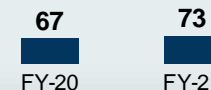
3.1% 5.1%



New business and activity drives premium increase.

## Latin America

8.9% 14.6%

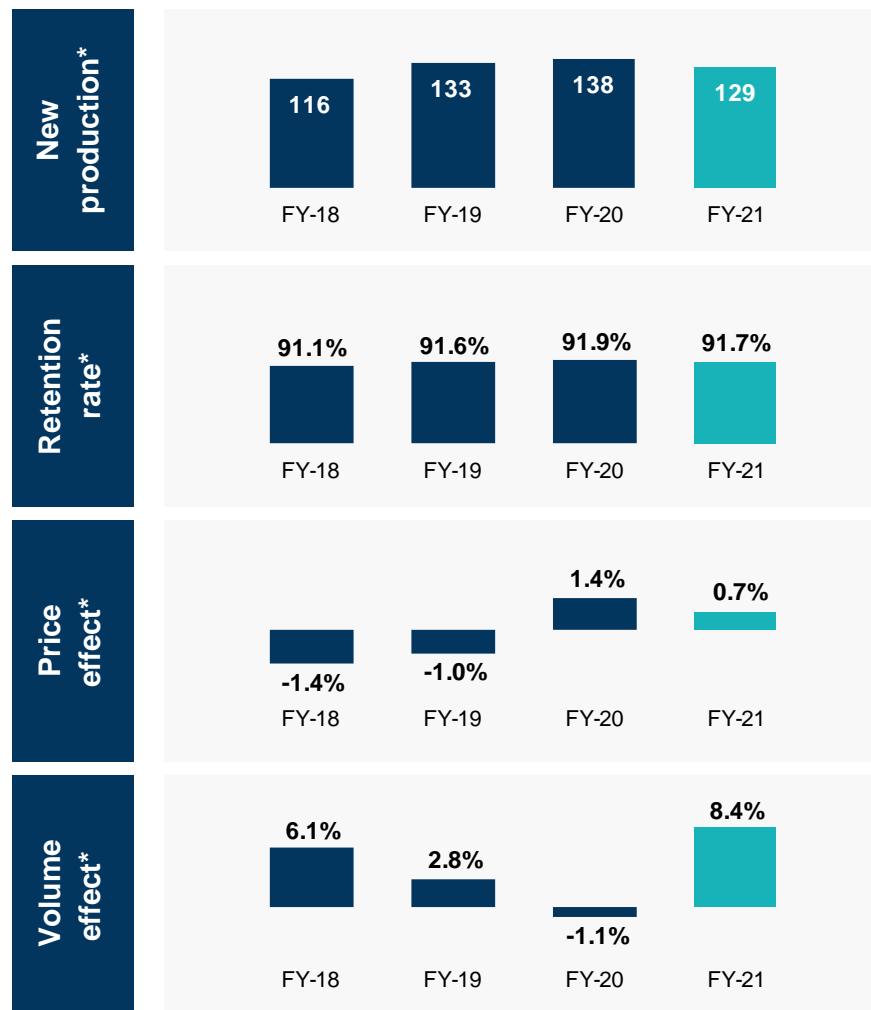


New business, improved pricing. Activity driven by strong commodities.

V% V% ex. FX

Total revenue by region, in € m

# VERY STRONG ACTIVITY AND CONFIRMED COMPETITIVE MARKET



New production at €129m, after a record high level in FY-20.



Retention rate close to record level in a more competitive market.



Pricing is down by -0.9% during Q4-2021 as market has returned to pre-covid trend. Impact is still positive on the year.



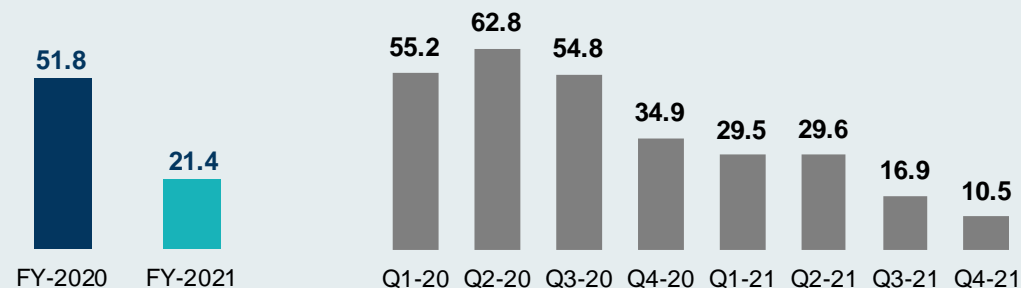
Increasing activity contribution reflects continued economic rebound and inflation.

Activity is up by +8.4% vs +5.0% in 9M-21

\* Portfolio as of 31 December 2021; and at constant FX and perimeter. New production: in € m

# GROSS LOSS RATIO AT 21.4% RECORD LOW

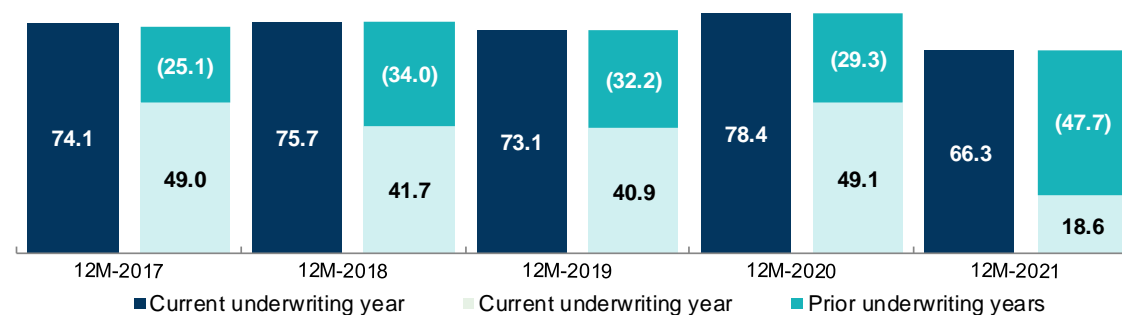
Loss ratio before reinsurance and including claims handling expenses, in %



- › FY-21 gross loss ratio improved by 30.4 points driven by:
  - Continued limited large loss activity
  - Low claims frequency across regions since Q3-2020
  - Still high level of reserve releases attached mostly to underwriting year 2020
  
- › Q4-21 gross loss ratio improved by 24.4 points at record low 10.5%

Loss ratio before reinsurance and excluding claims handling expenses, in %

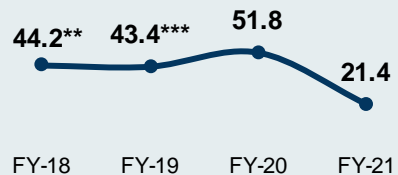
- › No change in reserving policy
- › Opening year now below recent years level reflects expectations that normalization of claims will be progressive
- › Acceleration of recoveries and continuing prior year releases



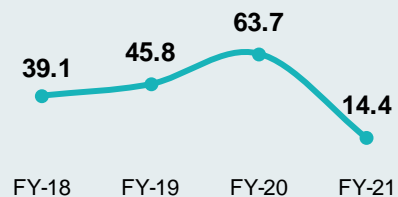
# RECORD LOW LOSS RATIO ACROSS ALL REGIONS

Loss ratio before reinsurance, including claims handling expenses – in %

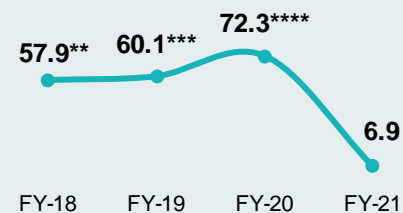
## Group



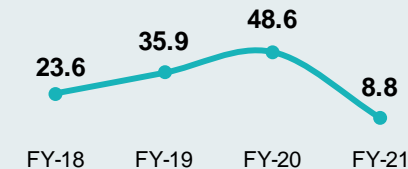
## North America



## Latin America



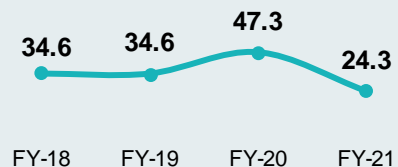
## Asia Pacific



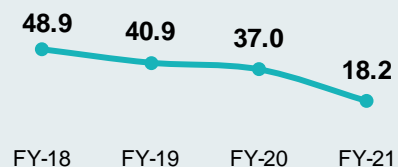
\*\*43.8% excl. FX \*\*\*42.9% excl. FX

\*\*51.8% excl. FX \*\*\*53.4% excl. FX \*\*\*\*69.3% excl. FX

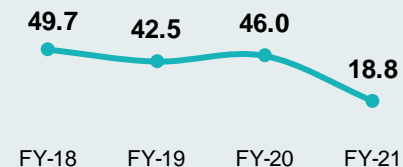
## Western Europe



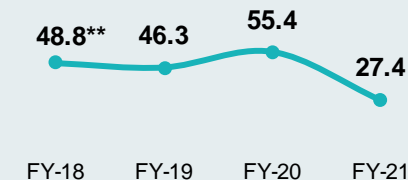
## Northern Europe



## Central Europe



## Mediterranean & Africa

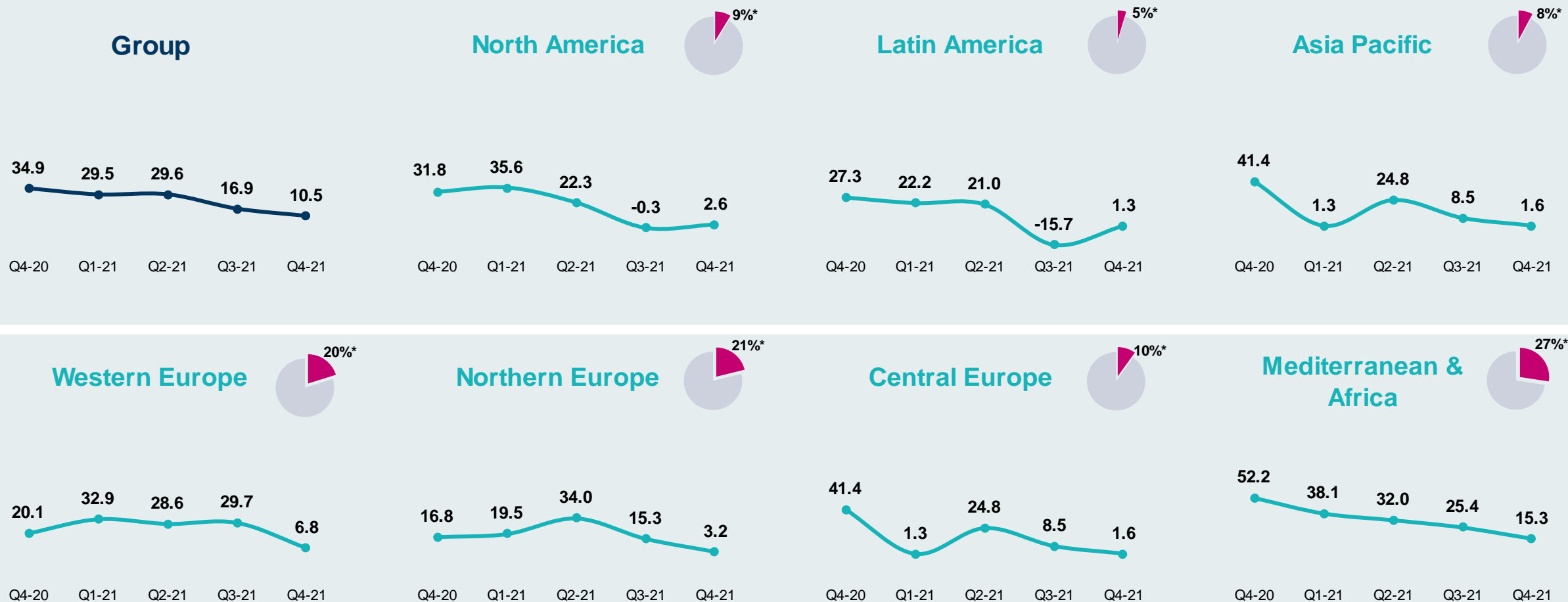


\*\*48.9% excl. FX

Total revenue by region, in € m

# LOSS RATIO FOR THE QUARTER FURTHER DOWN AT 10.7%

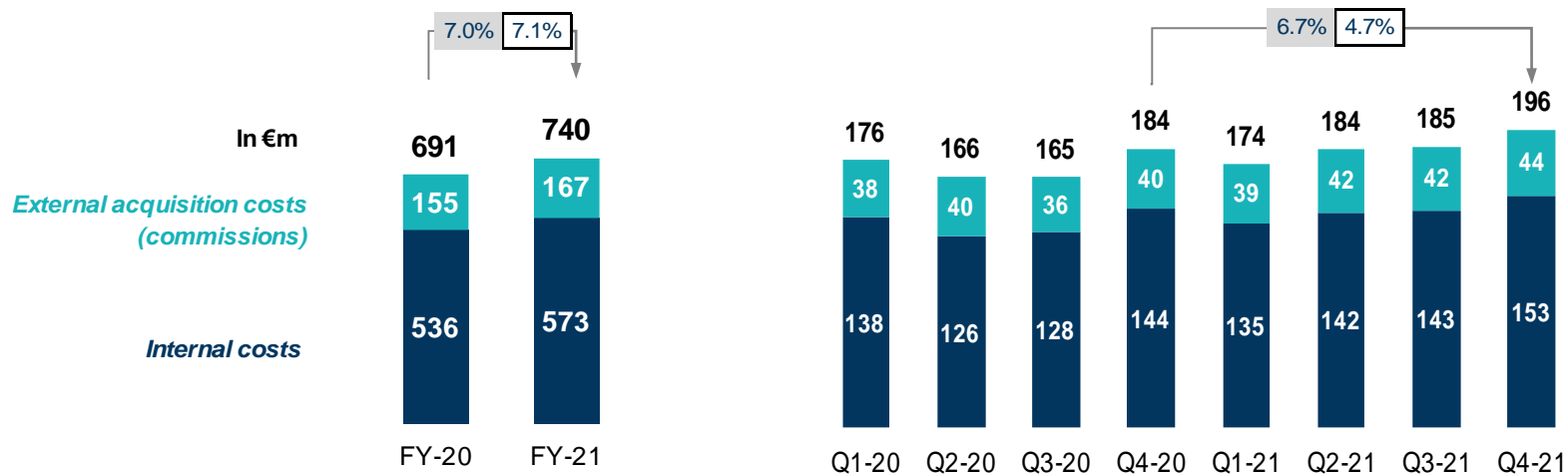
Loss ratio before reinsurance (by quarter), including claims handling expenses – in %



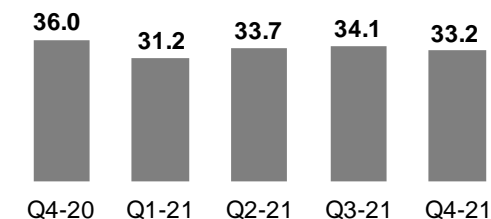
Total revenue by region, in € m



# POSITIVE OPERATING LEVERAGE WHILE CONTINUING TO INVEST

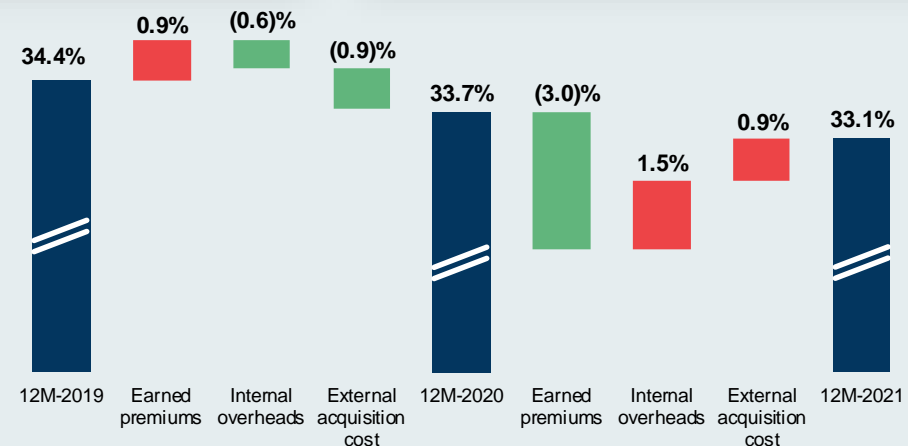


Cost ratio before reinsurance, in %



V% V% ex. FX

- › FY-21 gross cost ratio is down vs FY-20 mostly driven by :
  - Positive operating leverage (-1.4 ppt)
  - Business information investments (0.2 ppt)
  - Lower debt collection fees (0.6 ppt)
  
- › FY-21 costs increased by +7.1% vs FY-20 whereas revenues increased by +8.3% in the same period



# REINSURANCE RESULTS REFLECTS LOW LOSS ACTIVITY AND PUBLIC SCHEMES

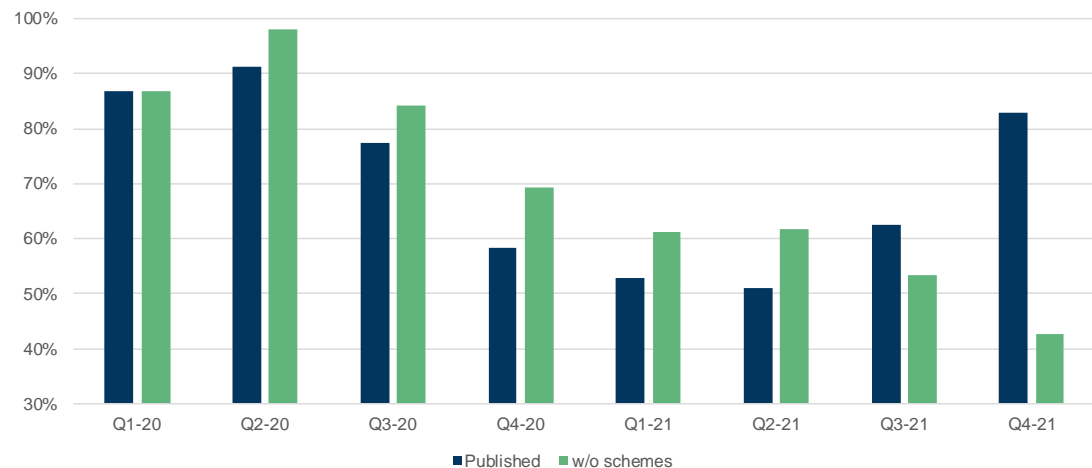
- › Premium cession rate is down to 39.0% as public schemes have ended on June 30<sup>th</sup> 2021.
- › Claims cession rate is down to 5.0% as reserve releases are mostly attached to the underwriting year 2020
- › Positive development of previous years benefitted to reinsurers and in particular to public schemes
- › Successful private reinsurance renewals with unchanged 23% cession rate and improved conditions in a tighter market.

	12M-20	12M-21
Gross earned premiums	1,204.3	1,312.6
Net earned premiums	645.1	800.5
<b>Premium cession rate</b>	<b>46.4%</b>	<b>39.0%</b>
Gross claims expenses	(623.7)	(280.5)
Net claims expenses	(307.7)	(266.3)
<b>Claims cession rate</b>	<b>50.7%</b>	<b>5.0%</b>

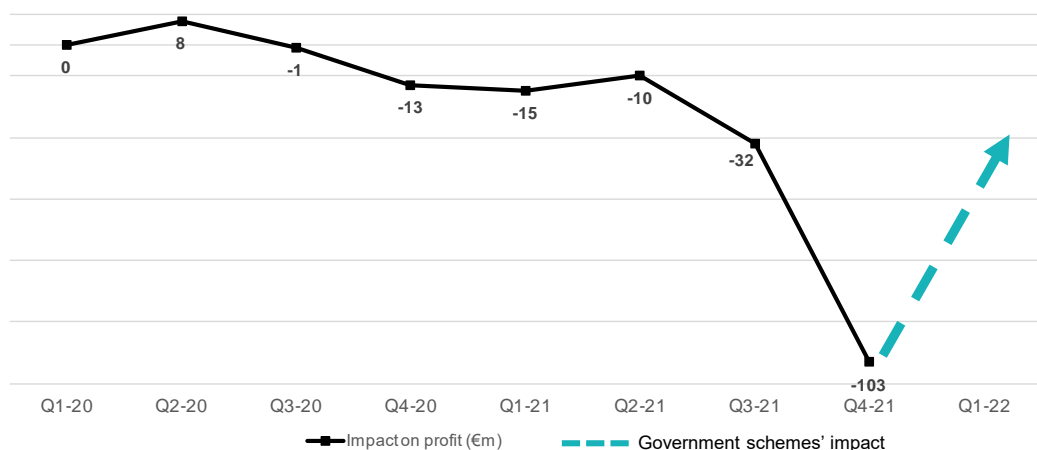
	12M-20	12M-21	V%
<b>Underwriting income before reinsurance</b>	<b>171.4</b>	<b>588.2</b>	<b>+243%</b>
<i>Reinsurance result</i>	(44.1)	(314.3)	+612%
<b>Underwriting income after reinsurance</b>	<b>127.3</b>	<b>273.9</b>	<b>+115%</b>

# GOV. SCHEMES' IMPACT: ALREADY RECOGNIZED A LARGE MAJORITY OF COSTS

... ON COMBINED RATIO (%)



... ON PRETAX PROFIT (€M)



- Government schemes have lowered pretax profit by €166m since the beginning of the crisis (€6m in 2020, €160m YTD in 2021 of which €103m in Q4-2021).
- In countries where schemes were in place, the claims attached to underwriting years 2020 are almost fully developed.

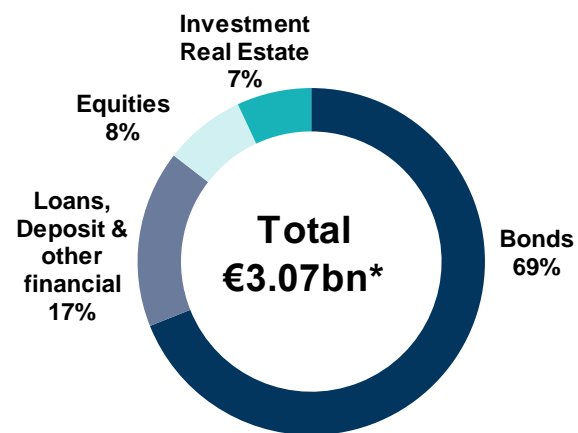
# NET COMBINED RATIO AT 64.6% ON RECORD LOW LOSS RATIO



- › Net combined ratio improved to 64.6% (vs 79.8% in 2020) due to improved claims ratio
- › Net cost ratio improved by -0.8 ppt showing good cost discipline and investments
- › 2021 net loss ratio improved by 14.4 pts reflecting low losses and 10.1 pts due to public schemes

- › Net cost ratio improved to 32.6% (vs 40.0% in Q4-20)
- › Loss ratio is up 32.1 pts vs Q4-20 due to the high impact of public schemes

# FINANCIAL PORTFOLIO: STABILISING UNDERLYING INVESTMENT INCOME



Keeping a diversified strategy

€m	FY-20	FY-21
Income from investment portfolio without gains on sales**	32.9	33.1
Gains on sales and impairment, net of hedging***	(1.7)	3.6
FX effect	(3.5)	7.0
Other	(0.8)	(1.6)
<b>Net investment income</b>	<b>26.9</b>	<b>42.2</b>
<b>Accounting yield on average investment portfolio</b>	<b>1.1%</b>	<b>1.2%</b>
<b>Accounting yield on average investment portfolio without Realized gains</b>	<b>1.2%</b>	<b>1.1%</b>

\* Excludes investments in non-consolidated subsidiaries

\*\* Excludes investments in non-consolidated subsidiaries, FX and investment management charges

\*\*\* This represent the cumulative impact of realized gains and losses, impairments and impairments release, as well as equities & interest rate derivatives.

- › Coface continues to progressively redeploy excess liquidity, boosted by operating cash flows
- › Income from investment portfolio excluding gains on sales has stabilized
- › Accounting yield increased slightly due to FX and realized gains

# FY-2021 NET INCOME AT €223.8M OF WHICH €32.9M IN Q4-2021

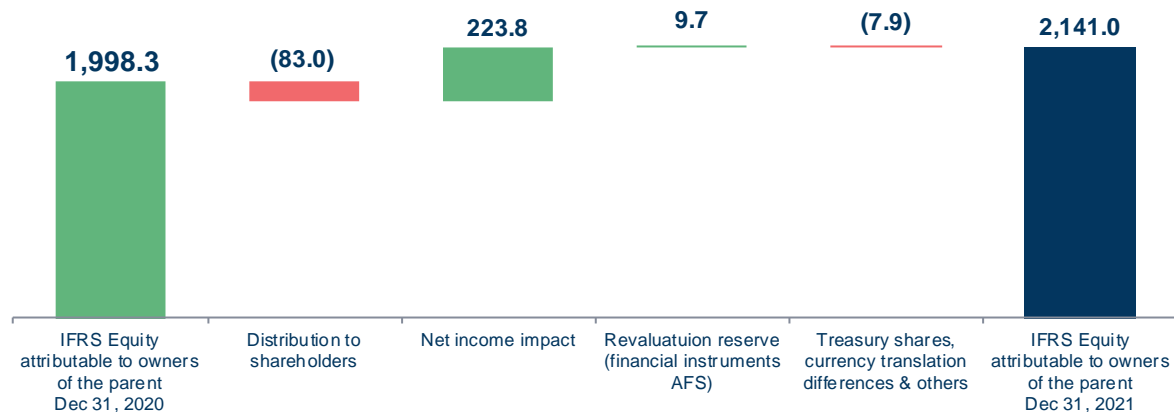
<i>Income statement items - in €m</i>	12M-20	12M-21
<b>Current operating income</b>	<b>154.2</b>	<b>316.0</b>
Other operating income and expenses	(13.8)	(3.2)
<b>Operating income</b>	<b>140.4</b>	<b>312.9</b>
Finance costs	(21.8)	(21.5)
Share in net income of associates	0.0	0.0
Badwill/Goodwill	8.9	0.0
Income tax	(44.7)	(67.5)
<i>Tax rate</i>	<i>37%</i>	<i>23%</i>
Non-controlling interests	(0.0)	(0.1)
<b>Net income (group share)</b>	<b>82.9</b>	<b>223.8</b>

- › Current operating income more than doubled at €316.0m
- › Tax rate at 23% (20.6% in Q4-2021)
- › Earnings per share (EPS): €1.5
- › Proposed €1.50\* distribution representing 100% pay-out ratio

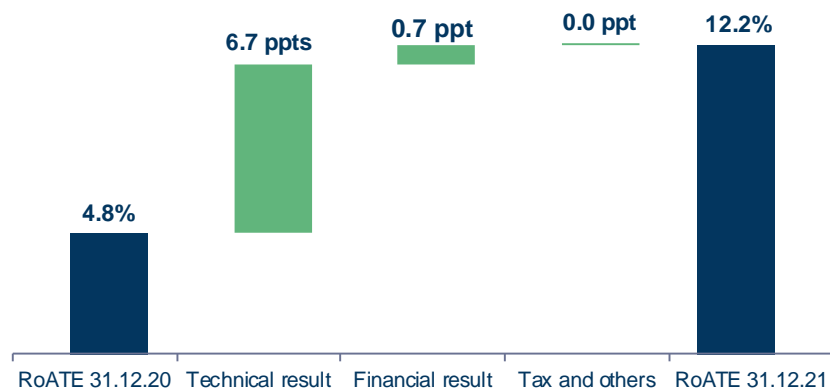
\* The proposed distribution is subject to approval by the general shareholders meeting on 17 May 2022

# ROATE STANDS AT 12.2%, UP 7.4 PPTS

Change in equity  
In €m



Return on average tangible equity (RoATE)\*



\* Annualised RoATE

An aerial view of a city skyline at sunset. The sky is a mix of light blue and orange, with the sun low on the horizon. The city is filled with various skyscrapers and buildings, some of which are illuminated. The overall scene is a dense urban landscape.

coface  
FOR TRADE

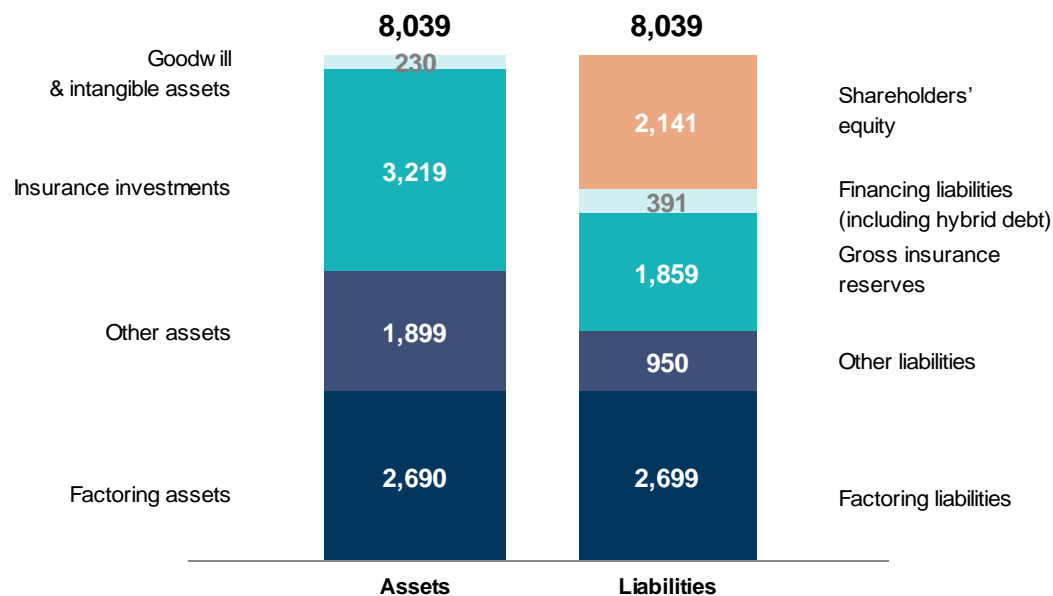
# PART 3

## CAPITAL MANAGEMENT



# SOLID BALANCE SHEET

2021 simplified balance sheet  
In €m



## IFRS 17 “Insurance contracts”

- › Project progressing as planned

## Financial strength

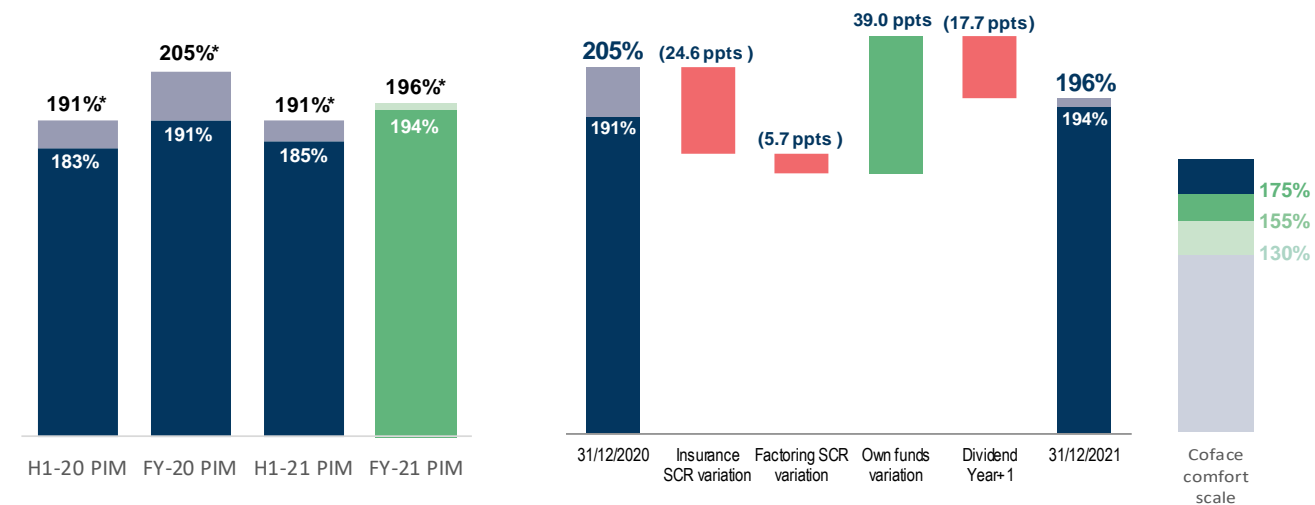
- › Fitch: AA-, stable outlook rating affirmed on 9 December 2021
- › Moody's: A2, stable outlook opinion confirmed & outlook raised on 10 February 2021
- › AM Best: A (Excellent), stable outlook rating affirmed on 18 March 2021

**Book value per share at €14.4**

**Tangible book value per share at €12.8**

# ROBUST SOLVENCY OVER TIME

FY-2021 estimated Solvency ratio above target range



Government schemes' impact

Limited remaining impact from government schemes (+2 pts)

Estimated Solvency above the upper range of the comfort scale (155% - 175%)

Insurance SCR up on premiums growth and higher retention

\* This estimated solvency ratio constitutes a preliminary calculation made according to Coface's interpretation of Solvency II regulations and using the Partial Internal Model. The result of the definitive calculation may differ from the preliminary calculation. The estimated solvency ratio is not audited.

Low sensitivity to market shocks  
market sensitivity tested through instantaneous shocks



Solvency requirement respected in crisis scenarios



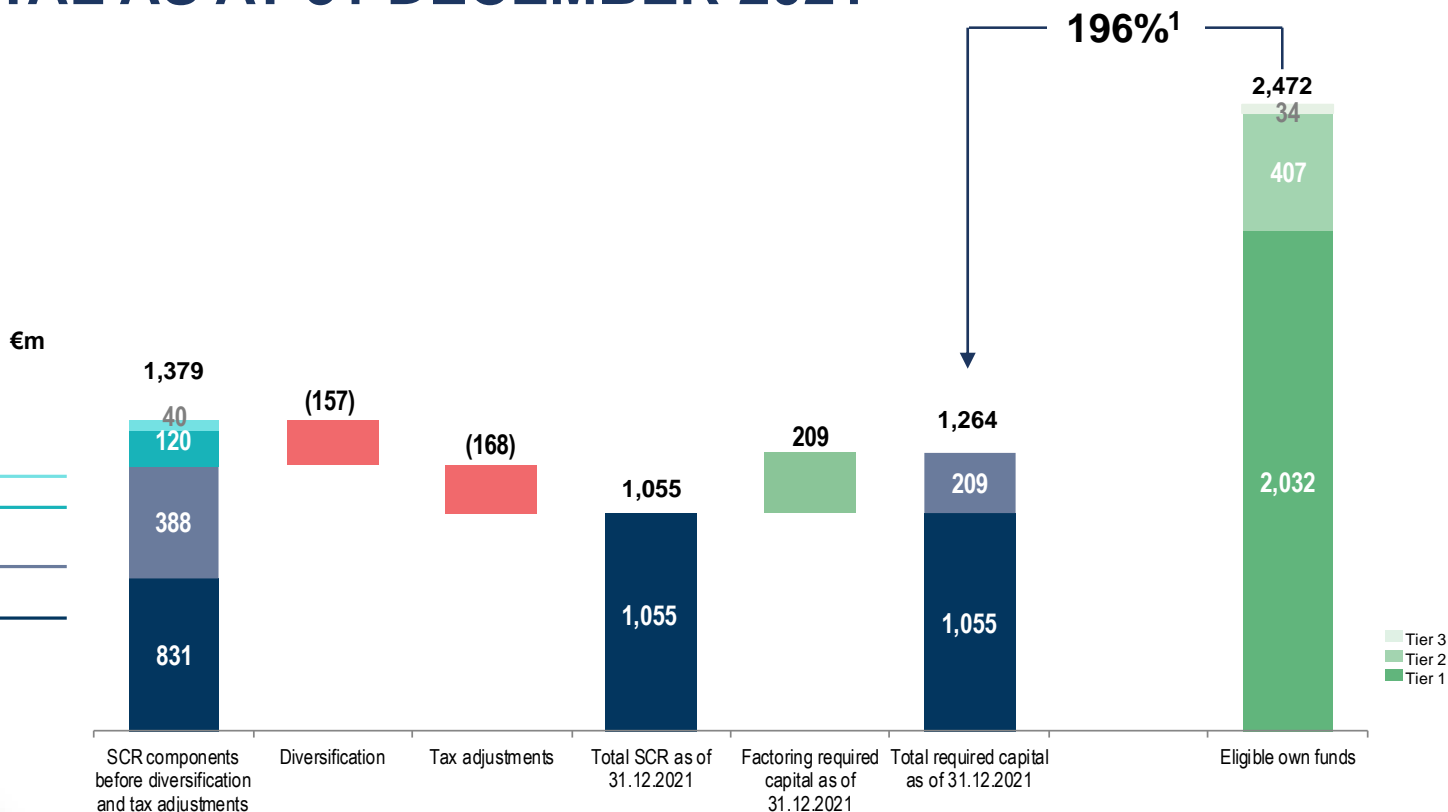
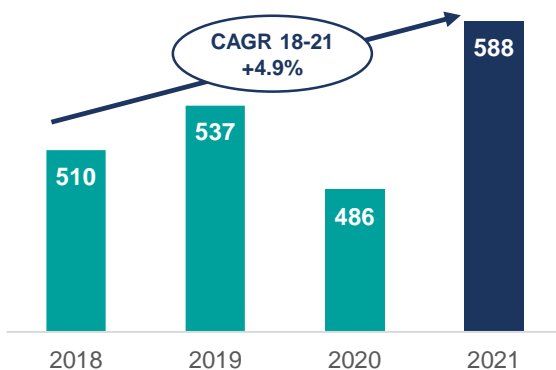
(1) +100 bps on credit and +50 bps for OECD government debt  
(2) Based on the level of loss ratio corresponding to 98% quantile  
(3) Based on the level of loss ratio corresponding to 95% quantile

# SOLVENCY REQUIRED CAPITAL AS AT 31 DECEMBER 2021

## PARTIAL INTERNAL MODEL



Evolution of TCI exposure (in €bn)



**Total solvency ratio computed by comparing the sum of SCR and Factoring required capital to the total available own funds eligible under Solvency II**

### SCR calculation

- › 1 year time horizon; measures own funds maximum losses with a 99.5% confidence level

### Factoring required capital

- › 10.5% x RWA (RWA according to Standard Approach under CRR)

<sup>1</sup> The estimated Solvency ratio disclosed in this presentation is a preliminary calculation based on Coface's interpretation of Solvency II and using the Partial Internal Model; final calculation could result in a different Solvency ratio. The estimated Solvency ratio is not audited.



# PART 4

## KEY TAKE-AWAYS & OUTLOOK

# KEY TAKE-AWAYS & OUTLOOK

---

## **FY-2021 ended on record high profit, on the back of**

- › Continued strong operating performance
- › Progressively normalizing operating environment since low point reached in July 2021
- › High accounting impact of government schemes, reflecting record low loss environment

## **Coface has continued to demonstrate its ability to grow through the cycle**

- › In trade credit insurance with +9.7% l-f-l this year (+3.1% per year over the past 2 years on a reported basis)
- › In adjacencies with business information up +18.1% and factoring up +10.7%

## **Continued attractive capital management policy with pay-out at 100% on record high earnings**

**Coface anticipates that it has already recognized a large majority of the accounting costs attached to governments schemes. Headwind on 2022 results is thus expected to be significantly lower than in 2021.**

An aerial view of a city skyline at sunset. The sky is a mix of light blue and orange. The city is filled with various skyscrapers and buildings. The lighting is soft, suggesting the time is either early morning or late afternoon. The overall scene is a dense urban landscape.

coface  
FOR TRADE

# PART 5

## APPENDICES

# KEY FIGURES (1/2)

## QUARTERLY AND CUMULATED FIGURES

Income statement items in €m / Quarterly figures	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	%	% ex. FX*
Gross earned premiums	301.2	297.9	298.1	307.2	312.1	326.7	330.7	343.2	+11.7%	+10.8%
Services revenue	69.3	56.3	59.7	61.3	65.9	63.4	59.6	66.3	+8.2%	+3.0%
<b>REVENUE</b>	<b>370.5</b>	<b>354.2</b>	<b>357.8</b>	<b>368.4</b>	<b>377.9</b>	<b>390.1</b>	<b>390.4</b>	<b>409.5</b>	<b>+11.1%</b>	<b>+9.5%</b>
<b>UNDERWRITING INCOME(LOSS) AFTER REINSURANCE</b>	<b>28.2</b>	<b>12.1</b>	<b>34.2</b>	<b>52.7</b>	<b>74.3</b>	<b>81.5</b>	<b>79.4</b>	<b>38.7</b>	<b>(26.7)%</b>	<b>(29.8)%</b>
Investment income, net of management expenses	2.7	14.0	6.7	3.4	5.7	10.1	15.0	11.3	+229.1%	+198.4%
<b>CURRENT OPERATING INCOME</b>	<b>30.9</b>	<b>26.2</b>	<b>40.9</b>	<b>56.2</b>	<b>80.0</b>	<b>91.6</b>	<b>94.5</b>	<b>49.9</b>	<b>(11.1)%</b>	<b>(12.3)%</b>
Other operating income / expenses	(0.2)	(1.6)	(0.6)	(11.4)	(0.4)	0.8	(1.3)	(2.3)	(79.4)%	(79.3)%
<b>OPERATING INCOME</b>	<b>30.7</b>	<b>24.6</b>	<b>40.3</b>	<b>44.8</b>	<b>79.6</b>	<b>92.4</b>	<b>93.2</b>	<b>47.6</b>	<b>+6.3%</b>	<b>+4.1%</b>
<b>NET INCOME</b>	<b>12.7</b>	<b>11.3</b>	<b>28.5</b>	<b>30.5</b>	<b>56.4</b>	<b>66.9</b>	<b>67.7</b>	<b>32.9</b>	<b>+7.9%</b>	<b>+4.3%</b>
<i>Income tax rate</i>	50.5%	39.9%	42.4%	24.5%	24.6%	23.0%	23.3%	20.6%	<i>(3.9) ppts.</i>	

Income statement items in €m / Cumulated figures	Q1-20	H1-20	9M-20	FY-20	Q1-21	H1-21	9M-21	FY-21	%	% ex. FX*
Gross earned premiums	301.2	599.1	897.2	1,204.3	312.1	638.7	969.5	1,312.6	+9.0%	+9.7%
Services revenue	69.3	125.5	185.3	246.5	65.9	129.3	188.9	255.2	+3.5%	+1.7%
<b>REVENUE</b>	<b>370.5</b>	<b>724.6</b>	<b>1,082.4</b>	<b>1,450.9</b>	<b>377.9</b>	<b>768.0</b>	<b>1,158.4</b>	<b>1,567.9</b>	<b>+8.1%</b>	<b>+8.3%</b>
<b>UNDERWRITING INCOME(LOSS) AFTER REINSURANCE</b>	<b>28.2</b>	<b>40.4</b>	<b>74.6</b>	<b>127.3</b>	<b>74.3</b>	<b>155.8</b>	<b>235.2</b>	<b>273.9</b>	<b>+115.1%</b>	<b>+114.3%</b>
Investment income, net of management expenses	2.7	16.7	23.5	26.9	5.7	15.9	30.9	42.2	+56.8%	+63.5%
<b>CURRENT OPERATING INCOME</b>	<b>30.9</b>	<b>57.1</b>	<b>98.1</b>	<b>154.2</b>	<b>80.0</b>	<b>171.6</b>	<b>266.1</b>	<b>316.0</b>	<b>+104.9%</b>	<b>+106.8%</b>
Other operating income / expenses	(0.2)	(1.8)	(2.4)	(13.8)	(0.4)	0.4	(0.8)	(3.2)	(77.0)%	(77.2)%
<b>OPERATING INCOME</b>	<b>30.7</b>	<b>55.4</b>	<b>95.7</b>	<b>140.4</b>	<b>79.6</b>	<b>172.1</b>	<b>265.3</b>	<b>312.9</b>	<b>+122.8%</b>	<b>+124.7%</b>
<b>NET INCOME</b>	<b>12.7</b>	<b>24.0</b>	<b>52.4</b>	<b>82.9</b>	<b>56.4</b>	<b>123.2</b>	<b>190.9</b>	<b>223.8</b>	<b>+170.0%</b>	<b>+171.9%</b>
<i>Income tax rate</i>	50.5%	46.0%	44.4%	37.4%	24.6%	23.8%	23.6%	23.2%	<i>(14.2) ppts.</i>	

## KEY FIGURES (2/2)

### REVENUE BY REGION: QUARTERLY AND CUMULATED FIGURES

Total revenue by quarter - in €m	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	V% ex. FX*
Northern Europe	81.5	65.5	74.1	76.6	82.2	84.7	83.5	81.1	+5.6%
Western Europe	71.8	70.7	77.3	72.0	75.5	78.2	79.9	83.0	+14.8%
Central Europe	37.6	35.9	33.5	36.1	36.6	38.8	39.9	41.0	+10.7%
Mediterranean & Africa	102.1	98.4	91.3	103.1	106.5	105.4	101.8	115.6	+12.0%
North America	34.7	34.5	33.1	34.2	32.7	33.6	33.0	38.2	+6.7%
Latin America	17.0	17.7	16.1	16.5	16.0	20.1	19.2	18.0	+2.6%
Asia Pacific	25.7	31.4	32.4	30.0	28.3	29.2	33.1	32.5	+5.3%
<b>Total revenue</b>	<b>370.4</b>	<b>354.2</b>	<b>357.7</b>	<b>368.5</b>	<b>377.9</b>	<b>390.1</b>	<b>390.4</b>	<b>409.4</b>	<b>+9.6%</b>

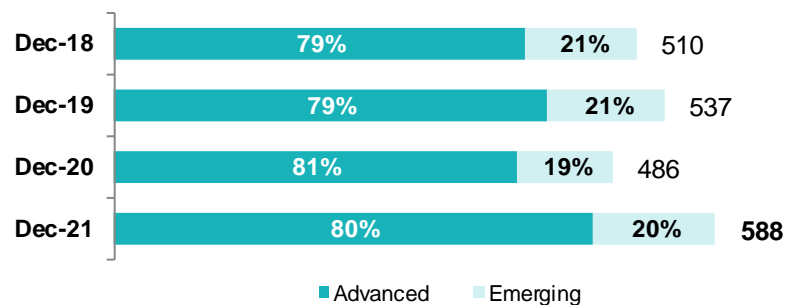
Total revenue cumulated - in €m	Q1-20	H1-20	9M-20	FY-20	Q1-21	H1-21	9M-21	FY-21	V% ex. FX*
Northern Europe	81.5	147.0	221.1	297.7	82.2	166.9	250.4	331.5	+9.4%
Western Europe	71.8	142.6	219.8	291.8	75.5	153.7	233.6	316.7	+8.2%
Central Europe	37.6	73.5	107.0	143.1	36.6	75.4	115.3	156.3	+8.1%
Mediterranean & Africa	102.1	200.5	291.8	394.9	106.5	212.0	313.8	429.4	+9.4%
North America	34.7	69.2	102.3	136.5	32.7	66.3	99.3	137.5	+3.2%
Latin America	17.0	34.7	50.8	67.3	16.0	36.2	55.3	73.3	+14.6%
Asia Pacific	25.7	57.1	89.5	119.5	28.3	57.6	90.7	123.2	+5.1%
<b>Total Group</b>	<b>370.4</b>	<b>724.6</b>	<b>1,082.3</b>	<b>1,450.9</b>	<b>377.9</b>	<b>768.0</b>	<b>1,158.4</b>	<b>1,567.9</b>	<b>+8.3%</b>

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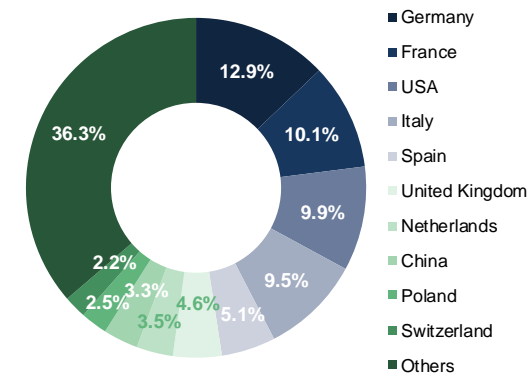


# EXPOSURE IN EMERGING MARKETS MAINTAINED AT A STABLE SHARE

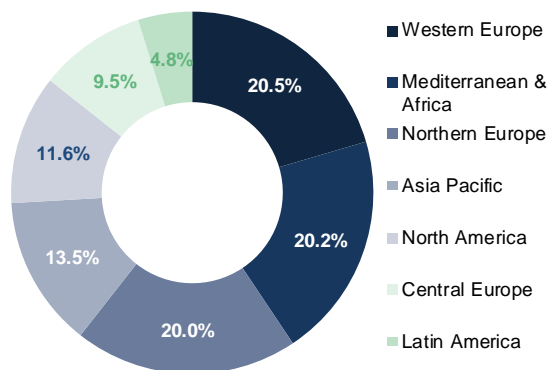
Evolution of TCI exposure<sup>1</sup> per Advanced vs Emerging markets (in €bn)



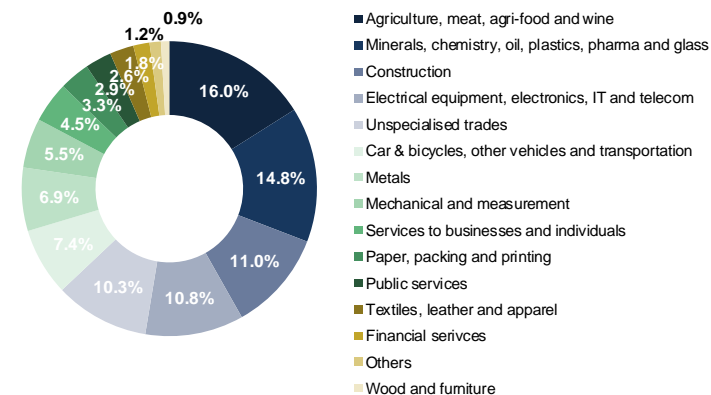
FY-2021 total TCI exposure<sup>1</sup> – Top 10 countries vs. others (in %)



FY-2021 total TCI exposure<sup>1</sup> by region (in %)



FY-2021 total TCI exposure<sup>1</sup> by debtors' trade sector (in %)

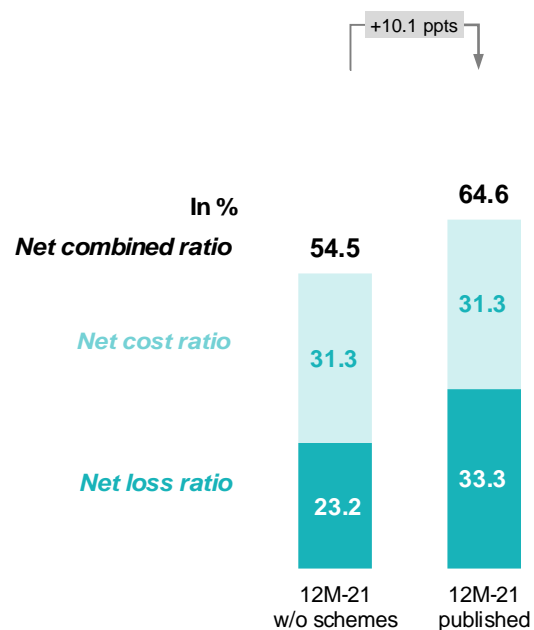


<sup>1</sup> Insured receivables: theoretical maximum exposure under the group's insurance policies : €587.6bn as of 31/12/2021 vs €486.4bn as of 31/12/2020

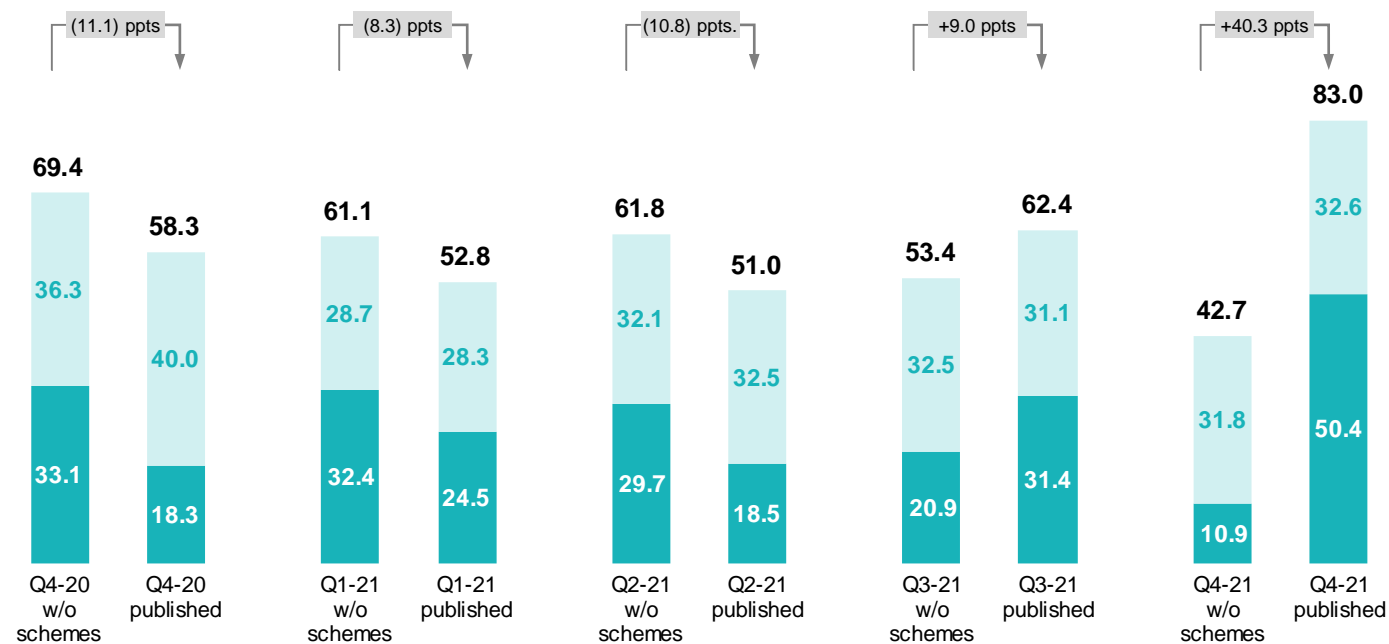
# GOVERNMENT SCHEME'S IMPACT ON RATIO

## GOVERNMENT SCHEMES' IMPACT ON RATIO (%)

### FULL YEAR



### BY QUARTER



# COMBINED RATIO CALCULATION

## > Combined ratio before reinsurance

$$\text{loss ratio before reinsurance } \frac{(B)}{(A)} + \text{cost ratio before reinsurance } \frac{(C)}{(A)}$$

## > Combined ratio after reinsurance

$$\text{loss ratio after reinsurance } \frac{(E)}{(D)} + \text{cost ratio after reinsurance } \frac{(F)}{(D)}$$

Ratios	FY-2020	FY-2021
Loss ratio before reinsurance	51.8%	21.4%
<b>Loss ratio after reinsurance</b>	<b>47.7%</b>	<b>33.3%</b>
Cost ratio before reinsurance	33.7%	33.1%
<b>Cost ratio after reinsurance</b>	<b>32.1%</b>	<b>31.3%</b>
Combined ratio before reinsurance	85.5%	54.4%
<b>Combined ratio after reinsurance</b>	<b>79.8%</b>	<b>64.6%</b>

In €k	FY-2020	FY-2021
<b>Earned Premiums</b>		
<b>Gross earned premiums [A]</b>	<b>1,204,334</b>	<b>1,312,637</b>
Ceded premiums	(559,203)	(512,098)
<b>Net earned premiums [D]</b>	<b>645,131</b>	<b>800,539</b>
<b>Claims expenses</b>		
<b>Claims expenses [B]</b>	<b>(623,653)</b>	<b>(280,456)</b>
Ceded claims	<b>180,639</b>	<b>119,395</b>
Change in claims provisions	135,321	(105,272)
<b>Net claims expenses [E]</b>	<b>(307,692)</b>	<b>(266,333)</b>
<b>Technical expenses</b>		
Operating expenses	<b>(655,672)</b>	(699,327)
Employee profit sharing sharing and incentive plans	2,854	9,898
Other revenue	246,530	255,221
<b>Operating expenses, net of revenues from other services before reinsurance [C]</b>	<b>(406,288)</b>	<b>(434,208)</b>
Commissions received from reinsurers	199,126	183,686
<b>Operating expenses, net of revenues from other services after reinsurance [F]</b>	<b>(207,162)</b>	<b>(250,522)</b>

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## Q4-21 RESULTS VS CONSENSUS

in M€	# of replies	Consensus	Q4-2021	Spread	Comment
<b>Total revenue</b>	<b>5</b>	<b>396</b>	<b>409</b>	<b>+13</b>	Continuing rebound in client activity
Gross Earned Premiums	5	331	343	+12	
Net Earned Premiums	5	226	252	+26	Government schemes unwind
<b>NEP/GEP</b>	<b>5</b>	<b>68.2%</b>	<b>73.5%</b>	<b>+5.3 ppts</b>	<b>Government schemes unwind</b>
<b>Net underwriting income</b>	<b>5</b>	<b>45</b>	<b>39</b>	<b>(6)</b>	<b>Higher net premiums, higher combined ratio</b>
Net Investment Income	5	8	11	+3	Positive impact from FX and realized gains
<b>Current operating income</b>	<b>5</b>	<b>53</b>	<b>50</b>	<b>(3)</b>	<b>Lower underwriting income</b>
Other operating & Restructuring charges	5	(1)	(2)	(1)	-
<b>Operating Income</b>	<b>5</b>	<b>52</b>	<b>48</b>	<b>(4)</b>	<b>Lower underwriting income</b>
<b>Net income</b>	<b>5</b>	<b>31</b>	<b>33</b>	<b>2</b>	<b>Better tax rate</b>
Net Loss Ratio (%)	5	45.6%	50.4%	+4.8 ppts	Higher impact of public schemes unwinding
Net Cost Ratio (%)	5	32.7%	32.6%	(0.1) ppt	Continued cost discipline
<b>Net Combined Ratio (%)</b>	<b>5</b>	<b>78.2%</b>	<b>83.0%</b>	<b>+4.8 ppts</b>	<b>Higher impact of public schemes unwinding</b>

# MANAGEMENT TEAM

## GROUP CENTRAL FUNCTIONS



**Xavier DURAND**  
Chief Executive Officer

- › 30+ years of international experience in regulated financial services
- › Working for Coface since 2016



**Pierre BEVIERRE**  
Human Resources Director

- › 25+ years of experience in insurance & related services
- › Working for Coface since 2017



**Cyrille CHARBONNEL**  
Underwriting Director

- › 25+ years of experience in credit insurance
- › Working for Coface since 2011



**Declan DALY**  
Operations Director

- › 25 years of experience in financial services and manufacturing
- › Working for Coface since 2017



**Nicolas GARCIA**  
Commercial Director

- › 20 years of experience in credit insurance
- › Working for Coface since 2013



**Phalla GERVAIS**  
CFO & Risk Director

- › +25 years of experience in banking & finance
- › Working for Coface since 2021



**Carole LYTTON**  
General Secretary

- › 35+ years of experience in credit insurance
- › Working for Coface since 1983



**Keyvan SHAMSA**  
Business Technology Dir.

- › 25+ years of experience in financial market information systems
- › Working for Coface since 2018



**Thibault SURER**  
Strategy & Development Dir.

- › 25+ years of experience in financial services
- › Working for Coface since 2016

## REGIONAL FUNCTIONS



**Bhupesh GUPTA**  
CEO Asia Pacific

- › 25 years of international experience in credit, origination and risk
- › Working for Coface since 2016



**Jaroslaw JAWORSKY**  
CEO Central & Eastern Europe

- › 25 years of experience in insurance & financial services
- › Working for Coface since 2006



**Katarzyna KOMPOWSKA**  
CEO Northern Europe

- › 25 years of experience in credit insurance
- › Working for Coface since 1990



**Antonio MARCHITELLI**  
CEO Global Specialties

- › +25 years of experience in insurance
- › Working for Coface since 2013



**Marcele LEMOS**  
CEO Latin America

- › +20 years of experience in insurance
- › Working for Coface since 1999



**Cécile PAILLARD**  
CEO Mediterranean & Africa

- › +15 years of experience in insurance
- › Working for Coface since 2017



**Carine PICHON**  
CEO Western Europe

- › 20 years of experience in credit insurance
- › Working for Coface since 2001



**Oscar VILLALONGA**  
CEO North America

- › +20 years of experience in financial services
- › Working for Coface since 2019

# CORPORATE GOVERNANCE

## Board of directors

### Chairman



**Bernardo SANCHEZ INCERA**

Age: 61  
 › Board member

### Independent directors



**Eric HÉMAR**

Age: 58  
 › Chairman & CEO  
 ID Logistics



**Isabelle LAFORGUE**

Age: 41  
 › Dir. Digital, Transformation  
 & Innovation  
 AstraZeneca France

*Chief Operations Officer*



**Nathalie LOMON**

Age: 50  
 › Senior executive VP, CFO  
 Groupe SEB



**Sharon MACBEATH**

Age: 52  
 › Group Human Resources Director  
 Hermes International



**Olivier ZARROUATI**

Age: 63  
 › Founder & Chairman  
 Thélème SASU

### Non independent directors\*



**Janice ENGLESBE**

Age: 53  
 › Senior VP & Chief Risk Officer  
 Arch



**Chris HOVEY**

Age: 55  
 › Chief Operations Officer  
 Arch



**David GANSBERG**

Age: 49  
 › CEO Global Mortgage Group  
 Arch



**Nicolas PAPADOPOULOU**

Age: 59  
 › President & Chief Underwriting  
 Arch

### AUDIT & ACCOUNTS COMMITTEE

- › 3 members among which 2 independents
- › Independent chairman

### RISK COMMITTEE

- › 3 members among which 2 independents
- › Independent chairman

### NOMINATION & COMPENSATION COMMITTEE

- › 4 members among which 3 independents
- › Independent chairman

\* Representing Arch Capital Group Ltd.

# FINANCIAL CALENDAR & INVESTOR RELATIONS CONTACTS

## Calendar

Next Event	Date
Q1-2022 Results	28 April 2022 after market close
2021 Annual shareholders meeting	17 May 2022
H1-2022 Results	28 July 2022 after market close
9M-2022 Results	27 October 2022 after market close

## Own shares transactions

Date	Liquidity Agreement	LTIP	Buy-back (cancellation)	Own shares transactions		
				TOTAL (in shares)	% Total of # Shares	Voting rights
31/12/2021	84,441	1,063,069	0	1,147,510	0.76%	149,032,282

Coface is scheduled to attend the following investor conferences

Next Event	Date
Forum Assurance ODDO	25 May 2022 – Virtual
Deutsche Bank Global Financial Services Conference	1 June 2022 – New York
Conference Portzamparc	29 June 2022 – Paris

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# IMPORTANT LEGAL INFORMATION

## IMPORTANT NOTICE:

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Participants should read the interim financial report for the period ending 30 June 2021 and complete this information with the Universal Registration Document for the year 2020. The Universal Registration Document for 2020 was registered by the Autorité des marchés financiers ("AMF") on 31 March 2021 under the number D.21-0233. These documents all together present a detailed description of the Coface Group, its business, strategy, financial condition, results of operations and risk factors.

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This presentation contains certain information that has not been prepared in accordance with International Financial Reporting Standards ("IFRS"). This information has important limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our results as reported under IFRS.

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