

4.3 PARENT COMPANY FINANCIAL STATEMENTS

4.3.1 Balance sheet

Assets

(in thousands of euros)

| | NOTES | DEC. 31, 2022 | DEC. 31, 2021 |
|---|--------------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 4.1.1 | - | - |
| Financial assets | | - | - |
| Interests in related companies | 4.1.2 | 1,502,744 | 1,502,744 |
| Loans to affiliates and subsidiaries | 4.1.3 | 465,466 | 324,074 |
| | | 1,968,211 | 1,826,819 |
| Current assets | | | |
| French government and other authorities | | 3,850 | 9,775 |
| Group and Subsidiaries Tax | | 0 | 0 |
| Coface current account | | 708,498 | 565,310 |
| Miscellaneous receivables | | 8,391 | 8,590 |
| | 4.1.4 | 720,739 | 583,675 |
| Investment securities | | | |
| Treasury shares | 4.1.5 | 10,900 | 10,448 |
| Cash at bank and in hand | 4.1.6 | 1,243 | 784 |
| Prepaid expenses | 4.1.7 | 589 | 1,106 |
| | | 733,472 | 596,012 |
| Deferred charges | 4.1.8 | 230 | 660 |
| Loan repayment premiums | 4.1.9 | 3,681 | 385 |
| Foreign exchange assets | | 6,816 | 503 |
| TOTAL ASSETS | | 2,712,409 | 2,424,379 |

Equity and liabilities

(in thousands of euros)

| | NOTES | DEC. 31, 2022 | DEC. 31, 2021 |
|---|--------------------|------------------|------------------|
| Equity | | | |
| Capital | | 300,360 | 300,360 |
| Share capital premiums | | 723,517 | 810,385 |
| Other reserves | | 31,450 | 86,387 |
| Income for the year | | 326,480 | 82,223 |
| | 4.2.1-4.2.2 | 1,381,806 | 1,279,355 |
| Provisions for liabilities and charges | | | |
| | 4.2.3 | | |
| Provision for liabilities | | 6,816 | 503 |
| Provision for charges | | 5,859 | 5,745 |
| | | 12,675 | 6,248 |
| Debts | | | |
| Bank borrowings and debts ⁽¹⁾ | | 614,343 | 564,783 |
| Other bond issues | | 538,770 | 391,930 |
| Sundry borrowings and debts | | 150,201 | 150,201 |
| Coface current account | | 0 | 21,398 |
| Trade notes and accounts payable | | 3,414 | 1,999 |
| Tax and social security liabilities | | 0 | 0 |
| Other payables | | 0 | 0 |
| Group and Subsidiaries Tax | | 4,280 | 7,941 |
| | 4.2.4 | 1,311,008 | 1,138,252 |
| Foreign currency translation reserve - liabilities | | 6,920 | 523 |
| TOTAL EQUITY AND LIABILITIES | | 2,712,409 | 2,424,379 |

(1) Within 1,476 thousand of euros - accruals of interests.

4.3.2 Income statement

| <i>(in thousands of euros)</i> | NOTES | DEC. 31, 2022 | DEC. 31, 2021 |
|---|------------|----------------|----------------|
| Operating Income (I) | | 4,654 | 1,043 |
| Rebilled expenses and other income | | 4,654 | 1,043 |
| Reversals of provisions and expense transfers | | 0 | 0 |
| Operating expenses (II) | | 9,193 | 3,855 |
| Other purchases and external expenses | | 5,245 | 2,660 |
| Income tax, taxes, and similar payments | | 0 | 13 |
| Employee-related expenses | | 0 | 0 |
| Other expenses | | 3,518 | 851 |
| Depreciation and amortisation | | 430 | 330 |
| Operating Income (I-II) | 5.1 | (4,539) | (2,811) |
| Financial Income (III) | | 373,694 | 107,128 |
| Investment income | | 347,862 | 83,773 |
| Other financial income | | 25,330 | 18,622 |
| Reversal of provision for exchange | | 503 | 4,733 |
| Financial expenses (IV) | | 43,382 | 23,695 |
| Interest and similar expenses | | 36,566 | 23,192 |
| Charges for FX losses | | 6,816 | 503 |
| Financial Income (III-IV) | 5.2 | 330,312 | 83,433 |
| Non-recurring Income (V) | | 0 | 2 |
| On capital transactions | | 0 | 0 |
| On management transactions | | 0 | 2 |
| Non-recurring expenses (VI) | 5.3 | 38 | 96 |
| On capital transactions | | 0 | 0 |
| On management transactions | | 38 | 96 |
| Non-recurring Income (V-VI) | | (38) | (93) |
| Income tax (Income) | 5.4 | 745 | 1,695 |
| NET INCOME FOR THE YEAR | | 326,480 | 82,223 |

4.4 NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

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NOTE 1 SIGNIFICANT EVENTS

Changes in Governance

Board of Directors

On May 17, 2022, during the Combined General Meeting, Laetitia Léonard-Reuter and Laurent Musy were elected as independent directors for terms of four years. These appointments follow the expiration of the terms of office of Olivier Zarrouati and Éric Hémar, respectively.

Thus, at the close of the General Meeting, the Board of Directors was made up of 10 members – five women and five men – the majority (six) of whom are independent directors.

Executive Committee

On May 2, 2022, Hugh Burke was appointed as the CEO of Coface Asia-Pacific, effective on April 1, 2022. He joins the Group Executive Committee and reports to Xavier Durand, Coface CEO. He takes over from Bhupesh Gupta.

On September 8, 2022, Matthieu Garnier, Group Information Services Director, joined the Group Executive Committee and will continue to report to Thibault Surer, Group Strategy & Development Director. This decision is part of our strategy to develop information services, one of the major pillars of our Build to Lead plan.

Natixis announces the sale of its residual stake in COFACE SA

On January 6, 2022, Natixis announced the sale of its remaining interest in COFACE SA. This sale represented approximately 10.04% of COFACE SA's share capital, or 15,078,095 shares. The sale was carried out through an ABB (accelerated book-building) at an average price of €11.55. Following this transaction, Natixis no longer holds any shares in COFACE SA.

Success of the debt management exercise

On September 21, 2022, COFACE SA announced the results of the tender offer to repurchase €380 million in guaranteed subordinated notes bearing a fixed interest rate of 4.125%, maturing on March 27, 2024. The Company accepted the repurchase of a principal amount of €153.4 million of notes validly tendered at a fixed purchase price of 103.625%.

COFACE SA also announced the issuance on September 22, 2022 of €300 million in Tier 2 notes bearing a fixed interest rate of 6.000%, maturing on September 22, 2032.

This repurchase of subordinated debt followed by the issuance of new debt meant that COFACE was able to call its 2024 debt ahead of schedule and extend the maturity of the Group's subordinated debt to 2032, thereby improving its financial strength and solvency.

NOTE 2 ACCOUNTING PRINCIPLES

Accounting principles and policies

The financial statements for the year ended have been prepared in accordance with generally accepted accounting principles and the French General Chart of Accounts (Regulation ANC No. 2014-03 of the Accounting Regulation Committee in accordance with the principles of prudence and business continuity).

Financial assets

Equity securities are reported in the balance sheet at cost. A depreciation is recorded when the realisable value (determined according to the restated equity, income, future outlook and value in use for the Company) is less than the acquisition value. The realisable value is determined using a number of indicators (revalued equity, expected results generated by holdings, future outlook, value in use).

The value in use is determined using the discounted cash flow method. Cash flow projections were derived from the three-year business plans drawn up by the Group's operating entities as part of the budget process and approved by Coface Group management.

These projections are based on the past performance of each entity and take into account assumptions relating to Coface's business line development. Coface draws up cash flow projections beyond the period covered in its business plans by extrapolating the cash flows over two additional years.

The assumptions used for growth rates, margins, cost ratios and claims ratios are based on the entity's maturity, business history, market prospects, and geographic region.

Under the discounted cash flow method, Coface applies a discount rate to insurance companies and a perpetuity growth rate to measure the value of its companies.

Receivables and payables are valued at their face value. They are depreciated through a provision to account for potential collection difficulties.

Issuing charges

According to the French General Chart of Accounts (Article 361-2), the costs linked to the hybrid debt issued must, in principle, be distributed according to the characteristics of the loan. These costs were recorded in deferred charges and amortised on a straight-line basis for the term of the loan, *i.e.* 10 years.

Consistency of methods

The annual financial statements are comparable to those of the previous year (consistency of accounting methods and time period principle).

The balance sheet, income statement and notes are expressed in euros.

NOTE 3 OTHER DISCLOSURES

a) Tax consolidation group

On January 1, 2015, COFACE SA opted for the tax consolidation regime by consolidating French subsidiaries that are more than 95% owned, whether directly or indirectly (Compagnie française d'assurance pour le commerce extérieur, Cofinpar, Cogeri and Fimipar).

The tax consolidation agreements binding the parent company to its subsidiaries are all strictly identical and stipulate that:

- each company shall calculate its tax as if there were no tax consolidation, and the parent company alone shall be liable for the payment of corporate income tax;
- the parent company shall recognise tax savings in income and shall not reallocate them to subsidiaries unless the subsidiary leaves the Group.

The option is valid for five years starting from January 1, 2015 with tacit renewal of the option every five years.

b) Staff and managers

COFACE SA has no staff on its payroll and has no pension commitment.

c) Off-balance sheet commitments

- Commitments received:

- €700 million

It is about a syndicated loan with seven banks (Société Générale, Natixis, CACIB, BNP Paribas, HSBC, BRED and La Banque Postale), undrawn at December 31, 2022.

- €226,6 million

It is a joint guarantee given by *Compagnie Française d'assurance pour le commerce extérieur* to the benefit of investors in the subordinated debt (maturity 10 years)

- Commitments given: €1,542 million.

COFACE SA has given a joint and several guarantee to Coface Finanz, a company indirectly owned by COFACE SA, in respect of amounts due from Coface Poland Factoring in repayment of the loan granted to the latter, up to a maximum of €500 million. This joint and several guarantee has never been exercised since 2012.

COFACE SA has issued a joint and several guarantee to cover the commitments of Coface Finanz and Coface Poland Factoring in respect of the bilateral lines of credit taken out with ten banks. €1,042 million as of December 31, 2022 (€739 million in 2021). This joint and several guarantee has never been exercised.

NOTE 4 ANALYSIS OF THE MAIN BALANCE SHEET ITEMS (IN EUROS)

4.1 Assets

4.1.1 Intangible assets

No intangible assets have been booked in the accounts as of December 31, 2022.

4.1.2 Interests in related companies and companies with capital ties

| RELATED COMPANIES (in thousands of euros) | DEC. 31, 2021 | ACQUISITIONS | DISPOSALS | DEC. 31, 2022 |
|--|------------------|--------------|-----------|------------------|
| Compagnie française d'assurance pour le commerce extérieur | 1,337,719 | | | 1,337,719 |
| Coface Re | 165,025 | | | 165,025 |
| TOTAL | 1,502,744 | | | 1,502,744 |

4.1.3 Loans to affiliates and subsidiaries

| RELATED COMPANIES (in thousands of euros) | AMOUNT | INTEREST | TOTAL |
|---|----------------|---------------|----------------|
| Compagnie française d'assurance pour le commerce extérieur (end 2024) | 187,000 | 6,000 | 193,000 |
| Compagnie française d'assurance pour le commerce extérieur (end 2032) | 268,000 | 4,466 | 272,466 |
| TOTAL | 455,000 | 10,466 | 465,466 |

On March 27, 2014, COFACE SA granted a subordinated intragroup loan to Compagnie française d'assurance pour le commerce extérieur in the amount of €314 million, maturing on March 26, 2024 (10 years) and bearing annual interest at 4.125%, payable at the anniversary date each year. This loan

was partially reimbursed (€127 million) in September 2022.

A new loan of €268 million was granted on the same day (September 22, 2022) for 10 years, at an annual interest rate of 6.000%.

4.1.4 Other receivables

| (in thousands of euros) | DEC. 31, 2022 | UP TO 1 YEAR | FROM 1 TO 5 YEARS | DEC. 31, 2021 |
|--|----------------|----------------|-------------------|----------------|
| French government and other authorities | 3,850 | 3,850 | 0 | 9,775 |
| Coface current account | 708,498 | 708,498 | 0 | 565,310 |
| Coface Poland EUR current account | 226 | 226 | 0 | 250 |
| Coface Finanz EUR current account | 509,926 | 509,926 | 0 | 463,501 |
| Coface Finanz USD current account | 108,938 | 108,938 | 0 | 101,559 |
| Compagnie Française d'assurance pour le commerce extérieur EUR current account | 89,408 | 89,408 | 0 | 0 |
| Miscellaneous receivables | 8,391 | 5,221 | 3,169 | 8,590 |
| Group and Subsidiary in tax consolidation | 0 | 0 | 0 | 0 |
| Natixis liquidity agreement | 2,519 | 2,519 | 0 | 2,529 |
| Other receivables | 5,872 | 2,702 | 3,169 | 6,060 |
| OTHER RECEIVABLES | 720,739 | 717,569 | 3,169 | 583,675 |

The "other receivables" item in miscellaneous receivables primarily consists of:

- expenses of €5,858,694 to be rebilled in connection with the award of bonus shares;
- costs of €2,519,131 related to the ODDO mandate share buyback.

4.1.5 Treasury shares

| NUMBER OF SHARES HELD | DEC. 31, 2021 | ACQUISITIONS | DISPOSALS | DEC. 31, 2022 |
|-----------------------|------------------|------------------|------------------|------------------|
| Liquidity agreement | 84,441 | 3,071,539 | 3,045,543 | 110,437 |
| Bonus share awards | 1,063,069 | 300,000 | 357,388 | 1,005,681 |
| Share buyback plan | 0 | 0 | 0 | 0 |
| TOTAL | 1,147,510 | 3,371,539 | 3,402,931 | 1,116,118 |

Liquidity agreement

With effect from July 7, 2014, Coface appointed Natixis to implement a liquidity agreement for COFACE SA shares traded on Euronext Paris, in accordance with the charter of ethics of the French financial markets' association (Association française des marchés financiers - AMAFI) dated March 8, 2011 and approved by the AMF on March 21, 2011.

The Group had allocated €5 million (reduced by €2 million in 2017) to the liquidity account for the purposes of the agreement, which is for a period of 12 months and has been renewed by tacit agreement annually in July since 2015.

The liquidity agreement is part of the share buy-back programme decided by the Board of Directors' meeting of June 26, 2014. The liquidity agreement dated July 2, 2014, originally concluded with Natixis, was transferred as of July 2, 2018 to ODDO BHF for a term of twelve (12) months, automatically renewable.

Bonus share award

Since its IPO in 2014, the Coface Group has granted bonus shares to certain corporate officers or employees of COFACE SA subsidiaries.

In 2022, the Board of Directors decided to grant 320,849

free shares. This allocation completes the 2020 and 2021 plans, for which 312,200 and 408,403 shares were allocated respectively.

The 2018 plan was not allocated because the objectives were not met.

Under French standards, the acquisition of shares under a bonus share award constitutes a component of remuneration. The provision should be recognised in staff costs by crediting the line item "Provisions for expenses" and be spread out, where delivery of the shares is conditional upon the beneficiaries working for the Company at the end of a future period set by the plan.

Accordingly, this charge will be recognised in the accounts using the acquisition price spread over the vesting period, namely three years. As COFACE SA did not acquire sufficient shares, it must also take into consideration the number of missing shares multiplied by the share price on the last day of the financial year to calculate the amount of this charge. At the end of 2022, the "Provision for charges" amounted to €5,858,694.

At December 31, 2022, the Group's treasury shares had a gross and net value of €10,900,420 broken down as follows:

- liquidity agreement: €1,327,453;
- bonus share award: €9,572,967.

4.1.6 Cash at bank and in hand

(in thousands of euros)

| | DEC. 31, 2022 | DEC. 31, 2021 |
|---------|---------------|---------------|
| Natixis | 1,243 | 784 |

4.1.7 Prepaid expenses

(in thousands of euros)

| | DEC. 31, 2022 | DEC. 31, 2021 |
|---|---------------|---------------|
| Expenses related to the syndicated loan | 589 | 1,106 |

4.1.8 Deferred charges

(in thousands of euros)

| | GROSS 2022 | AMORTISATION | NET 2022 |
|--------------------------------------|------------|--------------|----------|
| Expenses linked to subordinated debt | 660 | 430 | 230 |

Deferred charges include costs linked to the issuance of the subordinated debt in 2014 amortised over a period of 10 years. The residual term at December 31, 2022 is one year and three months.

4.1.9 Loan reimbursement premiums

| <i>(in thousands of euros)</i> | GROSS 2022 | AMORTISATION | NET 2022 |
|--|--------------|--------------|--------------|
| Premium linked to subordinated debt (end 2024) | 385 | 251 | 134 |
| Premium linked to subordinated debt (end 2032) | 3,647 | 100 | 3,547 |
| TOTAL | 4,032 | 351 | 3,681 |

The premium linked to subordinated debt is amortised over ten years.

The residual term at December 31, 2022 is one year and three months for the first loan taken out in March 2014.

It is nine years and nine months for the second loan.

4.2 Liabilities

4.2.1 Changes in equity

| <i>(in euros)</i> | DEC. 31, 2021 | APPROPRIATION OF EARNINGS | TRANSACTIONS FOR THE YEAR | DISTRIBUTION | INCOME FOR THE YEAR | DEC. 31, 2022 |
|-------------------------|----------------------|---------------------------|---------------------------|----------------------|---------------------|----------------------|
| Share capital (NV = €2) | 300,359,584 | | | | | 300,359,584 |
| Number of shares | 150,179,792 | | | | | 150,179,792 |
| Share premium | 810,384,842 | | | (86,867,669) | | 723,517,174 |
| Legal reserve | 31,449,646 | | | | | 31,449,646 |
| Other reserves | 0 | | | | | 0 |
| Retained earnings | 54,937,672 | 82,223,318 | | (137,160,990) | | 0 |
| Income for the year | 82,223,318 | (82,223,318) | | | 326,479,873 | 326,479,873 |
| TOTAL | 1,279,355,062 | 0 | 0 | (224,028,659) | 326,479,873 | 1,381,806,276 |

COFACE SA's total equity stands at €1,381,806,276.

The share premiums are made up of contribution premiums and issue premiums (including €471,744,696 in unavailable premiums) and share issuance rights in the amount of €15,725.

In accordance with the vote held at the Annual Shareholders' Meeting of May 17, 2022, €82,223,318 of 2021's income were allocated to retained earnings.

It was decided to distribute a dividend of €224,028,659 by drawing on retained earnings and share premiums.

4.2.2 Composition of capital

| SHAREHOLDERS | DEC. 31, 2022 | | DEC. 31, 2021 | |
|----------------------------|---------------|-------------|---------------|-------------|
| Financial market and other | 68.6% | 102,990,329 | 58.8% | 88,247,383 |
| Arch Capital Group | 29.9% | 44,849,425 | 29.9% | 44,849,425 |
| Natixis | 0.0% | 0 | 10.0% | 15,078,051 |
| Group Employee funds | 0.8% | 1,223,920 | 0.6% | 857,423 |
| Treasury shares | 0.7% | 1,116,118 | 0.8% | 1,147,510 |
| Number of shares | | 150,179,792 | | 150,179,792 |
| Nominal value (in euros) | | 2 | | 2 |

4.2.3 Provisions for liabilities and charges

| <i>(in thousands of euros)</i> | DEC. 31, 2021 | ADDITIONS | REVERSALS | DEC. 31, 2022 |
|---------------------------------|---------------|---------------|----------------|---------------|
| Provision for FX losses | 503 | 6,816 | (503) | 6,816 |
| Provision for bonus share award | 5,745 | 5,859 | (5,745) | 5,859 |
| TOTAL | 6,248 | 12,675 | (6,248) | 12,675 |

4.2.4 Debts

| <i>(in thousands of euros)</i> | UP TO 1 YEAR | FROM 1 TO 5 YEARS | MORE THAN 5 YEARS | DEC. 31, 2022 | DEC. 31, 2021 |
|---|----------------|-------------------|-------------------|----------------|------------------|
| Bank borrowings and debts | 614,343 | | | 614,343 | 564,783 |
| Commercial paper: discounted fixed rate | 615,819 | | | 615,819 | 564,491 |
| CP accrued interest | (1,476) | | | (1,476) | 292 |
| Other bond issues | 12,170 | 226,600 | 300,000 | 538,770 | 391,930 |
| Subordinated bonds | | 226,600 | 300,000 | 526,000 | 380,000 |
| Accrued interest | 12,170 | | | 12,170 | 11,930 |
| Sundry borrowings and debts | 201 | 150,000 | | 150,201 | 150,201 |
| Coface borrowing (Compagnie française d'assurance pour le commerce extérieur) | | 150,000 | | 150,000 | 150,000 |
| Accrued interest on Coface borrowing | 201 | | | 201 | 201 |
| Coface cash advance and accrued interest | 0 | | | | 21,398 |
| Trade notes and accounts payable | 3,414 | | | 3,414 | 1,999 |
| Tax and social security liabilities | 0 | | | 0 | 0 |
| Other debts | 4,280 | | | 4,280 | 7,941 |
| TOTAL DEBTS | 634,408 | 376,600 | 300,000 | 7,941 | 1,138,252 |

After approval by the Banque de France on November 6, 2012, COFACE SA issued €250 million in commercial paper (with a maturity of one to three months) on November 13, 2012. The amount raised was fully loaned to Coface Finanz through a cash agreement and all fees incurred were recharged.

The programme's maximum amount has been increased several times and stands at €700 million as of December 31, 2022.

At the end of 2022, the EUR and USD portions were €508 million and \$115 million respectively, equivalent to €614.3 million in total.

On March 27, 2014, COFACE SA completed the issue of subordinated debt in the form of bonds for a nominal amount of €380 million (corresponding to 3,800 bonds with a nominal unit value of €100,000), maturing on March 27, 2024 (10 years), with an annual interest rate of 4.125%.

In December 2014, COFACE SA borrowed €110 million at a rate of 2.30% over a period of 10 years from Compagnie française d'assurance pour le commerce extérieur for the acquisition of Coface Re, followed in June 2015 by a second tranche of €40 million in order to send additional funds to Coface Re (see Note 4.1.2).

For the year ended December 31, 2022, the Group's financing liabilities, totalling €538.8 million, correspond to:

- a fixed rate subordinated note (4.125%) issued on March 27, 2014 by COFACE SA for a nominal amount of

€380 million and maturing on March 27, 2024.

The securities are irrevocably and unconditionally guaranteed on a subordinated basis by Compagnie française d'assurance pour le commerce extérieur, the Group's main operating entity.

COFACE SA also completed a tender offer on September 21, 2022 to repurchase its guaranteed subordinated notes issued in 2014, for an amount of €153.4 million, at a fixed purchase price of 103.625%.

The nominal amount after the tender offer is now €226.6 million, still maturing on March 27, 2024;

- a new issuance on September 22, 2022 of €300 million in subordinated notes at a fixed interest rate of 6.000%, maturing on September 22, 2032.

Rating agency update:

- on October 11, 2022, Moody's confirmed Coface's A2 financial soundness rating (IFS) and raised the outlook for this rating to positive;
- on November 23, 2022, Fitch confirmed Coface's Insurer Financial Strength (IFS) rating of 'AA-'. The outlook remains stable;
- on April 4, 2022, AM Best confirmed its 'A' (Excellent) financial soundness rating (FSR) for Compagnie française d'assurance pour le commerce international (the Company) and Coface Re. These ratings are accompanied by a "stable" outlook.

NOTE 5 ANALYSIS OF THE MAIN INCOME STATEMENT ITEMS

Operating income

| <i>(in thousands of euros)</i> | DEC. 31, 2022 | DEC. 31, 2021 |
|---|----------------|----------------|
| Operating Income | 4,654 | 1,043 |
| Commercial paper structuring costs | | |
| Rebilling of insurance | 1,563 | 598 |
| Other income | 3,091 | 445 |
| Operating expenses | (9,193) | (3,855) |
| Other purchases and external expenses | (5,239) | (2,660) |
| Statutory Auditors' fees | (2,210) | (969) |
| Insurance Policy | (1,529) | (592) |
| Other Fees | (835) | (716) |
| Financial Information | (217) | (8) |
| Legal advertising costs | 0 | (4) |
| Bank fees | 0 | 0 |
| Marsh Insurance | 0 | 0 |
| JP Morgan Fees | 0 | 0 |
| Fees and commissions on services | (440) | (371) |
| Expenses related to the issuance of subordinated debt | 0 | 0 |
| Reception fees | (7) | 0 |
| Royalty fee | 0 | 0 |
| Income tax, taxes, and similar payments | (6) | (13) |
| Employee-related expenses | 0 | 0 |
| Social security charges on attendance fees | 0 | 0 |
| Other expenses | (3,518) | (851) |
| Attendance fees | (427) | (406) |
| Expenses linked to the bonus share award | (3,091) | (445) |
| Depreciation and amortisation | (430) | (330) |
| Amortisation of costs linked to subordinated debt | (430) | (330) |
| OPERATING INCOME | (4,539) | (2,811) |

The "Statutory Auditors' fees" item of €2,210,427 is entirely comprised of statutory audit fees.

4

FINANCIAL ITEMS

Notes to the parent company financial statements

Financial income

(in thousands of euros)

| | DEC. 31, 2022 | DEC. 31, 2021 |
|--|-----------------|-----------------|
| Financial Income | 373,694 | 107,128 |
| Income from shares | 347,862 | 83,773 |
| Dividend | 347,862 | 83,773 |
| Other financial income | 25,330 | 18,622 |
| Loan interest | 16,601 | 12,970 |
| Interests linked to the CP programme and syndicated loan | 6,527 | 3,461 |
| Income on guarantees | 1,714 | 1,377 |
| Foreign exchange product | 206 | 35 |
| Income of liquidity contract | 281 | 779 |
| Reversal of provision for exchange | 503 | 4,733 |
| Financial expenses | (43,382) | (23,695) |
| Interest and similar expenses | (36,566) | (23,192) |
| Fees and commissions linked to the CP programme | (6,530) | (2,872) |
| Interest on bond loan | (24,639) | (15,849) |
| Interest on borrowings | (3,450) | (3,450) |
| Others financial costs | (713) | (63) |
| Interest on cash advance | 0 | 0 |
| Foreign exchange loss | (206) | (6) |
| Guarantee expenses | (676) | (760) |
| Depreciation on redemption premiums | (351) | (192) |
| Charges for FX losses | (6,816) | (503) |
| FINANCIAL INCOME | 330,312 | 83,433 |

The amount of dividends is made up of dividends received from Compagnie française pour le commerce extérieur in the amount of €299,893,690 and from COFACE RE in the amount of €47,967,832.

Financial expenses are mainly composed of interest on:

- the subordinated bond issue in the amount of €380 million. €153.4 million of this loan was repaid in September 2022, and the remaining balance is

€226.6 million as a result. A redemption premium of €5.561 million and a coupon of €3.164 million were paid;

- the new €300 million subordinated loan taken out on September 22, 2022 for ten years;
- the €150 million loan taken out at the end of 2014 with Compagnie française d'assurance pour le commerce extérieur.

Non-recurring income

(in thousands of euros)

| | DEC. 31, 2022 | DEC. 31, 2021 |
|-------------------------------|---------------|---------------|
| NON-RECURRING INCOME | 0 | 2 |
| Miscellaneous | 0 | 2 |
| NON-RECURRING EXPENSES | (38) | 96 |
| Miscellaneous | (38) | 96 |
| TOTAL | (38) | (93) |

Income tax

(in thousands of euros)

| | DEC. 31, 2022 | DEC. 31, 2021 |
|--|-----------------|----------------|
| Accounting Income before Income tax | 325,735 | 80,528 |
| Deductions: | | |
| • dividend (parent/subsidiary regime) | (347,862) | (83,773) |
| • foreign currency translation reserve - liabilities | 0 | (4,239) |
| • foreign currency translation reserve - assets | (6,313) | 0 |
| • provision for exchange | 0 | (4,229) |
| Reintegrations: | | |
| • share of costs 1% on Group dividend | 2,999 | 748 |
| • share of costs 5% on Group dividend | 2,398 | 449 |
| • foreign currency translation reserve - assets | 6,313 | 4,229 |
| • foreign currency translation reserve - liabilities | 6,396 | 0 |
| Taxable Income | (10,333) | (6,287) |
| • Corporate tax (rate 33 1/3%) | 0 | 0 |
| • 3% tax on dividends paid to external (outside the tax consolidation Group) | 0 | 0 |
| Corporate tax before tax consolidation | 0 | 0 |
| Net Income from consolidated companies | (745) | (1,695) |
| Corporate income tax (Income) | (745) | (1,695) |

The application of the tax consolidation agreement resulted in a consolidation gain of €744,811 for financial year 2022, compared to a gain of €1,695,116 in 2021.

Statutory Auditors' fees

This information is available in the Coface Group consolidated financial statements as at December 31, 2022, in Note 35.

NOTE 6 INFORMATION REGARDING RELATED COMPANIES

The table below presents all items regarding related companies:

| <i>(in thousands of euros)</i> | DEC. 31, 2022 | DEC. 31, 2021 |
|---|------------------|------------------|
| Balance Sheet - Assets | 2,682,459 | 2,397,748 |
| Interests in related companies | 1,502,744 | 1,502,744 |
| Loans to affiliates and subsidiaries | 465,466 | 324,074 |
| Compagnie française current account | 89,408 | |
| Coface Finanz current account | 618,864 | 565,060 |
| Coface Poland Factoring current account | 226 | 250 |
| Rebilling of LTIP | 5,750 | 5,620 |
| Cash at bank and in hand | | 784 |
| Prepaid expenses | | |
| Balance Sheet - Equity & Liabilities | 154,481 | 179,540 |
| Sundry borrowings and debts | 150,201 | 150,201 |
| Coface cash advance and accrued interest | 0 | 21,398 |
| Group and Subsidiaries Tax | 4,280 | 7,941 |
| Income statement | 370,933 | 94,742 |
| Operating income | 4,654 | 1,043 |
| Operating expenses | 0 | |
| Financial income | 371,436 | 99,538 |
| Financial expenses | (5,156) | (5,839) |

NOTE 7 SUBSIDIARIES AND INTERESTS

| | YEAR 2022 | | | |
|--|---------------|-------------------------|---|--------------------------------|
| | TURNOVER | NET EARNINGS OR LOSS | DIVIDENDS RECEIVED OR RECOGNISED BY THE COMPANY | EXCHANGE RATE DEC. 31, 2022 |
| | <i>(in €)</i> | | | |
| Compagnie française pour le commerce extérieur* 1, place Costes et Bellonte 92270 Bois-Colombes | 1,397,247,396 | 112,919,807 | 299,893,690 | 1 |
| Coface Re SA* Rue Bellefontaine 18 1003 Lausanne - Switzerland | 773,595,590 | 68,363,751 | 47,967,832 | 0,9842 |

* Unaudited accounts, currently in the process of certification.

| | AS OF DEC. 31, 2022 | | | | | |
|--|---------------------|--------------------------------------|--------------------------|-----------------------------|---------------|---|
| | SHARE CAPITAL | RESERVES AND RETAINED EARNINGS | SHARE OF CAPITAL HELD | VALUE OF SECURITIES HELD | | OUTSTANDING LOANS AND ADVANCES GRANTED BY THE COMPANY |
| | <i>(in €)</i> | <i>(in currency)</i> | <i>% (reported)</i> | GROSS | NET | |
| Compagnie française d'assurance pour le commerce extérieur* 1, place Costes et Bellonte 92270 Bois-Colombes | 137,052,417 | 2,338,000 | 99.5% | 1,337,719,300 | 1,337,719,300 | 150,201,250 |
| Coface Re SA* Rue Bellefontaine 18 1003 Lausanne - Switzerland | 8,320,542 | 276,706,000 | 100% | 165,025,157 | 165,025,157 | 0 |

* Unaudited accounts, currently in the process of certification.

NOTE 8 EVENTS AFTER THE REPORTING PERIOD

Acquisition of North America data analytics boutique Rel8ed

On January 30, 2023, Coface announced the acquisition of North American data analytics boutique Rel8ed. The acquisition brings new, rich data sets and analytics capabilities, which will benefit Coface trade credit insurance as well as the Company's business information customers and teams.

4.5 FIVE-YEAR SUMMARY OF COMPANY RESULTS

SA SDGP 41 was incorporated on March 23, 2000 and became COFACE SA (at the EGM held on July 26, 2007).

| DETAILS (in euros) | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
|---|----------------------------|------------------|---------------------------|----------------------------|----------------------------|
| I – Year-end Capital | | | | | |
| a) Share capital | 307,798,522 | 304,063,898 | 304,063,898 | 300,359,584 | 300,359,584 |
| b) Number of issued shares | 153,899,261 | 152,031,949 | 152,031,949 | 150,179,792 | 150,179,792 |
| c) Number of bonds convertible into shares | - | - | - | - | - |
| II – Operations and Income for the year | | | | | |
| a) Revenue excluding tax | 358,946 | 2,477,628 | 3,734,093 | 1,043,302 | 4,653,864 |
| b) Income before tax, depreciation, amortisation and provisions | 123,473,002 | 132,968,042 | (17,758,389) | 80,528,202 | 325,735,062 |
| c) Income tax | (1,115,937) | (978,886) | 1,179,988 | 1,695,116 | 744,811 |
| d) Income after tax, depreciation, amortisation and provisions | 122,604,984 | 132,677,046 | (18,938,377) | 82,223,318 | 326,479,873 |
| e) Distributed profits | 122,332,846 ⁽¹⁾ | 0 ⁽²⁾ | 82,900,339 ⁽³⁾ | 225,269,688 ⁽⁴⁾ | 226,576,784 ⁽⁵⁾ |
| <i>of which interim dividends</i> | | | | | |
| III – Earnings per share | | | | | |
| a) Income after tax, but before depreciation, amortisation and provisions | 0.81 | 0.88 | 0.12 | 0.54 | 2.17 |
| b) Income after tax, depreciation, amortisation and provisions | 0.80 | 0.87 | 0.12 | 0.55 | 2.17 |
| c) Dividend paid to each share | 0.79 | - | 0.55 | 1.50 | 1.52 |
| IV – Personnel | | | | | |
| a) Average number of employees in the year | - | - | - | - | - |
| b) Payroll amount | - | - | - | - | - |
| c) Amount of sums paid in employee benefits | - | - | - | - | - |

(1) For 2018, a distribution of €0.79 per share, i.e. €122,332,846 (€119,423,806 excluding treasury shares), was distributed as voted by the Annual Shareholders' Meeting of May 16, 2019.

(2) In view of the scale of the public health crisis and following the vote at the Combined General Meeting of May 14, 2020, it was decided not to pay a dividend in respect of the financial year ending December 31, 2019.

(3) For 2020, a distribution of €0.55 per share, i.e. €82,900,339 (€81,976,242 excluding treasury shares), was distributed as voted by the Annual Shareholders' Meeting of May 12, 2021.

(4) For 2021, a distribution of €1.50 per share, i.e. €225,269,688 (€224,028,658 excluding treasury shares), was distributed as voted by the Annual Shareholders' Meeting of May 17, 2022.

(5) For 2022, a distribution of €1.52 per share, i.e. €226,576,784, will be submitted to the Annual Shareholders' Meeting of May 16, 2023.