

Combined Financial Statements

31/12/2022

MUTUAL INSURANCE GROUP
COMPANY MALAKOFF HUMANIS

(SGAM MH)

BALANCE SHEET - ASSETS (IN €K)

| in € thousands | Notes | 31 Dec 2022 | 31 Dec 2021 |
|--|-------|-------------------|-------------------|
| Intangible assets | 4.2 | 143,723 | 158,122 |
| Of which goodwill | 4.1 | 22,097 | 25,058 |
| Investments by insurance companies | 4.3.1 | 22,621,592 | 22,805,122 |
| Land and buildings | | 324,264 | 462,708 |
| Holdings in related undertakings, including participations | | 135,297 | 89,438 |
| Other investments | | 22,162,031 | 22,252,976 |
| Investments representing unit-linked commitments | 4.3.2 | 426,278 | 496,428 |
| Investments by other companies | 4.3.3 | 3,232,600 | 2,958,698 |
| Equity-accounted investments | 4.4 | 0 | 0 |
| Reinsurers' share of technical provisions | 4.5 | 4,881,777 | 4,652,857 |
| Technical provisions - Life | | 1,566,296 | 1,528,520 |
| Technical provisions - non-life | | 3,315,481 | 3,124,337 |
| Insurance and reinsurance receivables | 4.6 | 4,754,748 | 4,637,487 |
| Other receivables | 4.6 | 269,922 | 259,970 |
| Other assets | 4.7 | 707,259 | 535,467 |
| Property, plant and equipment | | 5,258 | 5,296 |
| Current accounts and cash | | 702,001 | 530,171 |
| Accruals - Assets | 4.8 | 180,707 | 193,172 |
| Deferred acquisition costs | | 3,585 | 3,473 |
| Other | | 177,122 | 189,699 |
| TOTAL | | 37,218,606 | 36,697,323 |

BALANCE SHEET - LIABILITIES (IN €K)

| in € thousands | Notes | 31 Dec 2022 | 31 Dec 2021 |
|--|-------|-------------------|-------------------|
| Group own funds | 4.9 | 5,883,293 | 5,600,245 |
| Share capital and equivalent funds | | 26,413 | 26,413 |
| Combined reserves | | 5,689,141 | 5,352,269 |
| Combined net income | | 167,739 | 221,563 |
| Minority interests | 4.10 | 24,083 | 23,396 |
| Subordinated liabilities | 4.11 | 247,368 | 247,368 |
| Gross technical provisions | 4.12 | 26,570,315 | 26,357,443 |
| Technical provisions - Life | | 15,946,788 | 15,901,178 |
| Technical provisions - Non-life | | 10,623,527 | 10,456,265 |
| Technical provisions - Unit-linked | 4.12 | 453,004 | 515,491 |
| Provisions for liabilities and charges | 4.13 | 151,704 | 154,621 |
| Cash deposits received from reinsurers | | 481,485 | 457,035 |
| Insurance and reinsurance liabilities | 4.14 | 2,806,902 | 2,508,290 |
| Amounts due to banks and financial institutions | 4.14 | | |
| Other liabilities | 4.14 | 584,002 | 824,080 |
| Accruals - liabilities | 4.15 | 16,450 | 9,354 |
| TOTAL | | 37,218,606 | 36,697,323 |

OFF-BALANCE SHEET COMMITMENTS (IN €K)

| in € thousands | Notes | 31 Dec 2022 | 31 Dec 2021 |
|-----------------------------|--------|------------------|------------------|
| Commitments received | | 4,957,648 | 5,459,702 |
| Insurance companies | 4.16.1 | 4,957,648 | 5,459,702 |
| Other companies | 4.16.2 | | |
| Commitments given | | 1,313,609 | 1,231,203 |
| Insurance companies | 4.16.1 | 655,148 | 571,242 |
| Other companies | 4.16.2 | 658,461 | 659,961 |

INCOME STATEMENT (IN €k)

| in € thousands | Notes | Non-life insurance business | Life insurance business | 31 Dec 2022 | 31 Dec 2021 |
|--|-------|-----------------------------|-------------------------|--------------------|--------------------|
| Earned premiums | 5.2 | 5,215,919 | 1,610,001 | 6,825,920 | 6,594,011 |
| Other operating income | 5.1 | 6,339 | 7,532 | 13,871 | 13,894 |
| Net interest income | 5.3 | 214,610 | 364,737 | 579,347 | 558,826 |
| Total current operating revenue | | 5,436,868 | 1,982,270 | 7,419,138 | 7,166,731 |
| Insurance benefit expenses | 5.1 | - 4,596,657 | - 1,467,997 | - 6,064,654 | - 5,969,384 |
| Net income or expenses from reinsurance contracts held | 5.1 | - 20,248 | - 2,005 | - 22,253 | 8,898 |
| Management expenses | 5.1 | - 856,791 | - 271,712 | - 1,128,503 | - 987,911 |
| Total current operating expenses | | - 5,473,696 | - 1,741,714 | - 7,215,410 | - 6,948,397 |
| Operating income Before amortisation and impairment of goodwill | | - 36,828 | 240,556 | 203,728 | 218,334 |
| Amortisation of goodwill | 4.1 | | | - 2,961 | - 2,961 |
| Other net income | 5.4 | | | - 19,941 | 71,034 |
| Operating income After amortisation and impairment of goodwill | | | | 180,826 | 286,407 |
| Non-recurring income | 5.5 | | | - 9,521 | - 60,986 |
| Income tax | 6.2 | | | - 3,147 | - 897 |
| Net income of the consolidated companies | | | | 168,158 | 224,524 |
| Share of net income of equity-accounted companies | 4.4 | | | | |
| Net income of the combined group | | | | 168,158 | 224,524 |
| Net income of minority interests | 4.10 | | | 419 | 2,961 |
| Net income (Group share) | | | | 167,739 | 221,563 |

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1 Significant events

1.1 Significant events

1.1.1 Sale of MHGA shares to Sienna Investment Managers

On 16 March 2022, Holding Malakoff Humanis (HMH) sold 66.65% of its shares in MHGA - Malakoff Humanis Gestion d'Actifs (now Sienna Gestion), to Sienna Capital. HMH's percentage stake in Sienna Gestion will therefore be reduced from 99.98% in 2021 to 33.33% in 2022.

The capital gain realised and recognised in HMH's 2022 financial statements amounts to €22 million.

The impact of the consolidation of Sienna Gestion using the equity method is not material with regard to the Group's financial statements.

As a result, Sienna Gestion (formerly MHGA) is no longer part of the combination scope in 2022 (i.e. deconsolidated).

1.1.2 Axéria Prévoyance - Quatrem merger

The merger-takeover of Axéria Prévoyance by Quatrem, subject to the simplified rules governing mergers between sister companies 100% owned by HMH, a transaction governed by article L. 236-11 of the French Commercial Code, was completed on the date of publication in the Journal Officiel of 20 December 2022, of the ACPR's approval decision (college of 14 December 2022).

This transaction was approved by the Boards of Directors of Quatrem and Axéria Prévoyance on 19 May 2022.

From an accounting and tax point of view, this merger-takeover transaction had a retroactive effect to 1 January 2022.

1.1.3 Owello joint venture

On 24 May 2022, the MH group and the Swiss Life group signed a strategic partnership in the international mobility market. This transaction resulted in Malakoff Humanis taking an equity stake in Owello, via its holding company (HMH) - the 100% digital management platform dedicated to international mobility launched by Swiss Life in 2000 - in the form of a joint venture equally owned by HMH and Swiss Life Prévoyance et Santé.

The two groups will offer expatriates a common range of tailor-made individual and group health and personal protection solutions.

The shares recorded in the assets of HMH amounted to €7.3 million at the end of 2022.

Given the immaterial nature of this structure in the MH Group's financial statements, Owello (SAS) is not consolidated.

1.1.4 Renewal of securities lending

Securities lending transactions were set up at the end of 2021 for Quatrem and Malakoff Humanis Prévoyance (MHP).

Securities lending is a transaction practised in financial markets consisting of lending securities, with the borrower being required to return them or securities of the same type at a future date, in return for a fee paid by the borrower to the lender.

The lender continues to receive income from the securities during the lending period, so the fee paid for the securities lending is additional income.

These lending transactions were secured by the receipt of cash collateral (opened in the name of BP2S and, in accordance with accounting regulations, the amount linked to the collateral is recognised as an off-balance sheet commitment).

The loaned securities had been reclassified in the financial statements under "Receivables representing loaned securities", with no impact on the balance sheet presentation; the reclassification is made under the "Other investments" balance sheet heading.

These transactions were renewed in 2022. At year-end, the outstanding amount of loaned securities totalled €1.6 billion for Quatrem and €1.1 billion for MHP.

1.1.5 REPOS

Faced with the health crisis and to ensure its liquidity, in April 2020 the Malakoff Humanis Group started using repo transactions via the MHP entity. These transactions consisted of lending investment securities in exchange for cash.

At the end of 2021, the amount of borrowing stood at €200 million (at the end of 2020, the amount was €1 billion).

At the end of 2022, the amount outstanding is zero due to the non-renewal of transactions that had reached maturity in 2022.

The MH group has not needed to use the cash received to meet these commitments.

1.1.6 Rising interest rates in financial markets

Long-term interest rates, which have been very low for several years, rose sharply in 2022 in a context of high inflation.

For example, the 10-year French government bond yield rose from 0.2% at end-2021 to 3% at end-2022.

The impact for the MH group on technical provisions (technical commitments) is around €165 million, in the sense of a decrease in provisioning.

1.1.7 KORIAN shares

The Korian shares, held by Holding Malakoff Humanis (percentage held: 7.62%) were impaired in the 2022 financial statements based on the internal valuation (multi-criteria valuation) used in previous years by the Group, in accordance with the consistency of accounting methods.

The amount of the impairment corresponds to the unrealised loss on the basis of this multi-criteria valuation and amounts to €50 million (not tax deductible).

1.1.8 Treatment of PER contracts

In accordance with Article L 142-4 of the French Insurance Code, no subsidiary accounting and no ring-fencing (other than in respect of unit-linked funds) is carried out in respect of the PER commitments held in supplementary occupational pension organisations (i.e. all the PER commitments of the MH group as of 31 December 2022 are held in the MHRS FRPS and in the Medicis MRPS).

1.1.9 Sale of Mutuelle Médicis headquarters

Mutuelle Médicis sold its headquarters in rue Hamelin -16th arrondissement, Paris in December 2022. The realised capital gain net of tax amounts to €30 million.

1.1.10 Tax and URSSAF audits

Audits in progress

Malakoff Humanis Prévoyance (MHP) has been undergoing a tax audit for the 2020 and 2021 financial years since September 2022.

An URSSAF (social security) audit covering the 2019 and 2020 financial years has been in progress at MHP since June 2022. This audit mainly concerns the health tax, the "COVID" tax (2020) and the former general practitioner fee (FMT) tax.

At this stage, these audits are the subject of exchanges and presentation of documentation but have not yet provided conclusive evidence.

Finalised audits

The tax audit of Quatrem and Mutuelle Malakoff Humanis for the 2019 and 2020 financial years has been finalised. The financial consequence for the MH Group (MH SGAM) is an expense of €4 million, post tax consolidation.

The URSSAF audit of Malakoff Humanis Assurances (MHA) for the 2019 and 2020 financial years has been finalised. The financial consequence for the MHA entity (and for the group) is an expense of €0.2 million.

This audit mainly concerned the health tax, the "COVID" tax (2020) and the former general practitioner fee (FMT) tax.

1.1.11 Closure of MH stores

The overall impact of the decision to close almost all Malakoff Humanis stores on the 2022 financial statements of Holding Malakoff Humanis (lessee of the stores) amounts to €6.4 million and is detailed below:

- Key money expense (non-amortisable intangible asset corresponding to the amount paid by the new tenant HMH to the owner), i.e. €2 million,
- Lease rights expense (intangible asset not amortised, corresponding to the amount paid by the new lessee to the previous lessee) of €4.4 million.

1.1.12 War in UKRAINE

As soon as the war with Russia in Ukraine began on 24 February 2022, General Management set up a crisis unit to measure, monitor and control the impact of the group's exposure to the financial markets, to policyholders, and to other contextual elements for the MH Group.

The Group also received a questionnaire from the ACPR, which was discussed in spring 2022, on the impacts on the MH group. At this stage, the analyses of the Malakoff Humanis Group's exposure suggest that the financial impact is not material.

With regard to the Group's assets, all direct and indirect exposures in the various portfolios have been identified and it can be confirmed that these exposures are low. The assets of blocked Russian nationals are non-existent. The MH Group's exposure to the war in Ukraine is not significant.

2 Accounting and regulatory framework

The group's combined financial statements are prepared in accordance with the provisions of the decree of 29 December 2020 approving the new regulation 2020-01 of the French Accounting Standards Authority (ANC) relating to the consolidation and combination rules for companies governed by the French Insurance Code and provident institutions governed by the French Social Security Code, as amended by regulations no. 2001-01, 2004-05, 2004-10 and 2004-17.

Book III of this regulation describes the specific rules for the combination. This regulation replaces the previous ones.

2.1 Regulatory ring-fenced funds recorded in the combined Group's entities

In accordance with the provisions of ANC Regulation No. 2015-11 of 26 November 2015, these ring-fenced funds are subject to subsidiary accounting within the entities in question.

2.1.1 MHP - PERE ring-fenced fund

This is a group supplementary pension contract, legally ring-fenced, which is subject to individual company financial statements. It is also included in MHP's company financial statements.

The main items affected are as follows:

| In €k | PERE contract | |
|-------------------------------|---------------|-------------|
| | 31 Dec 2022 | 31 Dec 2021 |
| Illiquid | 285,068 | 290,192 |
| Gross premiums | 17 | |
| Gross life insurance reserves | 290,568 | 294,713 |
| Gross claims reserves | | |
| Other technical provisions | 635 | 635 |

2.1.2 MHRS - L441-1 contract

This is a group supplementary pension contract with legally ring-fenced funds, which is subject to individual company financial statements. It is also included in the entity MHRS's company financial statements.

The main items affected are as follows:

| In €k | L441-1 contract | |
|---|-----------------|-------------|
| | 31 Dec 2022 | 31 Dec 2021 |
| Illiquid | 33,166 | 30,940 |
| Gross technical provisions | -33,207 | -31,722 |
| Technical provisions ceded | | |
| Gross premiums | 2,016 | 2,213 |
| Expense on life insurance reserves and other technical provisions | -833 | -937 |

2.1.3 Mutuelle Médicis - PERP

This is a supplementary retirement savings contract, taken out on a voluntary and individual basis.

Under the "PACTE" law, which came into force in 2019, the Popular Pension Savings Plan (PERP) was replaced by the Retirement Savings Plan (PER) and can no longer be subscribed since 1 October 2020. PERP contracts opened before this date are maintained and can continue to be managed and funded by new payments.

This contract is legally ring-fenced and is the subject of individual company financial statements.

The main items affected are as follows:

| In €k | PERP contract | |
|-------------------------------|---------------|-------------|
| | 31 Dec 2022 | 31 Dec 2021 |
| Illiquid | 35,071 | 34,398 |
| Gross premiums | 2,157 | 2,461 |
| Gross life insurance reserves | 34,999 | 34,391 |
| Gross claims reserves | 5 | 5 |
| Other technical provisions | | |

2.2 Changes in accounting policies

None.

2.3 Combination scope

For the 2022 financial year, the following are included in the combination scope:

- Entities linked together by a combination link. This link is characterised by:
 - Common executives;
 - Sufficiently extensive common functional and operational services to allow the implementation of common development, technical and financial policies and coordinated social action;
 - Shared social action and development networks;
 - Joint subsidiaries.
- Entities over which entities linked by a combination link exercise exclusive control, joint control or significant influence within the meaning of Articles 211-3 to 211-5 of ANC regulation 2020-01.

Entities with the following characteristics are excluded from the combination scope, insofar as this exclusion does not alter the true and fair view of the financial statements:

- Resource groups and associations whose services are fully re-invoiced to their members (Association de Moyens Assurance de Personnes - AMAP, GIE Auxia Gestion),
- The resource association of supplementary retirement,
- Supplementary pension entities,
- In general, entities whose impact on the combination is immaterial.

The following entities are not consolidated because they are immaterial to the combined financial statements (the Group's ownership interest is shown in brackets):

- Malakoff Humanis Services (100%)
- MHIS (100%)
- Malakoff Humanis Service de Gestion (100%),
- Développement Pléiade (100%)
- Mésange Prévoyance (98.31%)
- Viamédis (69.59%)
- Kalixia (50%),
- Owello (50%)
- Sienna Gestion (33.33%)

Mésange Prévoyance

On 20 April 2022, Auxia acquired Mésange Prévoyance for €40 million.

Mésange Prévoyance is a leading broker specialising in the design, distribution and management of funeral insurance policies.

Auxia's ownership rate is 98.31%.

Mésange Prévoyance's contribution is not considered material in relation to the MH Group's financial statements, and has therefore not been included in the 2022 combination scope.

2.4 Combination and consolidation methods

Entities linked together by a combination link are consolidated by financial statement aggregation using the same rules as for full consolidation.

Entities that are exclusively controlled are fully consolidated. Exclusive control results from the direct or indirect holding of the absolute majority of the voting rights of the group at the general meeting of shareholders of these entities.

The financial statements of entities controlled jointly with other shareholders are consolidated using the proportional consolidation method.

The equity method is used for entities over which the Malakoff Humanis Group exercises significant influence.

All entities included in the combination scope prepared their financial statements as of 31 December.

Generally speaking, the financial statements were standardised taking into account the significant nature of the restatements to be made.

2.5 Transactions between entities in the scope of consolidation

Intra-group transactions are eliminated from the balance sheet and income statement.

Gains and losses on intra-group disposals are eliminated. To the extent that these gains and losses generate entitlements to policyholders in individual financial statements, a deferred participation is recognised.

2.6 Goodwill

The difference between the acquisition cost of the shares and the initial value of the company's assets and liabilities in the combined accounts constitutes goodwill.

In accordance with Order 2015-07 of 23 November 2015, when there is no foreseeable limit to the period during which goodwill will provide economic benefits to the group, it is not amortised.

When there is a foreseeable limit to its useful life at the time of acquisition, goodwill is amortised on a straight-line basis over this period or, if it cannot be reliably determined, over 10 years.

Valuation method

The valuation is based on the concept of value in use:

- Value in use approach by discounting future cash flows (revalued net assets including the value of portfolios and new business),
- Value in use approach based on the share of net assets.

2.7 Intangible assets

Intangible assets mainly comprise:

- Contract portfolios whose valuation results from:
 - first, the contract portfolios acquired by the consolidated companies and recognised in their individual financial statements;
 - second, valuation differences, equal to the difference between the entry value of the assets and liabilities of the controlled company in the combined balance sheet and the carrying amount of these same items in the company's balance sheet.

The value of these portfolios is amortised according to a plan that corresponds to the rate of emergence of expected results on these portfolios on the date of acquisition, reviewed annually.

- Goodwill related to the acquisition of portfolios is amortised on a straight-line basis over 10 or 20 years.

In the event of a presumption of impairment, an impairment test is carried out to compare the net carrying amount of portfolios and goodwill with their value in use as defined by ANC Regulation 2014-3, i.e. the value of expected future economic benefits, generally determined on the basis of expected net cash flows.

The expected future economic benefits are assessed on the basis of multi-criteria analyses that do not take into account factors linked to short-term volatility but rather the medium- and long-term outlook, in particular projected changes in revenue, claims ratios, rates of return on assets and overhead growth rates.

2.8 Illiquid

The combined balance sheet distinguishes between:

- Investments held by insurance companies, which are recorded in accordance with the provisions of the personal protection, insurance and mutual accounting plan. These provisions are detailed below.
- Investments held by other companies (asset management, employee savings, brokerage and insurance holding company activities) are recorded in accordance with the rules of the general chart of accounts.

Investments by insurance companies include land and buildings, financial investments and cash deposits of ceding companies.

2.8.1 Gross amounts

Land and buildings are recorded in the balance sheet at their acquisition cost, excluding duties and costs. For the breakdown of real estate assets by component provided for in ANC regulation 2014-3, the Malakoff Humanis Group has used the amortised historical cost method, which has led to a reconstitution of the actual historical cost of the components. The Malakoff Humanis Group has used the France Assureurs grid to determine five categories of components (excluding land): structural work, secondary works, technical installations, fixtures and fitting and upgrades.

Securities are recorded at acquisition cost, net of fees and accrued interest, with the exception of investments representing unit-linked commitments. These are re-estimated at the end of the period based on the change in the related unrealised capital gains or losses. The technical commitments relating to these unit-linked contracts are re-estimated accordingly. These new assessments are maintained in combination.

2.8.2 Amortisation

Buildings are depreciated on a straight-line basis for each component according to the depreciation periods recommended by France Assureurs.

The difference between the acquisition cost of amortisable securities and their redemption value is amortised using the actuarial method over the life of the security. This difference (premium or discount) is included in investment in accordance with ANC Regulation No. 2020-01.

2.8.3 Valuation

At the end of the financial year, the securities shown in the detailed statement of investments are valued in accordance with Article R.343-11 of the French Insurance Code, based on the realisable value determined as follows:

- Fixed-income securities are valued on the basis of the last quoted price or their probable trading value, excluding accrued interest.
- Listed shares are valued at the last quoted price on the balance sheet date,
- Unlisted shares are valued at their market value, i.e. the price that would be obtained under normal market conditions and based on the usefulness for the company,
- Open-ended investment companies (SICAV) and mutual funds (FCP) are valued at the last redemption price on the balance sheet date.
- The realisable value of buildings and shares in non-trading property companies (SCI) is determined on the basis of five-year appraisals carried out by independent appraisers, and annual estimates between two appraisals.

2.8.4 Provisions for marketable securities

A distinction is made according to the time horizon and intention to sell the securities:

- If the Group plans to sell the securities in the short term: regardless of the classification of the investment, the provision to be set aside is equal to the difference between the historical cost price and the market value on the last business day of the financial year.
- If the Group does not intend to sell the securities in the short term, a distinction must be made between non-amortisable securities (R.343-10) and amortisable securities (R.343-9).

2.8.4.1 Provisions for investment securities referred to in Article R.343-10

Pursuant to the provisions of ANC Regulation No. 2015-11 of 26 November 2015, investments governed by Article R.343-10 of the French Insurance Code are reviewed to determine whether the unrealised capital loss recognised at the balance sheet date is permanent.

- When the entity holds amortisable securities and has the intention and ability to hold them until maturity:
 - Permanent impairment is assessed based solely on credit risk. A provision for permanent impairment is recognised when there is objective evidence of a credit risk. A credit risk exists when it is probable that the insurance company will not receive all or part of the sums due to it under the commitments entered into by the counterparty (the issuer), either for the payment of interest or for the payment of the principal;
 - Permanent impairment corresponds to the difference between the net carrying amount of the investment and its recoverable amount, if the latter is less than the net carrying amount.
- When the entity holds amortisable securities and has no intention or ability to hold them to maturity, or when the company holds non-amortisable securities:
 - Permanent impairment is calculated by analysing all risks identified on these investments according to the relevant holding period;
 - Permanent impairment corresponds to the difference between the net carrying amount of the investment and its market value, if the latter is lower than the net carrying amount.

In the first case, the recoverable amount is not expected to change significantly over the holding period, except in exceptional cases or when new objective information is known that would substantially change the assumptions used for the valuation. The following methodology was applied for the financial year to take this aspect into account:

- If the difference between the recoverable amount calculated in N-1 and the recoverable amount recalculated using data for year N is greater than 5%, the value recalculated using data for year N is used to calculate the impairment;
- If the difference is less than 5%, the recoverable amount in N-1 is retained to calculate the impairment;
- The provision on a security is limited to its unrealised loss.

In the second case, permanent impairment is presumed in the following three cases:

- Existence of an impairment provision at the previous balance sheet date;
- Consistent situation of significant unrealised loss in relation to its carrying amount over the period of 6 consecutive months preceding the balance sheet date;
- Existence of objective evidence that the company will not be able to recover all or part of the carrying amount of the investment, including:
 - Significant decline in indicators representative of the market or business sector to which the investment belongs;
 - Significant decline in the market value of the investment over a long period, when the market as a whole is performing differently. For French equities, the criterion of significant capital loss can be defined according to actual volatility, i.e. 20% of the carrying amount when the markets are not very volatile; this criterion is increased from 20% to 30% when the markets are very volatile. Accordingly, the 20% threshold was used for the year;
 - Negative change in fundamental investment analysis indicators;
 - Difficulties in selling this investment;
 - Existence of a proven credit risk.

All of the entity's subsidiaries and equity investments are valued annually.

The valuation of equity investments is based on the group's long-term holding in them and is based on the concept of value in use. The value in use of equity investments is defined in the general chart of accounts (PCG 332-3) as the value that the company would be willing to pay to obtain this equity investment if it had to acquire it.

The following factors may be taken into account: objective criteria, predictive criteria, subjective factors. When the impairment is considered to be permanent, a provision is recommended, after taking into account a significance threshold constituting a trigger threshold (20% of the net cost price):

- For equity investment for which provisions were made as of 31 December N-1, an addition to or a reversal of provision is recognised only if the change between the value as of 31 December N and the value used as a reference for the provision is greater than 20% in absolute value;
- For securities not provisioned as of 31 December N-1 that were provisioned during financial year N, reversals of/additions to provisions will be determined on the basis of the value used as the reference for the first provisioning in financial year N.

When the trigger threshold is reached, the provision is made without deductible from the first euro.

In the case of unlisted debt funds, the credit risk is analysed. In the event of proven default of a debt position, the exposure of the entity concerned to the structure issuing the debt is provisioned at the balance sheet date.

2.8.4.2 Provisions for investment securities pursuant to Article R.343-9

Pursuant to the provisions of ANC Regulation No. 2015-11 of 26 November 2015, the entity assesses at each balance sheet date whether there is a proven credit risk resulting from one or more events occurring after the initial recognition of the investment covered by Article R.343-9 of the French Insurance Code and whether the impairment can be reliably estimated.

If there is a proven counterparty risk, the amount of the impairment relates only to the loss due to default risk and not to any change in value due to interest rate fluctuations.

2.8.5 Forward financial instruments (FFIs)

The hedging of the equity segment falls within the scope of the accounting regulations for forward financial instruments (CRC regulation 2005-06), in line with a yield strategy, valued at Marked to Market.

When the strategy is implemented, premiums paid or received relating to FFIs are recorded in the individual financial statements as accrued expenses and deferred income, depending on the nature of the contracts, and are reclassified in the combined financial statements under investments.

At the balance sheet date, premiums paid or received are amortised on a straight-line basis to income and expense over the expected duration of the strategy. FFIs are recognised as commitments given or received (off-balance sheet accounts) at their exercise price.

At the end of the hedging transaction, the income and expenses relating to FFIs are recognised in the income statement.

2.8.6 Inclusion of income

Income from shares is recognised in profit or loss at the date of payment.

Income accrued at the balance sheet date from bonds and other fixed income securities is included in the income statement.

Accrued rental income is recognised in the income statement.

2.8.7 Disposals

Gains and losses on disposals are determined using the first-in first-out method. They are recognised in the income statement when they are realised.

2.8.8 Allocation of financial income

For the preparation of the income statement and the segment income statements presented in this appendix, all net investment income from insurance companies, including income generated by the investment of funds derived from equity, is broken down between the life and non-life business, in accordance with regulation no. ANC 2020-01.

2.9 Receivables

Receivables correspond mainly to:

- Premiums earned for the fourth quarter, not written as of 31 December of the financial year;
- Receivables arising from reinsurance transactions;
- Cash advances to delegated managers.

Premiums earned not written as of 31 December relate to the portfolio of group contracts and are estimated based on the amounts of the quarterly returns received for the current financial year.

Receivables are valued at their nominal value. A provision is recognised to offset the risk of non-repayment. This impairment is estimated based on the age of the receivables and a probable recovery rate.

2.10 Deferred acquisition costs

Life insurance: acquisition costs are in principle deferred within the limit of the future net margins of the contracts in question. They are amortised on the basis of the rate at which these future margins are recognised, revalued at the end of each financial year. Where applicable, they are subject to exceptional amortisation to the extent that future margins become insufficient in view of the amortisation schedule; commercial fees are recorded as "deferred income" and recognised in profit or loss at the same rate as that used for deferred acquisition costs.

As the restatements of acquisition costs were deemed immaterial, acquisition costs recognised in the individual financial statements of certain group insurance companies were maintained as they were in the combined financial statement. They therefore correspond to the deferral of acquisition costs according to the residual life of the contracts and are limited to the difference between the amount of mathematical reserves recognised in the balance sheet in accordance with Article L. 343-1 of the French Insurance Code and the amount of reserves that would be recorded if the acquisition costs were not included in the policyholders' commitments.

Non-life insurance: deferred acquisition costs are calculated on a basis consistent with that used for the deferral of unearned premiums. These costs are amortised over the residual term of the relevant contracts.

2.11 Own funds

Combined own funds represents the aggregate of the own funds and equivalents of the combined entities and the share of own funds (group share) of the consolidated entities.

The impact of changes in own funds method resulting from the application of new regulations is recognised directly in opening own funds.

2.12 Technical provisions

Technical provisions are recognised on the liabilities side of the balance sheet at the gross reinsurance amount, with the ceded portion recorded on the assets side under "Reinsurers' share in technical provisions".

Reserves for work incapacity and disability are calculated in accordance with the rules set out in the decree of 28 March 1996 based on the tables provided by the BCAC or the TPRV 05 tables. They include the valuation of benefits payable for pending disability pensions, calculated on the basis of the probability of moving from an incapacity to a disability situation.

2.12.1 Mathematical reserves

Mathematical reserves represent the difference in present value of the commitments of the insurer (capital or annuity to be paid) and the policyholder (premiums to be paid).

Mathematical reserves for Life insurance, presented in the "Life insurance reserves", include:

- Spousal and education pensions;
- Reserves to maintain death cover corresponding to the obligation to maintain death cover in the event of incapacity or disability, for employees covered under group insurance in the event of death.

Commitments are discounted using a rate that is equal to or less than the rate for the contract in question, in accordance with the law. In terms of annuity discount rates, the impact of declining interest rates is taken into account when the rate is considered too high in relation to the expected reinvestment prospects. The discount rates used are lower than the expected rate of return on assets.

When an entity makes use, in its individual financial statements, of the possibilities granted by the regulations concerning the spreading of the constitution of technical provisions, these are fully constituted in the combined financial statements.

This is the case for commitments resulting from the new mortality tables applied to life annuities: these commitments, which could be provisioned in the individual financial statements until 31 December 2021, are fully recognised in the combined financial statements.

2.12.2 Claims reserves

The claims reserve comprises the claims and benefits outstanding at the end of the period, together with an estimate of claims not yet submitted, net of any recoveries receivable, estimated on the basis of prior year experience. Claims reserves are supplemented, as a deduction, by an assessment of management expenses which, taking into account the items already included in the reserves, must be sufficient to settle the claims.

2.12.3 Equalisation reserves

An equalisation reserve is set up for contracts that provide for it. This reserve represents the cumulative profit or loss of the contracts in question. It is calculated for group death, disability and health benefits.

The closing positions of equalisation reserves/general reserves/additional general reserves are estimated each year for each account with participation features as follows:

- A rebasing on reserves in N-1 is done on the basis of customer accounts in N-1.
- The current year addition/reversal is estimated on the basis of:
 - The revenue and S/P of customer accounts in N-1;
 - The application of the discrepancy in year N;
 - Technical and financial protocol characteristics (payout rate of technical profits, etc.).

The contractual equalisation reserves in the scope of consolidation are reclassified as policyholder participation reserves.

2.12.4 Reserves for increasing risks

A provision for increasing risks has been set aside to cover the foreseeable increase in the group's healthcare and age-related dependency costs, which are not covered due to graded premiums.

2.12.5 Policyholder participation reserves

When a return exceeding the guaranteed minimum rate, based on the results of the technical and financial management, is due to the policyholders and has not been distributed to the policyholders during the period, the amount thereof is included in the policyholder participation reserve. It consists of:

- A due policyholder participation reserve, which is an identifiable liability arising from regulatory or contractual obligations, based on transactions carried out and recognised as expenses by group entities;
- And, where applicable, a deferred policyholder participation reserve, based on certain differences between the bases for calculating future entitlements in the individual and combined financial statements.

Deferred participation is calculated using a participation rate specific to each entity, determined according to the activity (payment of minimum and/or contractual participation) and the asset allocation (ring-fenced or not) of each entity. These rates are reviewed at each balance sheet date.

2.12.6 Liquidity risk reserves

According to Article R.343-5 of the French Insurance Code, a liquidity risk reserve is established when the investments referred to in Article R.343-10, after recognition of permanent impairment, show an aggregate net unrealised loss.

An aggregate net unrealised loss is recognised when the net carrying amount of these investments exceeds the carrying amount of these investments valued as follows:

- For listed securities: the value used is the average price calculated over the thirty days preceding the balance sheet date or, failing that, the last quoted price before that date;
- For shares in open-ended investment companies and units in mutual funds: the value used is the average of the redemption prices published during the thirty days preceding the balance sheet date or, failing that, the last redemption price published before that date;
- The value of other assets is determined in accordance with the rules laid down in Article R.343-11 of the French Insurance Code.

The annual allocation to the liquidity risk reserve for the financial year is equal to one-third of the total net unrealised loss on the investments mentioned in Article R.343-10 of the French Insurance Code, without this allocation leading to the total amount of the reserve recorded in the balance sheet for the financial year exceeding the aggregate net loss on these investments.

In the combined financial statements, in accordance with CRC Regulation 2004-10 of 23 November 2004, the liquidity risk reserve is eliminated. No liquidity risk reserve was recorded for the 2022 financial year.

2.12.7 Other reserves

In life insurance,

- The reserve for management costs is established, where applicable, in proportion to all future management expenses of the contracts that are not covered by premiums or by deductions from financial income provided for therein;
- Technical provisions on unit-linked contracts are valued on the basis of the assets underlying these contracts. Gains or losses resulting from the revaluation of these assets are recognised in the income statement in order to neutralise the impact of the change in technical provisions.

Technical provisions related to internal accepted reinsurance are eliminated.

The same applies to the mathematical reserves recorded in the financial statements of Quatrem, CMAV, MHRS and MHP:

- Under the outsourcing agreements for retirement and similar benefits entered into by the Malakoff Humanis Group's Association de Moyens Assurance de Personnes (AMAP): these are eliminated in the combined financial statements in the amount of the share of the reserve allocated by AMAP to its members;
- In respect of pension and similar benefit contracts taken out by Quatrem, MHGA and EPSSENS for the benefit of their own employees.

2.13 Provisions for liabilities and charges

Reserves are set aside for the cost of pension and similar benefits for employees. The reserve includes:

- The portion allocated to AMAP members of the reserves for pension and similar benefits recorded in AMAP's balance sheet and measured in accordance with CNC recommendation no. 03-R-01 (preferred method close to IAS 19). The calculations are made:
 - Head-by-head
 - According to a turnover rate differentiated by age and socio-professional category
 - Based on a different retirement age for managers and non-managers
 - With the actual rate of social security charges
 - According to INSEE mortality tables 2014 - 2016
 - With the application of a discount rate and a salary increase rate.
- The portion allocated to these same entities of pension and similar commitments not provided for in AMAP's financial statements due to the existence of the outsourcing contracts referred to in paragraph 2.12.7 above.

The contracts in question are:

- Lump sum retirement benefits
- Long service awards
- Exceptional and temporary contribution (CET)
- Article 83
- Article 39

Other provisions mainly include the entities' share of the provision for risks and charges of the AMAP: provisions for disputes, provisions for labour disputes.

2.14 Reinsurance

Reinsurance acceptances are accounted for on the basis of a valuation of each contract. Financial statements not received at the balance sheet date are estimated and adjusted in the following financial year. The accounting rules applied to these transactions are identical to those applied to direct business.

For reinsurance contracts held, the financial statements are estimated on the basis of the gross accounting data recorded for the corresponding contracts.

2.15 Technical expenses

For the preparation of segment income statements:

- Claims expenses include claims, capital and arrears, as well as the portion of overheads relating to the management of claims settlements.
- The change in non-life mathematical reserves is included in other technical provisions.
- In life insurance, the change in mathematical reserves is included in the life insurance reserves expense.

2.16 Health benefits paid for by complementary health insurance bodies

The Standard of Professional Practice NEP 920 relating to the certification of the financial statements of national social security bodies, published in the Official Journal on 30 December 2012 and applicable as of 1 January 2013, and by extension to supplementary bodies managing health risk, provides for the inclusion of the following information in the notes to the financial statements:

In accordance with legal and regulatory texts, in particular Articles L. 161-33 and R. 161-43 of the French Social Security Code, as part of the "third-party payment of the vital sesame card" system and the electronic flows put in place, the payment and accounting of rights relating to certain health-related benefits in kind are made in accordance with the law and regulations, on a declaration basis, without express recognition by the policyholder/member of the reality of the benefit received. As a complementary health insurance body, the entity does not receive any additional information relating to the billed service (e.g. prescription) pursuant to professional secrecy and has no right to question or inspect health professionals.

However, Malakoff Humanis has implemented a policy to combat "health" risk fraud. This applies to all entities insuring this risk within the Malakoff Humanis group.

In addition, the policy for delegating healthcare services and managing third-party payments includes a specific control system. In particular, the status of policyholders/members and the entitlement are verified. Lastly, a flow control system has been set up to check the consistency and plausibility of claims submitted by third-party payers and/or managed by delegated providers.

Each policyholder is regularly informed of the reimbursements that are made to the healthcare providers that he or she has consulted and of the content of the reimbursements that are sent directly to him or her.

2.17 Operating and management expenses

For the preparation of the segment income statements, technical expenses are classified by function:

- Claims management and benefit payment expenses include the cost of the departments that settle claims, redemptions, benefits outstanding and annuities;
- Contract acquisition costs include costs for production services and sales networks;
- Overheads include audit, management and collection fees, the costs of the departments responsible for monitoring the portfolio and for reinsurance, as well as litigation costs related to premiums;
- Investment expenses include internal and external management costs, as well as financial expenses;

- Other technical expenses correspond to structural expenses that cannot be allocated to other functions and to the amortisation of contract portfolios.

Where identified, overheads are charged directly to these functions. When they concern multiple business centres, they are broken down according to the appropriate work units for each. The same applies to the breakdown between the various insurance categories.

In the income statement:

- Claims and settlement expenses are included in "Insurance benefits expense".
- Investment expenses are deducted from financial income on the line "Financial income net of expenses".
- Acquisition costs, administration costs and other technical expenses are recorded under "Management expenses".

Non-technical expenses are those relating to activities not directly related to the insurance business. These expenses are deducted from other income under "Other net income".

2.18 Taxation

Income tax reported in the combined financial statements includes current and deferred tax.

When a tax is due or receivable and its payment is not contingent on the occurrence of future transactions, it is qualified as due.

In the event of a timing difference between the recognition of income and expenses in the financial statements and their inclusion in the taxable income of a subsequent financial year, the tax is qualified as deferred. This also applies to tax credits and the possibility of tax deductions linked to the existence of a tax loss carryforward.

Deferred tax is calculated for each company according to the tax rules and tax rates known at the time the financial statements are drawn up.

Deferred tax assets and liabilities are netted by each tax entity for equivalent taxes. Potential tax savings from tax loss carryforwards are only taken into account if it is highly probable that they will be offset against future taxable profits. When the netting of deferred tax assets and liabilities results in a net deferred tax asset, the deferred tax asset is recognised only if it is reasonably possible to offset it against future taxable profits.

2.19 Presentation of the financial statements

In the income statement:

- Current operating income before goodwill impairment can be reconciled with the concept of technical result net of reinsurance in the individual financial statements. In contrast to the individual financial statements, however, financial income net of expenses includes financial income from own funds. In addition, premiums and insurance benefits expenses are presented gross of reinsurance, with expenses or income net of reinsurance contracts held shown in a separate line.
- Other net income includes: non-technical income and expenses of insurance companies, operating revenue net of expenses and financial income from other activities.
- Amortisation of contract portfolios is included in the item "Management expenses" of current operating income in the income statement and in the item "Other technical expenses" in the segment income statements.
- Financial income net of expenses from the return on own funds is included in "Financial income net of expenses" of current operating income in the income statement, and in "Net investment income excluding technical account share" in the segment income statements.

All amounts in the financial statements and tables in the notes to the financial statements are expressed in thousands of euros.

The sign convention is as follows:

- Balance sheet:
 - Assets have a positive sign (except for reserves and depreciation),
 - Liabilities have a positive sign.
- Income statement:
 - Income has a positive sign,
 - Expenses have a negative sign.

3 Combination scope

| Amounts in €k | Activity | Supervisory authority | Address of registered office | % control 2021 | % stake 2021 | 31 Dec 2022 | | | | | |
|--|---------------------------------------|-----------------------|--|----------------|--------------|-------------|---------|---------------------|-----------------------------------|------------|------------|
| | | | | | | % control | % stake | Value of securities | Share capital or equivalent funds | Net assets | Net income |
| Combined entities | | | | | | | | | | | |
| SGAM Malakoff Humanis | Mutual insurance group company (SGAM) | - | 21 rue Laffitte, Paris 9th arrondissement | - | - | - | - | - | 8,280 | 154,569 | 20,919 |
| Malakoff Humanis Prévoyance | Personal protection | ACPR | 21 rue Laffitte, Paris 9th arrondissement | - | - | - | - | - | 11,726 | 3,072,373 | 95,388 |
| INPR | Personal protection | ACPR | 21 rue Laffitte, Paris 9th arrondissement | - | - | - | - | - | 382 | 352,502 | 16,886 |
| CAPREVAL | Personal protection | ACPR | 21 rue Laffitte, Paris 9th arrondissement | - | - | - | - | - | 380 | 25,757 | 340 |
| IPSEC | Personal protection | ACPR | 16-18 Place du Général Catroux Paris 17th arrondissement | - | - | - | - | - | 380 | 58,332 | -23,319 |
| CMAV | Insurance | ACPR | 21 rue Laffitte, Paris 9th arrondissement | - | 100.00% | - | 100.00% | - | 480 | 116,797 | 3,785 |
| Mutuelle Malakoff Humanis | Mutual | ACPR | 21 rue Laffitte, Paris 9th arrondissement | - | 100.00% | - | 100.00% | - | 3,171 | 524,848 | 5,097 |
| Malakoff Humanis Nationale | Mutual | ACPR | 139/147 rue Paul Vaillant-Couturier Malakoff (92240) | - | 100.00% | - | 100.00% | - | 394 | 81,656 | -3,277 |
| Radiance Mutuelle | Mutual | ACPR | 95 rue Vendôme, Lyon (69006) | - | 100.00% | - | 100.00% | - | 381 | 86,620 | 4,853 |
| Energie Mutuelle | Mutual | ACPR | 45 rue Godot de Mauroy Paris 9th arrondissement | - | 100.00% | - | 100.00% | - | 229 | 12,587 | 620 |
| Mobilité Mutuelle | Mutual | ACPR | 9 rue de Clamart, Boulogne-Billancourt (92100) | - | 100.00% | - | 100.00% | - | 229 | 61,643 | 837 |
| Mutuelle Médicis | Mutual | ACPR | 18 rue de l'Amiral Hamelin Paris 16th arrondissement | - | 100.00% | - | 100.00% | - | 381 | 279,611 | 29,378 |
| Consolidated entities | | | | | | | | | | | |
| Fully consolidated entities | | | | | | | | | | | |
| Auxia | Insurance | ACPR | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 77,270 | 76,769 | 145,934 | 8,037 |
| Auxia Assistance | Insurance | ACPR | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 3,875 | 1,780 | 13,010 | 1,877 |
| Quatrem | Insurance | ACPR | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 1,116,468 | 510,426 | 862,753 | 18,345 |
| Malakoff Humanis Retraite Supplémentaire | Insurance | ACPR | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 69,904 | 40,058 | 70,742 | 1,350 |
| Laffitte Courtage | Insurance | ACPR | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 7,550 | 1,138 | 7,874 | 70 |
| Malakoff Humanis Assurance | Insurance | ACPR | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 24,775 | 23,566 | 36,461 | 1,861 |
| Malakoff Humanis Investissements Privés | Brokerage | - | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 47,102 | 45,000 | 120,034 | 12,315 |
| Holding Malakoff Humanis | Holding company | - | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 1,525,834 | 1,032,411 | 2,020,603 | 5,327 |
| Malakoff Humanis Puccini | Non-trading company (SC) | - | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 471,819 | 442,977 | 474,002 | -3,156 |
| EPSENS | Employee savings | - | 139/147 rue Paul Vaillant-Couturier Malakoff (92240) | 100.00% | 55.24% | 100.00% | 55.24% | 18,132 | 20,377 | 37,391 | 528 |
| OPCI Vivaldi | Real estate activities | - | 91 Bld Pasteur, Paris 17th arrondissement | 100.00% | 99.66% | 100.00% | 99.68% | 1,575,212 | 1,345,656 | 2,295,990 | 57,645 |
| Malakoff Humanis Innov' | Other | - | 21 rue Laffitte, Paris 9th arrondissement | 100.00% | 100.00% | 100.00% | 100.00% | 150,000 | 150,000 | 134,536 | -6,471 |

The values of the securities take into account any elimination of capital gains on internal disposals.

Deconsolidation in 2022 - see significant events

- Sienna Gestion (formerly MHGA)
- Axéria Prévoyance (merger with QUATREM)

Other transactions in 2022

- **OPCI Vivaldi:**
 - Subscriptions of €50 million in net asset values by MHP
 - Contributions in kind by MHP, MHA and MHN for €102 million, remunerated by the issue of new shares
 - The group's stake increased from 99.66% in 2021 to 99.68% in 2022.
- **MH Puccini:**
 - Contributions in kind by MHP and MHN for €45 million, remunerated by the issue of new shares.

4 Balance sheet information

4.1 Goodwill

| in € thousands | 31 Dec 2021 | 2022 movements | 2022 amortisation | 31 Dec 2022 |
|-------------------|---------------|----------------|-------------------|---------------|
| Gross amount | 63,399 | | | 63,399 |
| Amortisation | -38,341 | | -2,961 | -41,302 |
| NET AMOUNT | 25,058 | 0 | - 2,961 | 22,097 |

Goodwill mainly relates to the acquisition by HMM of the 20% minority stake in Quatrem shares in June 2010, previously held by MMA, for €59 million amortised on a straight-line basis over 20 years. Its net amount as of 31 December 2022 is €22 million.

4.2 Intangible assets

| in € thousands | 31 Dec 2022 | | | 31 Dec 2021 |
|-------------------------|----------------|-----------------------------|----------------|----------------|
| | Gross | Amortisation and impairment | Net | Net |
| Goodwill | 141,948 | -141,948 | 0 | 0 |
| Software | 13,311 | - 12,707 | 604 | 1,229 |
| Other intangible assets | 149,002 | - 27,980 | 121,022 | 131,835 |
| TOTAL | 304,261 | - 182,635 | 121,626 | 133,064 |

The gross amount of goodwill (€141.9 million) mainly corresponds to the acquisition of various portfolios by Quatrem (€130 million) fully amortised:

- AVIVA and WINTERTHUR portfolios
 - 2003 financial year: €75.6 million (declining-balance amortisation over 20 years),
 - 2007 financial year: €37.5 million (linear amortisation over 10 years),
- AZUR portfolio
 - 2007 financial year: €17.1 million (linear amortisation over 10 years).

The net carrying amount of other intangible assets, €122 million, includes

- The AMIS portfolio acquired in 2017 by QUATREM for €45.6 million. This unamortised portfolio is tested for impairment every year,
- The ex-Axéria Prévoyance portfolio for €80.1 million (gross amount) and amortised for €7.9 million as of 31 December 2022.

4.3 Illiquid

4.3.1 Investments by insurance companies

The realisable value of investments was determined in advance on certain items.

Taking into account the latest available valuations of investments (including unit-linked) as of 31 December 2022 would result in a lower market value of - €149 million (i.e. 0.6% of the total investments by insurance companies in 2022), of which mainly: - €70 million for Quatrem, - €44 million for MHP, - €18 million for MHRS, - €8 million for Auxia, - €4 million for CMAV and -€1.8 million for MMH.

As a reminder, other investments by insurance companies (excluding unit-linked) are recognised on the basis of historical cost and not market value.

| In € thousands | 31 Dec 2022 | | | | 31 Dec 2021 | | | |
|--|-------------------|-------------------|-------------------|--------------------------|-------------------|-------------------|-------------------|--------------------------|
| | Gross amount | Net amount | Realisable value | Unrealised capital gains | Gross amount | Net amount | Realisable value | Unrealised capital gains |
| Real estate investments | 351,777 | 324,264 | 374,709 | 50,445 | 507,284 | 462,708 | 572,704 | 109,996 |
| Equity securities | 149,826 | 135,297 | 136,331 | 1,034 | 101,743 | 89,438 | 106,507 | 17,069 |
| Equities and variable-income securities | 515,772 | 511,438 | 827,999 | 316,561 | 599,796 | 588,655 | 848,916 | 260,261 |
| Units in equity UCITS | 6,983,355 | 6,916,590 | 7,862,813 | 946,223 | 6,850,448 | 6,799,371 | 8,764,291 | 1,964,920 |
| Bonds and other fixed-income securities | 9,121,696 | 9,451,200 | 8,786,317 | -664,883 | 9,180,244 | 9,446,097 | 10,958,159 | 1,512,062 |
| Units in UCITS holding exclusively fixed-income securities | 1,212,779 | 1,185,427 | 1,168,150 | -17,277 | 1,425,327 | 1,398,388 | 1,495,188 | 96,800 |
| Deposits with ceding companies | 709,271 | 709,271 | 695,945 | -13,326 | 567,240 | 567,240 | 567,241 | 1 |
| Other investments | 3,448,372 | 3,388,105 | 3,363,321 | -24,784 | 3,515,669 | 3,453,225 | 4,357,841 | 904,616 |
| Total investments | 22,492,848 | 22,621,592 | 23,215,585 | 593,993 | 22,747,751 | 22,805,122 | 27,670,847 | 4,865,725 |
| Share of non-life investments | 8,993,246 | 9,044,721 | 9,282,216 | 237,494 | 9,024,264 | 9,047,023 | 10,977,306 | 1,930,282 |
| Share of life investments | 13,499,602 | 13,576,871 | 13,933,369 | 356,499 | 13,723,487 | 13,758,099 | 16,693,541 | 2,935,443 |

Realisation of unrealised capital gains would confer rights in favour of contract beneficiaries and minority shareholders as well as taxation.

The breakdown of investments between life and non-life is made in proportion to gross technical provisions.

The net carrying amount of listed insurance investments was €20,835 million as of 31 December 2022.

Non-consolidated equity investments by insurance companies with a net carrying amount of €135.3 million mainly correspond to the shares in Babylone SAS (€61 million), Hospi Grand Ouest (€3.9 million), SCOR (€5.6 million), Earlybird SAS (€15.3 million), Lebon (€3.7 million) and Mésange prévoyance (€40.6 million).

Summary of unlisted investments

| in € thousands | 31 Dec 2022 | | 31 Dec 2021 | |
|----------------------|---------------------|---------------------------|---------------------|---------------------------|
| | Net carrying amount | Unlisted investments in % | Net carrying amount | Unlisted investments in % |
| Real estate | 162,919 | 0.72% | 271,496 | 1.19% |
| Real estate loans | 2,041 | 0.01% | 2,041 | 0.01% |
| Infrastructure | 1,152,203 | 5.09% | 1,092,121 | 4.79% |
| Infrastructure loans | 1,169 | 0.01% | 1,130 | 0.00% |
| Equity investment | 108,028 | 0.48% | 58,145 | 0.25% |
| Private equity | 359,907 | 1.59% | 388,861 | 1.71% |
| TOTAL | 1,786,267 | 7.90% | 1,813,794 | 7.95% |

4.3.2 Investments representing unit-linked commitments

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|---|----------------|----------------|
| | Net amount | Net amount |
| Real estate investments | | |
| Variable-income securities other than UCITS | 6,513 | 2,101 |
| Bonds, negotiable debt securities and other fixed-income securities | 1,376 | 159 |
| Units in UCITS holding exclusively fixed-income securities | 17,448 | 13,196 |
| Units of other UCITS | 400,941 | 480,972 |
| TOTAL | 426,278 | 496,428 |

4.3.3 Investments by other companies (non-insurance)

| in € thousands | 31 Dec 2022 | | | | 31 Dec 2021 | | | |
|--|------------------|------------------|------------------|--------------------------|------------------|------------------|------------------|--------------------------|
| | Gross amount | Net amount | Realisable value | Unrealised capital gains | Gross amount | Net amount | Realisable value | Unrealised capital gains |
| Real estate investments | 2,410,838 | 2,360,525 | 2,664,516 | 303,991 | 2,046,947 | 2,014,872 | 2,291,613 | 276,741 |
| Equity securities | 383,582 | 331,488 | 433,049 | 101,561 | 350,207 | 345,662 | 611,184 | 265,522 |
| Equities and other variable-income securities | 317,150 | 284,721 | 434,010 | 149,289 | 295,566 | 266,712 | 366,833 | 100,121 |
| Units in equity UCITS | 215,553 | 215,516 | 215,723 | 207 | 308,113 | 307,335 | 307,334 | -1 |
| Bonds and other fixed-income securities | 31,727 | 31,727 | 31,622 | -105 | 15,085 | 15,085 | 15,085 | 0 |
| Units in UCITS holding exclusively fixed-income securities | 8,105 | 8,105 | 8,107 | 2 | 8,106 | 8,104 | 8,105 | 1 |
| Other investments | 518 | 518 | 186 | -332 | 928 | 928 | 928 | 0 |
| TOTAL | 3,367,473 | 3,232,600 | 3,787,213 | 554,613 | 3,024,952 | 2,958,698 | 3,601,082 | 642,384 |

The net carrying amount of the non-consolidated equity investments by other companies (€331.4 million) mainly corresponds to the equity investments held by Holding Malakoff Humanis.

True-Up on OPCI Vivaldi's 2022 financial statements

Given the MH Group's closing deadlines, the financial statements of OPCI Vivaldi included in the combination are based on the best estimates available at the time, particularly with regard to the valuation of its assets.

For the 2022 financial year, the receipt of final valuations of certain assets led the entity to close its statutory financial statements at a lower level.

In this context, the main impacts, not taken into account, on the MH Group financial statements are broken down by item as follows:

- Non-insurance investments: -€71 million
- Own funds (group share) - €47 million
- Net income (group share) -€1 million,

4.4 Equity-accounted investments

None: no entity is accounted for by the equity method.

4.5 Reinsurers' share of technical provisions

| in € thousands | 31 Dec 2022 | | | 31 Dec 2021 | | |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Life | Non-life | Total | Life | Non-life | Total |
| Reserves for unearned premiums | | | 0 | | | 0 |
| - Life insurance reserves | 685,162 | | 685,162 | 936,771 | | 936,771 |
| Claims reserves | 551,376 | 1,661,845 | 2,213,221 | 299,974 | 1,424,948 | 1,724,922 |
| Policyholder participation reserves | 303,457 | 140,926 | 444,383 | 276,073 | 150,430 | 426,503 |
| Equalisation reserves | | | 0 | | | 0 |
| - Other technical provisions | | 1,512,710 | 1,512,710 | | 1,548,959 | 1,548,959 |
| Unit-linked reserves | 26,301 | | 26,301 | 15,702 | | 15,702 |
| TOTAL | 1,566,296 | 3,315,481 | 4,881,777 | 1,528,520 | 3,124,337 | 4,652,857 |

Contractual equalisation reserves were reclassified as reserves for policyholder participation of €443.5 million.

4.6 Statement of receivables by maturity

| in € thousands | 31 Dec 2022 | | | | | | 31 Dec 2021 |
|---|------------------|----------------|------------------|------------------|---------------------|-----------|------------------|
| | Gross amount | Provisions | Net amount | < 1 year | >1 year / < 5 years | > 5 years | Net amount |
| Receivables arising from insurance or reinsurance transactions | 4,829,418 | -74,670 | 4,754,748 | 4,752,834 | 1,886 | 28 | 4,637,487 |
| Premiums earned not written | 1,684,566 | | 1,684,566 | 1,684,566 | | | 1,626,150 |
| Other receivables arising from direct insurance transactions | 700,013 | -74,670 | 625,343 | 625,306 | 9 | 28 | 705,101 |
| Receivables arising from reinsurance transactions | 2,444,839 | | 2,444,839 | 2,442,962 | 1,877 | | 2,306,236 |
| Other receivables | 270,607 | -685 | 269,922 | 208,469 | 61,453 | 0 | 259,970 |
| Employee related receivables | 442 | | 442 | 276 | 166 | | 330 |
| State, social bodies and public authorities | 73,701 | | 73,701 | 73,701 | | | 95,420 |
| Deferred tax assets | 49,954 | | 49,954 | | 49,954 | | 49,954 |
| Sundry debtors | 146,510 | -685 | 145,825 | 134,492 | 11,333 | | 114,266 |
| TOTAL | 5,100,025 | -75,355 | 5,024,670 | 4,961,303 | 63,339 | 28 | 4,897,457 |

Deferred policyholder participation, included under “Other receivables from direct insurance transactions”, amounts to €40.6 million.

They are due to the elimination of capital gains realised on the sale of assets to OPCI Vivaldi by MHP (€3.5 million), QUATREM (€22.8 million) and CMAV (€14.3 million).

4.7 Other assets

| in € thousands | 31 Dec 2022 | | | 31 Dec 2021 |
|--|----------------|----------------|----------------|----------------|
| | Gross amounts | Amortisation | Net amounts | Net amounts |
| Operating property, plant and equipment | 15,835 | -10,577 | 5,258 | 5,296 |
| Property, plant and equipment | 2,263 | | 2,263 | 2,156 |
| Other operating property, plant and equipment | 13,572 | -10,577 | 2,995 | 3,140 |
| Current accounts and cash | 702,001 | | 702,001 | 530,171 |
| TOTAL | 717,836 | -10,577 | 707,259 | 535,467 |

No fixed assets are covered by a finance lease.

4.8 Accruals - Assets

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|---|----------------|----------------|
| Deferred acquisition costs | 3,585 | 3,473 |
| Life | 2,992 | 2,780 |
| Non-life | 593 | 693 |
| Interest and rent earned but not yet due | 177,771 | 186,594 |
| Other accruals - assets | -649 | 3,105 |
| TOTAL | 180,707 | 193,172 |

Deferred acquisition costs recorded in the combined financial statements correspond to those in the individual financial statements, see paragraph 2.10 above.

4.9 Combined own funds

| in € thousands | Capital and equivalent funds | Premiums | Combined reserves | Profit (loss) for the year | Total own funds |
|--|------------------------------|----------|-------------------|----------------------------|------------------|
| Position at 1 January 2020 | 23,952 | 0 | 5,267,422 | -52,981 | 5,238,393 |
| Appropriation of net income | | | -15,657 | 15,657 | 0 |
| 2020 net income - group share | | | | -144,255 | -144,255 |
| Other changes | | | -38,838 | 37,324 | -1,514 |
| Position as of 31 December 2020 | 23,952 | 0 | 5,212,927 | -144,255 | 5,092,624 |
| Appropriation of net income | | | -144,422 | 144,422 | 0 |
| 2021 net income - group share | | | | 221,563 | 221,563 |
| Other changes | 2,461 | | 283,764 | -167 | 286,058 |
| Position as of 31 December 2021 | 26,413 | 0 | 5,352,269 | 221,563 | 5,600,245 |
| Appropriation of net income | | | 238,285 | -238,285 | 0 |
| 2022 net income - group share | | | | 167,739 | 167,739 |
| Other changes | | | 98,587 | 16,722 | 115,309 |
| Position as of 31 December 2022 | 26,413 | 0 | 5,689,141 | 167,739 | 5,883,293 |

OPCI Vivaldi: impact of the true-up not taken into account in the combined financial statements: - €47 million (see 4.3.3 above)

4.9.1 Contribution of entities to combined own funds

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|---|------------------|------------------|
| Combined entities | 4,600,745 | 4,456,257 |
| SGAM Malakoff Humanis | 129,190 | 108,271 |
| Malakoff Humanis Prévoyance (MHP) | 2,863,489 | 2,776,288 |
| Malakoff Humanis Mutuelle (MMH) | 522,691 | 517,594 |
| CMAV | 110,398 | 106,613 |
| INPR | 371,191 | 354,306 |
| CAPREVAL | 25,757 | 25,422 |
| Malakoff Humanis Retraite Supplémentaire (MHRS) | 909 | -442 |
| Energie Mutuelle | 12,589 | 11,969 |
| Malakoff Humanis Nationale (MHN) | 80,033 | 83,478 |
| Mobilité Mutuelle | 61,919 | 61,082 |
| IPSEC | 58,473 | 81,802 |
| Radiance Mutuelle | 84,495 | 79,641 |
| Mutuelle Médicis | 279,611 | 250,233 |
| Consolidated entities | 1,282,548 | 1,143,988 |
| TOTAL | 5,883,293 | 5,600,245 |

4.9.2 Contribution of entities to the capitalisation reserve

The impact of the capitalisation reserve in the combined reserves amounts to €351,657k and represents 5.98% of own funds.

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|---|----------------|----------------|
| Malakoff Humanis Prévoyance (MHP) | 267,395 | 281,930 |
| CMAV | 5,939 | 5,939 |
| INPR | 128 | 129 |
| CAPREVAL | 303 | 309 |
| Malakoff Humanis Retraite Supplémentaire (MHRS) | 3,243 | 3,243 |
| Mobilité Mutuelle | 0 | 212 |
| IPSEC | 3 | 13 |
| Radiance Mutuelle | 513 | 513 |
| QUATREM | 46,400 | 38,254 |
| Malakoff Humanis Assurance (MHA) | 1,845 | 2,205 |
| Auxia | 25,888 | 26,086 |
| AXERIA Prévoyance | 0 | 8,986 |
| TOTAL | 351,657 | 367,819 |

4.10 Minority interests

| in € thousands | OPCI Vivaldi | MHGA | EPSSENS | Total minority interests |
|--|--------------|-----------|---------------|--------------------------|
| Position at 1 January 2020 | 6,700 | 28 | 12,358 | 19,086 |
| 2020 net income - Minority interests | 184 | 1 | 1,380 | 1,565 |
| Other changes | -64 | -19 | | -83 |
| Dividends paid to minority interests | | -3 | | -3 |
| Position as of 31 December 2020 | 6,820 | 7 | 13,738 | 20,565 |
| 2021 net income - Minority interests | 198 | 2 | 2,761 | 2,961 |
| Acquisition of minority interests by the group | -540 | | | -540 |
| Other changes | 570 | | | 570 |
| Dividends paid to minority interests | -159 | -1 | | -160 |
| Position as of 31 December 2021 | 6,889 | 8 | 16,499 | 23,396 |
| 2022 net income - Minority interests | -163 | | | -163 |
| Acquisition of minority interests by the group | -396 | | | -396 |
| Other changes | 835 | -8 | | 827 |
| Dividends paid to minority interests | 183 | | 236 | 419 |
| Position as of 31 December 2022 | 7,348 | 0 | 16,735 | 24,083 |

OPCI Vivaldi: 0.02% change in % stake (99.66% in 2021 vs. 99.68% in 2022).

4.11 Subordinated liabilities

| Date of issue | Maturity | Interest rate | Currency | Legal form | Issuers | Subscribers | Amounts in €k as of 31 December 2022 |
|-------------------|------------|---------------|----------|-------------------------------|------------------|-------------|--------------------------------------|
| 22/12/2000 | Perpetual | 4.00% | Euro | Non-voting loan stock | Energie Mutuelle | SCOR | 742 |
| Mutuelle Générale | | | | | | 183 | |
| FNMF | | | | | | 343 | |
| 22/10/2015 | 22/10/2025 | 5.75% | Euro | Redeemable subordinated notes | MHP | Multiple | 246,100 |
| TOTAL | | | | | | | 247,368 |

Energie Mutuelle redeemable subordinated notes

Redemption possible at the issuer's initiative from the 7th year (December 2007).

MHP redeemable subordinated notes

The issuer has an early redemption option subject to the prior approval of the ACPR from the 6th year (October 2020) and in accordance with the terms and conditions defined in the subscription form.

There is no method for setting the amount of the redemption of the redeemable subordinated notes by the issuer.

4.12 Technical provisions

| in € thousands | 31 Dec 2022 | | | 31 Dec 2021 | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Life | Non-life | Total | Life | Non-life | Total |
| Gross technical provisions | 15,946,788 | 10,623,527 | 26,570,315 | 15,901,178 | 10,456,265 | 26,357,443 |
| Reserves for unearned premiums | | 14,629 | 14,629 | | 14,837 | 14,837 |
| - Life insurance reserves | 13,161,922 | | 13,161,922 | 13,894,936 | | 13,894,936 |
| Claims reserves | 1,720,164 | 6,668,770 | 8,388,934 | 1,013,850 | 6,040,307 | 7,054,157 |
| Reserves for unexpired risks | | 16 | 16 | | 295 | 295 |
| Policyholder participation reserves and deferred participation liabilities | 1,064,477 | 381,335 | 1,445,812 | 992,392 | 423,606 | 1,415,998 |
| Of which deferred participation liabilities | 1,372 | 666 | 2,038 | 1,354 | 643 | 1,997 |
| Reserves for increasing risks | | 554,883 | 554,883 | | 487,002 | 487,002 |
| Equalisation reserves | | | 0 | | | 0 |
| - Other technical provisions | 225 | 3,003,894 | 3,004,119 | | 3,490,218 | 3,490,218 |
| Technical provisions - Unit-linked | 453,004 | - | 453,004 | 515,491 | - | 515,491 |
| TOTAL | 16,399,792 | 10,623,527 | 27,023,319 | 16,416,669 | 10,456,265 | 26,872,934 |

Contractual equalisation reserves are reclassified as policyholder participation reserves of €1,149.5 million.

The €2 million deferred participation liabilities recognised at MHP is due to the elimination of capital losses realised on the transfer of assets to OPCI Vivaldi and the elimination of the PERE ring-fenced assets.

4.13 Provisions for liabilities and charges

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|---|----------------|----------------|
| Provisions for employee benefit commitments | 106,512 | 107,470 |
| Retirement benefits | 103,653 | 106,842 |
| Long service awards | 2,859 | 628 |
| Other employee benefit commitments | | |
| Negative goodwill | 0 | - |
| Deferred tax liability | 0 | 0 |
| Other provisions for liabilities and charges | 45,192 | 47,151 |
| TOTAL | 151,704 | 154,621 |

Provisions for employee benefit commitments mainly correspond to retirement benefits covered by intra-group insurance policies taken out with CMAV, MHRS, Quatrem and MHP, amounting to €105.1 million.

The table does not include employee benefit commitments outsourced to non-Group entities, which amount to €58.6 million.

Retirement benefit calculation assumptions at 31 December 2022

| Assumptions | IAS 19 |
|---|--|
| Annual change in salaries | Target rate of 2.8% including inflation, with breakdown by age bracket according to the change observed between 2020 and 2021 |
| Discount rate | 3.31% |
| Rate of return on assets | According to the 2022 forecast rates sent by the insurers: - AXA: 2.02% - MHRS: 2.52% |
| Retirement age | The assumed retirement age is the maximum age between: - The age defined by MH by socio-professional category - The minimum statutory age according to the generation - The age recalculated with the minimum number of quarters required for full pension according to the age at the start of professional activity defined by MH - The age calculated on the assessment date + 1 day Retirement age used: minimum age between the age obtained above and the minimum age for full pension. |
| Type of retirement for lump sum retirement benefits | 100% voluntary |
| Social security and tax rates | 60.00% |
| Mortality tables | INSEE 2014-2016 |
| Harmonised turnover tables | The rate used is the one observed on average over the last three years. It is calculated by age bracket and socio-professional category. It is zero after age 55 for all socio-professional categories. The reason for leaving is resignation. |

4.14 Statement of liabilities by maturity

| in € thousands | 31 Dec 2022 | | | | 31 Dec 2021 |
|---|------------------|------------------|---------------------|----------|------------------|
| | Amount | < 1 year | >1 year / < 5 years | +5 years | Amount |
| Liabilities arising from insurance or reinsurance transactions | 3,288,387 | 3,287,051 | 1,336 | 0 | 2,965,325 |
| Liabilities for cash deposits received from reinsurers | 481,485 | 481,485 | | | 457,035 |
| Liabilities arising from direct insurance transactions | 299,526 | 299,526 | | | 295,204 |
| Liabilities arising from reinsurance transactions | 2,507,376 | 2,506,040 | 1,336 | | 2,213,086 |
| Amounts due to credit institutions | 48,600 | 48,600 | 0 | 0 | 16,261 |
| Other liabilities | 535,402 | 535,402 | 0 | 0 | 807,819 |
| Other borrowings, deposits and guarantees received | 1,374 | 1,374 | | | 213,468 |
| Staff | 9,202 | 9,202 | | | 10,160 |
| State, social bodies and public authorities | 161,790 | 161,790 | | | 204,138 |
| Deferred tax liabilities | 0 | | | | 0 |
| Other liabilities | 363,036 | 363,036 | | | 380,053 |
| TOTAL | 3,872,389 | 3,871,053 | 1,336 | 0 | 3,789,405 |

4.15 Accruals - liabilities

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|---|---------------|--------------|
| Reinsurance technical assessments | | |
| Deferred commissions received from reinsurers | | |
| Other accruals - liabilities | 16,450 | 9,354 |
| TOTAL | 16,450 | 9,354 |

4.16 Commitments received and given

4.16.1 Commitments received and given by insurance companies

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|---|------------------|------------------|
| Commitments received | 4,957,648 | 5,459,702 |
| Securities received as collateral from reinsurers | 2,219,557 | 2,035,953 |
| Other commitments received (on forward financial instruments) | | |
| Other securities held on behalf of third parties | 2,648,714 | 3,404,903 |
| Other commitments received | 89,377 | 18,846 |
| Commitments given | 655,148 | 571,242 |
| Endorsements, sureties & credit guarantees given | | |
| Other commitments on securities, assets or income | 606,729 | 568,451 |
| Other commitments given (on forward financial instruments) | | |
| Other commitments given | 48,419 | 2,791 |

Other securities held on behalf of third parties (€2,649 million): see significant events relating to securities lending.

4.16.2 Commitments received from and given by other companies

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|---|----------------|----------------|
| Commitments received | 0 | 0 |
| Securities received as collateral from reinsurers | | |
| Other commitments received (on forward financial instruments) | | |
| Other securities held on behalf of third parties | | |
| Other commitments received | | |
| Commitments given | 658,461 | 659,961 |
| Endorsements, sureties & credit guarantees given | 19 | 19 |
| Other commitments on securities, assets or income | | |
| Other commitments given (on forward financial instruments) | | |
| Other commitments given | 658,442 | 659,942 |

Other commitments given (€658 million) relate to shareholder advance agreements between OPCI Vivaldi and various SCIs.

5 Information on the income statement

5.1 Segment income statements

5.1.1 Non-life insurance technical account

| in € thousands | 31 Dec 2022 | | | 31 Dec 2021 |
|---|--------------------|-----------------------------|-------------------|-------------------|
| | Gross transactions | Disposals and retrocessions | Net transactions | Net transactions |
| Earned premiums | 5,215,919 | -824,024 | 4,391,895 | 4,359,625 |
| Share of technical account in net investment income | 170,013 | | 170,013 | 148,398 |
| Other technical income | 6,339 | | 6,339 | 5,769 |
| Claims expenses | -5,030,130 | 727,763 | -4,302,367 | -4,074,194 |
| - Benefits and expenses paid | -4,385,495 | 483,215 | -3,902,280 | -3,853,297 |
| - Claims reserves expenses | -644,635 | 244,548 | -400,087 | -220,897 |
| Expenses for other technical provisions | 431,145 | -27,077 | 404,068 | 108,947 |
| Profit sharing | 2,328 | -9,927 | -7,599 | 79,863 |
| Acquisition and administration costs | -806,883 | 113,017 | -693,866 | -638,384 |
| - Acquisition costs | -428,156 | | -428,156 | -350,052 |
| - Administration costs | -378,727 | | -378,727 | -391,684 |
| - Commissions received from reinsurers | | 113,017 | 113,017 | 103,352 |
| Other technical expenses | -49,908 | | -49,908 | -32,708 |
| Technical result of non-life insurance | -61,177 | -20,248 | -81,425 | -42,684 |
| Net investment income excluding share of technical account | | | 44,597 | 45,087 |
| Non-life current operating income | | | -36,828 | 2,403 |

5.1.2 Life insurance technical account

| in € thousands | 31 Dec 2022 | | | 31 Dec 2021 |
|---|--------------------|-----------------------------|-------------------|-------------------|
| | Gross transactions | Disposals and retrocessions | Net transactions | Net transactions |
| Earned premiums | 1,610,001 | -408,263 | 1,201,738 | 1,068,517 |
| Share of technical account in net investment income | 333,054 | | 333,054 | 281,184 |
| Adjustments for ACAV variable capital contracts (capital gain) | 20 | 0 | 20 | 36,293 |
| Other technical income | 7,532 | | 7,532 | 8,125 |
| Claims expenses | -2,197,564 | 598,288 | -1,599,276 | -1,752,591 |
| - Benefits and expenses paid | -1,488,589 | 345,330 | -1,143,259 | -1,786,431 |
| - Claims reserves expenses | -708,975 | 252,958 | -456,017 | 33,840 |
| Expenses for other technical provisions | 1,025,907 | -256,057 | 769,850 | 744,470 |
| - Life insurance reserves | 993,677 | -266,656 | 727,021 | 780,298 |
| - Reserves on unit-linked contracts | 32,533 | 10,599 | 43,132 | -35,829 |
| - Other technical provisions | -303 | | -303 | 1 |
| Profit sharing | -296,340 | 31,831 | -264,509 | -31,261 |
| Acquisition and administration costs | -256,628 | 32,196 | -224,432 | -190,235 |
| - Acquisition costs | -134,110 | | -134,110 | -93,368 |
| - Administration costs | -122,518 | | -122,518 | -123,664 |
| - Commissions received from reinsurers | | 32,196 | 32,196 | 26,797 |
| Adjustments for ACAV variable capital contracts (capital loss) | -51,222 | | -51,222 | -529 |
| Other technical expenses | -13,102 | | -13,102 | 4,079 |
| Technical result of life insurance | 161,658 | -2,005 | 159,653 | 168,052 |
| Employee profit-sharing | | | -1,982 | -514 |
| Net investment income excluding share of technical account | | | 82,885 | 48,393 |
| Life current operating income | | | 240,556 | 215,931 |

5.2 Breakdown of premiums by activity and by entity

5.2.1 Breakdown of gross premiums by entity

| in € thousands | 31 Dec 2022 | | | 31 Dec 2021 | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | Non-life | Life | Total | Non-life | Life | Total |
| Combined entities | 3,621,206 | 966,379 | 4,587,585 | 3,721,881 | 824,748 | 4,546,629 |
| Malakoff Humanis Prévoyance (MHP) | 2,666,979 | 642,460 | 3,309,439 | 2,730,222 | 703,413 | 3,433,635 |
| Malakoff Humanis Mutuelle (MMH) | 460,307 | 170 | 460,477 | 497,393 | 173 | 497,566 |
| CMAV | 19 | 5,466 | 5,485 | 15 | 5,265 | 5,280 |
| INPR | 20,576 | 9,166 | 29,742 | 22,506 | 9,575 | 32,081 |
| CAPREVAL | 7,293 | 2,301 | 9,594 | 7,614 | 2,217 | 9,831 |
| Malakoff Humanis Retraite Supplémentaire (MHRS) | | 236,228 | 236,228 | | 31,573 | 31,573 |
| Energie Mutuelle | 41,390 | | 41,390 | 39,017 | | 39,017 |
| Malakoff Humanis Nationale | 158,022 | 2,363 | 160,385 | 164,000 | 2,294 | 166,294 |
| Mobilité Mutuelle | 70,701 | | 70,701 | 69,410 | | 69,410 |
| IPSEC | 128,517 | 23,285 | 151,802 | 123,796 | 24,233 | 148,029 |
| Radiance Mutuelle | 67,402 | 231 | 67,633 | 67,908 | 255 | 68,163 |
| Mutuelle Médicis | | 44,709 | 44,709 | | 45,750 | 45,750 |
| Consolidated entities | 1,594,713 | 643,622 | 2,238,335 | 1,411,081 | 636,301 | 2,047,382 |
| QUATREM | 1,508,936 | 452,733 | 1,961,669 | 1,073,007 | 395,377 | 1,468,384 |
| Auxia | 26,103 | 173,547 | 199,650 | 27,292 | 156,710 | 184,002 |
| Auxia Assistance | 13,186 | | 13,186 | 14,069 | | 14,069 |
| Malakoff Humanis Assurance (MHA) | 46,488 | 17,342 | 63,830 | 39,887 | 15,798 | 55,685 |
| AXERIA Prévoyance | | | | 256,826 | 68,416 | 325,242 |
| TOTAL | 5,215,919 | 1,610,001 | 6,825,920 | 5,132,962 | 1,461,049 | 6,594,011 |

5.2.2 Breakdown of gross premiums by category

| in € thousands | 31 Dec 2022 | | 31 Dec 2021 | |
|---|------------------|---------------|------------------|---------------|
| Group | 5,536,675 | 81.1% | 5,445,314 | 82.6% |
| Personal protection | 2,046,918 | 30.0% | 2,122,402 | 32.2% |
| Life insurance | 877,088 | 12.8% | 950,717 | 14.4% |
| Non-life insurance (including long-term care) | 1,169,830 | 17.1% | 1,171,685 | 17.8% |
| Health | 3,085,382 | 45.2% | 3,095,087 | 46.9% |
| Retirement savings | 404,375 | 5.9% | 227,825 | 3.5% |
| Individual | 1,289,245 | 18.9% | 1,148,697 | 17.4% |
| Personal protection | 225,617 | 3.3% | 173,911 | 2.6% |
| Life insurance | 109,989 | 1.6% | 81,161 | 1.2% |
| Non-life insurance (including long-term care) | 115,628 | 1.7% | 92,750 | 1.4% |
| Health | 845,079 | 12.4% | 773,440 | 11.7% |
| Retirement savings | 218,549 | 3.2% | 201,346 | 3.1% |
| TOTAL | 6,825,920 | 100.0% | 6,594,011 | 100.0% |

5.3 Net interest income

| in € thousands | 31 Dec 2022 | | | 31 Dec 2021 | | |
|--|-----------------|-----------------|-----------------|----------------|-----------------|-----------------|
| | Non-life | Life | Total | Non-life | Life | Total |
| Investment income | 316,125 | 583,996 | 900,121 | 253,052 | 479,313 | 732,365 |
| Investment income | 131,382 | 298,740 | 430,122 | 147,015 | 294,542 | 441,557 |
| Other investment income | 39,651 | 85,994 | 125,645 | 24,327 | 73,258 | 97,585 |
| Income from disposal of investments | 145,092 | 199,242 | 344,334 | 81,710 | 75,220 | 156,930 |
| ACAV adjustments (capital gains) | | 20 | 20 | | 36,293 | 36,293 |
| Investment expenses | -101,514 | -219,260 | -320,774 | -59,567 | -113,972 | -173,539 |
| Internal and external investment management fees and interests | -25,691 | -35,784 | -61,475 | -23,138 | -25,768 | -48,906 |
| Other investment expenses | -21,121 | -62,208 | -83,329 | -26,054 | -55,156 | -81,210 |
| Losses on disposal of investments | -54,702 | -70,046 | -124,748 | -10,375 | -32,519 | -42,894 |
| ACAV adjustments (capital losses) | | -51,222 | -51,222 | | -529 | -529 |
| Net interest income | 214,611 | 364,736 | 579,347 | 193,485 | 365,341 | 558,826 |
| Of which non-technical financial income | 44,597 | 82,885 | 127,482 | 45,087 | 48,393 | 93,480 |

5.4 Other net income

This heading includes the non-technical income and expenses of the insurance companies, as well as the operating and financial results of the other activities.

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|--|-----------------|---------------|
| Other non-technical income and expenses of insurance companies | - 56,351 | - 48,642 |
| Of which social action | - 40,407 | - 36,810 |
| Operating income from other activities | - 3,400 | 10,467 |
| Financial income from other activities | 39,810 | 109,209 |
| TOTAL | - 19,941 | 71,034 |

Operating income from other activities

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|--|----------------|----------------|
| Operating income from other activities | - 3,400 | 10,467 |
| Revenue | 44,624 | 81,010 |
| Other operating income | 146 | 511 |
| External expenses | - 36,510 | - 51,612 |
| Personnel costs | - 1,934 | - 2,447 |
| Taxes and duties | - 9,452 | - 16,246 |
| Depreciation, amortisation and provisions (additions or reversals) | - 274 | - 749 |
| Financial income from other activities | 39,810 | 109,209 |
| TOTAL | 36,410 | 119,676 |

Income from other activities mainly comprises income from brokerage, employee savings and real estate activities (OPCI and MH Puccini).

5.5 Non-recurring income

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|------------------------|---------------|----------------|
| Non-recurring income | 93,574 | 14,234 |
| Non-recurring expenses | -103,095 | -75,220 |
| TOTAL | -9,521 | -60,986 |

Non-recurring income comprises mainly:

- Capital gains on disposals Sienna Gestion (formerly MHGA): €22 million (see significant events)
- Capital gains on the sale of LBP Asset Management: €6 million
- Store closures: - €6 million
- Galileo project: - €34 million

6 Other information

6.1 Deferred taxes

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|---|---------------|---------------|
| Deferred tax assets on tax loss carryforwards | | |
| Deferred tax assets on deductible timing differences | 49,954 | 49,954 |
| Deferred tax liabilities on taxable timing differences | | |
| TOTAL | 49,954 | 49,954 |
| Of which assets (other receivables) | 49,954 | 49,954 |
| Of which liabilities (provisions for liabilities and charges) | | |

Tax loss carryforwards give rise to the recognition of deferred tax assets only if it is highly probable that they will be offset against future taxable profits (see paragraph 2.18).

In accordance with ANC regulation 2020-01, the following is a list, for the most significant entities, of deferred tax assets not recognised as a precautionary measure.

The total amount for 2022 is €79 million, of which:

- MHP: €25 million
- QUATREM: €13 million
- MMH: €5 million

Unrecognised deferred tax mainly concerns transactions related to the so-called 209 0A tax provisions (early taxation of capital gains and losses on certain securities) and to non-deductible reserves (general reserves), the timing of which remains uncertain in terms of the Group's projected earnings.

6.2 Tax breakdown

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|----------------|---------------|-------------|
| Current tax | -3,147 | -1,836 |
| Deferred taxes | 0 | 939 |
| TOTAL | -3,147 | -897 |

6.3 Tax reconciliation

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|--|----------------|----------------|
| Theoretical tax expense | -29,039 | -36,895 |
| Expense of premiums net of tax credits | -4,788 | -2,069 |
| Use of previous loss carryforwards | 467 | 8,439 |
| Change in deferred taxes | 0 | 939 |
| Theoretical corporate tax not capitalised on accounting losses | -76,590 | -47,009 |
| Timing and permanent differences | 106,124 | 40,059 |
| Tax consolidation bonus | 20,905 | 60,237 |
| Other differences | -20,227 | -23,654 |
| Employee profit-sharing | 0 | -943 |
| Income tax | -3,147 | -897 |

The change in the "Employee profit-sharing" item is mainly due to the deconsolidation of Sienna Gestion, whose 2021 amount was €847k.

6.4 Personnel costs

| in € thousands | 31 Dec 2022 | 31 Dec 2021 |
|-------------------------|----------------|----------------|
| Wages and salaries | 342,032 | 358,090 |
| Social security charges | 140,015 | 138,606 |
| Other expenses | 34,080 | 36,732 |
| TOTAL | 516,127 | 533,428 |

| Workforce | 31 Dec 2022 | 31 Dec 2021 |
|--------------|--------------|--------------|
| Managers | 2,727 | 2,700 |
| Non-managers | 3,493 | 3,646 |
| TOTAL | 6,220 | 6,346 |

The personnel costs and the workforce mentioned above represent the shares allocated to:

- The members of AMAP,
- The members of GIE Auxia Gestion (Auxia, Auxia Assistance, Laffitte Courtagé).

Holding Malakoff Humanis does not have its own staff and receives services from AMAP under a de facto grouping agreement.

The other entities in the scope of consolidation have their own staff, but some of them have also signed agreements with AMAP or other group entities for the provision of personnel or services.

6.5 Amount of statutory auditors' fees

In accordance with the provisions of ANC Regulation No. 2016-07 of 4 November 2016 approved by the decree of 26 December 2016, the Malakoff Humanis group has chosen to publish information on statutory auditors' fees in the group's combined financial statements.

In this respect, the amount of 2022 expenses recognised by the companies included in the combination scope amounts to €2.4 million for statutory audit assignments and €0.2 million for additional audit assignments.

In addition, in order to comply with the ANC regulation amending the PCG (ANC, regulation 2016-07 of 4 November 2016, amending ANC regulation 2014-03 relating to the PCG, order of 26 December 2016, OJ of 28), information on the distribution of fees between the statutory auditors is now mandatory. For the group, in 2022, this breakdown is as follows:

- KPMG: €1 million,
- Mazars: €1 million,
- Grant Thornton: €162k,
- Prismaudit International: €44k,
- De Lacviver: €41k.

6.6 Events after the balance sheet date

Draft pension reform

In view of the planned reform of the French pension system in 2023, the MH Group is monitoring the associated practical arrangements and will assess the potential impact on our business, particularly in Personal protection, of raising the retirement age (pricing, underwriting, technical provisions).