



# H1-2022 RESULTS

## PRESENTATION TO FINANCIAL ANALYSTS

28 JULY 2022



# H1-2022 RESULTS: NET INCOME AT €144.4M – ROATE STANDS AT 15.4%

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# PART 1

## H1-2022 HIGHLIGHTS



# COFACE REPORTS €144.4M NET PROFIT IN H1-2022; SOLVENCY AT 192%

**Turnover reached €895m y-t-d, up 14.6% at constant FX and perimeter and up 16.5% on a reported basis**

- › Trade Credit Insurance premiums growing by 16.1% driven by high client activity in inflationary environment
- › Client retention at record highs (93.9%); pricing down (-3.0%) in line with Q1-22
- › Business information momentum continues (revenues up +15.5% at constant FX) with high double digit growth in new business and continued high pace of investment

**H1-2022 net loss ratio at 39.4%, up by 18.0%. Net combined ratio at 66.0% (improved 1.5% excl. public schemes)**

- › Gross loss ratio at 30.6%, up by 1.1 ppt, as normalization of risk environment continues
- › Net cost ratio down by (3.9) ppts at 26.6% reflecting continued operating leverage and higher reinsurance commissions
- › As expected, no significant remaining impact from government schemes

**Net income (group share) at €144.4m, of which €78.2m in Q2-2022; annualised RoATE<sup>1</sup> at 15.4%**

**Estimated Solvency ratio at 192%<sup>2</sup>, above the target range (155% -175%)**

**With Laetitia Leonard-Reuter and Laurent Musy appointments, board now reached full gender parity**

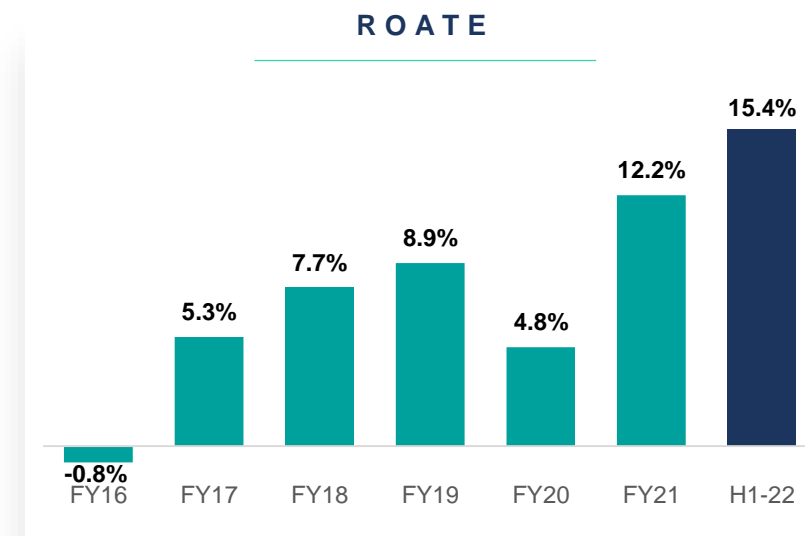
**Coface ESG rating upgraded to AAA from AA by MSCI. Year to date NPS at an industry leading 37%**

<sup>1</sup> RoATE = Average return on equity

<sup>2</sup> This estimated solvency ratio disclosed is a preliminary calculation made according to Coface's interpretation of Solvency II regulations and using the Partial Internal Model. The final calculation may differ from this preliminary calculation. The estimated Solvency ratio is not audited.

# DEEP TRANSFORMATION DRIVE STRONG LONG TERM KPIS

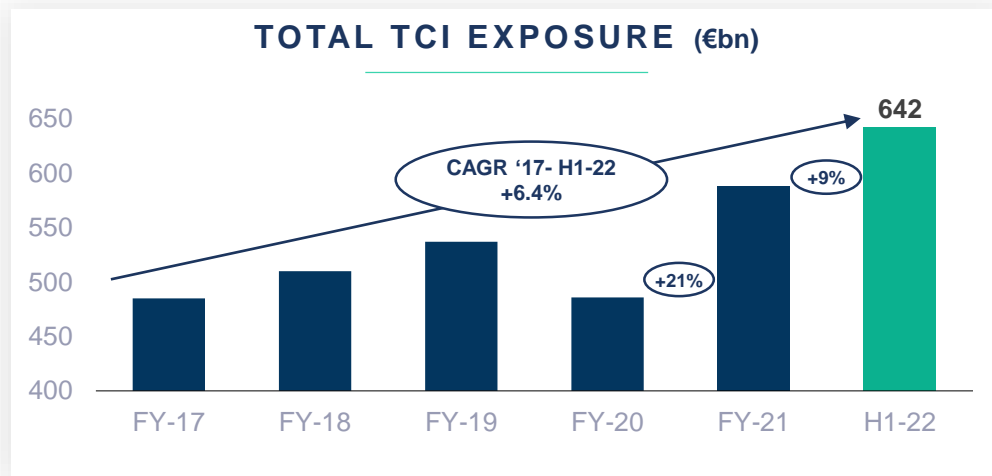
	H1-2016	H1-2022	Variation	
<b>Gross Earned Premiums</b>	€566 million	€754 million	+33%	✓
<b>Client retention</b>	90.2%	93.9%	+3.7 pts	✓
<b>Solvency</b>	155%	192%	+37 pts	✓
<b>Shareholders Equity</b>	€1,740 million	€1,927 million	+11%	✓
<b>Net cost ratio</b>	34.4% (excl. SEGM*)	26.6% (26.3% w/o schemes)	-7.8 pts	✓
<b>Net loss ratio</b>	60.8% (excl SEGM*)	39.4% (33.7% w/o schemes)	-21.4 pts	✓
<b>Net combined ratio</b>	95.2% (excl. SEGM*)	66.0% (60.0% w/o schemes)	-29.2 pts	✓



	H1-2019	H1-2022	Variation	
<b>Full scope information turnover</b>	€17.6 million	€25.9 million	+47%	✓

\* Excl SEGM = excluding State Export Guarantees Management

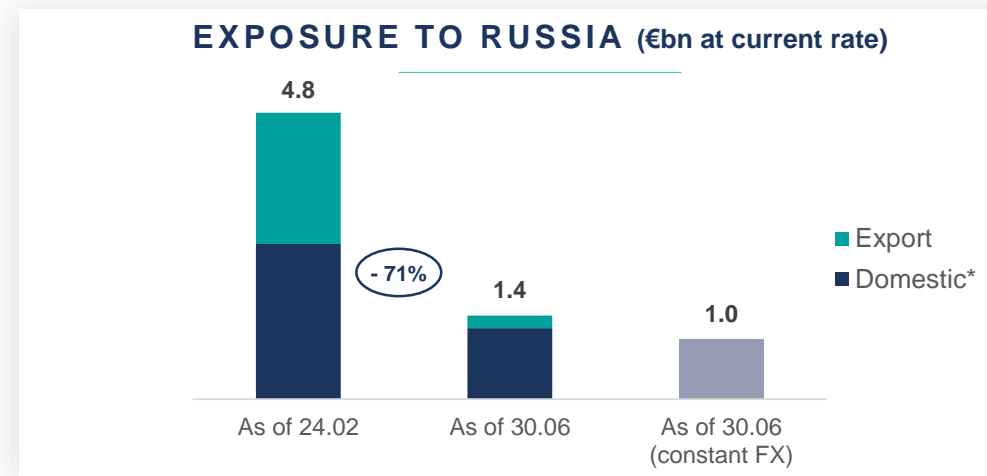
# UNDERWRITING DISCIPLINE CORE TO OUR LONG TERM STRATEGY



## MANAGING RISK

- Growing TCI exposure in line with premiums (+7.0% CAGR)
- Driving down share of exposures to lower DRAs (Debtor Risk Assessment), close to record lows
- Maintaining average DRA close to recent highs

# ACTIVELY MITIGATING REMAINING UKRAINE / RUSSIA RISKS



## CURRENT STATUS

- Exposure at constant FX down by 80% since mid-Feb 22
- 85% of remaining exposures are domestic
- Claims activity still moderate
- High level of reserves versus notified claims
- Maintaining debt collection and key risks capability in Russia while right sizing operations

\* Exposure in Russian rouble

# CSR: EMBEDDING STRATEGY AND SETTING TARGETS\*

ACTIONS TAKEN

NEXT STEPS

TARGET

## RESPONSIBLE INSURER

- › Improved ESG rating of investment portfolio from C- to C
- › Built and tested internal tool to assess environmental impact of debtor portfolio
- › Integrated 3 ESG indicators into Risk Appetite Statement

**Integrating climate in our risk monitoring (ORSA)**

- › Further improve investment portfolio ESG rating
- › Integrate environmental impact into commercial policy
- › Upgrade procurement policy



20% reduction of investment portfolio emissions by 2025

## RESPONSIBLE EMPLOYER

- › Diversity & Inclusion:
  - ✓ 84/100 in the Group Gender Index (+3 pts vs 2020)
  - ✓ Signed "Autre cercle" charter

**Formal D&I policy approved by the board**

- › Increased employee engagement (+24 pts)
- › Drove employee development (mentoring, international mobility: +100% over last 12 months)

- › Strengthen on boarding program and functional Academies (over 1,550 participants in Commercial, Underwriting, and BI academies since inception)
- › Promote equal opportunities in the regions



40% women in top 200 manager by 2030

## RESPONSIBLE ENTERPRISE

**Completed a full carbon footprint assessment**

- › Reduced Coface carbon footprint:
  - ✓ Introduction of hybrid and electric cars in the car fleet
  - ✓ Travel policy
  - ✓ Flex office, etc.

- › Develop reduction plan to achieve Net Zero
- › Define responsible IT ambition and roadmap



3g reduction in average CO<sub>2</sub>e for the French car fleet in 2022

## DRIVING THE CULTURE

- › Appointed Senior group CSR Manager

**Upgraded from AA to AAA by MSCI rating**

- › Drove engagement through internal communication
- › Supported grass root employee-driven initiative Green to Lead

**Implemented CSR governance**

- › Joining public initiative (e.g. Principles for Responsible Insurance)
- › Strengthen awareness of CSR across the Group



Train 100% employees in 2022

\* New / update since the beginning of the year

# CORPORATE GOVERNANCE FOLLOWING THE LAST AGM ON 17 MAY 2022

## Board of directors

### Chairman (independent)



**Bernardo SANCHEZ INCERA**  
Age: 62  
› Board member

### Independent directors



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



**Laetitia LEONARD-REUTER**  
Age: 47  
› CFO  
Generali France



**Nathalie LOMON**  
Age: 50  
› Senior executive VP, CFO  
Groupe SEB



**Sharon MACBEATH**  
Age: 53  
› Group Human Resources Dir.  
Hermes International



**Laurent MUSY**  
Age: 55  
› CEO  
Terreal

### Non independent directors\*



**Janice ENGLSBE**  
Age: 53  
› Senior VP & Chief Risk Officer  
Arch



**Chris HOVEY**  
Age: 55  
› Chief Operations Officer  
Arch



**David GANSBERG**  
Age: 49  
› CEO Global Mortgage Group  
Arch



**Nicolas PAPADOPOULOU**  
Age: 59  
› President & Chief Underwriting  
Arch

\* Representing Arch Capital Group Ltd.

### Key figures

10

Directors

Chairman

Independent

60%

Independent  
Directors

50%

Female  
Directors

50%

Non-French  
Directors

100%

board's committees  
chaired by female dir.

### AUDIT & ACCOUNTS COMMITTEE

- › 3 members: 2 independents incl. the chairman
  - › Laetitia Leonard-Reuter (Chm.)
  - › Isabelle Laforgue
  - › David Gansberg

### RISK COMMITTEE

- › 4 members: 3 independents incl. the chairman
  - › Nathalie Lomon (Chm.)
  - › Isabelle Laforgue
  - › Laurent Musy
  - › Janice Englesbe

### NOMINATION & COMPENSATION COMMITTEE

- › 3 members: 2 independents incl. the chairman
  - › Sharon MacBeath (Chm.)
  - › Bernardo Sanchez Incera
  - › Nicolas Papadopoulos

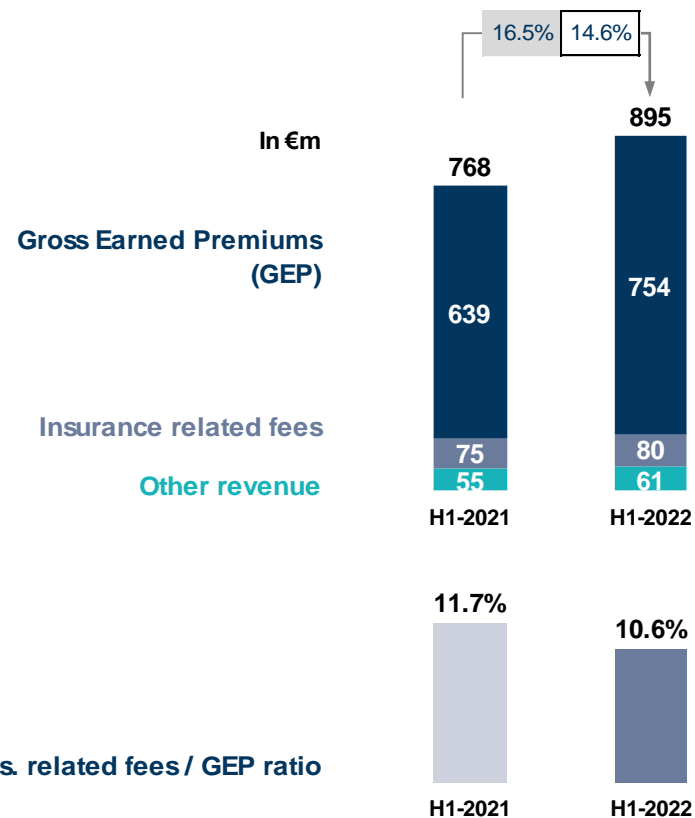




# PART 2

## H1-2022 RESULTS

# TURNOVER GROWTH AT 14.6% DRIVEN BY TCI PREMIUMS UP 16.1%



## Total revenue up 14.6% vs H1-2021 at constant FX and perimeter

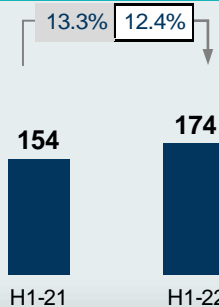
- › Trade credit insurance\* premiums growing at 16.1% at constant FX due to strong client activity and record high retention and up +18.1% at current FX on strong US dollar
- › Other revenue up by 8.5% vs H1-2021 at constant FX and perimeter with:
  - › Business information sales up +15.5% (+20.2% in Q2-22) with high double digit new business growth
  - › Still significantly lower debt collection fees
  - › Factoring up by 11.6%
- › Fees up by 5.6% at constant FX

\* Including Bonding and Single Risk

V% V% ex. FX

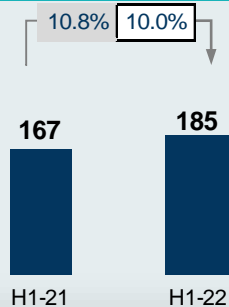
# STRONG CLIENT ACTIVITY IN INFLATIONARY CONTEXT AND HIGH RETENTION

## Western Europe



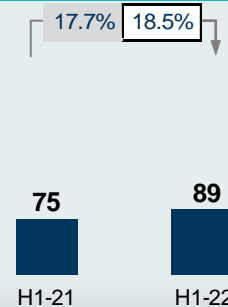
Good retention and activity.

## Northern Europe



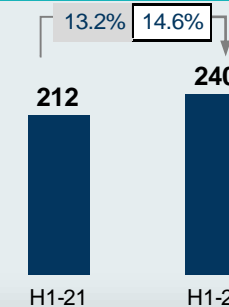
High retention and positive activity.  
Factoring growing +4.2%.

## Central Europe



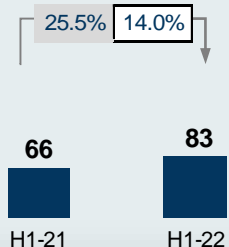
High retention and activity. Factoring  
growing +49.2%.

## Mediterranean & Africa



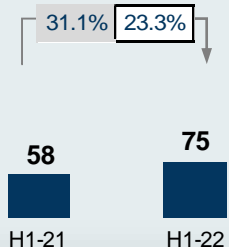
High new business and retention.  
Growth in services (+16.7%).

## North America



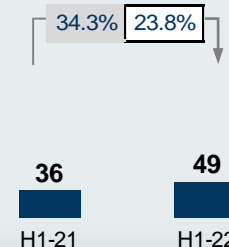
High client activity and positive FX  
development.

## Asia Pacific



High retention and activity drive  
premium increase.

## Latin America

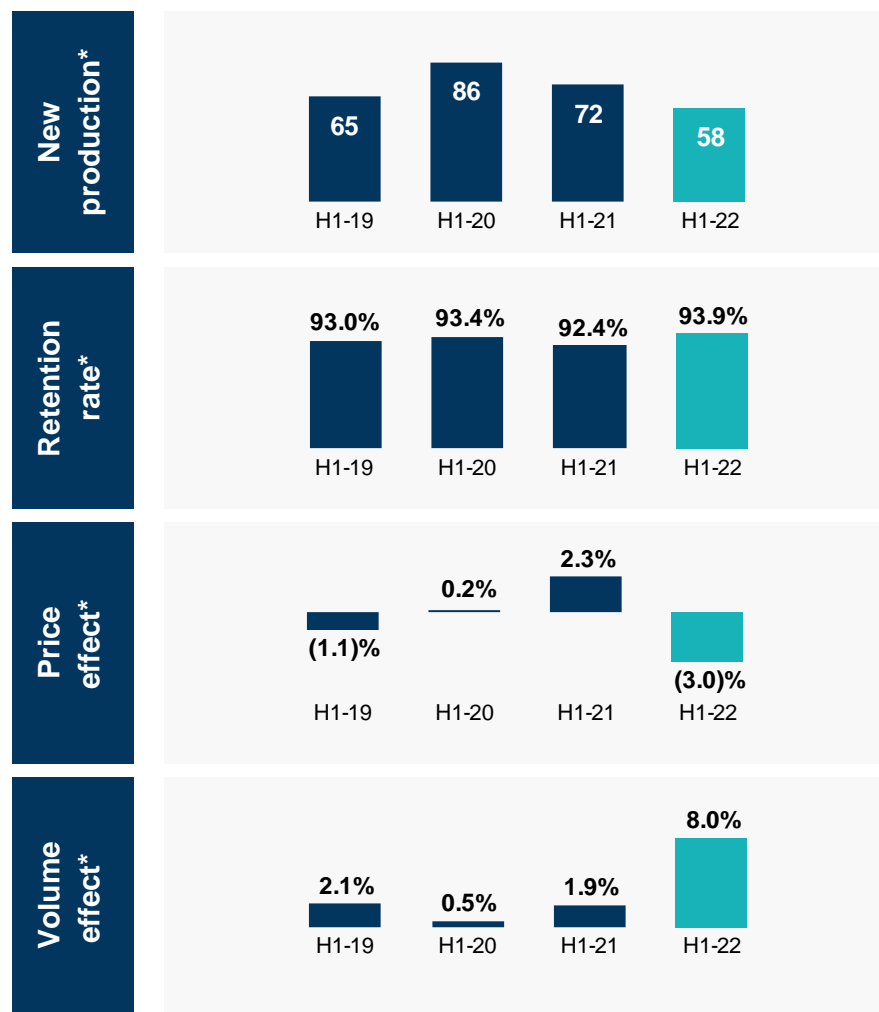


Strong retention and activity.

V% V% ex. FX

Total revenue by region, in € m

# VERY HIGH ACTIVITY AND INCREASINGLY COMPETITIVE MARKET



New production at €58m, as Coface remains committed to underwriting discipline despite market exuberance.



Retention rate at record level in a more competitive market.



Pricing is down by -3.0% during H1-2022, reflecting low loss activity in line with Q1-22 (-2.7%).



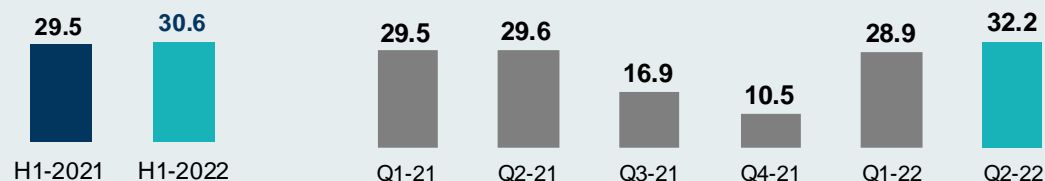
Record high client activity contribution reflects past economic rebound and inflationary context.

\* Portfolio as of 30 June 2022; and at constant FX and perimeter. New production: in € m



# GROSS LOSS RATIO AT 30.6% STILL BELOW MID CYCLE

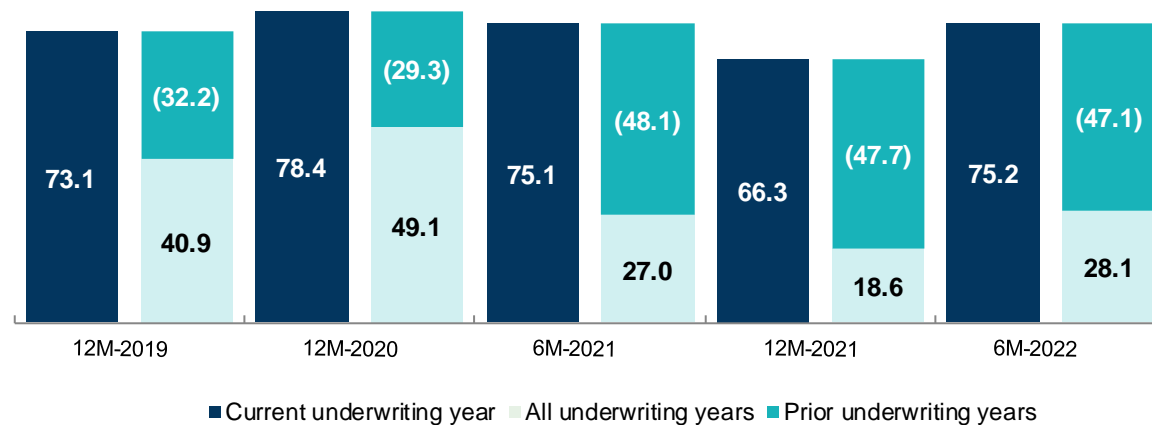
Loss ratio before reinsurance and including claims handling expenses, in %



- › Normalization is under way:
  - Frequency increasing since mid-21
  - Large losses increasing while still below average
  - Contained amount of claims related to Ukraine crisis

- › No change in reserving policy
- › Opening year loss ratio increased to account for higher economic uncertainty
- › Bulk of observed Ukraine risks related to underwriting year 2021
- › Prior year releases remain at very high levels

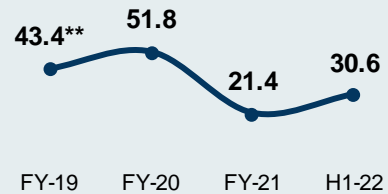
Loss ratio before reinsurance and excluding claims handling expenses, in %



# LOW LOSS RATIO ACROSS MOST REGIONS, UKRAINE IMPACTING CER THE MOST

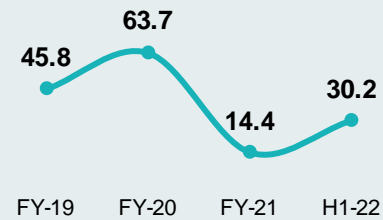
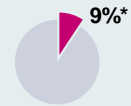
Loss ratio before reinsurance, including claims handling expenses – in %

## Group

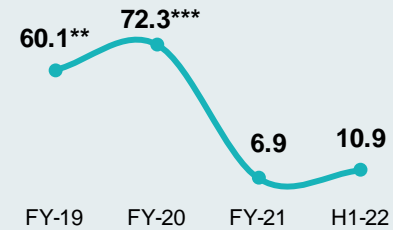
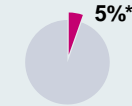


\*\*42.9% excl. FX

## North America

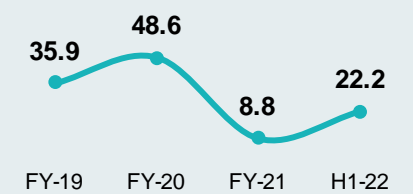
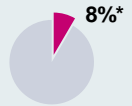


## Latin America

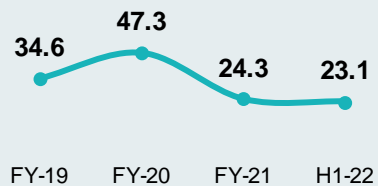
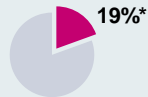


\*\*53.4% excl. FX \*\*\*69.3% excl. FX

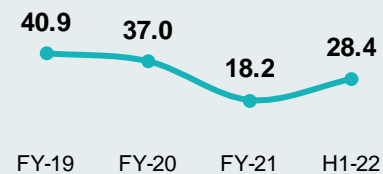
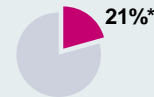
## Asia Pacific



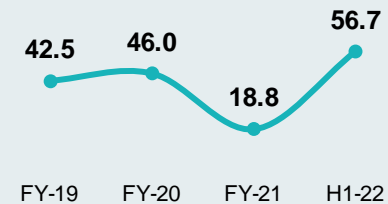
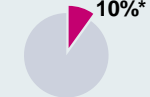
## Western Europe



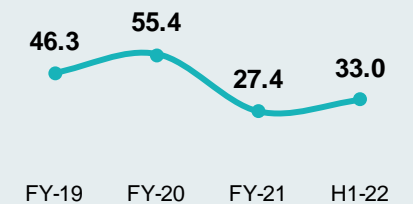
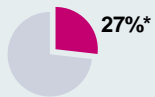
## Northern Europe



## Central Europe



## Mediterranean & Africa

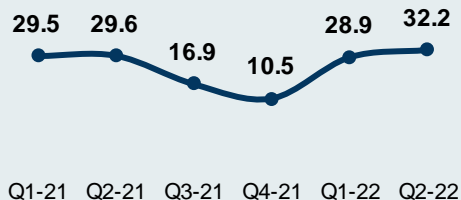


\*% of Total revenue by region

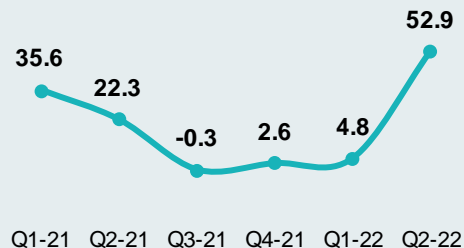
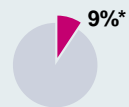
# A FEW LARGE CASES ON TOP OF ONGOING NORMALIZATION

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

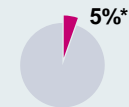
## Group



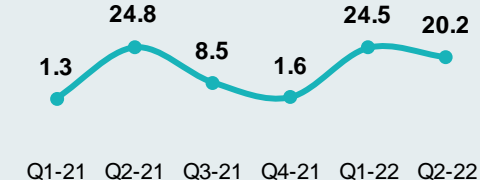
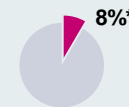
## North America



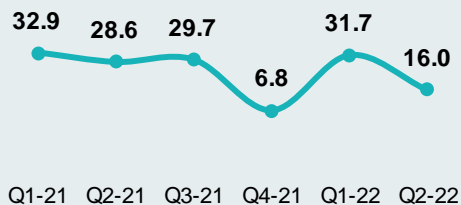
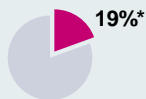
## Latin America



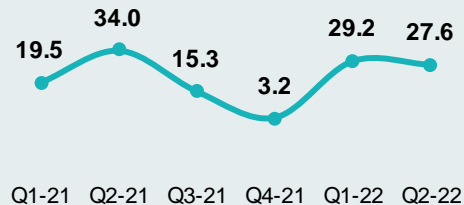
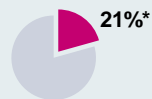
## Asia Pacific



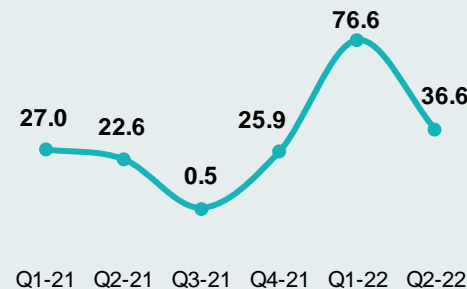
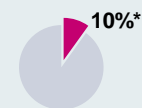
## Western Europe



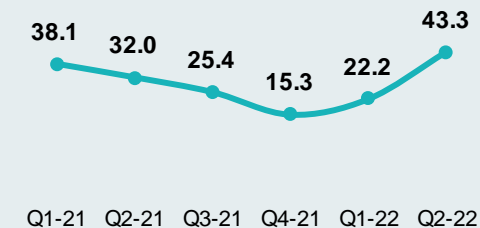
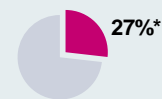
## Northern Europe



## Central Europe

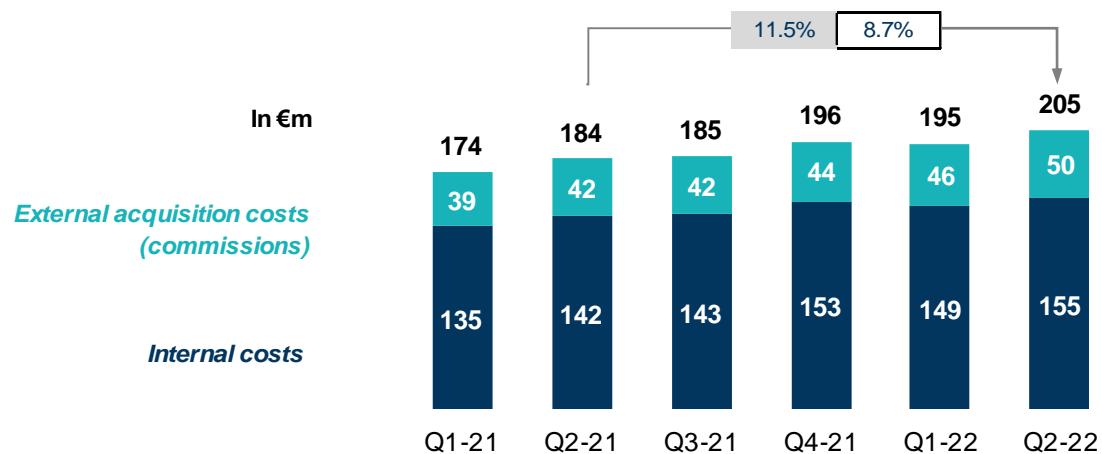


## Mediterranean & Africa

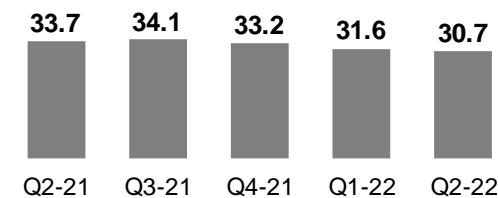


\*% of Total revenue by region

# CONTINUED OPERATING LEVERAGE DRIVEN BY LONG TERM PRODUCTIVITY PROGRAMS

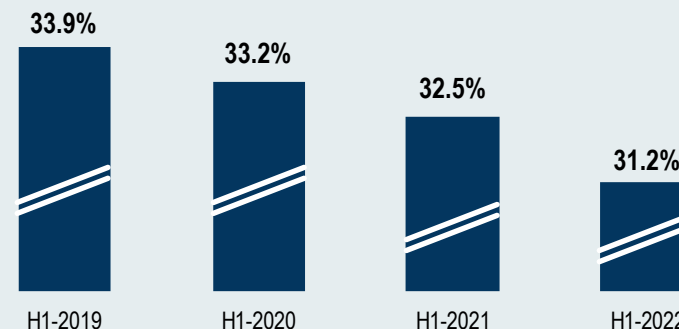


Cost ratio before reinsurance, in %



V% V% ex. FX

- › Cost inflation significantly lower than revenue growth while continuing to invest in technology and people
- › Gross cost ratio improves by 3 pts to record low
- › Continued operating leverage driven by long term productivity programs and capitalization on Covid period efficiency gains
- › Low claims environment continues to weight on debt collection revenues





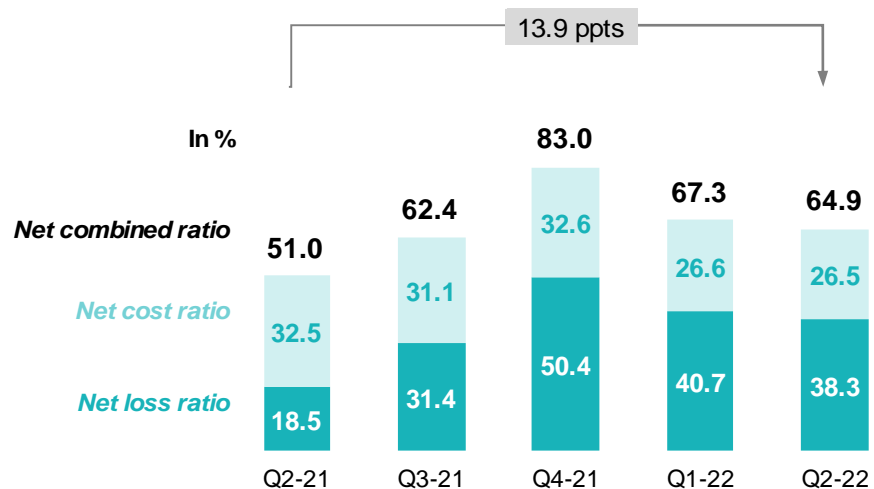
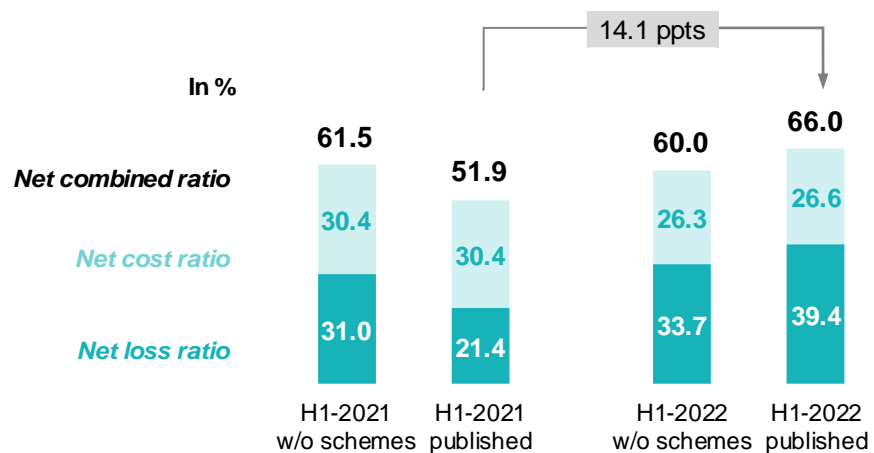
# RECORD LOW PAST LOSSES DRIVE REINSURANCE RESULT

- › Premium cession rate is down to 27.4% as public schemes have ended on June 30<sup>th</sup> 2021
- › Claims cession rate is down to 6.5% as positive development of previous years benefitted to reinsurers and in particular to public schemes in Q1-22
- › Successful private reinsurance renewals with unchanged 23% cession rate and improved conditions in a tighter market

	H1-21	H1-22
Gross earned premiums	638.7	754.0
Net earned premiums	328.9	547.1
<b>Premium cession rate</b>	<b>48.5%</b>	<b>27.4%</b>
Gross claims expenses	(188.7)	(230.8)
Net claims expenses	(70.4)	(215.8)
<b>Claims cession rate</b>	<b>62.7%</b>	<b>6.5%</b>

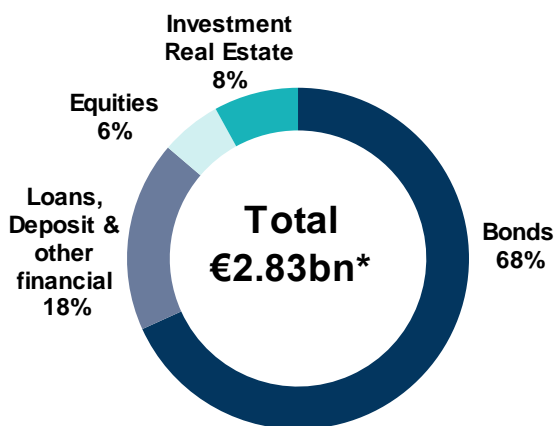
	H1-21	H1-22	V%
<b>Underwriting income before reinsurance</b>	<b>240.0</b>	<b>285.2</b>	<b>+19%</b>
<i>Reinsurance result</i>	(84.3)	(102.2)	+21%
<b>Underwriting income after reinsurance</b>	<b>155.8</b>	<b>183.0</b>	<b>+17%</b>

# NET COMBINED RATIO AT 66.0% ON STILL LOW LOSS RATIO



- › Net combined ratio increased to 66.0% (vs 51.9% in H1-2021) as claims ratio has started to normalize which includes impact of Russia / Ukraine crisis
- › Excluding public schemes impact (only in Q1-22) net combined ratio improved by 1.5 ppt on H1-22, driven by cost ratio improvement
- › Cost ratio down 3.9 ppts showing good cost discipline in inflationary environment
- › H1-2022 net loss ratio up by 18.0 ppts (2.7 ppts excluding public schemes)
- › Q2-22 net combined ratio improved by 2.4 ppts compared to previous quarter

# FINANCIAL PORTFOLIO: RESILIENT IN TURBULENT MARKETS AND HIGHER YIELDS



Keeping a diversified strategy

€m	H1-21	H1-22
Income from investment portfolio without gains on sales**	18.8	19.2
Gains on sales and impairment, net of hedging***	(0.6)	4.0
FX effect	1.6	4.5
Other	(3.9)	(3.3)
<b>Net investment income</b>	<b>15.9</b>	<b>24.4</b>
<b>Accounting yield on average investment portfolio</b>	<b>0.6%</b>	<b>0.8%</b>
<b>Accounting yield on average investment portfolio without Realized gains</b>	<b>0.7%</b>	<b>0.7%</b>

\* Excludes investments in non-consolidated subsidiaries

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

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

- › Liquidity remains at high level despite dividend payment and progressive redeployment
- › Shorter duration along with equity hedges worked well in market downturn
- › New investments yields on the rise while decreasing risk (short duration govies)

# H1-2022 NET INCOME AT €144.4M OF WHICH €78.2M IN Q2-2022

<i>Income statement items - in €m</i>	H1-21	H1-22
<b>Current operating income</b>	<b>171.6</b>	<b>207.3</b>
Other operating income and expenses	0.4	(4.3)
<b>Operating income</b>	<b>172.1</b>	<b>202.9</b>
Finance costs	(10.4)	(10.1)
Income tax	(38.4)	(48.4)
<i>Tax rate</i>	<i>24%</i>	<i>25%</i>
Non-controlling interests	(0.0)	(0.0)
<b>Net income (group share)</b>	<b>123.2</b>	<b>144.4</b>

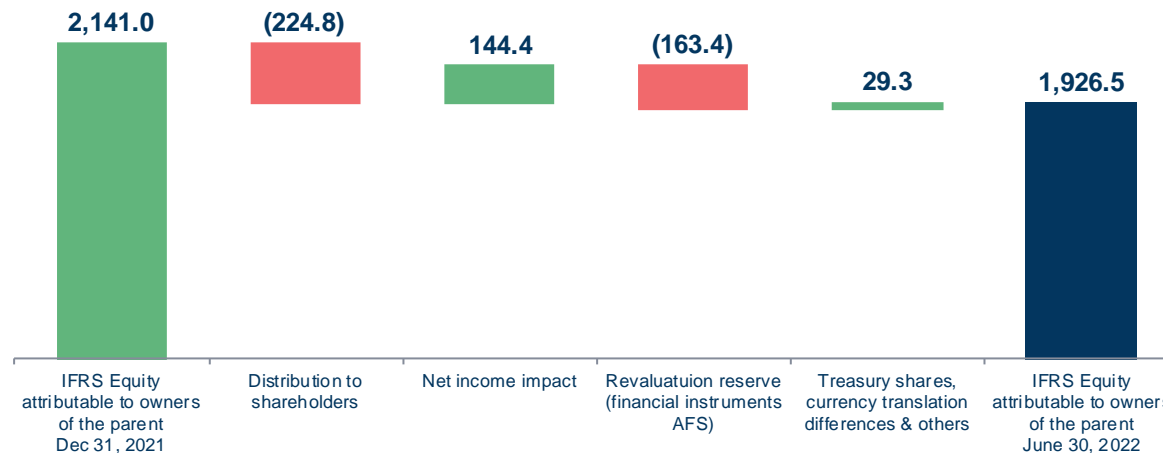
- › Net earned premiums up by +66% at €547.1m on growing revenues and the end of public schemes
- › Operating income up +17.9%
- › Tax rate at 25% (24% in H1-2021)
- › Net profit up 17.2% at €144.4m



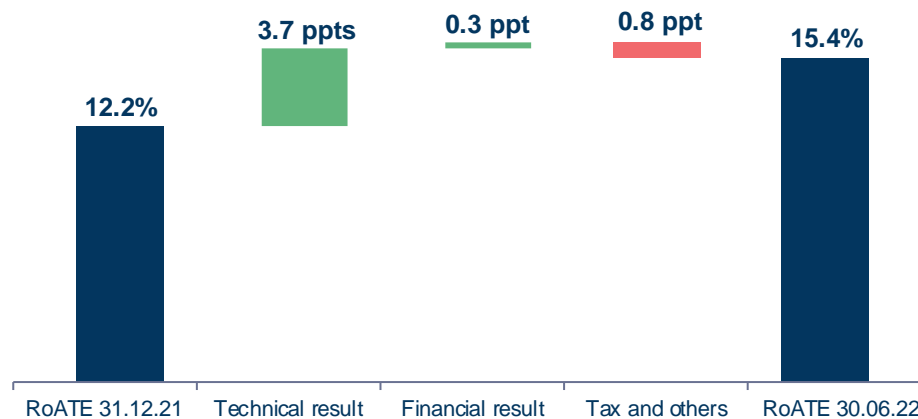
# ROATE STANDS AT 15.4%, UP 3.2 PPTS



Change in equity  
In €m



Return on average tangible equity (RoATE)\*



\* Annualised RoATE

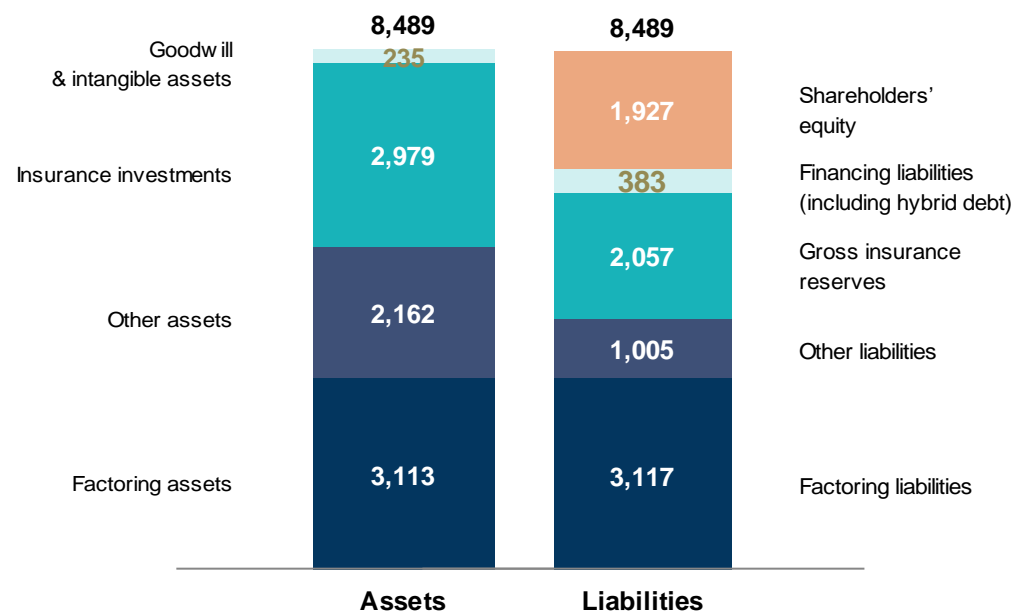


# PART 3

## CAPITAL MANAGEMENT

# SOLID BALANCE SHEET

H1-2022 simplified balance sheet  
In €m



## IFRS 17 “Insurance contracts”

- › Project progressing as planned

## Financial strength

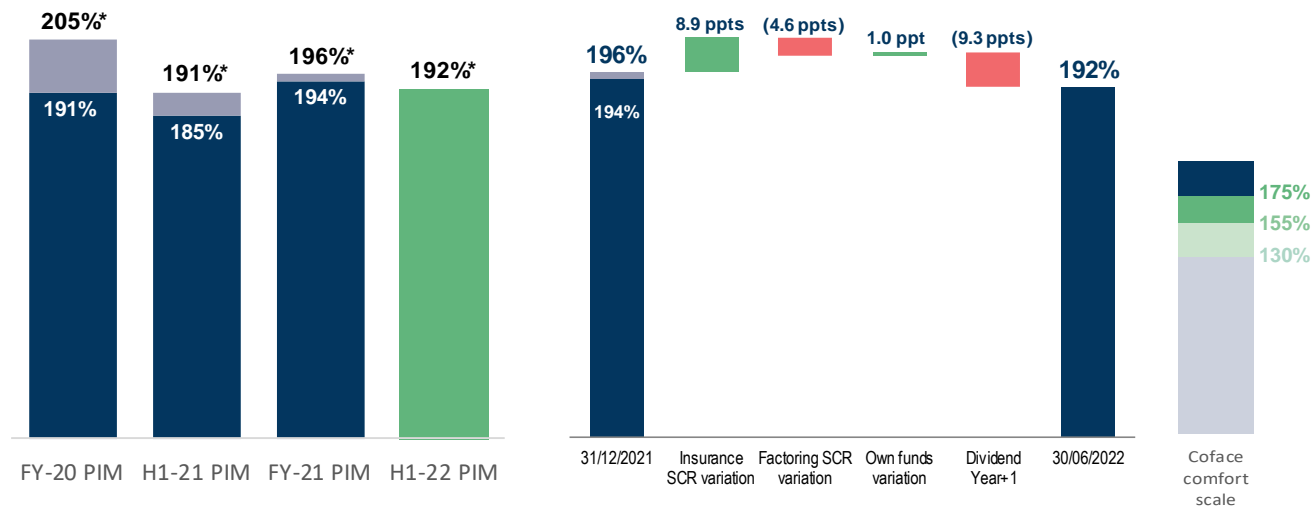
- › Fitch: AA-, stable outlook rating affirmed on 9 December 2021
- › Moody's: A2, stable outlook opinion confirmed & outlook raised on 10 February 2021
- › AM Best: A (Excellent), stable outlook rating affirmed on 4 April 2022

**Book value per share at €12.9**

**Tangible book value per share at €11.3**

# ROBUST SOLVENCY OVER TIME

## H1-2022 estimated Solvency ratio above target range



Government schemes' impact

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

**Insurance SCR down on lower market risk (de-risking and lower market values)**

**Eligible own funds down in line with shareholders' equity**

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

## Low sensitivity to market shocks market sensitivity tested through instantaneous shocks



## Solvency requirement respected in crisis scenarios

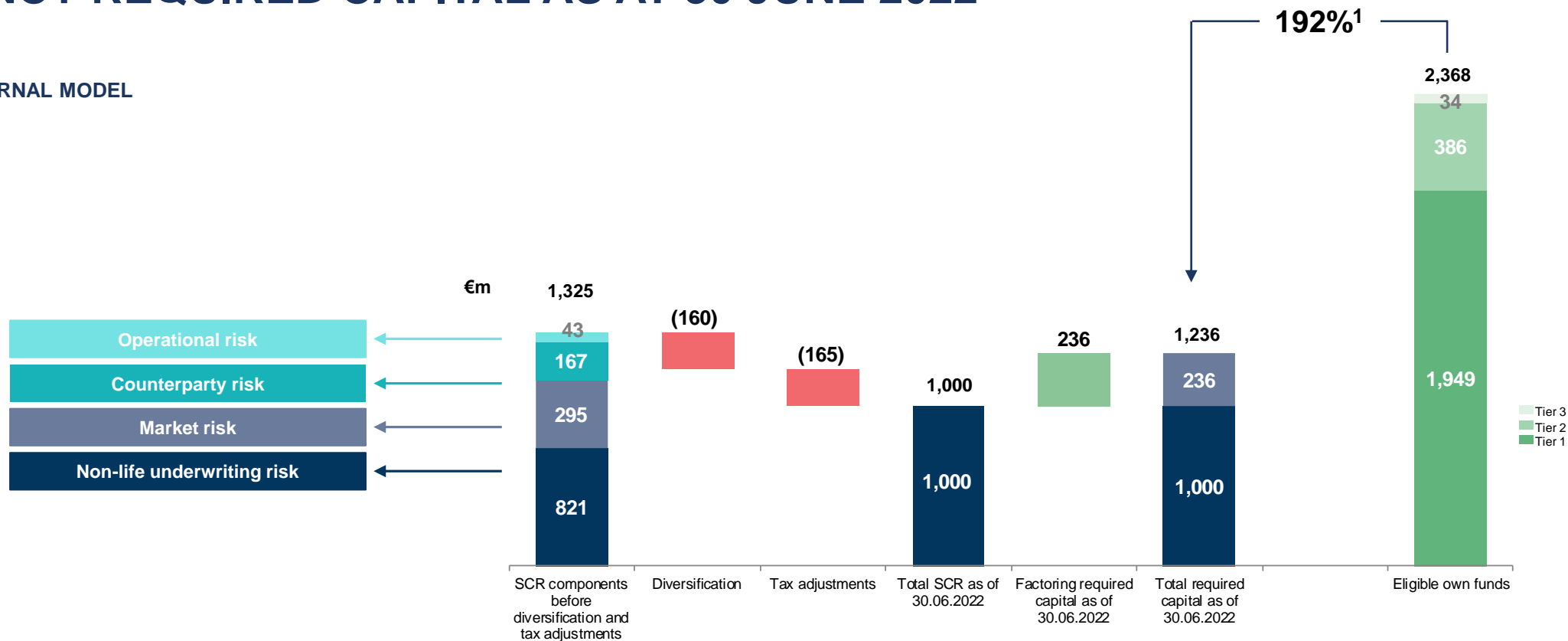


(1) +100 bps on credit and +50 bps for OECD government debt  
 (2) Based on the level of loss ratio corresponding to 98% quantile  
 (3) Based on the level of loss ratio corresponding to 95% quantile



# SOLVENCY REQUIRED CAPITAL AS AT 30 JUNE 2022

## PARTIAL INTERNAL MODEL



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

### SCR calculation

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

### Factoring required capital

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

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



# PART 4

## KEY TAKE-AWAYS & OUTLOOK

# KEY TAKE-AWAYS & OUTLOOK

---

## **Coface again delivered a strong operating performance**

- › Continued strong revenue growth with double digit revenue growth in both TCI (activity and retention) and business information
- › Annualized RoATE (Return on Average Tangible Equity) at 15.4%
- › Solvency ratio at 192% remains above target range despite strong business growth and turbulent financial markets

## **Coface continues to support its clients and invest in a more complex environment**

- › World growth outlook has deteriorated markedly in recent months and potential downside risk remains
- › Higher interest rates offer more attractive investment opportunities
- › Coface maintains strong underwriting discipline in this sometimes exuberant environment

**Coface remains true to the foundation of its Build to Lead strategy, including long term value creation and focus on agility and expertise to navigate market volatility.**

An aerial view of a city skyline at sunset. The sky is a mix of light blue and orange. The city is filled with various skyscrapers and buildings, with some reflecting the golden light of the setting sun. The overall scene is a dense urban landscape.

**coface**  
FOR TRADE

# PART 5

## APPENDICES



# KEY FIGURES (1/2)

## QUARTERLY AND CUMULATED FIGURES

Income statements items in €m - Quarterly figures	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22	%	% ex. FX*
Gross earned premiums	312.1	326.7	330.7	343.2	361.3	392.7	+20.2%	+17.6%
Services revenue	65.9	63.4	59.6	66.3	69.5	71.4	+12.6%	+10.0%
<b>REVENUE</b>	<b>377.9</b>	<b>390.1</b>	<b>390.4</b>	<b>409.5</b>	<b>430.8</b>	<b>464.1</b>	<b>+19.0%</b>	<b>+16.3%</b>
<b>UNDERWRITING INCOME(LOSS) AFTER REINSURANCE</b>	<b>74.3</b>	<b>81.5</b>	<b>79.4</b>	<b>38.7</b>	<b>84.9</b>	<b>98.1</b>	<b>+20.4%</b>	<b>+24.1%</b>
Investment income, net of management expenses	5.7	10.1	15.0	11.3	12.3	12.0	+18.9%	+22.3%
<b>CURRENT OPERATING INCOME</b>	<b>80.0</b>	<b>91.6</b>	<b>94.5</b>	<b>49.9</b>	<b>97.2</b>	<b>110.1</b>	<b>+20.2%</b>	<b>+23.8%</b>
Other operating income / expenses	(0.4)	0.8	(1.3)	(2.3)	(1.2)	(3.2)	(484.4)%	(483.2)%
<b>OPERATING INCOME</b>	<b>79.6</b>	<b>92.4</b>	<b>93.2</b>	<b>47.6</b>	<b>96.1</b>	<b>106.9</b>	<b>+15.7%</b>	<b>+19.3%</b>
<b>NET INCOME</b>	<b>56.4</b>	<b>66.9</b>	<b>67.7</b>	<b>32.9</b>	<b>66.2</b>	<b>78.2</b>	<b>+16.9%</b>	<b>+21.6%</b>
<i>Income tax rate</i>	24.6%	23.0%	23.3%	20.6%	27.2%	23.0%	+ 0 pts	

Income statements items in €m - Cumulated figures	Q1-21	H1-21	9M-21	FY-21	Q1-22	H1-22	%	% ex. FX*
Gross earned premiums	312.1	638.7	969.5	1,312.6	361.3	754.0	+18.1%	+16.1%
Services revenue	65.9	129.3	188.9	255.2	69.5	140.9	+8.9%	+6.8%
<b>REVENUE</b>	<b>377.9</b>	<b>768.0</b>	<b>1,158.4</b>	<b>1,567.9</b>	<b>430.8</b>	<b>894.9</b>	<b>+16.5%</b>	<b>+14.6%</b>
<b>UNDERWRITING INCOME(LOSS) AFTER REINSURANCE</b>	<b>74.3</b>	<b>155.8</b>	<b>235.2</b>	<b>273.9</b>	<b>84.9</b>	<b>183.0</b>	<b>+17.4%</b>	<b>+18.4%</b>
Investment income, net of management expenses	5.7	15.9	30.9	42.2	12.3	24.4	+53.8%	+56.2%
<b>CURRENT OPERATING INCOME</b>	<b>80.0</b>	<b>171.6</b>	<b>266.1</b>	<b>316.0</b>	<b>97.2</b>	<b>207.3</b>	<b>+20.8%</b>	<b>+22.5%</b>
Other operating income / expenses	(0.4)	0.4	(0.8)	(3.2)	(1.2)	(4.3)	(1,068.3)%	(1,067.6)%
<b>OPERATING INCOME</b>	<b>79.6</b>	<b>172.1</b>	<b>265.3</b>	<b>312.9</b>	<b>96.1</b>	<b>203.0</b>	<b>+18.0%</b>	<b>+19.6%</b>
<b>NET INCOME</b>	<b>56.4</b>	<b>123.2</b>	<b>190.9</b>	<b>223.8</b>	<b>66.2</b>	<b>144.4</b>	<b>+17.2%</b>	<b>+19.6%</b>
<i>Income tax rate</i>	24.6%	23.8%	23.6%	23.2%	27.2%	25.1%	+ 1.3 pts	

\* Also excludes scope impact



## KEY FIGURES (2/2)

### REVENUE BY REGION: QUARTERLY AND CUMULATED FIGURES

Total revenue by quarter - in €m	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22	V% ex. FX*
Northern Europe	82.2	84.7	83.5	81.1	93.0	91.9	+22.0%
Western Europe	75.5	78.2	79.9	83.0	80.8	93.3	+29.2%
Central Europe	36.6	38.8	39.9	41.0	44.6	44.1	+33.0%
Mediterranean & Africa	106.5	105.4	101.8	115.6	116.7	123.2	+33.2%
North America	32.7	33.6	33.0	38.2	38.8	44.4	+24.6%
Latin America	16.0	20.1	19.2	18.0	22.6	25.9	+27.7%
Asia Pacific	28.3	29.2	33.1	32.5	34.3	41.2	+56.9%
<b>Total revenue</b>	<b>377.9</b>	<b>390.1</b>	<b>390.4</b>	<b>409.4</b>	<b>430.8</b>	<b>464.1</b>	<b>+30.7%</b>

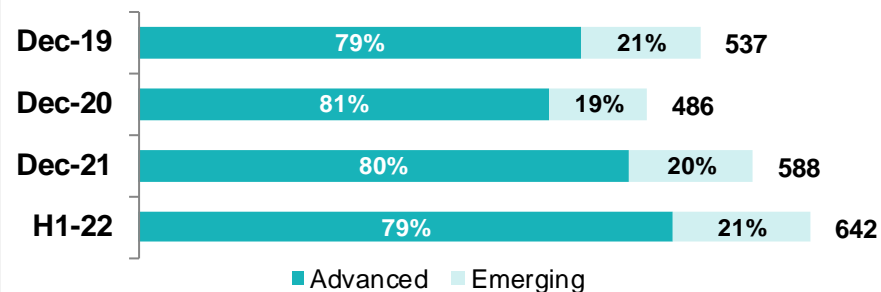
Total revenue cumulated - in €m	Q1-21	H1-21	9M-21	FY-21	Q1-22	H1-22	V% ex. FX*
Northern Europe	82.2	166.9	250.4	331.5	93.0	184.9	+10.0%
Western Europe	75.5	153.7	233.6	316.7	80.8	174.2	+12.4%
Central Europe	36.6	75.4	115.3	156.3	44.6	88.8	+18.5%
Mediterranean & Africa	106.5	212.0	313.8	429.4	116.7	239.9	+14.6%
North America	32.7	66.3	99.3	137.5	38.8	83.2	+14.0%
Latin America	16.0	36.2	55.3	73.3	22.6	48.6	+23.8%
Asia Pacific	28.3	57.6	90.7	123.2	34.3	75.5	+23.3%
<b>Total Group</b>	<b>377.9</b>	<b>768.0</b>	<b>1,158.4</b>	<b>1,567.9</b>	<b>430.8</b>	<b>894.9</b>	<b>+14.6%</b>

\* Also excludes scope impact

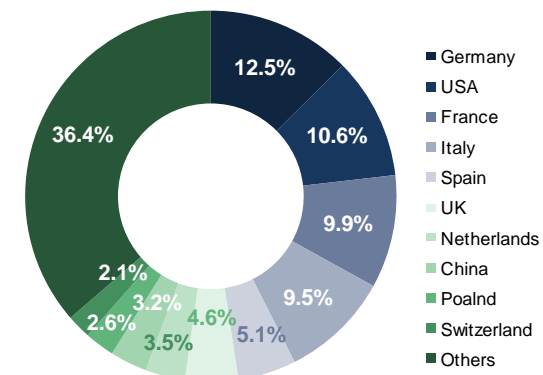
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# EXPOSURE IN EMERGING MARKETS MAINTAINED AT A STABLE SHARE

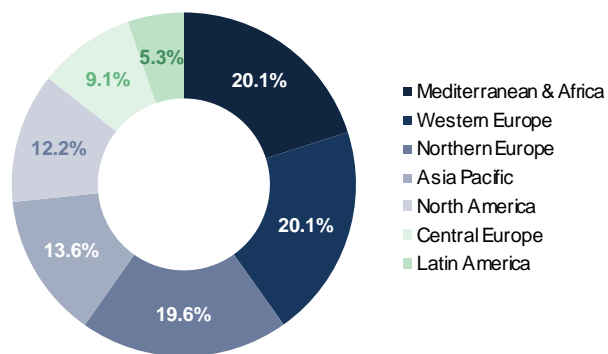
Evolution of TCI exposure<sup>1</sup> per Advanced vs Emerging markets (in €bn)



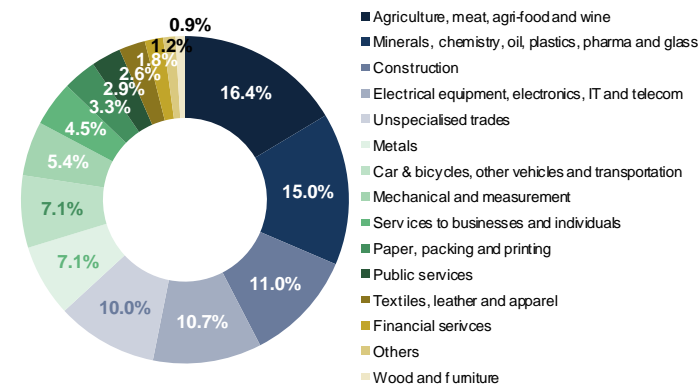
H1-2022 total TCI exposure<sup>1</sup> – Top 10 countries vs. others (in %)



H1-2022 total TCI exposure<sup>1</sup> by region (in %)



H1-2022 total TCI exposure<sup>1</sup> by debtors' trade sector (in %)



<sup>1</sup> Insured receivables: theoretical maximum exposure under the group's insurance policies : €642.0bn as of 30/06/2022 vs €587.6bn as of 31/12/2021

# COMBINED RATIO CALCULATION

## › Combined ratio before reinsurance

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

## › Combined ratio after reinsurance

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

Ratios	H1-21	H1-22
Loss ratio before reinsurance	29.5%	30.6%
<b>Loss ratio after reinsurance</b>	<b>21.4%</b>	<b>39.4%</b>
Cost ratio before reinsurance	32.5%	31.2%
<b>Cost ratio after reinsurance</b>	<b>30.4%</b>	<b>26.6%</b>
Combined ratio before reinsurance	62.0%	61.8%
<b>Combined ratio after reinsurance</b>	<b>51.9%</b>	<b>66.0%</b>

In €k	H1-21	H1-22
<b>Earned Premiums</b>		
<b>Gross earned premiums [A]</b>	<b>638,715</b>	<b>754,014</b>
Ceded premiums	(309,823)	(206,866)
<b>Net earned premiums [D]</b>	<b>328,892</b>	<b>547,148</b>
<b>Claims expenses</b>		
<b>Claims expenses [B]</b>	<b>(188,723)</b>	<b>(230,810)</b>
Ceded claims	66,469	33,188
Change in claims provisions	51,810	(18,149)
<b>Net claims expenses [E]</b>	<b>(70,444)</b>	<b>(215,771)</b>
<b>Technical expenses</b>		
<b>Operating expenses</b>	<b>(339,378)</b>	<b>(379,034)</b>
Employee profit sharing and incentive plans	2,625	3,146
Other revenue	129,324	140,877
<b>Operating expenses, net of revenues from other services before reinsurance [C]</b>	<b>(207,430)</b>	<b>(235,011)</b>
Commissions received from reinsurers	107,289	89,584
<b>Operating expenses, net of revenues from other services after reinsurance [F]</b>	<b>(100,141)</b>	<b>(145,427)</b>

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# Q2-22 RESULTS VS CONSENSUS

in M€	# of replies	Consensus	Q2-22	Spread	Comment
<b>Total revenue</b>	4	432	<b>464</b>	<b>+32.3</b>	Revenue growth driven by TCI premiums on high client retention and client activity in inflationary environment
Gross Earned Premiums	4	368	393	+24.9	
Net Earned Premiums	4	271	284	+13.3	
<b>NEP/GEP</b>	4	<b>73.7%</b>	<b>72.4%</b>	<b>(1.3) ppt</b>	<b>No residual impact of public schemes</b>
<b>Net underwriting income</b>	4	<b>93</b>	<b>98</b>	<b>+5</b>	<b>Better cost ratio</b>
Net Investment Income	4	9	12	+3	Some edging & FX impact
<b>Current operating income</b>	4	<b>102</b>	<b>110</b>	<b>+8</b>	<b>Better underwriting profit and financial income</b>
Other operating & Restructuring charges	4	(0)	(3)	(3)	Some restructuring charges in MAR & APR
<b>Operating Income</b>	4	<b>102</b>	<b>107</b>	<b>+5</b>	<b>Better underwriting profit and financial income</b>
<b>Net income</b>	5	<b>69</b>	<b>78</b>	<b>+9</b>	<b>Better underwriting</b>
Net Loss Ratio (%)	5	37.9%	38.3%	+0.5 ppt	Normalization under way including impact Russia/Ukraine
Net Cost Ratio (%)	5	29.5%	26.5%	(3.0) ppts	Positive operating leverage
<b>Net Combined Ratio (%)</b>	5	<b>67.4%</b>	<b>64.9%</b>	<b>(2.5) ppts</b>	<b>Mostly better cost ratio</b>

# MANAGEMENT TEAM

## GROUP MANAGEMENT COMMITTEE

## GROUP EXECUTIVE COMMITTEE



**Xavier DURAND**  
Chief Executive Officer

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



**Pierre BEVIERE**  
Human Resources Director

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



**Cyrille CHARBONNEL**  
Underwriting Director

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



**Declan DALY**  
Operations Director

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



**Nicolas GARCIA**  
Commercial Director

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



**Phalla GERVAIS**  
CFO & Risk Director

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



**Carole LYTTON**  
General Secretary

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



**Keyvan SHAMSA**  
Business Technology Dir.

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



**Thibault SURER**  
Strategy & Development Dir.

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



**Hugh BURKE**  
CEO Asia Pacific

- › +20 years of international experience in trade credit insurance
- › Working for Coface since 2016



**Jaroslaw JAWORSKY**  
CEO Central & Eastern Europe

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



**Katarzyna KOMPOWSKA**  
CEO Northern Europe

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



**Antonio MARCHITELLI**  
CEO Global Specialties

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



**Marcele LEMOS**  
CEO Latin America

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



**Cécile PAILLARD**  
CEO Mediterranean & Africa

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



**Carine PICHON**  
CEO Western Europe

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



**Oscar VILLALONGA**  
CEO North America

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

# FINANCIAL CALENDAR & INVESTOR RELATIONS CONTACTS

## Calendar

Next Event	Date
9M-2022 Results	27 October 2022 after market close

## Own shares transactions

Date	Liquidity Agreement	LTIP	Buy-back (cancellation)	Own shares transactions		
				TOTAL (in shares)	% Total of # Shares	Voting rights
30/06/2022	207,672	705,681	0	913,353	0.61%	149,266,439

## Coface is scheduled to attend the following investor conferences

Next Event	Date
Bank of America - Annual Financials CEO Conference	21 September 2022 – London
BNP Paribas Exane 5 <sup>th</sup> MidCap CEO Conference	15-17 November 2022 – Paris
CIC Market Solutions Forum	6 December 2022 – Paris

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Participants should read the interim financial report for the period ending 30 June 2022 and complete this information with the Universal Registration Document for the year 2021. The Universal Registration Document for 2021 was registered by the *Autorité des marchés financiers* ("AMF") on 6 April 2022 under the number D.22-0244. These documents all together present a detailed description of the Coface Group, its business, strategy, financial condition, results of operations and risk factors.

This presentation contains certain forward-looking statements. Such forward looking statements in this presentation are for illustrative purposes only. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements are based on

Coface Group's current beliefs, assumptions and expectations of its future performance, taking into account all information currently available. The Coface Group is under no obligation and does not undertake to provide updates of these forward-looking statements and information to reflect events that occur or circumstances that arise after the date of this document.

Forward-looking information and statements are not guarantees of future performance and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Coface Group. Actual results could differ materially from those expressed in, or implied or projected by, forward-looking information and statements. These risks and uncertainties include those discussed or identified under Chapter 5 "Main risk factors and their management within the Group" (*Chapitre 5 "Principaux facteurs de risque et leur gestion au seins du Groupe"*) in the Registration Document.

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