VIEL & Cie

GROUPE VIEL

ANNUAL REPORT 2022

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VIEL & Cie comprises three core businesses in the financial sector: Compagnie Financière Tradition, an interdealer broker with a presence in more than 30 countries, Bourse Direct, a major player in the online trading sector in France, and a 40% equity accounted stake in SwissLife Banque, ooperating in the private banking sector in France. VIEL & Cie shares (codes: FR0000050049, VIL) are listed in Compartment B of Euronext Paris. For more information on our Group, please visit our website at www.viel.com.

The English translation of the French text has been prepared for information purposes only. While we have made every effort to ensure a reliable translation, we make no representation that it is accurate or complete in any way. It is therefore not the intention of VIEL & Cie that it be relied upon in any material respect. The original French version is the only valid one.

CHAIRMAN'S MESSAGE

2022 was dominated by major events that impacted economies and financial markets around the world: the outbreak of war in Ukraine in February, surging inflation in the industrialised countries with shortages of raw materials and energy supplies, and rapid interest rate hikes by central banks which signalled the abrupt shift in monetary policy.

The question of whether inflation was transitory or not was soon settled. The most significant development of the year turned out to be the emergence of general and sustained price increases which prompted a tightening of monetary policy worldwide. This brought an end to an exceptional period of negative interest rates and also halted the post-Covid recovery phase. The slowdown in the Chinese economy and the recessionary effects of inflation were beginning to be felt.

U.S. GDP grew at an annualised rate of 2.9% in the fourth quarter. Household consumption remains buoyant, driven mostly by a rapid depletion of savings and a sustained rise in consumer credit.

The Fed and the ECB embarked on an aggressive round of interest rate hikes in 2022 and will decide on subsequent monetary policy developments in 2023.

This political and economic environment drove higher levels of activity in the financial markets from the second half of the year.

Our interdealer broking business delivered consolidated revenue, adjusted for the Group's proportionately consolidated joint ventures, of CHF 1,028.6m in 2022, up 10.6% at constant exchange rates compared with CHF 950.8m in 2021. After an increase of 7.7% in the first half, consolidated adjusted revenue was up 13.8% in the second half at constant exchange rates, compared to the same period in 2021. Operating profit was CHF 94.2m against CHF 73.2m in 2021, an increase of 28.7% at current exchange rates, with an operating margin of 9.9% and 8.4% respectively. Consolidated net profit was CHF 97.4m compared with CHF 71.5m in 2021 with a Group share of CHF 89.1m against CHF 65.3m in 2021, an increase of 36.5% at current exchange rates..

The Group's online trading business reflected a general return to normalcy in 2022, with the number of trades executed down 14.9% on the year to 5.2 million. Bourse Direct posted consolidated banking income of €48.5m, an increase of 4.3%, with operating profit of €7.8m against €10.0m in 2021. Net profit was €5.9m, compared with €7.2m in 2021.

VIEL & Cie reported strong growth in activity levels in 2022 with consolidated revenue of €989.6m, up 15.7% on the year at current exchange rates. At constant exchange rates, revenue was up by 10.1%.

Operating profit was €97.6m, up 32.5% at current exchange rates. Consolidated net profit grew 42.0% at current exchange rates to €106.4m against €74.9m in 2021.

Group share of net profit was up 44.3% at current exchange rates to €73.6m compared with €51.0m in 2021. At constant exchange rates, Group share of net profit grew 38.9%.

Consolidated equity, after deduction of the gross value of directly held treasury shares of €27.1m, was €585.3m at 31 December 2022, €441.0m of which was the Group share.

A shift in central bank monetary policy, away from quantitative easing and towards rate hikes, was beneficial for the Group's operations. This positive trend was reflected across all business lines, regions and products, particularly in foreign exchange and interest rate products, and in securities and security derivatives in interdealer broking activities. This momentum has continued into the early months of 2023. In our online trading business, activity has been buoyant since the beginning of the year against a backdrop of increased stockmarket volatility. The series of interest rate hikes since mid-2022 have been beneficial to Bourse Direct's activity and are having a positive impact on results in 2023.

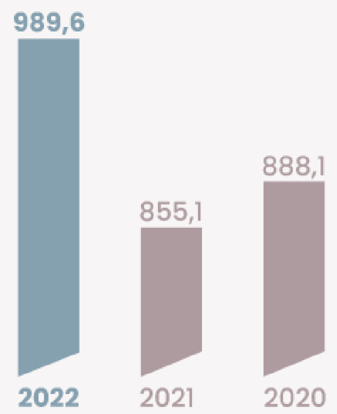
At the Annual General Meeting to be held on 8 June 2023, the Board will be seeking shareholder approval to pay a cash dividend of 35 euro cents per share.

I would like to thank all the Group's employees for their hard work and commitment throughout the year, and our shareholders for their continued loyalty and trust.

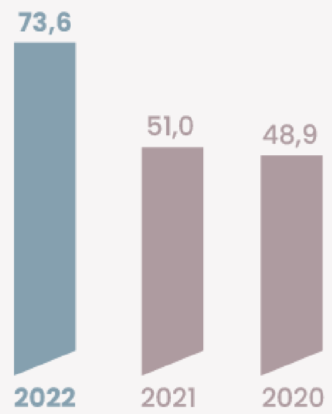
Patrick Combes

KEY FIGURES

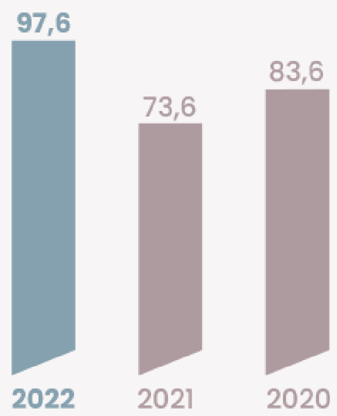
CONSOLIDATED REVENUE
(€M)



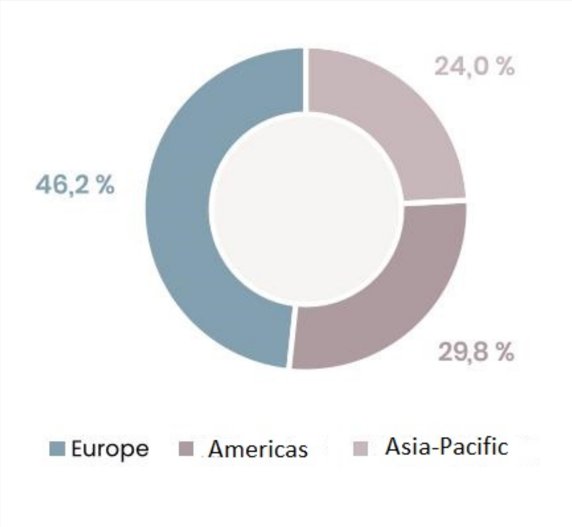
GROUP SHARE OF NET PROFIT
(€M)



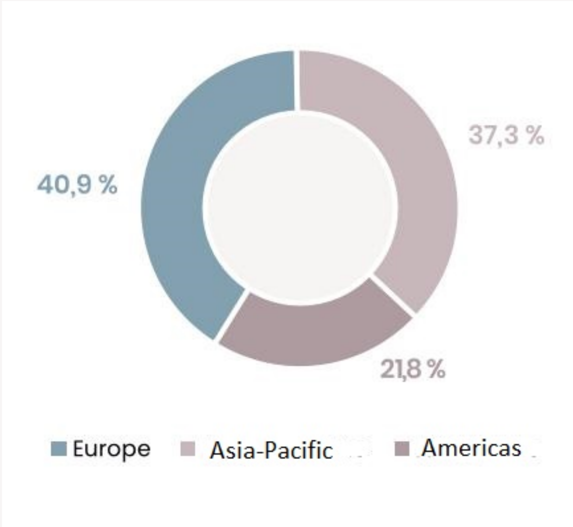
CONSOLIDATED OPERATING PROFIT
(€M)



REVENUE (BY GEOGRAPHIC REGION)

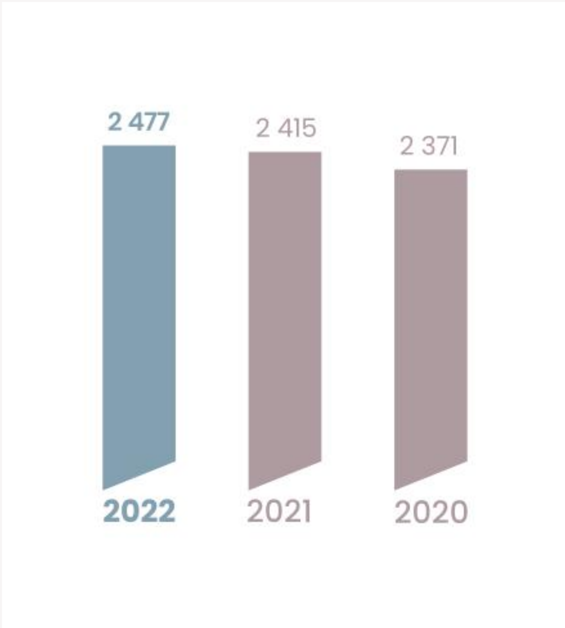


HEADCOUNT AT 31 DECEMBER 2021 (BY GEOGRAPHIC REGION)



CONSOLIDATED EQUITY (€M)

HEADCOUNT (AT 31 DECEMBER)



MANAGEMENT REPORT

INFORMATION FOR SHAREHOLDERS

VIEL & Cie shares ended the year at €5.82, bringing the Company's market capitalisation to €411.0m at 31 December 2022.

SHARE PERFORMANCE

The CAC 40 lost 9.5% in 2022, suffering its worst performance since 2018 when it fell 11%. This performance is in stark contrast to 2021, which saw a gain of almost 29%. The war in Ukraine marked a turning point in the global financial markets. After hitting an all-time high of 7,376 points on 5 January, the CAC 40 plunged to a temporary annual low of 5,982 points on 7 March, less than two weeks after Russia invaded Ukraine.

VIEL & Cie shares began the year at €5.80 and reached a high of €6.04 on 14 December 2022. They fluctuated between €5.80 and €6.04 throughout the year, hitting a low of €5.22 on 3 August and a high of €6.04 on 14 December. The shares ended the year at €5.90.

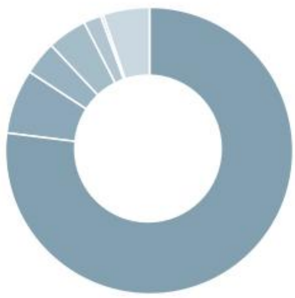
STOCK MARKET DATA

	2022	2021
Number of shares on 31 December	69 540 468	69 402 468
Market capitalisation on 31 December	410 288 761	403 922 364
52-week high	6,04	6,18
52-week low	5,22	5,48
Average daily volume of shares	2 622	5 691

SHARE OWNERSHIP AT 31 DECEMBER 2022

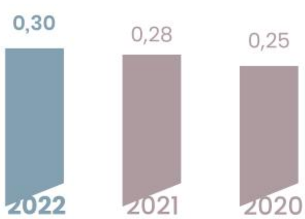
Viel & Cie Finance	61,99 %	Quaero Capital	3,10 %
Patrick Combes	5,62 %	Financière de l'Echiquier	0,55 %
Sycomore Asset Management	5,63 %	Public	7,12 %
Amiral Gestion	7,35 %	Titres autodétenus	8,64 %

VOTING RIGHTS AT 31 DECEMBER 2022



Viel & Compagnie-Finance	77,13 %	Quaero Capital	2,02 %
Patrick Combes	7,27 %	Financière de l'Echiquier	0,36 %
Sycomore Asset Management	3,67 %	Public	5 %
Amiral Gestion	4,55 %		

DIVIDEND PER SHARE



OPERATING REVIEW 2022

VIEL & Cie works closely with its portfolio companies, assisting them to develop and grow their business over the long term. We are a professional and responsible investor in financial sector companies in France and more particularly abroad. We are therefore a major shareholder in both listed and unlisted companies.

The Group consolidates two majority interests in listed companies and one equity-accounted minority interest in a private bank. These three core businesses consist of:

- **interdealer broking (IDB)**, through Compagnie Financière Tradition, a company listed on the SIX Swiss Exchange in which VIEL & Cie holds a 71.40% interest. This segment represents close to 95.2% of the Group's consolidated revenue;
- **online trading**, through Bourse Direct, listed on Euronext Paris (Compartment C), in which the Group holds a 79.35% controlling interest;
- **SwissLife Banque Privée**, a private bank in which VIEL & Cie holds a 40% interest in partnership with the SwissLife Group.

VIEL & Cie posted consolidated revenue of €989.6m in 2022, an increase of 15.7% at variable exchange rates (10.1% at constant exchange rates). Operating profit, including associates, was €136.8m, up 30.1% at constant exchange rates. Net profit in 2021 grew 36.2% to €106.4m at constant exchange rates.

Compagnie Financière Tradition

INTERDEALER BROKING

Compagnie Financière Tradition is a leading interdealer broker (IDB) in the international market. With a presence in 30 countries, the Group has over 2,300 employees globally and provides broking services for a complete range of financial products (money market products, bonds, interest rate, currency and credit derivatives, equities, equity derivatives, interest rate futures and index futures) and non-financial products (energy and environmental products, and precious metals). Compagnie Financière Tradition SA is listed on the SIX Swiss Exchange (CFT). The Group facilitates transactions between financial institutions and other professional traders in the capital markets. In response to evolving regulatory landscape over the last few years, and as a logical extension of its voice brokerage services, the Group has accelerated the development of its electronic brokerage services through hybrid proprietary technology and the launch of various trading platforms.

An environment of rising interest rates from the second half of 2022 generated higher trading volumes which benefited the Group's activities.

› Revenue and reported operating profit

Company Financière Tradition grew activity levels in 2022 with reported consolidated revenue of CHF 947.4m compared with CHF 873.6m in 2021, up 10.5% at constant exchange rates, or 8.4 % at current exchange rates.

› Operating profit and net profit

The Group posted strong growth in operating profit, which was up 28.7% to CHF 94.2m against CHF 73.2m in 2021. This performance was mainly attributable to sustained activity across all geographical regions, particularly in the second half of the year, against a backdrop of an abrupt shift in monetary policy worldwide and rising interest rates.

Profit before tax was CHF 120.1m against CHF 85.0m in 2021.

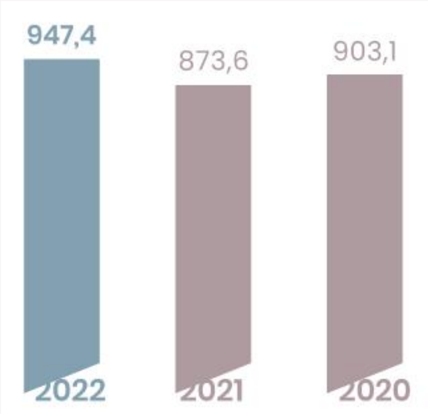
Consolidated net profit was CHF 97.4m, up 36.2% on the year, with a Group share of CHF 89.1m up 36.5% at variable exchange rates.

› Balance sheet

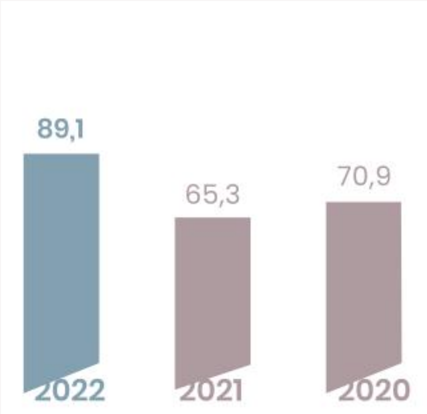
The Group maintained its focus on a sound balance sheet with a strong capital position while keeping a low level of intangible assets and a strong net cash position. Consolidated equity stood at CHF 442.5m against CHF 429.7m in 2021, with an increase in gross free cash flow to CHF 308.3m at 31 December 2022.

KEY FIGURES FOR COMPAGNIE FINANCIÈRE TRADITION (CHFM)

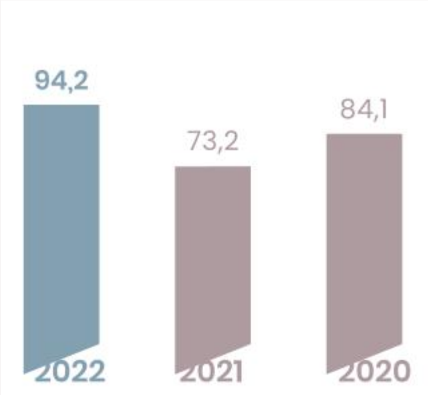
REVENUE



NET PROFIT ATTRIBUTABLE TO COMPANY SHAREHOLDERS



OPERATING PROFIT



ONLINE TRADING

2022 was marked by major events that shook the financial markets: the outbreak of war in Ukraine in February, surging inflation in the industrialised countries with shortages of raw materials and energy supplies, and rapid interest rate hikes by central banks which signalled the abrupt shift in monetary policy. Against this backdrop, Bourse Direct executed over 5.2 million trades for its direct customers in 2022, a decrease of 14.9% compared with the exceptional conditions in 2021, but an increase of 75% compared with 2019. The company continued to attract a high number of new customers and had close to 280,000 accounts at end-2022. Revenue for the year was up 2.6% to €47.1m against €45.9m in 2021. With the gradual return to normalcy in 2022, compared with the exceptional volumes experienced in 2020, activity remained high among retail customers actively trading in the markets.

› BOURSE DIRECT Results

In a market environment marked by the sharp fall in the CAC 40 in 2022, Bourse Direct posted consolidated banking income of €48.5m, an increase of 4.3% compared with €46.4m in 2021. This growth was mainly attributable to the integration of EXOE's business in 2022. Treasury income was up strongly at end-2022 against a backdrop of rising interest rates.

Consolidated net banking income was up 5.9% to €42.3m compared with €39.8m in the previous year. As broking activity returned to normalcy after the exceptional conditions in 2020 and 2021, Bourse Direct executed 5.2 million trades for direct customers in 2022, down from 6.1 million in the previous year, but up sharply compared with 2.9 million in 2019. EXOE operations for professional customers grew 6.9% during the year.

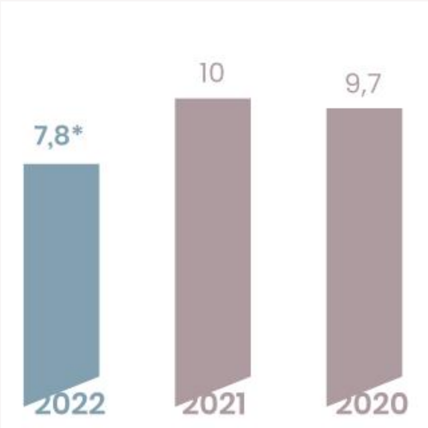
With the normalisation of online trading activity, consolidated operating profit fell 21.8% to €7.8m from €10.0m in 2021, resulting in an operating margin on banking income of 16.0% against 21.5% in 2021.

Consolidated net profit was €5.9m against €7.2 in 2021 after recognition of a tax expense of €1.9m.

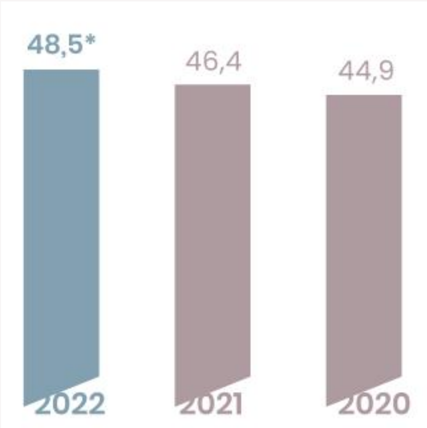
After taking account of net profit for the year, consolidated shareholders' equity stood at €68.5m at 31 December 2022 against €71.2 in the previous year. Bourse Direct's consolidated cash position at 31 December 2022 was €43.2m.

KEY FIGURES FOR BOURSE DIRECT (€M)

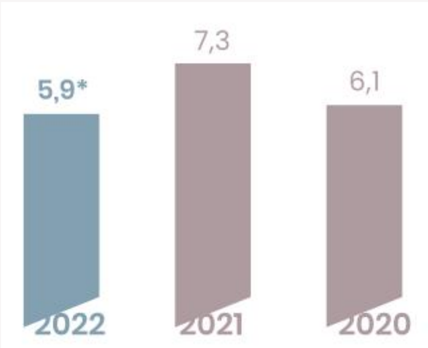
OPERATING PROFIT



BANKING INCOME



NET PROFIT



Consolidated Banking income

PRIVATE BANKING

VIEL & Cie has held a 40% stake in SwissLife Banque Privée since August 2007. The Group's private banking activities continued to grow in 2022.

This interest is consolidated in the accounts using the equity method.

SwissLife Banque Privée and its subsidiary, SwissLife Gestion Privée, have four core businesses:

- private banking services for direct clients
- retail banking in the bancassurance field, catering to private clients as well as professional clients of the SwissLife France group through its distribution networks
- retail banking for private clients of independent financial advisors partnering with the Bank
- custodial services for companies of the SwissLife France group, and depository services for Sicavs managed by SwissLife Asset Management (France) and its subsidiary, SwissLife Gestion Privée.

SwissLife Banque Privée had custodial assets of over €6.6 billion at the end of 2022.

This business segment posted net banking income of €88.4m and profit of close to €25m in 2022.

SIMPLIFIED GROUP STRUCTURE AT 31 DECEMBER 2022

INSTITUTIONAL SHAREHOLDERS
16.63%

VIEL ET COMPAGNIE-FINANCE
61.99%

PUBLIC
12.74%

VIEL & CIE – TREASURY SHARES **8.64%**

COMPAGNIE FINANCIÈRE TRADITION
INTERDEALER BROKER
71.40%
Treasury shares **3.13%**

BOURSE DIRECT
ONLINE BROKER
79.35%
TREASURY SHARES
0.81%

SWISSLIFE
BANQUE PRIVÉE
40.00%

A DIVERSIFIED GEOGRAPHICAL PRESENCE

AMERICAS

Bogota / Boston / Buenos Aires / Dallas / Houston / Mexico / Miami / New York / Santiago / Stamford

ASIA-PACIFIC

Bangkok / Beijing / Hong Kong / Jakarta / Makati City / Melbourne / Mumbai / Seoul / Shanghai / Shenzhen / Singapore / Sydney / Tokyo / Wellington

EUROPE / MIDDLE EAST / AFRICA

Amsterdam / Brussels / Cape Town / Dubai / Frankfurt / Johannesburg / Geneva / Küsnacht / Lausanne / London / Luxembourg / Madrid / Milan / Monaco /Moscow / Munich / Paris / Rome / Tel Aviv / Zurich

CORPORATE GOVERNANCE

VIEL &Cie is a public limited company with a Board of Directors *["Société anonyme à Conseil d'administration"]*. **The Company adheres to the Corporate Governance Code published by MiddleNext. VIEL & Cie has drawn up Rules of Procedure for the Board of Directors in accordance with the recommendations of the Middlenext Code; they are available on the Company's website. The Board took account of the recommendations of the Middlenext Code as amended in September 2021 when it prepared its Rules of Procedure. The Directors have also been made aware of the "points de vigilance" listed in the Middlenext Code.**

BOARD OF DIRECTORS AND MANAGEMENT BODIES

› BOARD OF DIRECTORS

The Board of Directors, chaired by Patrick Combes, comprised seven members at 31 December 2022.

All except Patrick Combes, Chairman and CEO, Catherine Nini, Chief Financial Officer, and Dominique Velter, Strategic Marketing Director, are non-executive and independent directors. The criterion applied to the independence of a director is based on the recommendation of the Middlenext Corporate Governance Code, according to which a director, irrespective of the length of time in office, is independent, in particular, if s/he has no direct or indirect relationship of any kind with the Company, its Group or its Management, which could compromise the exercise of independent judgment.

None of these Directors previously belonged to any governing bodies of VIEL & Cie or of any of its subsidiaries, nor did they have a business relationship with VIEL & Cie or any of its subsidiaries at 31 December 2022. During the reporting period, one Director was also a Director of Compagnie Financière Tradition SA, in which VIEL & Cie controlled 71.40% of the capital at 30 December 2022, and one Director was also a member of the Supervisory Board of Bourse Direct, in which VIEL & Cie has a 79.35% holding, Financière Vermeer NV (wholly-owned subsidiary of VIEL & Cie), Viel et Compagnie-Finance (majority shareholder of VIEL & Cie), and five British operating subsidiaries of Compagnie Financière Tradition SA.

› CORPORATE GOVERNANCE

The Board of Directors issued rules of procedure based on the principles of the French Middlenext Corporate Governance Code, adapted to the Company's structure, business, and shareholder base. It is available on the Company website https://viel.com.

› EXCLUDED PROVISIONS OF THE MIDDLENEXT CODE OF CORPORATE GOVERNANCE

The Board of Directors' Rules of Procedure incorporate all the recommendations of the MiddleNext Code of Corporate Governance.

› COMPOSITION OF THE BOARD OF DIRECTORS, PREPARATION AND ORGANISATION OF WORK

VIEL & Cie refers to the Group's legal department for legal matters and the preparation of its Boards and Committees.

In accordance with the recommendation of the Middlenext Code, all members of the Board of Directors receive the information they need to fulfil their mission and can obtain all the documents they deem necessary. The Directors frequently communicate with the management of subsidiaries outside Board meetings and thus obtain accurate information on the Company's activity.

The dates of Board meetings are set for the coming year after discussion with each Director to ensure their availability. A notice of the meeting together with the agenda is then sent by email several days before the appointed date.

In the case of impromptu meetings, the meeting may be convened by telephone with confirmation by email.

Meetings are prepared by everyone in advance and each Director may request an item to be placed on the agenda. The Board sets an annual programme of items to be included on the agenda of its meetings, while retaining the flexibility it needs to deal with other specific points as and when they arise.

› BOARD OF DIRECTORS' POWERS AND PROCEDURES

The Board of Directors approves the accounts prepared by the Company and, where applicable, the consolidated accounts.

The Board deliberates on any matters which by law or under the Articles of Association fall within its sphere of competence.

The Board is a collegial body that collectively represents all shareholders and acts in the Company's corporate interest.

It defines company strategy, appoints the executive officers responsible for managing the company within the framework of this strategy, oversees the management and ensures the quality of information provided to shareholders and the markets through the accounts and financial communications.

The Board of Directors exercises the powers and duties prescribed by law, the Articles of Association, and the Board of Directors' Rules of Procedure which were first adopted in 2003 and subsequently amended from time to time. It takes decisions in all areas that are not reserved to the General Meeting or another governing body. It is responsible for management at the highest level and general oversight of executive management and the persons responsible for representing the Company. The Directors have wide-ranging experience and their individual expertise is brought to bear in the administration of the Board's business.

The Board of Directors' rules of procedure provide for the creation of one or more Board committees. An Audit Committee and a Remuneration Committee were set up under this power. The Board meets approximately three times a year – at the closing of the half-year and annual accounts and as required by Company business. Its meetings last an average of two hours.

The Board was composed of the following members at end-2022:

Surname, first name, Function*	Independent Director	Age	First appointment	Period of office	Audit committee
Mr Patrick Combes Chair	NO	70	9 October 1979	Renewed on 10 June 2021 until the General Meeting convened to approve the accounts for the year ended 31 December 2026.	
Mr Christian Baillet, Deputy Chair	YES	72	25 January 1994	Renewed on 13 June 2017 until the General Meeting convened to approve the accounts for the year ended 31 December 2022.	Chair
Mr Jean Marie Descarpenteries Director	YES	87	25 January 1994	Renewed on 13 June 2017 until the General Meeting convened to approve the accounts for the year ended 31 December 2022.	Member
Ms Jeanne Dubarry de la Salle Director	YES	43	13 June 2017	General Meeting convened to approve the accounts for the financial year ended 31 December 2022.	
Mr Dominique Langlois Director	YES	76	25 January 1994	Renewed on 13 June 2017 until the General Meeting convened to approve the accounts for the year ended 31 December 2022.	
Ms Catherine Nini Director	NO	53	17 June 2011	Renewed on 13 June 2017 until the General Meeting convened to approve the accounts for the year ended 31 December 2022.	
Ms Dominique VELTER Director	NO	58	13 June 2017	Renewed on 13 June 2017 until the General Meeting convened to approve the accounts for the year ended 31 December 2022.	

**On the Board of Directors*

The Board is chaired by Patrick Combes.

The Chair of the Board of Directors represents the Board. He organises and directs the work of the Board and reports on its business to the General Meeting. He ensures that the governing bodies of the Company function efficiently and, in particular, that the Directors are able to carry out their duties.

Christian Baillet, Jean-Marie Descarpentries, Dominique Langlois and Jeanne Dubarry de Lassalle are Independent Directors as defined in the Middlenext Code and the related Rules of Procedure. The Independent Directors make up 57% of the Board of Directors, which complies with the Middlenext Code.

The following criteria are used to analyse independence. A Director must not:

- be an employee or an executive officer of the Company or of any company in the group, or have held any such position within the past five years,
- must not have any significant business relationship with the Company or its group (customer, supplier, competitor, service provider, creditor, banker, etc.), or have had any such relationship within the past two years,
- be a major shareholder of the Company or hold a significant percentage of the voting rights,
- be closely related or have close family ties with an executive officer or a major shareholder of the Company,
- have been an independent auditor of the Company within the past six years.

The term of office of a Director is six financial years. This period complies with the recommendation of the Middlenext Code, the Rules of Procedure, and the Articles of Association. It is also the statutory term.

No Director was elected by the employees.

No non-voting Director was appointed.

No Directors are tied to the Company under an employment contract, and the Rules of Procedure incorporate the recommendation of the Middlenext Code on the subject. There is no monetary compensation or benefit payable in the event of any Director leaving office; the same applies to members of the Executive Board. The executive officers of the company do not have a supplemental pension scheme. The Rules of Procedure adopt the Middlenext Code recommendations on these matters.

The Board of Directors has a suitable balance and is made up of experienced Directors committed to the interests of the Company and those of all its shareholders.

When a Director is appointed or re-appointed, their career history, experience and skills are set out in the Annual Report and communicated to the General Meeting; they are also published on the Company's website. The appointment of each Director requires an individual resolution in accordance with the recommendation of the Middlenext Code.

The Board of Directors is also balanced in respect of the age of its members, who are between 42 and 86 years old, with an average age of 63.6 years.

The Board is composed of people from diverse educational backgrounds, with expertise in the interdealer broking sector, the banking field, and industry.

All members of the Board of Directors are French citizens, but most have international professional experience.

The members of the Board discussed the question of the independence of directors, given that some of them have held office for a long time.

They do not consider the duration of their office to affect their independence and note that two new Directors, one of whom is an Independent Director, were appointed by the General Meeting of 13 June 2017.

› PROCEDURES

As VIEL & Cie is an investment company investing in operating companies, its Board of Directors met twice during the reporting period, with an attendance rate of 100%. The Boards of its operating subsidiaries Compagnie Financière Tradition SA and Bourse Direct SA met four and five times respectively during the period.

In 2022, the Board of Directors dealt in particular with matters concerning (i) Group strategy; (ii) the Company's activity, the audit of the annual accounts and review of the half-year and consolidated accounts; (iii) governance, with a review of shareholder information and the organisation of the General Meeting, a review of the regulated agreements and a discussion about its own operation; (iv) risk monitoring, internal control, compliance and internal audit within the Group (with the assistance of the Audit Committee), and (v) a review of the extra-financial reporting ("declaration of extra-financial performance" (DPEF)).

Directors are subject to the internal Code of Conduct, as recommended in the Middlenext Code. In this respect, every Director must "ensure that they aware of the general or specific obligations of their office, including the legal and regulatory obligations, particularly those arising from the Commercial Code, the Monetary and Financial Code, the Regulation of 3 November 2014, the Articles of Association and the points of vigilance and recommendations of the Middlenext Corporate Governance Code".

Directors must observe the following professional ethics:

- the search for exemplary conduct which implies, at all times, consistency between words and deeds, to ensure credibility and trust;
- all Directors, upon accepting their appointment, must familiarise themselves with the duties inherent in their office and notably those concerning the regulations on holding several directorships;
- when taking up office, they must sign the Board's Rules of Procedure;
- while in office, Directors must inform the Board of any possible conflicts of interests whether potential (customers, suppliers, competitors, consultancies, etc.) or existing (other appointments);
- in the event of a conflict of interest, and depending on its nature, a Director must abstain from voting, refrain from taking part in debates, and in extreme cases, resign;
- all Directors must comply with the legal and regulatory requirements in force as regards the declaration of transactions and the abstention period for trading in the Company's securities;
- all Directors must be diligent and attend the meetings of the Board and those of the Committees of which they are a member;
- all Directors must ensure that they obtain all the necessary information in sufficient time on items to be dealt with at meetings;
- all Directors must respect a real obligation of confidentiality that goes beyond the simple obligation of discretion provided for by law, and formally undertake to do so by signing the Board's rules and regulations, and undertake to respect the professional secrecy provided for in the Monetary and Financial Code as regards third parties;
- all Directors must attend the General Meetings.
- Directors must devote the time and attention required for their duties. They must be diligent and attend all meetings of the Board and the Committees of which they are a member, subject to their availability.

Directors owe a duty of loyalty to VIEL & Cie and must refrain from any form of competition. They may not be a director, member of the supervisory board, member of the senior management, or partner of a competitor or maintain any significant business relationship with a competitor company. It is recommended that no Director should accept more than two other directorships in listed companies, including foreign companies, outside the Group, when they serve as a director.

The Board reviews known conflicts of interest at least once a year - this was done at the meeting of 30 March 2023 - and all members are required to regularly and voluntarily update their disclosures. No conflicts of interest were identified. Directors undertake before each Board meeting, depending on the agenda, to disclose any conflicts of interest they may have, to refrain from taking part in the proceedings, and to abstain from voting on any matter where they may have such a conflict.

In accordance with the new recommendation of the Middlenext Code, the Board has established a three-year training plan for its members as of the beginning of 2022. This plan provides for training on various topics including governance, risk management, financial regulation, financial data, corporate social and environmental responsibility, and human capital. Some Board members received training on governance, cyber risk management and corporate social responsibility (CSR) in 2022.

The Board of Directors set up an Audit Committee, described below, as recommended by the Middlenext Code.

In accordance with the recommendation of the Middlenext Code the Board of Directors, at its meeting on 30 March 2023, debated the question of its operation and the preparation of its work. Prior to the meeting, all Board members had been asked to complete questionnaires to serve as a basis for discussion.

The Directors are generally satisfied with the way in which VIEL & Cie is managed and run, and the way the Board and the Audit Committee operate.

The Board of Directors' Rules of Procedure were updated on 30 March 2023.

REMUNERATION POLICY FOR OFFICERS OF THE COMPANY PURSUANT TO SECTION L. 22-10-8 OF THE COMMERCIAL CODE

The remuneration policy for officers of the Company is defined in accordance with the applicable laws and regulations and the recommendations of the Middlenext Corporate Governance Code. The principles applied in determining this remuneration therefore comply with the criteria of exhaustiveness, balance, consistency, clarity, measurement and transparency.

This remuneration policy is prepared by the Company's Board of Directors and submitted to the General Meeting for approval. It is reviewed each year.

› General principle

Officers of the Company receive no compensation or benefits of any kind, other than any compensation awarded in their capacity as directors.

Officers of the Company do not benefit from supplementary pension plans funded by the Company.

I. The remuneration policy referred to in Section L. 22-10-8 (I) of the commercial code includes the following information in respect of all Company officers:

1. Aligns with the Company's interests and contributes to the business strategy and the long-term viability of the Company:

The purpose of this remuneration policy is to ensure equitable compensation for Company officers for their contribution to the work of the Board of Directors, in the Company's interest, taking into account the indirect majority shareholder status of the Chief Executive Officer.

2. Decision-making process to determine, review and implement the policy, including measures to prevent or manage conflicts of interest and, where appropriate, the role of the Remuneration Committee or other relevant committees:

This remuneration policy was prepared by the Board of Directors at its meeting held to approve the accounts for the financial year. It is reviewed annually at the meeting held to approve the accounts. In view of the size of the Company, no Remuneration Committee has been set up and the Audit Committee is not involved in reviewing this policy.

3. Decision-making process to determine and review the manner in which the remuneration and employment conditions of Company employees are taken into account:

Considering that the only compensation awarded is that for directors' services and that there is no employee representation, the Board of Directors does not take account of the employment and remuneration conditions of Company employees when establishing and reviewing this policy.

4. Assessment methods to determine the extent to which Company officers have satisfied the performance criteria for variable remuneration and share-based compensation:

No variable compensation or share-based compensation is paid to Company officers in respect of their corporate office.

5. Criteria for apportioning the annual fixed sum allocated to Directors by the General Meeting:

The annual fixed sums allotted to Directors by the General Meeting are distributed equally among the members of the Board.

6. **Changes to the remuneration policy, description and explanation of all substantial changes, and the procedure for taking account of the most recent shareholder votes on the remuneration policy and the information required under Section L. 22-10-8 of the Commercial Code and, where applicable, the opinions expressed at the last General Meeting:**

The Board of Directors may review the remuneration policy during the year, in particular if this is necessary for the recruitment of a director. In that case, the Board of Directors would describe the significant changes and, where appropriate, would take account of the opinions expressed at the last General Meeting.

7. **Procedures for applying the remuneration policy to newly appointed Company officers or to those whose term of office is renewed, pending, if appropriate, shareholder approval of significant changes to the remuneration policy referred to in Article L. 22-10-8 of the Commercial Code.**

The remuneration policy applies to newly appointed Company officers as well as to the renewal of mandates.

8. **Exceptions to the application of the remuneration policy pursuant to paragraph III of Section L. 22-10-8 of the Commercial Code, the procedural requirements for their application, and the elements of the policy to which exceptions may made:**

The Board of Directors may temporarily depart from all elements of the remuneration policy during the year, in particular in the event of the recruitment of an executive manager, where required by the circumstances in the Company's interest and where it is necessary to ensure the Company's sustainability or viability. In that event, the Board of Directors should explain such exception.

II. The remuneration policy sets out the following elements for each Company officer:

1. **The fixed, variable and exceptional components of the compensation and benefits of any kind that may be awarded to each Company officer in respect of his or her office, and their respective weighting:**

The Directors receive an equal share of the allotted remuneration for their services, the total amount of which is approved by the General Meeting of Shareholders.

2. **Awards of share-based compensation: the vesting and, if applicable, lock-up periods applicable after acquisition and the manner in which share-based compensation contributes to the objectives of the remuneration policy:**

No share-based compensation is paid to Company officers in respect of their corporate office.

However, bonus shares or share options may be granted in connection with an employment contract with a Group entity. In that case, the grant period is between one and three years; there may be no lock-up period or it may be one year, so that the grant period and the lock-up period together are at least two years.

These elements help align employee interests with the Group's development over the long term.

3. **Any deferral periods and, if applicable, the possibility that the Company may require the return of variable compensation:**

No variable compensation is paid to officers of the Company.

4. **The award of variable compensation components: clear, detailed and varied criteria, both financial and non-financial, that condition the award of such components, including, where applicable, criteria relating to the Company's social and environmental responsibility, and the way in which these criteria contribute to the remuneration policy objectives:**

No variable compensation is paid to officers of the Company.

5. **The term of office and the term of employment or service contracts entered into with the Company, notice periods, and the applicable dismissal or termination conditions:**

The term of office of a Director is six years.

None of the officers of the Company have an employment contract with the Company.

6. **The main characteristics and conditions of termination of commitments made by the Company itself or by any company controlled by or which controls the Company, within the meaning of paragraphs II and III of Section L. 233-16 of the Commercial Code, and which correspond to compensation components, allowances or benefits payable or likely to be payable as a result of the termination of duties or a change of position, or subsequent thereto, or conditional rights granted under defined benefit pension commitments that meet the characteristics of schemes mentioned in Articles L. 137-11 and L. 137-11-2 of the Social Security Code:**

N/A

7. **The allocation of conditional commitments and entitlements: clear, detailed and varied criteria, both financial and non-financial, which condition the award of such components, including, where applicable, criteria relating to the Company's social and environmental responsibility, and the way in which these criteria contribute to the remuneration policy objectives. These criteria do not apply to commitments corresponding to compensation paid under a non-compete clause prohibiting the beneficiary, after leaving the Company, from exercising a competing professional activity that is detrimental to the Company's interests, or to commitments qualifying as collective and mandatory retirement and pension schemes under Section L. 242-1 of the Social Security Code.**

N/A

III. Remuneration policy providing for compensation paid under a non-compete clause prohibiting the beneficiary, after leaving the Company, from exercising a competing professional activity that is detrimental to the Company's interests; payment of such compensation is excluded once the beneficiary takes retirement.

N/A

IV. IV. The remuneration policy submitted to the General Meeting of Shareholders, together with the date and result of the last vote of the General Meeting on the resolution referred to in Article. 225-37-2 (II) OF THE COMMERCIAL CODE, is posted on the Company's website on the business day following that of the vote and remains available to the public free of charge at least during the period in which it is in effect.

REMUNERATION - COMPANY OFFICERS

The Chair and CEO received fixed compensation of €304,899 for the 2022 financial year, paid by VIEL et Compagnie-Finance, majority shareholder of VIEL & Cie, as well as compensation of €12,000 paid in 2022 by VIEL & Cie, and €30,000 paid in 2022 by VIEL et Compagnie-Finance.

The Chair and CEO did not benefit under any share option schemes or from any free shares at 31 December 2022.

Remuneration paid to officers of the Company is shown below:

› PATRICK COMBES

Position and remuneration: Chair and CEO, fixed remuneration of €304,899 paid by VIEL et Compagnie-Finance, VIEL & Cie's majority shareholder.

Other offices: Other offices: Chair and CEO of Viel et Compagnie-Finance, Chairman of the Board of Directors of Compagnie Financière Tradition (Switzerland) and Financière Vermeer NV (Netherlands), member of the Supervisory Board of SwissLife Banque Privée SA (France), Director of Paris Europlace (France), Chair of the SAS La Compagnie Vendôme (France), Manager of SCIs VIEL Foch, Vaullongue (France) and Immoviel (France), member of the International Strategy Committee of Columbia Business School, New York (USA), Vice President of the Cercle Turgot.

Allocated compensation: €12,000 paid in 2022 by VIEL & Cie and €30,000 paid in 2022 by VIEL et Compagnie-Finance.

› CHRISTIAN BAILLET

Position and remuneration: Director and Chair of the Audit Committee.

Other offices: Vice Chair of the Supervisory Board of Bourse Direct SA, Chair of the Supervisory Board of Andera, Just World International (USA), Director of VIEL & Cie, Viel et Compagnie-Finance SE, Xerys, Tradition (UK) Ltd (UK), Tradition Financial Services Ltd (UK), TFS Derivatives Ltd (UK), Trad-X (UK) Ltd (UK), Tradition London Clearing (UK), BELHYPERION (Belgium), Fonds Gaillard (Belgium), Otito Properties (Luxembourg), GPI Invest (Luxembourg), Lithos (Luxembourg), QS Bic (Luxembourg), Colors Properties (Spain), Propiedades Millerty (Spain), Turboc Properties (Spain), Fondation Bemberg (Switzerland), Yellow Oceans (British Virgin Islands), Longchamps (Nevis) and Financière Vermeer NV (Pays-Bas), member of the Supervisory Board of Swisslife Banque Privée SA (France).

Allocated compensation: €12 000 paid in 2022 by VIEL & Cie, €30,000 paid in 2022 by VIEL et Compagnie-Finance and €66,000 as emoluments paid by controlled companies.

› JEAN-MARIE DESCARPENTRIES

Position and remuneration: Director and member of the Audit Committee.

Other offices: Honorary Chair of the FNEGE (France), Director of Compagnie Financière Tradition (Switzerland), Managing Director of the Fondation Philippe Descarpentries (Belgium).

Allocated compensation: €12,000 paid in 2022 by VIEL & Cie, and €47,255 as director's and Audit Committee fees paid by controlled companies.

› JEANNE DUBARRY DE LA SALLE

Position and remuneration: Director.

Other offices: Director of Décathlon (France).

Allocated compensation: €12,000 paid in 2022 by VIEL & Cie.

› DOMINIQUE LANGLOIS

Position and remuneration: Director.

Other offices: Director of GTI, TFI and GARMA.

Allocated compensation: €12,000 paid in 2022 by VIEL & Cie.

› CATHERINE NINI

Position and remuneration: Director, €100,000 paid by Bourse Direct as fixed compensation and €224,510 as variable compensation. €163,712 paid by an entity included in the scope of consolidation.

Other offices: Chair of the Executive Board and CEO of Bourse Direct (France),

Managing Director of Viel et Compagnie-Finance (France), member of the Supervisory Board of SwissLife Banque Privée, Director of E-VIEL, SwissLife Gestion Privée, and Viel et Compagnie-Finance, Permanent Representative of Bourse Direct on the Board of Directors of EASDAQ (Belgium) and of VIEL & Cie on the Board of Directors of Arpège (France), CFO of VIEL & Cie, and member representing Bourse Direct on the Exchange Council of the Boerse Berlin (Germany), sole Director of GIE Viel Gestion and VCF Gestion.

Allocated compensation: €12,000 paid in 2022 by VIEL & Cie and €30,000 paid in 2022 by VIEL et Compagnie-Finance.

› DOMINIQUE VELTER

Position and remuneration: Director. €305,580 paid by an entity included in the scope of consolidation.

Other offices: Other offices: Chair and CEO of E-VIEL, Managing Director of Viel and Compagnie-Finance, Strategic Marketing Director of Compagnie Financière Tradition (Switzerland).

Allocated compensation: €12,000 paid in 2022 by VIEL & Cie.

Under the PACTE Act, a "pay ratio" must be implemented which compares the compensation paid or granted to each corporate officer during the year with the average and median compensation on a full-time equivalent basis of company employees other than corporate officers.

As VIEL & Cie has only one employee and the Company officers only receive directors' fees, this ratio is not representative.

The Sapin 2 Act introduced a shareholder vote on the principles and components of directors' remuneration (say on pay). These principles and criteria are therefore submitted to a vote of the General Meeting in a draft resolution, a report on which is included in this document. The Board of Directors takes account of the seven criteria of the Middlenext Code recommendation when setting the compensation of Company officers (namely, exhaustive, balanced, clear, benchmarked, consistent, measured and transparent). The Board of Directors did not award options to subscribe or purchase shares, and did not award free shares or other financial instruments to Company officers during the 2022 financial year. The compensation for Company officers was approved by a majority of shareholders voting on the tenth and eleventh resolutions at the last General Meeting on 9 June 2022.

Ms Catherine Nini was awarded 300,000 free shares of the Company in connection with her employment within the Group. The vesting of these free shares is contingent on her remaining with the Group (maintaining her employment contract), and on the performance of the Company's share price.

Type of scheme (*euros*)	**2017 award scheme**
Date of General Meeting	14 June 16
Date of first awards under the scheme	4 Sept 17
Total number of free shares awarded	440 000
Start date of award of free shares	4 Sept 17
Award period	4 Sept 20
Vesting period in the event of non-fulfilment of the performance condition	4 Sept 27
Conditional on employee remaining with the Company	Yes
Share price performance conditions	6,50 €
Number of free shares outstanding at 1 January	380 000
Number of free shares cancelled during the year	-
Number of free shares outstanding at 31 December	**380 000**
Number of persons concerned	2

These shares vested on 30 March 2023 upon confirmation that the scheme requirements had been fulfilled.

› BALANCED GENDER REPRESENTATION ON THE BOARD

The Board of Directors of VIEL & Cie is composed of seven members - three women (43%) and four men (57%) - so there is a relative gender balance.

The Chairs of the Board of Directors and the Audit Committee are men. Of the four independent Directors, there are three men and one woman.

The Audit Committee is composed of two men, both independent.

› REGULATIONS ON THE APPOINTMENT AND REPLACEMENT OF DIRECTORS AND ON AMENDMENTS TO THE COMPANY'S ARTICLES OF ASSOCIATION

Regulations on the appointment and replacement of Directors and on amendments to the Company's Articles of Association mirror statutory provisions and are set out in Articles 16, 17 and 19 of the Articles of Association.

Members of the Board of Directors may be natural persons or legal entities; they are appointed by the Annual General Meeting, which may remove them any time.

The Directors are appointed for six years. Their remit expires at the conclusion of the Annual General Meeting of Shareholders called to approve the accounts of the financial year in which their term of office ends. They are eligible for re-appointment.

The Extraordinary General Meeting is competent to make any amendments to the Articles of Association authorised by the Commercial Code. It may not however increase the liabilities of shareholders unless approved by a unanimous vote.

› AGREEMENTS PROVIDING FOR COMPENSATION TO BE PAID TO DIRECTORS OR COMPANY EMPLOYEES IF THEY RESIGN, ARE DISMISSED WITHOUT CAUSE, OR THEIR EMPLOYMENT TERMINATES BECAUSE OF A TAKEOVER BID

There is no agreement providing for compensation to be paid to Directors or Company employees if they resign or are dismissed without cause or if their employment terminates because of a takeover.

› AGREEMENTS BETWEEN AN EXECUTIVE OFFICER OF THE COMPANY OR A SHAREHOLDER HOLDING MORE THAN 10% OF THE VOTING RIGHTS AND ANOTHER COMPANY IN WHICH THE FORMER HOLDS MORE THAN HALF OF THE CAPITAL, EXCEPT FOR AGREEMENTS ON ORDINARY OPERATIONS CONCLUDED IN THE NORMAL COURSE OF BUSINESS.

No agreements of this nature were signed.

› RELATIONS WITH SHAREHOLDERS

In accordance with a new recommendation of the Middlenext Code, the Board of Directors at its meeting on 30 March 2023, analysed the negative votes cast at the previous General Meeting on 9 June 2022 and considered whether it would be appropriate to change, for the next General Meeting, the factors that may have prompted the negative votes and whether a communication on the matter would be appropriate.

In this respect, the Board noted that the majority of minority shareholders approved most of the proposed resolutions, with the exception of those relating to the usual financial authorisations (delegation of capital increase, issue of warrants, etc.). As these authorisations may necessary in emergencies, even though they have never been implemented, the Board of Directors prefers to submit them again to the General Meeting.

AUDIT COMMITTEE

VIEL & Cie has an Audit Committee comprised of two non-executive and independent members; it meets twice a year. The members have the experience, knowledge of the sector of activity, and required expertise in matters of accounting standards, finance, and auditing to carry out their remit. The role of the Audit Committee is to assist the Board of Directors in its task of overseeing the financial reporting process, the internal review of financial controls, the internal auditing process, and Company procedures aimed at ensuring compliance with the law, the regulations and the Code of Conduct. Without prejudice to the powers and duties of the Board of Directors, the Audit Committee has the following responsibilities in particular:

1° it monitors the preparation of financial information and, where appropriate, makes recommendations to ensure the integrity of such information;

2° it monitors the effectiveness of the internal control and risk management systems and, where appropriate, the internal audit, with regard to procedures for preparing and processing accounting and financial information, without compromising its independence;

3° it issues a recommendation on the independent auditors whose appointment is submitted to the General Meeting for approval. This recommendation is prepared in accordance with regulations and sent to the Board of Directors. The Audit Committee also submits a recommendation to the Board when the appointment of the independent auditors is due for renewal on the conditions defined in regulations, and it also ensures the independence of the independent auditors;

4° it monitors fulfilment of the mission of the independent auditors, and takes account of the findings and conclusions of the Haut Conseil du Commissariat aux Comptes following the audits carried out in accordance with regulations;

5° it ensures that the independent auditors observe the conditions for independence in accordance with the conditions and procedures laid down in regulations;

6° it approves services provided, other than those for auditing the accounts, having regard to the applicable regulations;

7° it reports regularly to the Board on the performance of its missions. It also reports on the results of the certification of the accounts, the way in which this mission contributed to the integrity of the financial information and the role it played in this process. It informs the Board promptly of any difficulty encountered.

The Audit Committee also reviews the performance, efficiency and fees of the external auditors, and ensures that they maintain their independence. Lastly, it examines the effectiveness of the cooperation of all the financial and risk management departments with the external auditors.

The Audit Committee met five times in 2022, with an attendance rate of 100%.

It regularly invites the senior financial managers to its meetings to obtain financial information.

It systematically reviews the work of the Audit Committees of its operating subsidiaries.

The Audit Committee reported to the Board on the results of the audit. It also explained to the Board how the statutory audit contributed to the integrity of financial reporting and the role it played in this process.

› INTEGRITY OF FINANCIAL REPORTING: ROLES OF THE STATUTORY AUDIT / AUDIT COMMITTEE

Group entities entrusted a number of non-audit assignments to auditors belonging to the network of statutory auditors in 2022. The Audit Committee sought assurance from the Finance department that it had submitted all requests for services other than the certification of accounts to the Audit Committee.

The Audit Committee ensured that total fees for these other services did not exceed 70% of the statutory audit fees.

The Audit Committee received confirmation of the independence of its statutory auditors, and it discussed possible threats to their independence as well as the preventive measures put in place to limit them.

The Audit Committee reported that it had been consulted and had approved in advance each of the non-audit assignments, after considering, in particular, the risk to the independence of the statutory auditors.

It reviewed the half-yearly and annual accounts and the conditions under which the auditors had carried out their remit.

The Audit Committee asked the auditors about any inspection that may have been carried out by the Haut Conseil du Commissariat aux Comptes (H3C) in respect of their auditing remit in 2022, and noted that no such inspection had been carried out.

The Audit Committee checked that the auditors had submitted their report to the Committee prior to issuing their final report. It discussed with the auditors the key points of the audit and in particular the areas for improvement.

The Audit Committee reviewed the financial reporting process and made comments and recommendations to ensure the integrity of the reporting.

It examined the effectiveness of the risk management system and the internal control framework, particularly through the work of the Audit Committees in the operating subsidiaries.

In order to carry out its remit, the Audit Committee reviewed the organisation put in place by management.

The Audit Committee reviewed the work carried out in connection with the Group's non-financial disclosures and made recommendations regarding the system set up to meet non-financial objectives.

The Committee headed the selection process for a new statutory auditor, and the latter was appointed by the General Meeting on 9 June 2022.

› Main activities of the Audit Committee in 2022

The Audit Committee made every effort to fulfil its role of assisting and informing the Board of Directors. After each meeting of the Audit Committee, it reported to the Board on its work and findings, and issued recommendations on specific points of concern.

These recommendations were discussed by the Board.

In addition to its main remit, the Audit Committee undertook the following tasks, particularly by reviewing the work of the Audit Committees of the operating subsidiaries:

1. review of the draft reference document
2. review of the draft financial press releases prepared by management
3. review of the corporate governance report
4. the certificate issued by the independent third-party on the CSR report
5. monitoring the main risk areas and the internal control system
6. approving the internal audit plans of its operating subsidiaries for 2022
7. review of the internal audit missions of its operating subsidiaries
8. review of the risk mapping of its operating subsidiaries
9. authorisations of non-audit assignments
10. monitoring the independence of the statutory auditors and obtaining their written report
11. review of the statutory auditors' proposed approach to their work (fees, processes, risks, coverage, etc.).
12. review of the anti-corruption system
13. review of possible fraud
14. selection of the new statutory auditor.

REMUNERATION COMMITTEE.

The Remuneration Committee, chaired by Christian Baillet, is comprised of two members. It advises the Board of Directors on compensation plans and strategies and, more specifically, on compensation terms for members of the Executive Board, share option schemes and other incentive schemes.

FREE SHARE SCHEME

The Company granted a free share scheme to Group employees in 2022.

Details of the existing schemes are as follows:

Type of scheme (*euros*)	**2017 award scheme**		**2021 award scheme**
Date of General Meeting	14 June 16	14 June 16	12 June 20
Date of first awards under the scheme	4 Sept 17	4 Sept 17	18 March 21
Total number of free shares awarded	440 000	138 000	135 000
Start date of award of free shares	4 Sept 17	4 Sept 17	18 March 21
Award period	4 Sept 20	4 Sept 20	18 March 24
Vesting period in the event of non-fulfilment of the performance condition	4 Sept 27	4 Sept 27	18 March 31
Conditional on employee remaining with the Company	Yes	Yes	Yes
Share price performance conditions	6.50 €	6.00 €	6.80 €
Number of free shares outstanding at 1 January	380 000	138 000	135 000
Number of free shares cancelled during the year	-	-	-
No free shares were allotted during the year		138 000	
Number of free shares outstanding at 31 December	**380 000**	**-**	**135 000**
Number of persons concerned	2	4	4

SHARE BUYBACK PROGRAMME

In its 7th resolution, the Combined Annual and Extraordinary General Meeting of 9 June 2022 approved a share buyback programme.

On 8 July 2020, the Company announced the implementation of a share buyback programme and reiterated the terms and objectives:

- **Objectives of the buyback programme** Shares purchased in connection with or pursuant to the foregoing authority may be acquired for the purpose of:
- allocating shares as part of a capital increase reserved for Group employees in connection with employee share option schemes;
- delivery of shares in payment or exchange or as part of hedging obligations related to debt securities, in connection with external growth operations;
- cancelling all or part of these shares through a reduction in capital with a view to optimising earnings per share, subject to the adoption of a specific resolution by the Extraordinary General Meeting of Shareholders voting on special business;
- facilitating trading liquidity and price stability of the issuer’s securities or avoiding price inconsistencies that are not justified by market trends, by means of a liquidity contract.

The shares may be purchased, sold or exchanged at any time and by any means, including through the use of options and/or in the form of block sales, provided however that such transactions do not increase share price volatility, and excluding the purchase of call options, including during a takeover bid, within the limits of securities regulations.

- **Maximum amount allocated to share buyback programmes**

The General Meeting set the maximum number and the characteristics of the securities which the issuer proposes to acquire as well as a maximum purchase price of €8. The resolution adopted by the General Meeting provides that VIEL & Cie may acquire its own shares, up to a limit of 10% of the number of shares comprising the share capital. The maximum amount of the operation is therefore set at €120,493,966.40.

- **Duration of the buyback programme**

The programme is to run until the General Meeting called to approve the accounts for the 2022 financial year.

The Company held 6,008,249 treasury shares at 31 December 2022.

During the year, the Company acquired 1,629,748 of its own shares under buyback programmes for the purpose of cancellation, at an average price of €5.54. At 31 December 2022, the Company held a total of 2,459,751 treasury shares allocated to this objective.

In its 13th resolution, the Combined Annual and Extraordinary General Meeting of 9 June 2022 granted authority to the Board of Directors to reduce the share capital by an amount not exceeding 10% of the share capital, by cancelling treasury shares held under the above authority.

On 12 January 2023, the Board of Directors exercised the authority to reduce the share capital by 845,563 shares, representing a reduction in capital of 169,112.60.

INFORMATION ON THE GROUP'S INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL DATA

The financial regulations under which VIEL & Cie's subsidiaries operate define the internal control environment required of all regulated companies.

The regulations applicable within the Group lay down the principles regarding control systems for operations and internal procedures, accounting and information processing, risk and performance measurement, oversight and risk management, and internal control documentation and information.

The Board of Directors thus reviews the Group's activity and results and the internal control system, particularly compliance control, based on the information it receives.

The purpose of the internal control system is primarily to provide reasonable assurance regarding:

- the implementation and optimisation of operations,
- the reliability of financial information,
- compliance with the laws and regulations in force.

One of the objectives of the Group's internal control system is to prevent and control risks arising from the Company's activity and the risk of errors or fraud at all stages of the Company's activity. As with any control system, however, it cannot guarantee that such risks will be totally eliminated. As a result, the accounting and internal control systems do not provide management with the certainty that the objectives set are being achieved, due to the inherent limitations of any system's operation.

VIEL & Cie financial statements are prepared by the accounting team, under the responsibility of the Executive Board and the Chief Financial Officer. A manual of accounting procedures describes the overall organisation of the accounting department, the tools used, the account closing procedures and the applicable accounting plans.

INFORMATION ON AGREEMENTS CONCLUDED OR ONGOING IN 2022

› REGULATED AGREEMENTS

A regulated agreement subject to the provisions of Article L. 225-38 of the Commercial Code was entered into during the reporting period. On 8 September 2022, the Board of Directors approved the renewal of the commercial sublease signed on 2 May 2016 between VIEL & Cie and Viel et Compagnie-Finance, for the premises at 9 Place Vendôme, Paris (1er) with a surface area of 373 m². The renewal took effect on 2 May 2022. The rent is indexed annually on 2 May to the Tertiary Activities Rent Index (TARI).

The Directors concerned by this agreement are Messrs. Patrick Combes and Christian Baillet and Ms Catherine Nini.

The rent and service charges for 2022 billed by Viel et Compagnie-Finance amounted to €223,468.26.

The following agreements are ongoing:

- On 29 April 2016, the Board of Directors authorised the signing of a 6-year commercial sublease, effective from 2 May 2016.

This lease, concluded between Viel et Compagnie-Finance and our Company, concerns rental of the premises at 9 Place Vendôme, Paris (1er), representing a surface area of 373 m². The rent is indexed annually on 2 May to the Tertiary Activities Rent Index (TARI).

The Directors concerned by this agreement are Messrs. Patrick Combes and Christian Baillet and Ms Catherine Nini.

The rent and service charges for 2022 billed by Viel et Compagnie-Finance amounted to €110,770.29.

- On 17 July 2013, the Board of Directors authorised a cash current account ("compte courant de trésorerie") to be set up between our Company and Bourse Direct. At its meeting of 20 March 2018, the Board of Directors ratified an amendment to the agreement, dated 9 March 2017, which changed the interest terms to the 3-month Euribor rate + 0.75, in order to align with market conditions on short-term cash deposits with credit institutions.

The Directors concerned are Ms Catherine Nini and Mr Christian Baillet.

At 31 December 2022, our Company's current account advance was zero euros. Interest income of €1,878.78 was recognised during the year.

› AGREEMENTS RELATED TO ORDINARY OPERATIONS CONCLUDED IN THE NORMAL COURSE OF BUSINESS

The Board of Directors established a procedure to regularly assess whether agreements related to ordinary operations entered into in the normal course of business under Section L. 22-10-12 of the Commercial Code continue to qualify as such.

This procedure consists of conducting an annual review of such agreements during the Board of Directors' review of regulated agreements. Persons having a direct or indirect interest in any such agreement may not take part in its assessment.

PRINCIPAL RISK FACTORS IDENTIFIED IN THE GROUP

The risks identified mainly concern VIEL & Cie's operating subsidiaries in connection with their activities. The principal risks are disclosed below to the extent that they may impact the value of the investments concerned in VIEL & Cie's portfolio. Each operating subsidiary has full management autonomy, but provides regular financial reporting to VIEL & Cie.

These subsidiaries are mainly exposed to the following risks:

- credit and counterparty risk
- liquidity risk
- market risk
- currency risk
- interest rate risk
- partnership risks
- operational risk related to controlled interests.

The Board of Directors assesses risks existing within the Group and exercises oversight of the executive management. It is assisted in these tasks by the Audit Committee, whose role is to oversee the internal control system for financial reporting, risk management, and compliance with local laws and regulations. The Internal Audit department conducts timely reviews of risk management and internal control procedures, and reports its findings to the Audit Committee of the various operating segments.

In order to effectively monitor operational risks, the Group's subsidiaries have developed a uniform risk map based on Basle II classifications. The Group uses One-SumX software to identify these operational risks for each subsidiary and coordinate information regarding the nature of these risks. This approach is in line with the Group's policy of controlling operational risks.

› CREDIT AND COUNTERPARTY RISK

As a holding company, VIEL & Cie is not exposed to credit risk.

Credit risk is primarily the risk of financial loss for the operating subsidiaries in the event that a customer or a counterparty to a financial instrument does not fulfil its obligations. This risk mainly concerns the item "Trade and other receivables".

VIEL & Cie's operating subsidiaries are interdealer brokers in the financial and non-financial markets, serving mainly institutional clients for Compagnie Financière Tradition, and retail customers for Gaitame (Japan-based subsidiary of Compagnie Financière Tradition), and Bourse Direct.

Interdealer broking: Compagnie Financière Tradition

This broking business consists of facilitating contact between two counterparties to a trade, and receiving a commission for services rendered. Compagnie Financière Tradition's exposure to credit risk in connection with these activities is therefore very limited. The quality of counterparties is evaluated locally by subsidiaries in accordance with Group guidelines, and commission receivables are closely monitored. Impairments are recognised where necessary on certain receivables.

Some of the Group's operating companies act as principal in the simultaneous purchase and sale of securities for the account of third parties. These trades are managed through clearing houses on the basis of cash against delivery of securities. Since October 2014, the period between the transaction date and the settlement date has generally been two days, during which time these companies are exposed to counterparty risk.

This risk is contained within the limits set by Compagnie Financière Tradition's Credit Committee, which bases its decisions on the creditworthiness of the counterparty, taking into account ratings published by recognised bodies (External Credit Assessment Institutions (ECAI)), and available financial information (stock market prices, credit default swaps, yields in the secondary bond markets, etc.). Where no external rating is available, Compagnie Financière Tradition calculates an internal rating using internal methods. Aside from the counterparty's rating, the type of instruments traded and their liquidity are also taken into account for determining the limit.

Compagnie Financière Tradition's Risk Management department, or the risk management departments of the operational zones, independently establish credit limits and monitor adherence. The limits are reviewed regularly, at set frequencies or following events that could affect the creditworthiness of the counterparty or the environment in which it operates (country, type of sector, etc.).

Exposure is concentrated in regulated financial institutions, the majority of which have investment grade ratings.

The clearing itself is handled by specialised teams. The Tradition Group's indirect subsidiary, Tradition London Clearing Ltd, is a dedicated clearing company and the lynchpin of the Group's matched principal operations for Europe and Asia. Tradition London Clearing Ltd is responsible for following up trades introduced by the Tradition Group's operating entities, until their final settlement in the clearing houses. Tradition Asiel Securities Inc., one of the Tradition Group's US subsidiaries, performs all clearing operations in the United States. This company is a member of the FICC (Fixed Income Clearing Corporation), a central settlement counterparty for US government securities. Membership in the FICC considerably reduces the risk of a counterparty default, since it guarantees settlement of all trades entering its net.

Online trading: Bourse Direct

Bourse Direct caters mainly to retail investors, whose transactions are covered by cash deposited in their securities account; automatic control systems are in place to prevent trades where there is insufficient cover.

Bourse Direct also serves institutional customers. All counterparties must be approved by the Credit Committee. Most counterparties are major financial institutions with excellent credit ratings. An essential part of the approval process is the separation of operating functions from risk assessment and authorisation. Bourse Direct's management regularly monitors compliance with decisions, and reviews the effectiveness of control procedures for counterparties and clearing operations.

› liquidity risk

VIEL & Cie must always have sufficient funds available to enable it to finance ongoing operations and maintain its investment capability. Exposure to liquidity risk is managed at the holding company level where the duration of financing, availability of credit facilities, and diversification of resources are constantly monitored. The Group also operates a conservative investment policy for surplus cash by placing cash balances in risk-free, cash and money market instruments. Cash flow agreements are entered into between VIEL & Cie and certain subsidiaries in order to optimise treasury management within the Group.

Liquidity risk arises when subsidiaries encounter difficulties in honouring their financial commitments. For risk management purposes this risk is divided into two types.

Transactional liquidity risk concerns the ability to meet cash flows related to matched principal trades or the requirements of market counterparties – for instance, the need to fund securities in the process of settlement or to post margins or collateral with clearing houses or banks that provide clearing services to the Group's consolidated companies.

These liquidity demands are hard to anticipate but are normally short term, overnight or even intra-day and are usually met from overdrafts with the clearing entity. In order to manage these risks the subsidiaries engaged in matched principal trading hold cash or cash equivalents sufficient to meet potential funding requirements using a statistical approach based on historical data, which is stress tested to establish an appropriate level of contingency funding.

Balance sheet liquidity risk is the risk that a Group entity will be unable to meet its net working capital needs over a certain period of time due to trading difficulties or significant investments in the business. In order to manage this risk, all the Tradition Group's trading entities prepare rolling twelve-month cash forecasts as part of the monthly financial reporting process, in order to identify any potential liquidity issues.

At the very least, all entities retain sufficient cash or cash equivalents to meet expected net cash outflows for the next three months. Checks are carried out twice a year to determine surplus funds in relation to local requirements. Moreover, to comply with regulatory restrictions specific to investment companies, some Group companies invest customers' cash in liquid, risk-free products with no interest rate or counterparty risk, and which are immediately accessible.

› market risk

VIEL & Cie is exposed to market risk related to the value of its assets and changes in the costs of its debt. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices and affect the Group's net profit or the value of its financial instruments. Market risk includes currency risk and interest rate risk.

The Group's sensitivity to market risks is disclosed in the notes to the consolidated financial statements.

› currency risk

Because of its international standing, the Group is exposed to currency risk. This risk arises when subsidiaries conduct transactions in a currency other than their functional currency. The main transactional currencies are US dollars (USD), sterling (GBP), euros (EUR), Swiss francs (CHF) and yen (JPY).

Currency risk is analysed globally and its management is the responsibility of the Executive Board. Group policy for hedging this risk is not part of a long-term hedging policy, but is dealt with through ad hoc hedging depending on economic conditions.

› interest rate risk

The Group's exposure to interest rate risk arises mainly from the structure of its financial debt. However, as virtually all variable rate long-term financial debt is hedged using interest rate swaps or has been set up at fixed rates (fixed-rate debt), the risk is negligible.

Financial debt commitments within the Group must be approved by the Executive Board.

› partnership risks

In line with its investment strategy, the Group has for many years focused on taking majority equity positions in its investments. When VIEL & Cie co-invested in partnership with another company, it entered into a shareholders' pact in order to protect its interests in that investment.

› operational risk related to controlled interests.

Operational risk covers all risks arising from transaction processing, and ranges from the correct execution of customer orders through to order confirmation and administrative processing. It also includes breakdowns in the IT system that interfere with order execution.

Another source of operational risk is the major role that key employees can play within the organisation. There is also the risk of competitors headhunting from our operational teams. Finally, the development and improvement of IT tools is a major challenge.

RESEARCH AND DEVELOPMENT ACTIVITY

Bourse Direct, a subsidiary of VIEL & Cie, carries out research and development activities via a team specialised in new technologies for the online trading business. Work is also being carried out by Compagnie Financière Tradition to develop market tools as part of its activities.

FINANCIAL STRUCTURE AND USE OF FINANCIAL INSTRUMENTS

The Group's operating subsidiaries closely monitor their treasury activities to ensure that they have sufficient cash to meet operational needs as well as the Group's strategic business plans.

At 31 December 2022, VIEL & Cie had company debts of €182,159,000 with maturities of 1 to 5 years, and an available cash balance of €102,439,000. These borrowings have been partially hedged by interest-rate swaps since 2022.

Consolidated cash stood at €490,412,000, with consolidated debt of €404,649,000.

Bank borrowings are subject to early repayment clauses; the Group must respect certain contractual ratios, mainly relating to its net cash/debt position, or the level of net financial expense. The Group was within these ratios at 31 December 2022.

INFORMATION ON SUPPLIERS

At 31 December 2022

Euros

		Past due invoices at the balance shet date				
	Not yet due	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**More than 91 days**	**Total overdue (1 day and over)**
Number of invoices concerned	10					0
Outstanding at 31.12.2022 (in euros)	75 193,01	0,00	0,00	0,00	0,00	0,00
Percentage of the total amount of purchases in the year (excl. tax)	3,82 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Number of invoices excluded relating to disputed debts	0					

At 31 December 2022

Euros

		Past due invoices at the balance sheet date				
	Not yet due	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**More than 91 days**	**Total overdue (1 day and over)**
Number of invoices concerned	7					1
Outstanding at 31.12.2021 (in euros)	7 716,20	0	14,88	0	0	14,88
Percentage of the total amount of purchases in the year (excl. tax)	0,20 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Number of invoices excluded relating to disputed debts	0					

The above due dates are based on payment terms stated in the invoices or otherwise at the end of the calendar month in which invoices were received.

Past due debts are mostly less than 30 days.

Invoices must be approved by the competent services prior to any payment.

INFORMATION ON CUSTOMER PAYMENTS

No customer receivables were outstanding at 31 December 2022.

INFORMATION ON NON-TAX-DEDUCTIBLE EXPENSES

VIEL & Cie recognised non-tax-deductible expenses of €80,801 for the 2022 financial year, consisting entirely of the non-tax-deductible portion of Directors' fees.

INFORMATION ON SUBSIDIARIES AND EQUITY INVESTMENTS

At 31 December 2022, VIEL & Cie held 71.40% of the capital of Compagnie Financière Tradition compared with 70.97% in the previous year. Its holding in Bourse Direct increased from 77.19% to 79.35%. Its equity holding in SwissLife Banque Privée remained unchanged at 40%.

TREASURY SHARES

VIEL & Cie exercised the authority to purchase its own shares by purchasing 1,629,748 shares in 2022 with a view to cancellation. The Company held 8.64% of its capital comprising 6,008,249 shares at 31 December 2022.

The movements recorded in 2022 were as follows:

	Situation at 31.12.2021			Increases: buybacks			Reductions: disposals/cancellations			Situation at 31.12.2022		
	Unit value	Number of shares	Value €000	Unit value	Number of shares	Value €000	Unit value	Number of shares	Value €000	Unit value	Number of shares	Value €000
Shares bought for cancellation	5,71	830 003	4 741	5,54	1 629 748	9 032	-	-	-	5,60	2 459 751	13 773
Shares bought for the purpose of external growth	3,76	3 548 498	13 338	-	-	-	-	-	-	3,76	3 548 498	13 338
TOTAL	4,13	4 378 501	18 079	5,54	1 629 748	9 032	-	-	-	4,51	6 008 249	27 111

INFORMATION ON DIVIDENDS

The dividend history over the past three financial years (before deduction of the portion attributable to treasury shares) is as follows:

- a dividend of €0.30 per share was paid in June 2022 for the 2021 financial year, for a total payment of €20,820,740.40;
- a dividend of €0.28 per share was paid in June 2021 for the 2020 financial year, for a total payment of €20,054,431.04.
- a dividend of €0.25 per share was paid in June 2020 for the 2019 financial year, for a total payment of €17,905,742.00.

INFORMATION ON THE PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

VIEL & Cie, in its role of investor, maintains an internal information reporting system based on a business segment approach, applied to each of the Group's core businesses that have similar overall risk profiles.

In order that the presentation of financial information is consistent with the internal reporting system, segment information is presented according to the Group's four business sectors - interdealer broking through its holding in Compagnie Financière Tradition, online trading through Bourse Direct, private banking through SwissLife Banque Privée, and real estate.

EMPLOYEE SHARE OWNERSHIP

The Company did not set up any employee share ownership scheme.

ELEMENTS THAT MAY HAVE A BEARING IN THE CASE OF A TAKEOVER BID (OPA)

The Company's capital structure is presented in this report. The Company's majority shareholder holds a 61.99% interest, which is likely to hamper any attempted takeover of the Company without this shareholder's approval.

There are no restrictions on voting rights and share transfers under the Articles of Association, and the Company is not aware of any shareholders' agreement.

Known direct or indirect interests in the Company's capital are disclosed in this report (see information below).

The Company is not aware of any holders of securities encompassing special rights of control. There are no provisions for control mechanisms in any employee share ownership scheme.

Regulations governing the appointment and replacement of directors, as well as amendments to the Company's Articles of Association, mirror statutory provisions and are set out in the Articles of Association.

The powers of the Board of Directors mirror the statutory provisions. Moreover, the Board has been granted the authority by the General Meeting to purchase shares of the Company up to a limit of 10% of the share capital and to cancel shares up to a limit of 10% of the share capital. It has also been delegated the powers mentioned elsewhere in this report. Shareholders are being asked to delegate to the Board of Directors the financial authorities described in this report, including issuance of poison pills *[bons d'offre]*.

There are no significant material agreements entered into by the Company which would be amended or terminated in the event of a change in control of the Company.

There are no agreements providing for compensation to be paid to Directors or Company employees if they resign, are dismissed, or their employment terminates because of a takeover bid.

TRANSACTIONS BY DIRECTORS AND OFFICERS OF THE COMPANY

Pursuant to Article 223-26 of the AMF General Regulations, no transactions mentioned in Section L. 621-18-2 of the Monetary and Financial Code were disclosed to the Company in the past financial year.

DELEGATIONS GRANTED TO THE BOARD OF DIRECTORS

As required by Section L. 225-100(7) of the Commercial Code, a summary of delegated powers currently in effect, granted to the Board of Directors by the General Meeting, and the use made of such powers during the 2022 financial year is shown below:

Type of delegation	AGE	Expiration dates	Authorised amount	Used in 2022	Remaining authority
Capital increase (general delegation with pre-emptive rights maintained)	09.06.2022	26 months	€10 000 000	-	€10 000 000
Capital increase (general delegation with disapplication of pre-emptive rights)	09.06.2022	26 months	€10 000 000	-	€10 000 000
Capital increase (general delegation with disapplication of pre-emptive rights - Sec. L. 411-2.II MFC)	09.06.2022	26 months	€10 000 000	-	€10 000 000
Capital increase by capitalising reserves	09.06.2022	18 months	€5 000 000	-	€5 000 000
Capital increase by issuing warrants (pre-emptive rights maintained)	09.06.2022	26 months	€20 000 000	-	€20 000 000
Capital increase by granting free, existing or yet to be issued shares	09.06.2022	26 months	€1 388 049	-	€1 388 049
Capital increase by issuing warrants (in case of public offering)	09.06.2022	18 months	€10 000 000	-	€10 000 000
Capital reduction (cancellation of shares)	09.06.2022	24 months	€1 388 049		€1 388 049
Capital increase (grant of free shares to employees of associates) (with pre-emptive rights maintained)	12.06.2020	38 months	€1 432 459	€27 600	€1 404 859

BOARD OF DIRECTORS' REPORT ON RESOLUTIONS TO BE PUT TO THE ANNUAL AND EXTRAORDINARY GENERAL MEETING ON 8 JUNE 2023

Twenty-three resolutions will be put to the shareholders at the General Meeting of Shareholders to be held on 8 June 2023 at 9.15 am.

I – The first sixteen resolutions (resolutions 1 to 16) and the 23rd resolution fall within the competence of the Annual General Meeting and concern: the approval of the annual and consolidated accounts for the financial year ended 31 December 2022, the appropriation of net profit, the approval of the regulated agreements referred to in Articles L. 225-38 *et seq.* of the Commercial Code, the approval of the information referred to in Article L. 22-10-9 of the Commercial Code, the approval of the remuneration policy for officers of the Company, the approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during the past financial year or allocated in respect of the past financial year as well as for the current financial year to the Chair of the Board of Directors and the Directors, and the granting of authority for a share buyback programme.

II – The other six resolutions (resolutions 17 to 22) fall within the competence of the Extraordinary General Meeting and concern the renewal of financial authorities and delegations intended to give your Company the financial means to develop and to implement its strategy, as well as amendments to the Company's Articles of Association, in particular to bring them into line with regulatory provisions.

I. APPROVAL OF THE COMPANY ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (1ST RESOLUTION)

We ask you to approve the Company accounts for the year ended 31 December 2022, showing a profit of 25,906,474.28 euros.

II. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (2ND RESOLUTION)

We ask you to approve the consolidated accounts for the year ended 31 December 2022, showing a Group share of net profit of 73,554,000 euros.

III. APPROPRIATION OF NET PROFIT FOR THE YEAR (3RD RESOLUTION)

The proposed appropriation of net profit of our Company submitted for your approval is in accordance with the law and our Articles of Association.

We propose to appropriate the available earnings for the year, amounting to 35,242,685.98 euros, as follows:

Determination of distributable amounts:

› Net profit for the year	25,906,474.28 euros
› Retained earnings	9,336,211.70 euros
Amount for appropriation	**35,242,685.98 euros**

Proposed appropriation:

› Dividends	24,176,216.75 euros
› Retained earnings for proposed appropriation	11,066,469.23 euros
Total	**35,242,685.98 euros**

The dividend for the financial year totals 24,176,216.75 euros, and has been set at 0.35 euros per share outstanding at 31 December 2022. The Board of Directors has full power and authority to record in the "Retained earnings" account the fraction of the dividend corresponding to the treasury shares held by VIEL & Cie.

The dividend history over the past three financial years (after deduction of the share attributable to treasury shares) is as follows:

- in June 2022, a dividend of 0.30 euros per share was paid for the 2021 financial year, for a total of 20,820,740.40 euros;
- in June 2021, a dividend of 0.28 euros per share was paid for the 2020 financial year, for a total of 20,054,431.04 euros;
- in June 2020, a dividend of 0.25 euros per share was paid for the 2019 financial year, for a total of 17,905,542 euros.

IV. SPECIAL REPORT OF THE AUDITORS ON REGULATED AGREEMENTS AND COMMITMENTS, AND APPROVAL OF SUCH AGREEMENTS (4TH RESOLUTION)

We ask you to approve the agreements that were entered into or ongoing in 2022, referred to in Article L. 225-38 of the Commercial Code and duly authorised by the Board of Directors.

They are also set out in the special report of the Statutory Auditors on the matter, which will be presented to you at the Meeting.

One regulated agreement was entered into in 2022.

The renewal of the commercial sublease was signed with Viel et Compagnie-Finance for the premises used at the Company's registered office at 9 Place Vendôme, Paris 75001. This lease renewal was approved by the Board of Directors on 8 September 2022.

V. RENEWAL OF DIRECTORS' TERMS OF OFFICE (5TH TO 10TH RESOLUTIONS)

You are reminded that the terms of office of the members of the Board of Directors, with the exception of that of Mr Patrick Combes, expire at the close of the upcoming General Meeting.

We therefore propose that you renew the terms of office of the following directors:

- Mr Christian Baillet (5th resolution),
- Mr Jean-Marie Descarpentries (6th resolution),
- Ms Jeanne Dubarry de Lassalle (7th resolution),
- Mr Dominique Langlois (8th resolution),
- Ms Catherine Nini (9th resolution),
- Ms Dominique Velter (10th resolution).

VI. AUTHORITY FOR IMPLEMENTATION OF THE SHARE BUYBACK PROGRAMME (11TH RESOLUTION)

In the 11th resolution, we propose that you grant the Board of Directors, for a period of eighteen months, the necessary powers to purchase shares of the Company, in one or several stages and at such times as it deems appropriate, up to a limit of 10% of the number of shares making up the share capital, adjusted, if necessary, to take account of any capital increase or capital reduction operations that may be carried out during the course of the programme.

This authority would terminate the authority granted to the Board of Directors by the General Meeting of 9 June 2022 in its 7th resolution.

Shares purchased in connection with or pursuant to the foregoing authority may be acquired for the purpose of:

- allocating shares as part of a capital increase reserved for Group employees in connection with employee share option schemes;
- delivery of shares in payment or exchange or as part of hedging obligations related to debt securities, in connection with external growth operations;
- cancelling all or part of these shares through a reduction in capital with a view to optimising earnings per share, subject to the adoption of a specific resolution by the Extraordinary General Meeting of Shareholders voting on special business;
- facilitating trading liquidity and price stability of the issuer's securities or avoiding price inconsistencies that are not justified by market trends, by means of a liquidity contract;
- any other purpose that is or may become authorised by law or regulations in force.

These share purchases could be carried out by any means, including the acquisition of blocks of securities, and at such times as the Board of Directors may deem appropriate.

The Company would reserve the right to use options or derivative instruments within the scope of the applicable regulations.

We propose that the maximum purchase price be set at 11 euros and consequently the maximum amount of the transaction at 10,403,767 euros, calculated on the basis of the share capital at 31 December 2022 and the 6,008,249 treasury shares held at that date.

VII. APPROVAL OF THE REMUNERATION REPORT (12th resolution)

Pursuant to Article L. 22-10-8 of the Commercial Code, it is proposed that the Meeting approve the information referred to in Article L. 22-10-9(I) of the Commercial Code regarding the remuneration of all officers of the Company, as set out in the corporate governance report in the Annual Report.

VIII. APPROVAL OF THE REMUNERATION POLICY FOR OFFICERS OF THE COMPANY (13TH RESOLUTION)

Pursuant to Article L. 22-10-8 of the Commercial Code, we ask you to approve the remuneration policy for officers of the Company as set out in the corporate governance report in the Annual Report

1. Compensation components for the Chair and Chief Executive Officer (14th resolution)

Pursuant to Article L. 22-10-8 of the Commercial Code, we ask you to formally note that no fixed or variable compensation was paid to the Chair of the Board of Directors during the past financial year, other than the compensation allocated in his capacity as Director, or granted in respect of the same financial year to Mr Patrick Combes, Chair and Chief Executive Officer, determined in accordance with the remuneration principles and criteria approved by the General Meeting of 9 June 2022 in its 10th resolution.

These components are presented in the corporate governance report in the Annual Report.

In the 15th resolution, we also ask you to approve the same terms of compensation for the Chair and Chief Executive Officer for the coming year.

2. Components of compensation for directors (16th resolution)

Members of the Board of Directors receive an allocated compensation of 84,000 euros and we propose that this allocation be renewed for the same amount. This amount is divided equally between all the Directors, including the Chair of the Board.

IX. FINANCIAL DELEGATIONS

The Board of Directors wishes to have the necessary delegations of authority to undertake, if deemed necessary, any issue of securities that may be required for the development of the Company's activities.

You are therefore being asked to renew the financial delegations that are now expiring. The status of current delegations may be found in the table of delegations and authorities granted to the Board of Directors by the General Meeting, in the corporate governance report in the 2022 Universal Registration Document.

1. Authority to reduce share capital by cancellation of treasury shares (17th resolution)

In the 17th resolution, we propose that you grant authority to the Board of Directors, for a period of 24 months, to cancel, at its sole discretion, pursuant to the cancellation objective defined in the 11th resolution of this Meeting, in one or several stages, up to a limit of 10% of the share capital, calculated at the date of the cancellation decision, after deduction of any shares cancelled during the previous 24 months, the treasury shares that the Company holds or may hold as a result of the purchases made under its buyback programme and to reduce the share capital accordingly in accordance with the legal and regulatory provisions in force.

The Board of Directors would therefore have the necessary powers in such matters.

2. Delegation of authority to increase the share capital by capitalising reserves, profit and/or premiums (18th resolution)

The delegation of this type of authority expires this year and has not been used.

We ask you to grant authority to the Board of Directors, pursuant to Articles L. 225-129-2, L. 225-130 and L. 22-10-50 of the Commercial Code to increase the capital by capitalising reserves, profits, premiums or other sums that may be capitalised, by issuing and granting free shares, or by increasing the nominal value of existing ordinary shares, or a combination of the two.

The nominal amount of the capital increase resulting from this delegation may not exceed five (5) million euros, representing approximately 36% of the existing capital. This amount would not include the nominal amount of the increase in capital that may be required by law or by contract to protect the rights of holders of securities conferring the right to shares. This ceiling would be separate from all the ceilings provided for in the other resolutions of this Meeting.

This delegation would be for a period of 18 months, and would render null and void any unused portion of any previous delegation granted for the same purpose.

3. Delegation of authority to issue and grant options to subscribe for or purchase shares in the Company for the benefit of employees (19th resolution)

We propose that you authorise the Board of Directors to allot, at its discretion, options to subscribe or to purchase shares, for the benefit of salaried staff and/or executives and officers of the Company or of affiliated companies or groups, or certain categories of any such persons. This delegation would give the Board a loyalty and incentive tool which would also identify employees more closely with the Company's development.

This delegation is for a maximum amount of 10% of the share capital.

The purchase or subscription price of the shares would not be less than 95% of the average quoted market prices for the twenty trading sessions preceding today's date.

This delegation entails the express waiver by shareholders of their pre-emptive right in favour of employees of the Company.

The authority sought would be granted for a period of thirty-eight (38) months.

4. Delegation of authority for the purpose of issuing share warrants, while maintaining shareholders' pre-emptive rights (20th resolution)

We propose that you delegate to the Board of Directors the ability to issue share warrants, while retaining shareholders' pre-emption rights, in order to allow a strengthening of equity capital. The maximum capital increase resulting from the exercise of such warrants may not exceed 20 million euros.

This delegation of powers would be conferred for a period of twenty-six (26) months.

X. AUTHORTY TO BE GRANTED TO THE BOARD OF DIRECTORS IN ACCORDANCE WITH THE PRINCIPLE OF RECIPROCITY AND ON THE TERMS SET BY THE DELEGATIONS GRANTED IN THE EVENT OF A TAKEOVER BID (21st RESOLUTION)

We propose that you grant authority to the Board of Directors to use the delegations of authority granted by the General Meeting in the event of a takeover bid for the Company in accordance with the principle of reciprocity.

This authority would be for a period of 18 months.

XI. AGGREGATE LIMIT OF THE CEILINGS UNDER THE DELEGATIONS GRANTED IN THE 18TH, 19TH AND 20TH RESOLUTIONS OF THIS GENERAL MEETING AND THE 15TH, 16th, 17th and 21st RESOLUTIONs OF THE GENERAL MEETING OF 9 JUNE 2022 (22nd RESOLUTION)

We propose to set at:

- twenty (20) million euros the nominal amount of the increase in capital that may be required by law or by contract to protect the rights of holders of securities giving access to the Company's share capital, and

- one hundred (100) million euros, or the equivalent value if issued in a foreign currency or in units of account determined by reference to a basket of currencies, the maximum nominal amount of debt securities that may be issued by virtue of the authority conferred by the above resolutions,

XII. Powers

The twenty-third resolution grants general powers for the formalities.

2022 RESULTS

The consolidated financial statements at 31 December 2022 were prepared in accordance with International Financial Reporting Standards and International Accounting Standards (IFRS/IAS), and follow the recommendations issued by the International Financial Interpretation Committee as adopted by the International Accounting Standards Board (IASB) and the European Union.

€m	2022	**2021**	**Variation* at variable currency**	**Variation* at constant currency**
Revenue	989,6	855,1	15,7 %	10,1 %
Other operating income	19,6	14,7	33,4%	31,5%
Operating income	**1 009,2**	**869,7**	**16,0%**	**10,4%**
Operating expenses	**-911,6**	**-796,1**	**14,5%**	**9,2%**
Operating profit	**97,6**	**73,6**	**32,5%**	**24,1%**
Share of profits of equity accounted companies	39,2	26,4	48,6%	47,0%
Operating profit incl. associates	**136,8**	**100,0**	**36,8%**	**30,1%**
Financial result	-6,2	-10,1	38,5%	49,0%
Profit before tax	**130,6**	**89,9**	**45,2%**	**39,0%**
Income tax	-24,1	-15,0	61,3%	53,1%
Net profit for the year	**106,4**	**74,9**	**42,0%**	**36,2%**
Group share	73,6	51,0	44,3%	38,9%
Minority interests	32,9	24,0	37,1%	30,5%

**Variations calculated based on amounts in €K.*

VIEL & Cie reported strong business growth in 2022 with consolidated revenue of €989.6m, up 15.7% on the year at current exchange rates. At constant exchange rates, revenue was up by 10.1%.

After an increase of 12.7% in the first half, consolidated revenue was up 18.9% in the second half of 2022 at current exchange rates.

At constant exchange rates, first- and second-half revenue grew by 2.6% and 15.6% respectively.

Consolidated revenue by business segment was as follows:

€000	2022	2021
IDB business	942,5	809,1
Online trading*	47,1	46,0
TOTAL	989,6	855,1

**Bourse Direct has published consolidated accounts since 1 January 2022*

Operating profit was € 97.6 m,up 32.5% at current exchange rates. with an operating margin of 9.9% against 8.6% in 2021. Operating expenses were €911.6m, up 14.5% year on year.

Consolidated operating profit, including equity accounted companies, increased 36.8% to €136.8m compared to €100.0m in 2021. At constant exchange rates, operating profit was up 30.1% on the previous year.

The contribution of associates and joint ventures grew 47.0% at constant exchange rates.

The Group recognised a **net financial expense** of €6.2m in 2022 against an expense of €10.1m in 2021. This difference was driven mainly by foreign exchange results for the year. Net exchange results due to currency fluctuations positively impacted the Group’s financial result.

Profit before tax was €130.6m, an increase of 39.0% year on year at constant exchange rates.

Consolidated net profit grew 42.0% at current exchange rates to €106.4m against €74.9m in 2021.

Group share of net profit was up 44.3% at current exchange rates to €73.6m compared with €51.0m in 2021. At constant exchange rates, Group share of net profit grew 38.9%.

Balance sheet

The Group maintained its focus on a sound balance sheet with a strong capital position while keeping a low level of intangible assets and a strong net cash position.

Consolidated equity, after deduction of the gross value of directly-held treasury shares of €27.1m, was €585.3m at 31 December 2022, €441.0m of which was Group share.

The Board of Directors of VIEL & Cie met on 30 March 2023 to review and close the accounts for the 2022 financial year. These company and consolidated accounts are presently being audited by the Company’s independent auditors,

and the full financial statements will be included in the Company's annual financial report.

Dividend

At the Annual General Meeting to be held on 8 June 2023, the Board will be seeking shareholder approval to pay a cash dividend of €0.35per share for the 2022 financial year against €0.30 in 2021.

SIGNIFICANT EVENTS IN 2022

For the Group’s interdealer broking business, 2021 was marked by sustained activity particularly in the second half of the year, against a backdrop of an abrupt shift in monetary policy worldwide and rising interest rates to combat inflation. These changes in monetary policy resulted in increased trading volumes in the financial markets.

The interest rate hikes that began in 2022 continued into the first few months of 2023, increasing the risks for financial institutions in both the United States and Switzerland. These events had no impact on the Group's business or results.

Bourse Direct pursued its growth policy, focusing on attracting new accounts throughout the year. Against a backdrop of Inflationary pressures, the war in Ukraine, and the erosion of purchasing power, trading volumes in the European stockmarkets were subdued compared to 2021.

OUTLOOK FOR 2023

In the Group’s interdealer broking business, the level of activity at the start of 2023 has continued along the lines of last year, growing more than 10% between January and end-March at constant exchange rates compared with the same period last year. Activity levels are still being driven by central bank monetary tightening policy to combat stubborn inflation. Compagnie Financière Tradition will pursue its growth strategy and cost discipline, while maintaining investment in its data and analytics activities and hybrid broking capabilities.

In our online trading business, activity has been buoyant since the beginning of the year against a backdrop of increased stockmarket volatility. The interest rate hikes deployed since mid-2022 have benefited Bourse Direct’s business and have had a positive impact on results in 2023. Bourse Direct will continue to offer its customers increasingly innovative services, on all mobile devices, by adapting its offering in line with technological developments. It will maintain the most competitive prices on the market and offer customers stock market expertise together with a range of educational services. The Company will also intensify the development of its Savings business.

Swisslife Banque Privée will pursue its growth strategy in 2023.

EVENTS AFTER THE BALANCE SHEET DATE

In 2022, the world was confronted with the war in Ukraine, which disrupted supply chains and had far-reaching consequences for the global economy.

In our IDB business, the average level of activity in January and February was up slightly at constant exchange rates, compared with the same period last year.

The sanctions imposed on Russia and a number of Russian entities and individuals, and the retaliatory sanctions and other measures taken by Russia, generated increased volatility across the financial markets. All these measures are causing delays in the settlement and delivery chain for rouble-denominated securities. Products, activities and counterparties related to the current crisis in Ukraine represent a very limited part of the Group's activities. Unsettled items during the year impacted the consolidated financial statements for the year ended 2022.

Bourse Direct pursued its growth policy, focusing on attracting new accounts throughout the year. The markets are experiencing greater volatility at the start of 2023, which is a favourable environment for Bourse Direct's business, as is the rise in interest rates.

COMPANIES CONTROLLED BY THE GROUP

A list of companies controlled by the Group, and the equity interest held in each of them can be found under "Basis of consolidation" in the consolidated financial statements.

CAPITAL STRUCTURE

As required by law and the Articles of Association, we disclose below the identity of shareholders (natural persons or legal entities) whose holdings exceed thresholds of one twentieth, one tenth, three twentieths, one fifth, one quarter, one third, one half or two thirds, eighteen twentieths or nineteen twentieths of the company's capital or voting rights, together with the number of shares each one holds.

SHAREHOLDERS	Shares	% capital	% voting rights
Viel et Compagnie-Finance	43 110 678	61.99 %	77.12 %
Patrick Combes	3 906 352	5.62 %	7.27 %
Sycomore Asset Management	3 913 935	5.63 %	3.67 %
Financière de l'Echiquier	381 973	0.55 %	0.36 %
Amiral Gestion	4 855 670	6.98 %	4.55 %
Quaero Capital	2 155 415	3.10 %	2.02 %
Public	5 208 196	7.49 %	5.01 %
Treasury shares	6 008 249	8.64 %	-
TOTAL	**69 540 468**	**100 %**	**100 %**

CAPITAL STRUCTURE AND VOTING RIGHTS AT 31 DECEMBER 2022

Share capital stood at €13,908,093.60 comprising 69,540,468 shares with a nominal value of €0.20.

› KNOWN DIRECT OR INDIRECT HOLDINGS IN THE COMPANY'S CAPITAL

VIEL & Cie SA, whose registered office is at 9 place Vendôme - 75001 Paris, registered in the Paris Register of Commerce and Companies under number 622 035 749, is listed on Euronext Paris, and is controlled by Viel et Compagnie-Finance SE which holds 61.99% of its share capital and 77.12% of its voting rights. Viel et Compagnie-Finance SE, whose registered office is at 23 place Vendôme - 75001 Paris is registered in the Paris Register of Commerce and Companies under number 328 760 145.

› LIST OF HOLDERS OF SECURITIES CONFERRING SPECIAL CONTROL RIGHTS AND DESCRIPTION OF SUCH RIGHTS

All securities carry the same rights.

› PROVISION FOR CONTROL MECHANISMS IN AN EMPLOYEE SHARE OWNERSHIP SCHEME

There is presently no employee share ownership scheme.

› KNOWN SHAREHOLDER AGREEMENTS

There are no shareholder agreements known to the Company.

› THRESHOLDS CROSSED DURING THE YEAR

Amiral Gestion SAS (103 rue de Grenelle, 75007 Paris) informed the AMF that on 16 February 2022, in connection with fund management activities on behalf of third parties, it had dropped below the threshold of 8% of the capital and held 7.5% of the capital.

› RESTRICTIONS UNDER THE ARTICLES ON THE EXERCISE OF VOTING RIGHTS AND TRANSFER OF SHARES OR CONTRACTUAL CLAUSES KNOWN TO THE COMPANY PURSUANT TO SECTION L. 233-11

All shares are freely transferrable and tradable subject to statutory or regulatory provisions in force.

Share transfers are carried out by transfer from one account to another as provided by law and the regulations.

In addition to the statutory thresholds, any natural person or legal entity that becomes the holder, in any way whatsoever, within the meaning of Section L. 233-7 of the Commercial Code, of the equivalent of 0.5% of the voting rights or any multiple thereof, must inform the Company in writing of the total number of shares held, within five trading days of exceeding one of these thresholds.

The above disclosure must also be made within the same time period if the shareholding falls below the stated threshold.

In the event of failure to comply with the above disclosure obligations, and at the request of one or more shareholders holding at least five percent (5%) of the capital, the shares exceeding the fraction which should have been disclosed shall immediately be divested of the right to vote for a period of two years following the date of compliance with the disclosure requirement.

The Company is not aware of any agreements referred to in Section L. 233-11 of the Commercial Code (agreements providing for preferential terms for the transfer or acquisition of shares admitted to trading on a regulated market amounting to at least 0.5% of the Company’s capital or voting rights).

› AGREEMENTS ENTERED INTO BY THE COMPANY WHICH WOULD BE AMENDED OR TERMINATED IN THE EVENT OF A CHANGE OF CONTROL

There are no significant material agreements entered into by the Company which would be amended or terminated in the event of a change in control of the Company.

Special terms for shareholder attendance at the General Meeting

Shareholder attendance at General Meetings is governed by law and the Articles of Association (Articles 31 to 33), which are available on the Company’s website. The relevant provisions of the Articles of Association mirror the statutory and regulatory texts.

EXTRA-FINANCIAL PERFORMANCE REPORTING

THE GROUP'S EXTRA-FINANCIAL PERFORMANCE REPORTING IS THE SUBJECT OF A SEPARATE REPORT PUBLISHED ON THE COMPANY'S WEBSITE.

FIVE-YEAR FINANCIAL SUMMARY

	2018	2019	2020	2021	2022
Capital at 31 December					
Share capital (€000)	15 105	14 325	14 325	13 880	13 908
Number of ordinary shares (000)	75 526	71 623	71 623	69 402	69 402
Operations and results for the year (€000)					
Revenue before tax	-	-	-	-	-
Profit before tax, employee profit sharing, amortisation, depreciation, and provisions	10 756	11 271	14 075	18 435	26 338
Income tax	443	62	-	85	101
Employee profit sharing for the year	-	-	-	-	-
Profit after tax, employee profit sharing, amortisation, depreciation and provisions	10 872	13 400	20 441	18 186	25 906
Distributed earnings	18 881	17 906	20 054	20 821	*
Earnings per share (in euros)					
Profit after tax and employee profit sharing, but before amortisation, depreciation and provisions	0,15	0,16	0,20	0,27	0,38
Profit after tax, employee profit sharing, amortisation, depreciation and provisions	0,14	0,19	0,29	0,26	0,37
Dividend per share	0,25	0,25	0,28	0,30	*
Employees					
Average headcount during the year	1	1	1	1	1
Payroll for the year (€000)	331	347	510	381	380
Employee social benefits for the year (social security, social welfare, etc.) (€000)	143	142	232	141	149

**Shareholders will be asked to approve a dividend of €0.35 per share at the Annual General Meeting on 8 June 2023.*

CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF THE INDEPENDENT AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the annual general meeting of Viel et Cie,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Viel & Cie for the year ended December 31, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2022 of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

› Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

› Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

› Valuation of the goodwill

Risk identified	Our response
As disclosed in Notes 8 and 9 to the consolidated financial statements, the net value of goodwill amounts to M€ 119.5 as at December 31, 2022. Goodwill included in intangible assets amounts to M€ 94.2 as at December 31, 2022. Goodwill included in investments in associates and joint ventures amounts to M€ 25.3 as at December 31, 2022. Your group performs impairment tests on goodwill to identify potential impairment losses at each closing date. The fair value of goodwill is assessed by reference to discounted future cash flows on the cash-generating units (CGUs) to which goodwill is allocated and/or by market capitalization when this criterion is applicable, as specified in the "Impairment of Goodwill" section of the "Principals Accounting Estimates and Assumptions" in the consolidated financial statements. We have considered the assessments of goodwill as a key audit matter, as they involve the group's judgments on various assumptions used for discounting future cash flows.	We appreciated the methodology of impairment tests carried out in accordance with accounting standards. We have performed the following procedures: › Compared the budgets and growth assumptions from past periods with the actual results to assess the estimation process made by management. › Compared the cash flow projections used by the group with past performances, our understanding of the group, and the economic environment for conducting impairment tests of goodwill. › Assessed the consistency of the underlying assumptions, notably regarding projections of the cash flow and operations of companies and regarding the economic environment at the closing and reporting dates. › Assessed the conformity of the calculation method used and verified the arithmetic calculations. For listed companies, we compared the accounting value of the CGUs with the market capitalization.

› Valuation of provisions for litigation

Risk identified	Our response
As indicated in Note 21 of the appendix to the consolidated financial statements, as part of their activities, subsidiaries of your group may be involved in disputes with former employees following the termination of their employment contracts or with competing companies when hiring new employees. Furthermore, administrative proceedings may be initiated against subsidiaries by local regulators. Provisions are recognized for ongoing legal disputes when the likely outcome of a lawsuit can be reliably estimated. The provisions for litigation as of December 31, 2022, amount to M€ 12.4. We have considered this matter as a key audit matter due to the judgment exercised by the group regarding the expected outcome of the proceedings.	We obtained an overview of the main ongoing procedures and conducted interviews with your group's legal director to gain an understanding of the main ongoing matters. We directly supervised the work of the component's auditors carried out at our request, including, in particular: › Reviewed the legal analyses prepared by management. › Gained an understanding of the correspondence with external legal advisors. › Assessed the appropriateness of the amounts of associated provisions. › Used the responses to requests for confirmation from external legal advisors. We assessed the appropriateness of the information provided in the notes to the consolidated financial statements.

› Risk related to unsettled deals at year end

Risk identified	Our response
As indicated in the "Principal Activity" section of the "Significant Accounting Policies" section, certain companies within your group act as principals in the simultaneous purchase and sale of securities on behalf of third parties. Such trades are completed when both sides of the deal are settled, namely: once the payment is made and the securities are delivered (settlement-delivery technical timeframe). To accurately represent the set-up of these transactions, they are recognized on the delivery date. Amounts receivable from and payable to counterparties arising from transactions pending delivery beyond the stipulated timeframe are presented on the balance sheet as gross values in the "Clients and Other Receivables" category on the assets side and in the "Suppliers and Other Creditors" category on the liabilities side. When a counterparty defaults on its obligations, the receivable amount recognized in the balance sheet is susceptible to carrying a risk of non-settlement and may require recording an impairment in accordance with the principles outlined in Note 30. As stated in Note 12 of the consolidated financial statements, receivables related to principal activities amount to €110.8 million as of December 31, 2022. The provision amount for expected credit losses stands at €18.5 million.	Our work notably focused on the impairment level determined by the group's companies for this business activities. These works mainly consist in : › Observing the settlement and clearance of these receivables subsequent to the cutoff date. › For unpaid receivables, assessing the coherence between the counterparty's estimated risk by the group and the impairment recorded.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (Code de commerce), is included in the Group's management report, it being specified that, in accordance with the provisions of Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein and this information must be reported by an independent third party.

Report on Other Legal and Regulatory Requirements

› Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Board of Directors, complies with the single electronic format defined in the European Delegated Regulation N° 2019/815 of Decembre 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to technical limits related to the macro-tagging of the consolidated financial statements prepared according to the European single electronic format, some tagging of the notes to the consolidated financial statements might not reflect exactly the consolidated financial statements attached to this report.We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

› Appointment of the Statutory Auditors

We were appointed as statutory auditors of Viel & Cie by the annual general meeting held on the 9th of June 2022 for KPMG S.A. and on the 21st of May 2003 for FIDORG AUDIT.

As at December 31, 2022, KPMG S.A. and FIDORG AUDIT were in the first year and 20 year of total uninterrupted engagement respectively.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

› Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris and Paris-La Défense, May 3, 2023

The statutory auditors

French original signed by:

FIDORG AUDIT	**KPMG S.A.**
Christophe Chareton	Guillaume Mabille

CONSOLIDATED INCOME STATEMENT

€000	Note	2022	2021
Revenue	1	989 632	855 054
Other operating income	2	19 569	14 668
Operating income		**1 009 201**	**869 722**
Staff costs		(692 733)	(619 174)
Other operating expenses	3	(188 747)	(148 848)
Depreciation and amortisation		(30 125)	(28 055)
Valuation gains/(losses)		-	-
Operating expenses		**(911 605)**	**(796 077)**
Operating profit		**97 596**	**73 645**
Share of operating profit of equity accounted companies considered as core business	9	39 169	26 355
Operating profit after share of profit of equity accounted companies considered as core business		**136 765**	**99 999**
Financial income	4	16 367	6 940
Financial expense	4	(22 571)	(17 033)
Profit before tax		130 561	89 907
Income tax	5	(24 133)	(14 961)
Net profit		**106 428**	**74 946**
Non-controlling interests		32 876	23 987
Group share of net profit		**73 552**	**50 959**
Earnings per share (in euros):			
Basic earnings per share	6	1,15	0,78
Diluted earnings per share	6	1,14	0,77

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€000	Note	2022	2021
Profit for the year recognised in the income statement		106 428	74 946
Financial assets at fair value through other comprehensive income		337	**282**
Remeasurement of defined benefit liabilities		5 990	3 716
Total other comprehensive income that cannot be reclassified to profit or loss	16	6 327	3 998
Fair value adjustments on cash flow hedges, recognised in the hedging reserve		6 818	-
Fair value adjustments on cash flow hedges transferred to the income statement		-	-
Currency translation		(13 904)	16 491
Transfer of exchange differences to income statement		9	(12 112)
Other comprehensive income of associates		(265)	(407)
Total other comprehensive income that can be reclassified to profit or loss	16	(7 342)	3 972
Other comprehensive income, net of tax		(1 015)	7 970
Comprehensive income		105 413	82 916
Group share		74 846	56 279
Minority interests		30 567	26 637

The tax impact on each of the other items of comprehensive income is disclosed in Note 5.

CONSOLIDATED BALANCE SHEET

€000	Note	31.12.2022	31.12.2021
ASSETS			
Property and equipment	*7*	22 945	24 526
Right-of-use assets	*26*	57 065	57 149
Intangible assets	*8*	127 224	123 247
Investments in associates and joint ventures	*9*	214 942	200 618
Financial assets at fair value through other comprehensive income	14	5 423	4 678
Financial assets at fair value through profit or loss	13	18 506	18 838
Financial assets at amortised cost		3 000	-
Other financial assets	10	11 140	12 209
Deferred tax assets	5	25 087	30 861
Investment property	7	2 355	2 357
Unavailable cash	11	32 527	32 376
Total non-current assets		520 214	506 859
Other current assets		15 728	15 345
Derivative financial instruments	*25*	9 600	396
Tax receivable	*24*	6 161	5 298
Trade and other receivables	*12*	1 636 049	2 089 470
Financial assets at fair value through profit or loss	*13*	10	105
Financial assets at amortised cost	*14*	26 240	82 099
Cash and cash equivalents	*15*	459 731	458 655
Total current assets		2 153 519	2 651 367
TOTAL ASSETS		2 673 733	3 158 226
EQUITY AND LIABILITIES			
Share capital	16	13 908	13 880
Share premium		12 869	12 869
Treasury shares	16	(27 112)	(18 079)
Currency translation		(55 127)	(43 358)
Consolidated reserves	16	496 412	435 940
Group share of total equity		440 950	401 253
Minority interests	17	144 368	137 301
Total equity		585 318	538 554
Financial debts	20	376 629	384 497
Lease liabilities	26	51 584	54 184
Other financial liabilities		-	-
Provisions	21	22 556	28 280
Deferred income		-	-
Deferred tax liabilities	5	3 379	988
Total non-current liabilities		454 148	467 950
Financial debts	*20*	28 020	126 544
Lease liabilities	*26*	17 235	16 061
Trade and other payables	23	1 564 525	1 986 926
Provisions	21	11 839	12 496
Tax liabilities	24	11 411	8 830
Derivative financial instruments	25	337	19
Deferred income		900	846
Total current liabilities		1 634 267	2 151 722
TOTAL EQUITY AND LIABILITIES		2 673 733	3 158 226

CONSOLIDATED CASH FLOW STATEMENT

€000	Note	31.12.2022	31.12.2021
Cash flows from operating activities			
Profit before tax		130 561	89 907
Depreciation and amortisation	*7, 8, 26*	30 125	28 055
Net financial result		12 802	9 665
Share of profit of associates and joint ventures	9	(39 171)	(26 354)
Increase/(decrease) in provisions	21	2 708	15 817
Movement in deferred income		-	(375)
Expense related to share-based payments	19	1 119	1 222
(Gains)/losses on disposal of companies	2	-	(12 872)
Gains/(losses) on disposal of fixed assets	2	(58)	8
(Increase)/decrease in receivables/payables related to matched principal and account holder activities		5 223	6 088
(Increase)/decrease in working capital		27 730	(34 234)
Provisions paid		(1 401)	(2 240)
Interest paid		(15 044)	(11 889)
Interest received		1 595	3 872
Income tax paid		(16 714)	(16 726)
Net cash flows from operating activities		**139 475**	**49 944**
Cash flows from investing activities			
Acquisition of financial assets		(11 999)	(67 280)
Proceeds from disposal of financial assets		69 318	543
Acquisition of subsidiaries, net of cash acquired		(7 175)	(5 774)
Disposal of subsidiaries, net of cash disposed		-	-
Acquisition of property and equipment	7	(4 782)	(3 302)
Proceeds from disposal of property and equipment		42	-
Purchase of intangible assets	8	(4 387)	(6 237)
Proceeds from disposal of intangible assets		-	54
Dividends received		18 398	15 253
(Increase)/decrease in unavailable cash		(1 164)	(3 562)
Net cash flows from investing activities		**58 251**	**(70 305)**
Cash flows from financing activities			
Increase in short-term financial debts	20	7 959	2 779
Decrease in short-term financial debts	20	(109 433)	(26 043)
Increase in long-term financial debts	20	-	172 211
Decrease in long-term financial debts	20	(18 000)	-
Payment of lease liabilities	26	(17 522)	(14 268)
Movements in other long-term debts		-	-
Increase in capital and share premium	16	28	(445)
Acquisition of treasury shares	16	(9 033)	(4 636)
Acquisition of non-controlling interests	17	(10 774)	5 622
Dividends paid to minority interests		(16 134)	(15 292)
Dividends paid to shareholders of the parent	18	(19 325)	(18 294)
Net cash flows from financing activities		**(192 234)**	**101 633**
Impact of exchange rate movements on consolidated cash		**(4 168)**	**12 166**
Movements in cash		1 324	93 438
Cash and cash equivalents at start of the year	*15*	456 511	363 073
Cash and cash equivalents at end of the year	*15*	457 835	456 511

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€000except for number of shares	Note	Number of shares	Share capital	Share premium	Treasury shares	Currency translation	Consolidated reserves	Total Group share	Minority interests	Total equity
Equity at 1 January 2021		**71 622 968**	**14 325**	**12 869**	**(23 964)**	**(45 839)**	**413 405**	**370 796**	**121 248**	**492 044**
Net profit for the year		–	–	–	–	–	50 959	50 959	23 987	74 946
Other comprehensive income	*16*	–	–	–	–	2 481	2 839	5 320	2 650	7 970
Comprehensive income for the year		–	–	–	–	2 481	53 798	56 279	26 637	82 916
Increase in capital	*16*	–	–	–	–	–	–	0		0
Dividends paid	*18*	–	–	–	–	–	(18 294)	(18 294)	(15 292)	(33 586)
Movement in treasury shares		(2 220 500)	(445)	–	5 885	–	(10 076)	(4 635)	–	(4 635)
Effect of changes in basis of consolidation		–	–	–	–	–	(5 872)	(5 872)	3 486	(2 386)
Equity element of share-based payment schemes	*19*	–	–	–	–	–	2 887	2 887	1 034	3 921
Other movements		–	–	–	–	–	92	92	188	280
Equity at 31 December 2021		**69 402 468**	**13 880**	**12 869**	**(18 079)**	**(43 358)**	**435 940**	**401 253**	**137 301**	**538 554**

€000except for number of shares	Note	Number of shares	Share capital	Share premium	Treasury shares	Currency translation	Consolidated reserves	Total Group share	Minority interests	Total equity
Equity at 1 January 2022		69 402 468	13 880	12 869	(18 079)	(43 358)	435 940	401 253	137 301	538 554
Net profit for the year		–	–	–	–	–	73 552	73 552	32 876	106 428
Other comprehensive income	*16*	–	–	–	–	(10 212)	11 505	1 293	(2 308)	(1 015)
Comprehensive income for the year		–	–	–	–	(10 212)	85 057	74 845	30 568	105 413
Increase in capital	*16*	138 000	28					28	(36)	(8)
Dividends paid	*18*						(19 325)	(19 325)	(16 134)	(35 460)
Movement in treasury shares					(9 033)			(9 033)	(2 837)	(11 870)
Effect of changes in basis of consolidation		–	–	–	–	(1 557)	(6 895)	(8 452)	(5 023)	(13 474)
Equity element of share-based payment schemes	*19*	–	–	–	–	–	859	859	306	1 165
Other movements		–	–	–	–	–	775	775	223	998
Equity at 31 December 2022		69 540 468	13 908	12 869	(27 112)	(55 127)	496 412	440 950	144 368	585 318

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

General

VIEL & Cie is a French public limited company *[société anonyme]* with its registered office at 9, Place Vendôme - 75001 Paris, France.

VIEL & Cie is an investment company which controls two listed financial brokers - Compagnie Financière Tradition, an interdealer broker with a presence in more than 30 countries, and Bourse Direct, a leading participant in the online trading sector in France - as well as an asset management and private banking business, through a 40% stake in SwissLife Banque Privée, accounted for using the equity method.

VIEL & Cie shares (codes: FR0000050049, VIL) are listed in Compartment B of Euronext Paris, and are included in the SBF 250.

The Company was 61.99% owned by VIEL et Compagnie-Finance at 31 December 2022.

The consolidated financial statements for the year ended 31 December 2022 were approved by the Board of Directors on 30 March 2023 and will be submitted to the General Meeting for approval 8 June 2023.

Basis of preparation

The Group's consolidated financial statements are prepared in thousands of euros except where expressly stated otherwise; the euro is the functional currency of the Group's parent company and the presentation currency of the VIEL & Cie Group. The consolidated financial statements have been prepared on a historical cost basis, with the exception of certain financial instruments remeasured at fair value.

They have also been prepared in accordance with International Financial Accounting and Reporting Standards (IFRS) as adopted by the European Union.

› CHANGES IN ACCOUNTING POLICIES GOVERNING THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMEMTS

The accounting policies applied to the preparation of the consolidated financial statements are identical to those in effect at 31 December 2021, except for the following standards and amendments which have been applied since 1 January 2022:

Standard	Name	Effective date
IAS 37 (amendments)	Onerous Contracts — Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to IFRSs (2018-2020 Cycle)	Annual Improvements to IFRSs (2018-2020 Cycle)	1 January 2022

Key accounting estimates and judgments

When preparing the consolidated financial statements, Management makes certain assumptions and estimates in applying its accounting policies.

Due to the uncertainties inherent in the Group's activities, certain items in the consolidated financial statements cannot be measured accurately and must therefore be estimated. Estimates involve judgments based on the latest reliable information available.

Key estimates and assumptions concerning the future, and other important sources of uncertainty regarding estimates at the balance sheet date, that present a significant risk of entailing material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

› Goodwill impairment

The Group tests goodwill for impairment at each balance sheet date. The value in use of goodwill is estimated using discounted cash flow projections on the cash-generating units (CGUs) to which the goodwill has been allocated and is compared to market capitalisation where this criterion can be applied.. Future cash flow projections and the discount rate to be used in calculating their present value are based on estimates made by Management. Additional information is disclosed in Note. 8.

› Deferred tax assets

Deferred tax assets are recognised for tax loss carry-forwards to the extent that it is probable that taxable profits will be available in the foreseeable future against which the temporary differences can be utilised. Management estimates the deferred tax assets to be recognised on the basis of forecasts of future taxable profits. Additional information is disclosed in Note 5.

› Employee benefits

The Group's obligations under defined benefit schemes are measured each year on the basis of actuarial valuations. This type of valuation implies the use of actuarial assumptions the most important of which are the discount rate, future salary and pension increases, and the mortality rate. Because of the long-term perspective, these estimates involve a degree of uncertainty. Additional information is disclosed in Note. 22.

› Litigation

Provisions are recognised for ongoing litigation when the probable outcome of a lawsuit or other litigation involving the Group can be reliably estimated. The timing of cash outflows relating to these provisions is uncertain, as they will depend on the outcome of the relevant cases. Additional information is disclosed in Note. 21.

Significant accounting policies

› Basis of consolidation

The consolidated financial statements include VIEL & Cie, its subsidiaries, associates and joint ventures ("the Group").

A list of the main consolidated companies, together with the percentage holding, equity interest, and method of consolidation for each one, is set out in Note 32.

› Business Combinations

Company acquisitions are accounted for using the purchase method. Acquisition cost is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquired company. Acquisition costs related to business combinations are expensed.

The assets, liabilities, and contingent liabilities of the acquired company, which meet the recognition criteria, are recognised at fair value on the acquisition date. Goodwill is recognised as an asset and is initially measured at cost, which is the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities so recognised. If, after remeasurement, the Group's interest in the net fair value of any identifiable assets, liabilities and contingent liabilities exceeds the cost of the acquisition, the excess is immediately recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill on subsidiaries is shown on the balance sheet under intangible assets in Note 8.

As part of the annual impairment testing, goodwill is allocated to cash-generating units. Its value in use is estimated using discounted cash flow projections.

Minority interests in the acquired company are initially measured on the basis of their proportion of the fair value of the net assets acquired.

Consolidation methods

› Subsidiaries

All companies in which VIEL & Cie directly or indirectly holds a controlling interest are fully consolidated in the financial statements.

There is control when the Group is exposed, or has rights, to variable returns from its involvement with the company and when it has the ability to affect those returns through its power over the company.

The financial statements of subsidiaries are incorporated in the consolidated financial statements from the date on which control is obtained until the date on which control ceases. The share of minority interests in the net assets of consolidated subsidiaries and in total comprehensive income for the year are presented separately in the consolidated balance sheet and income statement even if this results in the minority interests having a deficit balance.

› Joint ventures

A joint venture is a partnership which confers on the Group rights to the net assets of the company in which it exercises joint control with other shareholders. The Group's interests in joint ventures are consolidated using the equity method. Goodwill identified on joint ventures is included in the carrying amount of the investment.

› Associates

Associates in which VIEL & Cie exercises significant influence over the financial and operating policies, but does not have control or joint control, are accounted for using the equity method. Significant influence is presumed when VIEL & Cie directly or indirectly holds over 20% of the voting rights in these companies. The consolidated financial statements include the Group's share of the net assets and the profit or loss of associates. Goodwill identified on associates is included in the carrying amount of the investment.

Elimination of intercompany transactions

When preparing the consolidated financial statements, balances, transactions and unrealised gains and losses between Group companies are eliminated. Unrealised gains and losses on transactions with associates and jointly controlled companies are eliminated to the extent of the Group's interest in these entities.

Foreign currency translation

The Group's presentation currency is the euro. Foreign currency transactions are translated into the functional currency of each entity of the Group using the exchange rate prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate prevailing at that date. Exchange differences resulting from such transactions are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies and recognised at historical cost are translated at the exchange rate prevailing at the time of the transaction. Those recognised at fair value are translated at the exchange rate prevailing when fair value is determined.

On consolidation, assets and liabilities of foreign subsidiaries denominated in foreign currencies, including goodwill and assets and liabilities measured at fair value at the acquisition date, are translated into euros at the exchange rate prevailing at the reporting date. Income and expenses of foreign subsidiaries denominated in currencies other than the euro are translated into euros at the average exchange rates for the year, except in cases of significant exchange rate fluctuations.

The resulting exchange differences are recognised in other comprehensive income and charged to other comprehensive income under "Currency translation". On the disposal of a foreign subsidiary, the related cumulative translation ddifference that was recognised in equity at the date of disposal, is recognised in the income statement.

The main exchange rates used for the 2022 and 2023 financial years are disclosed in Note 31.

Revenue

Revenue consists of brokerage revenues and commissions from broking activities carried out by the Group's operating subsidiaries with third parties. For transactions in which we act as agents, revenue is presented net of rebates, discounts, and charges paid to correspondents, and is recognised at the time of the transaction.

With matched principal activities, where the Group's operating subsidiaries act as principal to simultaneously buy and sell securities for the account of third parties, commission earnings represent the difference between the buying and selling price of the securities and are recognised at the time of delivery.

Net financial result

The net financial result includes interest from reinvestment of short-term cash flows, interest paid on short- and long-term financial debts and lease liabilities, interest in respect of account holder activities, as well as gains and losses on financial assets and liabilities. This item also includes exchange rate gains and losses on financial assets and liabilities. Interest income and expense is recognised in the income statement pro rata over the relevant period using the effective interest method.

Income tax

Tax expense in the income statement comprises current and deferred income tax, tax adjustments from previous years, and any interest and penalties. The tax effect of items recognised directly in consolidated equity or other comprehensive income is recognised in consolidated equity or other comprehensive income, respectively.

Current tax is the income tax payable in respect of taxable profit for the period, calculated using tax rates adopted, or substantially adopted at the balance sheet date, as well as tax adjustments for previous years.

Deferred tax is recognised on temporary differences between the carrying amount of a balance sheet asset or liability and its tax base.

Deferred tax is calculated using the liability method at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled. Any change in tax rate is recognised in the income statement except when it relates directly to equity items, or in other comprehensive income.

Deferred tax liabilities are recognised on all taxable temporary differences, excepting those relating to initial recognition of goodwill. Deferred tax assets are recognised on all deductible temporary differences and tax loss carry-forwards when it is probable that future taxable profit will allow the deferred tax asset to be recovered. Otherwise, they are only recognised to the extent of the deferred tax liabilities for the same taxable entity.

Property and equipment

Property and equipment are stated on the balance sheet at cost less accumulated depreciation and any impairment losses. Land is not depreciated. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- fixtures and fittings: 5 to 10 years
- computing and telephone equipment: 2 to 5 years
- other property and equipment: 3 to 5 years

When elements of the same tangible asset have a different estimated useful life, they are recognised separately under property and equipment and depreciated over their respective estimated useful life.

Maintenance and repair expenses are charged to profit or loss in the year in which they are incurred. Expenses incurred for increasing future economic benefits related to property and equipment are capitalised and depreciated.

The fair value of property and equipment recognised following a business combination, is determined on the basis of market data. The market value is the amount that could be obtained from the sale of an asset under normal competitive market conditions between knowledgeable, willing parties in an arm's length transaction.

Investment property

One of the Group's subsidiaries holds a portfolio of properties for investment purposes. These assets are presented under "Investment property" in the consolidated balance sheet in accordance with IAS 40. They are recorded at historical cost and depreciated on a straight-line basis over their estimated useful life (40 years); this depreciation is recognised in profit or loss.

Leases – the Group as lessee

The Group assesses whether the contract is, or contains, a lease at the date of execution of the contract. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. When a contract is or contains a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components.

At the inception of the lease, the Group recognises a right-of-use asset and a lease liability, except in the case of short-term leases. Lease payments associated with those leases, for which the lease term is twelve months or less, are recognised as an expense in the income statement on a straight-line basis over the term of the lease.

The lease liability initially corresponds to the present value of lease payments that have not been paid, discounted using the borrowing rate implicit in the lease, or at the incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined..

Lease payments include fixed payments, variable lease payments that depend on an index or a rate, amounts expected to the paid under residual value guarantees and the exercise price of purchase options if the Group is reasonably certain to exercise them, or any penalties for terminating the lease. Subsequently, the lease liability is measured at amortised cost using the effective interest method. The lease liability is remeasured if there is a change in future lease payments resulting from a change in the index or rate used to determine those payments, a change in payments under a residual value guarantee, or a change in the assessment of an option to purchase, extend or terminate a lease. When there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset, or in the income statement if the value of the right-of-use asset has already been reduced to zero. Lease liabilities are presented in the balance sheet separately from other liabilities.

A right-of-use asset is measured at cost including the initial amount of the lease liability, initial direct costs, and an estimate of restoration costs, less any lease incentives received. The right-of-use asset is depreciated or amortised over the term of the lease or the useful life of the underlying asset, whichever is shorter. Right-of-use assets are presented in the balance sheet separately from other assets.

Intangible assets

Intangible assets are generated internally or are acquired, either separately or in a business combination, and are recognised when they are identifiable and can be measured reliably. They are stated on the balance sheet at cost less accumulated amortisation and any impairment losses.

Amortisation is calculated on a straight-line basis over the estimated useful life, except where this is indefinite. Intangible assets with an indefinite estimated useful life are tested annually for impairment. The estimated useful life of assets is as follows:

- software: 3 to 5 years
- other intangible assets: 3 to 5 years
- goodwill: indefinite

Impairment losses on non-financial assets

Non-financial assets are reviewed at each reporting date to assess whether there is any indication of impairment. Should this be the case, the asset's recoverable amount is estimated. To determine the recoverable amount, the Group uses market data or, where this is unavailable or unreliable, discounted future cash flow techniques.

For goodwill and intangible assets with an indefinite useful life, the recoverable amount is estimated annually, regardless of whether there is an indication of impairment, or more regularly when there are indications of impairment.

An impairment loss is recognised in the income statement when the carrying amount of an asset or the cash-generating unit (CGU) is greater than its recoverable amount. The recoverable amount of an asset is the higher of its net selling price and its value in use. The value in use is the present value of the future cash flows expected to be derived from an asset or CGU.

An impairment loss is recognised on a CGU, first, to reduce the carrying amount of any goodwill allocated to the CGU, and then on the other assets in the unit pro rata to the carrying amount of each asset in the unit.

Impairment losses recognised during previous periods on non-financial assets, other than goodwill, are reviewed annually and reversed where necessary.

Account holder activities

Some Group companies act as account holders, receiving deposits from their customers which in turn they deposit with clearing houses for the settlement of customer trades. Moreover, as part of their online broking activities in forex trading, some Group companies receive deposits from customers, which they then deposit with their clearing banks. Receivables and payables in respect of these activities are carried on the balance sheet under "Trade and other receivables" or "Trade and other payables".

Matched principal activity

Some Group companies act as principal in the simultaneous purchase and sale of securities for the account of third parties. Such trades are completed when both sides of the deal are settled, namely once payment is made and the securities are delivered (matched trades).

In order to reflect the substance of these transactions, they are recognised at the delivery date. Counterparty receivables and payables arising on current transactions that have gone beyond the expected settlement date are carried gross on the balance sheet under "Trade and other receivables" or "Trade and other payables". Counterparty receivables and payables for matched principal transactions expected to be settled in the normal course of trading are presented under Off-balance sheet operations (Note 28).

Derivative financial instruments

The Group uses derivative financial instruments on a specific and generally marginal basis, mainly to manage foreign currency risks arising during the course of its activities. These instruments mostly consist of forward exchange contracts and currency options.

Financial instruments are initially recognised at fair value. Thereafter, all derivative financial instruments are measured at fair value, either at the market price for listed instruments or on the basis of generally accepted valuation models for unlisted instruments. Changes in the fair value of financial instruments are recognised in the income statement.

Hedge accounting

Cash flow hedges

In order to reduce interest rate risk, the Group may use interest rate swaps on a selective basis to convert certain variable-rate bank borrowings into fixed-rate borrowings. These swaps are designated as cash flow hedges. At the inception of a hedging transaction, the Group documents the relationship between the hedging instruments and hedged transactions, together with its risk management objective and the strategy for undertaking the hedges. In particular, the documentation includes identification of the hedging instrument, the hedged transaction, the nature of the risk being hedged and the way in which the Group will assess the effectiveness of the hedging instrument. Hedges are expected to be highly effective in offsetting changes in cash flows and the Group regularly tests their effectiveness throughout the life of the hedge. The effective portion of gains or losses on financial instruments that are designated and qualify as hedging instruments is recognised in equity, while the ineffective portion is recognised directly in the income statement. Any cumulative gains and losses that have been recognised in equity are carried to the income statement in the same period or periods during which the hedging transaction affects profit or loss.

Cash and cash equivalents

Cash consists of cash in hand and sight deposits held with banks; cash equivalents are short-term bank deposits and short-term money market investments with maturities of three months or less from the date of acquisition. Short-term money market investments are made up of short-term cash products such as government securities and money market funds. They are carried at fair value. All realised and unrealised profits and losses on these securities are recognised directly in the income statement. Bank overdrafts are included with short-term bank borrowings.

Bank overdrafts payable on demand are included in cash and cash equivalents in the cash flow statement.

Financial assets

- Recognition and initial measurement

Ordinary purchases and sales of financial assets are initially recognised and subsequently derecognised on the trade date.

Receivables are initially measured at their transaction price if they do not contain a significant financial component. Other financial assets are initially measured at fair value; financial assets not measured at fair value through profit or loss are measured at fair value plus or minus transaction costs directly attributable to the acquisition of the financial asset.

- Classification and subsequent evaluation

All recognised financial assets are subsequently measured at amortised cost, or at fair value through other comprehensive income, or at fair value through profit or loss, on the basis of both:

- the entity’s business model for managing financial assets;

A business model is the way in which a group of financial assets is managed together to generate cash flows. Its objective is to best reflect the management practices for the assets concerned. It is identified within the Group on the basis of objective and observable facts, such as an analysis of the business organisation and its information systems, internal reports, risk monitoring, and past management decisions (e.g. past disposals). IFRS 9 identifies three types of business models:

- A model whose objective is to hold assets in order to collect contractual cash flows ("hold to collect" model)
- A model whose objective is achieved by both collecting contractual cash flows and selling financial assets ("hold to collect and sell" model)
- A model specific to other financial assets, particularly those held for trading.
- the contractual cash flow characteristics of the financial asset. These are assessed using the SPPI (Solely Payments of Principal and Interest) criterion/test. To assess whether the contractual cash flows are solely payments of principal and interest, the contractual terms of the instrument must be considered and all elements that could call into question the exclusive representation of the time value of money and credit risk must be analysed.

Financial assets at amortised cost

A financial asset is measured at amortised cost if the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which it is measured at initial recognition less the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity value, adjusted for any impairment losses.

The effective interest rate is the rate that discounts estimated future cash inflows over the expected life of a financial asset to obtain the exact gross carrying amount of the asset.

Trade and other receivables are measured at amortised cost using the effective interest method minus impairment losses. These financial assets are presented in current assets, except those with maturities of more than twelve months after the reporting date, which are carried in non-current assets under "Other financial assets". In current assets, "Trade and other receivables" includes broking receivables, as well as receivables related to account holder and matched principal activities. Short-term bank deposits with maturities of more than three months from the acquisition date are measured at amortised cost and presented in the balance sheet under "Financial assets measured at amortised cost".

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and if the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, interest income, exchange differences, and impairment losses or reversals are recognised in the income statement and calculated in the same way as for financial assets measured at amortised cost. The remaining changes in fair value are recognised through other comprehensive income. On derecognition, the cumulative change in fair value previously recognised in other comprehensive income is reclassified to profit or loss.

Financial assets designated at fair value through other comprehensive income

The Group may make an irrevocable election at initial recognition, to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination. Dividends received on these investments are recognised in the income statement. On disposal of these equity instruments, the net cumulative changes in fair value up to the time of disposal are reclassified to retained earnings under equity.

The Group elected to irrevocably classify unquoted equity investments in this category (Note 14 A).

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss, unless it is measured at amortised cost or at fair value through other comprehensive income.

This category includes derivatives and equity instruments that the Group has not irrevocably elected to classify at fair value through other comprehensive income.

Impairment of financial assets

Impairment of a financial asset at amortised cost is calculated using the expected credit loss model.

For broking receivables, the loss allowance is measured at the amount of the lifetime expected credit losses of the receivable using a simplified approach. An analysis is carried out based on the ageing of trade receivables, taking into account historical default data and the current and foreseeable situation at the reporting date. For all other financial instruments, the Group recognises an amount equal to lifetime expected credit losses for the instrument if there has been a significant increase in credit risk since initial recognition.

If there has been no significant increase in credit risk on the financial instrument since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses for that financial instrument.

The lifetime expected credit losses represent expected credit losses that result from all possible default events over the expected life of a financial instrument.

The 12-month expected credit losses represent a portion of lifetime expected credit losses and amount to the expected credit losses from default events on a financial instrument that are possible within 12 months after the reporting date.

When evaluating whether there has been a significant increase in credit risk on a financial instrument since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. To make that assessment, the Group considers reasonable and supportable information that is available without undue cost or effort, such as a change in the credit rating of the financial instrument.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

The Group considers a financial asset in default when the counterparty is unlikely to pay its credit obligations to the Group in full, without recourse by the Group such as realising collateral held.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

Credit losses represent the difference between all cash flows due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted using the original effective interest rate. The cash flows that are considered include cash flows from the sale of collateral held. Measurement of expected credit losses is based on the probability of default, the loss in the event of default, and exposure at the time of default.

The carrying amount of the asset is reduced through use of an allowance account. The Group directly reduces the gross carrying amount of a financial asset when it has no reasonable expectations of recovering all or part of that financial asset.

Impairment losses are recognised in the income statement under "Other operating expenses".

Financial liabilities

- Recognition and initial measurement

Financial liabilities are initially measured at fair value; financial liabilities not measured at fair value through profit or loss are measured at fair value minus transaction costs directly attributable to the issue of that liability.

- Classification and subsequent evaluation

After initial recognition, financial liabilities are classified into two categories:

- financial liabilities at fair value through profit or loss
- financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and liabilities designated upon initial recognition as at fair value through profit or loss. These liabilities are subsequently measured at fair value. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedging relationships.

Financial liabilities at amortised cost

After initial recognition, these financial liabilities are subsequently measured at amortised cost using the effective interest method. The amortised cost of financial liabilities is adjusted to reflect actual contractual cash flows and revised estimated contractual cash flows. The adjustment is recognised in net income as income or expense. This category includes financial debts, lease obligations, and trade and other payables.

Fair value

Fair value represents the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The Group measures the fair value of a financial instrument using the quoted price in an active market for that instrument. A market is considered "active" if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Group applies a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

The following value hierarchy was used:

- Level 1 corresponds to quoted prices (unadjusted) that the Group can access in an active market for an identical instrument. This is particularly the case for equity instruments and bonds where fair value is based on the closing prices in an exchange market at the reporting date.

- Level 2 corresponds to the fair values determined on the basis of a valuation model using data directly observable in a market (level 1) or derived from observed prices. It includes measurement techniques such as discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions. For example, the fair value of forward exchange contracts and currency swaps is determined by discounting estimated future cash flows. Certain equity instruments are measured on the basis of valuation multiples.
- Level 3 corresponds to fair values determined on the basis of a valuation model that uses unobservable inputs (not based on observable market data), such as a financial forecast developed from the company's own data.

Other current assets

Other current assets mainly consist of prepayments related to the next financial year.

Equity

All shares issued are bearer shares and are presented in equity.

Treasury shares are recognised in the balance sheet at their acquisition cost and deducted from consolidated shareholders' equity. On subsequent disposals, gains or losses have no effect on profit or loss but are recognised as an addition to or reduction in share premium reserves.

Provisions

A provision is recognised when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources representing economic benefits will be required to settle the obligation, and the amount can be reliably estimated. Where the effect of the time value of money is material, the amount of the provision is the present value of expenditures expected to be required to settle the obligation, estimated using a pre-tax discount rate that reflects current market assessments of the time value of money and those risks specific to the liability.

Deferred income

Deferred income comprises income received in advance relating to future financial years.

Employee benefits

The Group operates both defined benefit and defined contribution schemes, depending on the countries in which it is established and the local regulations on retirement benefit schemes.

Defined contribution schemes are those in which employees and Group companies pay contributions to an entity authorised to manage pension funds. Payments by Group companies are recognised in the income statement in the period in which they are due.

The present value of the Group's defined benefit obligations is measured each year by qualified independent actuaries using the projected unit credit method. The actuarial assumptions used to determine obligations vary according to the country in which the scheme operates.

Actuarial gains and losses arise mainly from changes in long-term actuarial assumptions (discount rates, increased services costs, etc.) and the effects of differences between previous actuarial assumptions and what has actually occurred. All such gains and losses are recognised under other comprehensive income.

Benefit expense recognised in the income statement include current service cost and net interest on net liabilities of defined benefit schemes.

Share-based payments

Share options are granted to members of the Executive Board and senior management entitling them to receive shares at the end of the vesting period. The award of options and conditions for employee participation are defined by the Board of Directors. When options are exercised, new shares are created using conditional capital (Note 19).

The fair value of options granted is recognised as a staff cost with a corresponding increase in equity. Fair value is determined at the award date and amortised over the vesting period. The fair value of share options is determined by an independent expert using a valuation method that takes into account the general vesting characteristics and conditions prevailing at that date. The Monte Carlo simulation method is used, which is based on repeated random sampling of variations in the value of the share. Thousands of scenarios of changes in the share value are generated making it possible to estimate statistically the value of the options for each scenario, which is then discounted to estimate their value.

At each balance sheet date, the Group revises its estimates of the number of share options that will be exercised in the near future. The impact of this revision is recognised in the income statement with a corresponding adjustment in equity.

At each exercise of share options, the value of the instruments is transferred from the share options reserve to the share premium account.

Contingent assets and liabilities

Contingent assets and liabilities arising from past events whose existence will be confirmed only by the occurrence, or non-occurrence, of one or more uncertain future events not wholly within the Group's control, are disclosed in the notes to the financial statements.

Events after the balance sheet date

Events after the balance sheet date are events that occur between the reporting date and the closing of the consolidated accounts.

The value of assets and liabilities at the balance sheet date is adjusted to reflect events after the balance sheet date that help confirm situations that existed at the reporting date. Events after the balance sheet date that are indicative of conditions that arose after the balance sheet date are disclosed in the notes to the financial statements where material.

New standards and interpretations

The International Accounting Standards Board (IASB) published a number of standards and amendments which had not all been adopted by the European Union at 31 December 2022, and which will take effect within the Group after the balance sheet date: These were not early adopted for the consolidated financial statements at 31 December 2022.

› Standards, interpretations and amendments adopted by the European Union

Standard	Name	Effective date
IAS 8 (amendments)	Definition of Accounting Estimates	1 January 2023
IAS 1 (amendments)	Disclosure of Accounting Policies	1 January 2023
IAS 12 (amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
IFRS 17	Insurance contracts	1 January 2023
IFRS 17 (amendments)	Insurance contracts	1 January 2023
IFRS 17 (amendments)	Initial Application of IFRS 17 and IFRS 9—Comparative Information	1 January 2023

› Standards, interpretations and amendments not yet adopted by the European Union

Standard	Name	Effective date
IAS 1 (amendments)	- Classification of Liabilities as Current or Non-current	1 January 2023
IAS 1 (amendments)	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to ÏFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024

The Group does not expect the initial application of the other Standards and Amendments mentioned above to have any significant impact on the consolidated financial statements.

KEY DEVELOPMENTS

The sanctions imposed on Russia and Russian entities and individuals in 2022, and the retaliatory sanctions and other measures taken by Russia, generated increased volatility across the financial markets during the period. The build-up of these measures also caused delays in the settlement chain for rouble-denominated securities. An unsettled transaction of €21.2m was recognised in the balance sheet at 31 December, and covered by a provision of €19.5m These settlement delays impacted the 2022 consolidated income statement, resulting in a net loss of €1.4m. The net loss was made up of gains of €23.4m related to income from the valuation of the relevant instruments when part of the transactions were settled (Note 2) as well as foreign exchange gains (Note 4), and a loss of €24.8m consisting of provisions for impairment in the value of the unsettled instruments and impairment of receivables (Notes 3 and 12).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Segment reporting

VIEL & Cie's internal organisational and management structure, and its financial reporting to the Executive Board and Board of Directors, are primarily based on business activities, broken down for each of the Group's core businesses.

The three business segments identified for management reporting that have similar overall risk and profitability profiles are interdealer broking centred around Compagnie Financière Tradition, online broking with Bourse Direct, and private banking through SwissLife Banque Privée.

The Group's activities are grouped into geographic regions: Europe, the Middle East and Africa, the Americas and the Asia-Pacific region. The Group's activities in Africa and Latin America have been grouped under Europe and the United States respectively, since their operations are supervised by the management of these regions and their individual weight is not significant (less than 2% of Group revenues).

The adopted geographical approach is based on the location of the Group's offices and operational teams, rather than the geographical location of its customers. This is because the profitability of broking activities is heavily reliant on local market characteristics, particularly in terms of competitive pressure as well as remuneration and other operating expenses. However, the breakdown of consolidated revenues by destination – the geographical location of its customers - does not differ substantially from the breakdown by geographical location.

Segment assets are not included in management reports to the Executive Board, but they are nonetheless presented below.

Segment income, operating expenses, and assets are allocated in full to the business segments, except for certain income items, and assets and liabilities related exclusively to the Group's portfolio companies' operations which are presented separately as unallocated items. Moreover, certain exceptional items, such as gains or losses on the disposal of subsidiaries or associates, depreciation of property and equipment, or restructuring charges, are not included in segment operating results.

The accounting policies applied in evaluating the segment operating results are identical to those applied in the consolidated financial statements.

› Disclosure by business segment

In 2021€000	IDB business	Online trading	Private banking	Real estate and other activities	Total	Contribution of portfolio companies	Total
Revenue	942 516	47 116			989 632	-	989 632
Operating expenses[1]	-848 774	-39 133		-97	-888 004	-	-888 004
Segment operating profit	93 742	7 983	-	-97	101 628	-	101 628
Unallocated income/expenses[2]	-	-		-	-	-4 031	-4 031
Operating profit	93 742	7 983	-	-97	101 628	-4 031	97 596
Profit of equity accounted investments	29 439		9 907		39 346	-175	39 170
Financial result	-3 732	-173		-69	-3 974	-2 230	-6 204
Profit before tax	119 449	7 810	9 907	-166	137 000	-6 436	130 563
Income tax	-22 535	-1 962			-24 497	363	-24 134
Net profit	96 914	5 848	9 907	-166	112 503	-6 073	106 429

[1] Expenses net of other operating income, including depreciation and amortisation

[2] Net income/expenses related to the Group's portfolio companies

In 2021€000	IDB business	Online trading	Private banking	Real estate and other activities	Total	Contribution of portfolio companies	Total
Revenue	809 135	45 919			855 054	-	855 054
Operating expenses[1]	-741 336	-35 957		-140	-777 433	-	-777 433
Segment operating profit	67 799	9 962	-	-140	77 621	-	77 621
Unallocated income/expenses[2]	-	-		-	-	-3 975	-3 975
Operating profit	67 799	9 962	-	-140	77 621	-3 975	73 646
Profit of equity accounted investments	20 915		5 618		26 533	-179	26 355
Financial result	-9 984	27		-11	-9 968	-124	-10 092
Profit before tax	78 730	9 989	5 618	-151	94 186	-4 278	89 907
Income tax	-12 499	-2 657			-15 156	195	-14 961
Net profit	66 231	7 332	5 618	-151	79 031	-4 083	74 946

[1] Expenses net of other operating income, including depreciation and amortisation

[2] Net income/expenses related to the Group's portfolio companies

› Segment assets

An analysis of segment assets is as follows:

in 2022 €000	IDB business	Online trading	Private banking	Real estate and other activities	Total	Contribution of portfolio companies	Total
Segment assets	959 532	1 357 135	-	2 524	2 319 191		2 319 191
Investments in associates	152 930		60 975		213 905	1 038	214 943
Unallocated assets(3)	-	-	-	-	-	139 601	139 601
Total assets	1 112 462	1 357 135	60 975	2 524	2 533 096	140 639	2 673 735

(3)Assets relating to the Group's portfolio companies

in 2021 €000	IDB business	Online trading	Private banking	Real estate and other activities	Total	Contribution of portfolio companies	Total
Segment assets	1 416 932	1 377 761	-	2 484	2 797 177		2 797 177
Investments in associates	144 638		54 751		199 389	1 229	200 618
Unallocated assets(3)	-	-	-	-	-	149 673	149 673
Total assets	1 561 570	1 377 761	54 751	2 484	2 996 566	150 902	3 147 468

(3)Assets relating to the Group's portfolio companies

› Disclosure by geographic sector

	Continuing operations			
in 2022 *€000*	Europe, Middle East and Africa	Americas	Asia-Pacific	Total
Revenue	457 190	295 242	237 200	989 632
Non-current assets	149 893	38 156	19 185	207 234

	Continuing operations			
in 2021 *€000*	Europe, Middle East and Africa	Americas	Asia-Pacific	Total
Revenue	412 965	235 436	206 653	855 054
Non-current assets	145 182	33 902	15 078	194 163

The Europe region consists mostly of the Group's activities in London. In the US, we operate mainly out of New York, and in the Asia-Pacific region out of Tokyo.

Non-current assets consist solely of property and equipment, and intangible assets.

› Information on major customers

No customer represented more than 10% of revenue in the 2022 and 2021 financial years.

2. Other operating income

An analysis of this item is shown below:

€000	2022	2021
Gains/(losses) on disposal of fixed assets	58	-8
Gains/losses on disposal of companies	-	12 112
Other operating income	19 511	2 564
TOTAL	19 569	14 668

In 2022, "Other operating income" included a gain of €16,363,000 relating to substantial changes in the settlement terms of a debt in connection with rouble denominated matched principal activities.

In 2021, Gains on disposal of companies" consisted mainly of cumulative translation differences on the net assets of US subsidiaries that were liquidated during the year.

3. Other operating expenses

An analysis of this item is shown below:

€000	2022	2021
Telecommunications and financial information	60 076	55 325
Travel and representation	27 629	16 103
Professional fees	22 283	13 292
Rental and maintenance expenses	8 828	7 813
other operating expenses	69 931	56 314
TOTAL	188 747	148 848

In 2022, "Other operating expenses" included credit losses of €19,898,000 in connection with sanctioned Russian counterparties. These contingent losses concern receivables related to unsettled matched principal transactions and brokerage receivables. In 2021, "Other operating expenses" included an amount of €13,128,000 related to provisions for litigation (Note 21).

4. Net financial result

An analysis of this item is shown below:

€000	2022	2021
Interest income	2 509	924
Income from equity investments	346	1 175
Gains on financial assets at fair value	70	1 687
Gains on disposal of equity investments	72	144
Exchange gains	13 267	3 007
Other financial income	104	3
Financial income	16 367	6 940

€000	2022	2021
Interest expense	-12 683	-9 420
Losses on financial assets at fair value	-478	-1 153
Exchange losses	-6 955	-3 957
Financial expense on assets under finance leases	-2 426	-2 422
Other financial expense	-30	-82
Financial expense	-22 571	-17 033
Net financial result	-6 204	-10 092

The net foreign exchange result due to currency fluctuations showed a net gain of €6,312,,000, mainly attributable to remeasurement of receivables related to unsettled rouble-denominated matched principal trades, most of which was realised during the year.

5. Income tax

An analysis of tax expense for the year is shown below:

€000	2022	2021
Current tax expense	18 114	15 928
Deferred tax expense/(income)	6 019	-968
Income tax	24 133	14 961

An analysis of the difference between the effective tax rate and the standard tax rate is shown below:

	2022		2021	
	%	€000	%	€000
Profit before tax		130 561		89 907
Adjustment for the share of associates and joint ventures		-39 169		-26 355
Profit before tax and share of profit of associates and joint ventures		91 392		63 553
Standard tax rate	21,54%	19 681	22,64%	14 387
Tax effect of the following items:				
Use of unrecognised tax loss carry-forwards	-0,23%	-211	-0,30%	-188
Unrecognised tax losses for the year	3,41%	3 113	2,55%	1 619
Tax expense for fully consolidated fiscally transparent companies charged to minority interests	-0,71%	-646	-1,19%	-759
Tax effect of non-taxable income	-0,20%	-179	-5,67%	-3 604
Tax effect of expenses not deductible for tax purposes	3,21%	2 934	4,73%	3 005
Tax losses not previously recognised	-	-	-	-
Change in tax rate	-0,16%	-145	-0,06%	-39
Tax relating to previous years	0,02%	18	0,49%	311
Other	-0,47%	-432	0,36%	228
Group's effective tax rate	26,41%	24 133	23,54%	14 960

"Expenses not deductible for tax purposes" mainly comprises business expenses not allowable as deductions in certain countries.

The average consolidated standard tax rate is measured as the weighted average of the rates in effect in the various tax jurisdictions in which the Group has subsidiaries. This varies from year to year in line with the relative weight of each entity in the Group's pre-tax results and changes in tax rates of operating subsidiaries.

Deferred tax was recognised in other comprehensive income, as follows:

€000	2022	2021
Remeasurement of defined benefit schemes	1 142	628
Cash flow hedges	-	-
Available-for-sale financial assets	130	-22
Other	2 273	-
Total deferred tax expense/(income)	**3 545**	**606**

Tax was recognised directly in equity as follows:

€000	2022	2021
Current tax related to the exercise of share options	-22	-1 554
Deferred tax related to the award of share options	-609	-1 267
Total tax expense/(income)	**-632**	**-2 821**

Movements in deferred tax were as follows:

€000	01.01.2022	Recognised in the income statement	Recognised in other comprehen-sive income	Recognised in equity	Reclassifi-cations	Currency translation	31.12.2022
Deferred tax assets							
Property and equipment	1 958	-115	-	-	-	-95	1 748
Intangible assets	963	-57	-	-	-	95	1 001
Tax loss carry-forwards	15 637	-4 742	-	-	-	431	11 326
Provisions and accruals	14 032	1 291	-1 012	608	-	636	15 555
Lease liabilities	14 146	360	-	-	-	695	15 200
Other	5 376	-1 466	-	-		337	4 246
Total	**52 112**	**-4 730**	**-1 012**	**608**	**-**	**2 098**	**49 077**
Deferred tax liabilities							
Property and equipment	451	88	-	-	-	18	557
Intangible assets	1 688	-447	-	-	-	119	1 360
Right-of-use assets	11 843	390	-	-	-	552	12 785
Other	8 257	1 666	133	-	-	2 610	12 666
Total	**22 239**	**1 697**	**133**	**-**	**-**	**3 299**	**27 368**
Total net deferred tax	**29 873**	**-6 427**	**-1 144**	**608**	**-**	**-1 201**	**21 708**
Stated on the balance sheet as follows:							
Deferred tax assets	30 861						25 087
Deferred tax liabilities	988						3 379
Net	29 873						21 708

Deferred tax assets and liabilities arising from temporary differences related to leases are presented separately at 31 December 2022.

€000	01.01.2021	Recognised in the income statement	Recognised in other comprehen-sive income	Recognised in equity	Reclassifi-cations	Currency translation	31.12.2021
Deferred tax assets							
Property and equipment	1 713	156	-	-	-	89	1 958
Intangible assets	833	35	-	-	-	95	963
Tax loss carry-forwards	14 485	-146	-	-	-	1 298	15 637
Provisions and accruals	13 024	84	-656	1 267	-	313	14 032
Lease liabilities	14 607	-1 502	-	-	-	1 041	14 146
Other	4 832	168	-	-		376	5 376
Total	49 494	-1 205	-656	1 267	-	3 212	52 112
Deferred tax liabilities							
Property and equipment	744	-342	-	-	-	48	451
Intangible assets	2 440	-951	-	-	-	198	1 688
Right-of-use assets	11 948	-915	-	-	-	810	11 843
Other	7 020	844	-23	-	-	416	8 257
Total	22 152	-1 363	-23	-	-	1 473	22 239
Total net deferred tax	27 342	158	-633	1 267	-	1 739	29 873
Stated on the balance sheet as follows:							
Deferred tax assets	29 165						30 861
Deferred tax liabilities	1 823						988
Net	27 342						29 873

Unrecognised deferred tax assets amounted to €23,817,00 at 31 December 2022 (2021: €21,060,000) and relate to tax loss carry-forwards that were not used due to the recent loss history of the companies concerned.

The tax losses for which no deferred tax assets were recognised expire as follows.

€000	2022	2021
Less than 1 year		
Between 1 and 5 years	355	1 602
Over 5 years	6 793	6 050
Available indefinitely	55 682	46 376
Total	62 831	54 027

Tax losses available indefinitely include an amount of €2,717,000 (2021: €2,704,000) which may only be used against capital gains.

6. Earnings per share

Basic earnings per share is calculated by dividing the Group share of net profit by the weighted average number of shares outstanding during the year, less the average number of treasury shares held by the Group.

Diluted earnings per share is calculated by dividing the Group share of net profit, adjusted for items related to the exercise of dilutive instruments, by the weighted average number of shares outstanding during the year, including the weighted average number of shares which would be created in connection with the exercise of dilutive instruments, minus treasury shares.

The items used to calculate earnings per share are shown below:

Basic earnings	2022	2021
Group share of net profit (€000)	73 552	50 960
Weighted average number of shares outstanding	69 445 569	70 882 801
Average number of treasury shares	5 271 200	5 441 791
Basic earnings per share (euros)	1,15	0,78

Diluted earnings	2022	2021
Group share of net profit (€000)	73 552	50 959
Weighted average number of shares outstanding	69 445 569	70 882 801
Adjustment for dilutive effect of share options and free shares	609 899	518 000
Average number of treasury shares	5 271 200	5 441 791
Weighted average number of shares included for diluted earnings per share.	64 784 268	65 959 010
Diluted earnings per share (euros)	1,14	0,77

7. Property and equipment and investment property

› Property and equipment

At 31 December 2022 €000	Land and buildings	Fixtures and fittings	IT and telephone equipment	Other property and equipment	Total
Gross value at 1 January 2022	-	54 015	63 509	4 325	121 849
Change in basis of consolidation	-	120	458		578
Acquisitions during the year	-	1 820	1 843	1 119	4 782
Disposals – write-offs	-	-345	-1 054	-3	-1 402
Reclassifications	-	-	-	-	-
Currency translation	-	236	-96	152	292
Gross value at 31 December 2022	-	55 847	64 661	5 592	126 100
Accumulated depreciation and impairment at 1 January 2022	-	-40 446	-56 179	-698	-97 323
Change in basis of consolidation	-	-73	-215		-288
Depreciation for the year	-	-3 301	-3 811	-80	-7 192
Impairment losses for the year	-	-	-	-	-
Disposals – write-offs	-	297	1 060	3	1 360
Reclassifications	-	-	-	-	-
Currency translation	-	120	182	-14	288
Accumulated depreciation and impairment at 31 December 2022	-	-43 403	-58 963	-788	-103 154
Net value at 31 December 2022	-	12 443	5 698	4 804	22 945
Of which assets under finance leases	-	-	-	-	-

At 31 December 2021 €000	Land and buildings	Fixtures and fittings	IT and telephone equipment	Other property and equipment	Total
Gross value at 1 January 2021	-	49 981	58 477	3 206	111 664
Change in basis of consolidation	-	401	145	51	597
Acquisitions during the year	-	1 184	2 083	36	3 302
Disposals – write-offs	-	-515	-370	-	-885
Reclassifications	-	-	561	897	1 458
Currency translation	-	2 964	2 613	135	5 712
Gross value at 31 December 2021	-	54 015	63 509	4 325	121 849
Accumulated depreciation and impairment at 1 January 2021	-	-35 419	-50 115	-580	-86 114
Change in basis of consolidation	-	-282	-130	-36	-448
Depreciation for the year	-	-3 121	-3 975	-72	-7 169
Impairment losses for the year	-	-	-	-	-
Disposals – write-offs	-	511	370	-	881
Reclassifications	-	-	1	-	1
Currency translation	-	-2 133	-2 330	-10	-4 473
Accumulated amortisation and impairment at 31 December 2021	-	-40 446	-56 179	-698	-97 323
Net value at 31 December 2021	-	13 569	7 330	3 627	24 526
Of which assets under finance leases	-	-	-	-	-

One of the Group's subsidiaries holds a portfolio of properties with a total initial investment of €6,289,000.

These assets are recorded at amortised cost in accordance with IAS 40; movements in this item in 2022 and 2021 were as follows:

At 31 December 2020	2 304
Acquisitions	–
Disposals	–
Depreciation and amortisation	-132
Reclassifications	–
Asset revaluations	–
Currency translation	185
At 31 December 2021	2 357
Acquisitions	–
Disposals	–
Depreciation and amortisation	-150
Reclassifications	–
Asset revaluations	–
Currency translation	148
At 31 December 2022	2 355

Accumulated depreciation on these assets at 31 December 2022 was €1,700,000.

Rental income booked in 2022 amounted to €193,000 against direct operating expenses of €289,000.

8. Intangible assets

At 31 December 2022 €000	Business assets	Software	Goodwill	Customer relationships	Other intangible assets	Total
Gross value at 1 January 2021	14 009	98 055	90 723	0	6 170	208 957
Change in basis of consolidation	-	2 939	3 420	-	795	7 154
Acquisitions during the year	-	4 324	-	-	63	4 387
Disposals – write-offs	-	-4 164	-	-	-370	-4 534
Reclassifications	-	*51*	-	-	-51	0
Currency translation	-67	105	1 004	-	53	1 095
Gross value at 31 December 2022	13 942	101 309	95 147	0	6 661	217 060
Accumulated amortisation and impairment at 1st January 2022	**-180**	-82 112	-944	0	-2 474	-85 709
Change in basis of consolidation	-	-1 680	-	-	-	-1 680
Amortisation for the year	-	-6 794	-	-	-79	-6 873
Impairment losses for the year	-		-	-	-	0
Disposals – write-offs	-	4 164	-		*368*	4 532
Reclassifications	-	-	-	-	-	0
Currency translation	-11	-103	-46	-	56	-104
Accumulated amortisation and impairment at 31 December 2022	-191	-86 525	-990	0	-2 129	-89 835
Net value at 31 December 2022	13 751	14 785	94 157	0	4 532	127 224

At 31 December 2021 €000	Business assets	Software	Goodwill	Customer relationships	Other intangible assets	Total
Gross value at 1 January 2021	14 009	90 012	82 588	53 121	5 363	245 095
Change in basis of consolidation	-	549	6 045	-	8	6 602
Acquisitions during the year	1 293	4 106	-	-	837	6 237
Disposals – write-offs	-	-994	-	-54 888	-58	-55 940
Reclassifications	-1 285	-	1 285	-	-10	-10
Currency translation	-8	4 381	804	1 767	30	6 974
Gross value at 31 December 2021	14 009	98 055	90 723	0	6 170	208 957
Accumulated amortisation and impairment at 1st January	-166	-73 243	-902	-53 121	-2 204	-129 637
Change in basis of consolidation	-	-465	-	-	-	-465
Amortisation for the year	-	-5 807	-	-	-287	-6 094
Impairment losses for the year	-		-	-	-	0
Disposals – write-offs	-	995	-	54 888	-	55 883
Reclassifications	-	-	-	-	-	0
Currency translation	-14	-3 591	-42	-1 767	17	-5 397
Accumulated amortisation and impairment at 31 December 2021	-180	-82 112	-944	0	-2 474	-85 709
Net value at 31 December 2021	13 829	15 943	89 779	0	3 697	123 247

An analysis of goodwill at 31 December 2022 is shown below:

€000			31.12.2022			31.12.2021
	Gross value	Amortisation	Net value	Gross value	Amortisation	Net value
Bourse Direct	32 774	-	32 774	32 774	-	32 774
Carax	3 864	-	3 864	3 864	-	3 864
Compagnie Financière Tradition	25 968	-	25 968	25 968	-	25 968
TFS	15 291	-	15 291	14 575	-	14 575
E-VIEL	3 833	-	3 833	3 833	-	3 833
Exoe	6 188		6 188	6 045		6 045
Other	7 228	-988	6 240	3 662	-942	2 720
Total included in intangible assets	95 146	-988	94 158	90 721	-942	89 779
Total included in investments in associates and joint ventures (Note 9)	25 295	-	25 295	25 714	-	25 714
Total goodwill	120 441	-988	119 453	116 435	-942	115 493

A majority stake in the company Exoé was acquired In 2021 and is now part of the online trading segment.

› Impairment tests

Goodwill recognised iin the balance sheet was tested for impairment. The recoverable amount of a cash-generating unit (CGU) is the higher of its net selling price and its value in use.

The value in use of the cash-generating units to which this goodwill relates is estimated using a discounted cash flow method based on the future cash flows from the activities related to each item of goodwill.. The normalised cash flow was discounted to determine the value in use of the underlying activity compared with the carrying amount of the CGU, based on 5-year operating forecasts. The discount rates for measuring these valuations ranged from 8.5% to 12.13% (2021: 6.5%

to 10.97%) and include a market risk premium to reflect the risk in each of the markets as well as an additional risk premium to reflect the additional risk related to the size of the cash-generating units.

In addition, growth rates of 2.0% to 5.0% (2021: 0.0% to 1.0%) were used to extrapolate cash flow projections beyond the period covered by operating forecasts based on past experience, in line with the market in which these companies operate.

The different assumptions used for discounting future cash flows of the main CGUs were as follows:

In %	Discount rate		Growth rate	
	2022	2021	2022	2021
Interdealer broking				
Compagnie Financière Tradition and TFS	9.80%	6.50%	2.00%	1.00%
Other	8.5% - 11.8 %	6.5% - 8.8 %	2.00% to 5.00%	0.00% to 1.00%
Online trading				
Bourse Direct	12.13%	10.97%	2.00%	2.00%
E-VIEL	12.13%	10.97%	2.00%	2.00%

No impairment loss was recognised on goodwill in 2022 and 2021 as the valuations obtained using this method were greater than the carrying amounts.

The sensitivity of the value in use obtained by this method with regard to changes in these two key assumptions is low. A 100 basis point increase in the discount rate would not produce a reduction in value in use that would require recognition of an impairment; the same applies to a 100 bp reduction in the long-term growth rate.

For the online trading business, this method includes other activity indicators such as the number of client accounts and client activity levels (order volumes). For the purpose of these valuations, the growth rate of the activity and the volume of orders executed varies between 1% and 5% depending on maturity. The sensitivity of the value in use to changes in the latter assumptions is higher, but a 100 basis point decrease in the growth rate would not require recognition of an impairment.

9. Investments in associates and joint ventures

This item comprises the share of equity accounted associates and joint ventures held by VIEL & Cie or its operating subsidiaries. Details of these companies are disclosed in Note 32.

Changes in investments in associates and joint ventures are shown below:

€000	Associates	Joint ventures	Total
At 1 January 2022	84 467	116 156	200 618
Net profit for the year	21 285	17 884	39 169
Dividends paid	-8 429	-9 624	-18 053
Acquisitions	-	187	187
Other comprehensive income	-265	-	-265
Currency translation	-628	-6 092	-6 720
At 31 December 2022	96 430	118 512	214 942

€000	Associates	Joint ventures	Total
At 1 January 2021	75 849	111 492	187 336
Net profit for the year	12 091	14 263	26 355
Dividends paid	-5 464	-8 615	-14 079
Other comprehensive income	-407	-	-407
Currency translation	2 398	-985	1 413
At 31 December 2021	84 467	116 156	200 618

› Associates

Summarised financial information on the main associates, before eliminating intercompany balances and transactions, is as follows:

At 31 December 2022 €000	Capital Markets Holding SA	PingAn Tradition International Money Broking Company Ltd	SwissLife Banque Privée	Other associates	Total
Place of business	Madrid	Shenzhen	Paris		
Percentage held	32,4%	33,0%	40,0%		
Non-current assets	16 817	7 511	25 904		
Current assets	43 643	102 997	3 018 096		
Non-current liabilities	642	2 419	4 008		
Current liabilities	29 913	38 604	2 897 229		
Net assets	29 906	69 485	142 763		
Group share in:					
› net assets	9 689	22 930	60 538	1 606	
› goodwill	-	-	437	1 229	
Carrying amount at 31 December	9 689	22 930	60 975	2 836	96 430
Revenue	33 538	97 887	88 393		
Net profit for the year	45	34 010	24 767	212	
Other comprehensive income	-818	-	-		
Comprehensive income for the year	-773	34 010	24 767	212	
Group share in:					
› net profit	15	11 223	9 907	140	21 285
› other comprehensive income	-265	-	-	-	-265
› comprehensive income	-250	11 223	9 907	140	21 020
Dividends paid to Group	-	4 752	3 677	-	8 429

At 31 December 2021 €000	Capital Markets Holding SA	PingAn Tradition International Money Broking Company Ltd	SwissLife Banque Privée	Other associates	Total
Place of business	Madrid	Shenzhen	Paris		
Percentage held	32,4%	33,0%	40,0%		
Non-current assets	9 166	5 166	28 006		
Current assets	50 327	77 129	3 130 783		
Non-current liabilities	1 113	558	5 666		
Current liabilities	29 172	28 852	3 025 920		
Net assets	**29 207**	**52 885**	**127 203**		
Group share in:					
› net assets	9 463	17 452	54 314	1 574	
› goodwill	-	-	437	1 227	
Carrying amount at 31 December	**9 463**	**17 452**	**54 751**	**2 801**	**84 468**
Revenue	27 778	66 755	72 117		
Net profit/(loss) for the year	-2 529	21 473	14 046	469	
Other comprehensive income	-1 256	-	-		
Comprehensive income for the year	-3 786	21 473	14 046	469	
Group share in:					
› net profit/(loss)	-820	7 086	5 618	206	12 091
› other comprehensive income	-407	-	-	-	-407
› comprehensive income	-1 227	7 086	5 618	206	11 684
Dividends paid to Group	-	3 983	1 469	12	5 464

› Joint ventures

The companies over which the Group exercised joint control with other partners essentially concern the currency options business and the forex trading business for retail investors in Japan operated by Gaitame.com Co., Ltd. Joint control over this company is exercised under a shareholders' agreement. The currency options business is conducted mainly out of London, New York and Singapore through several companies which are grouped under "Tradition-ICAP" in the table below and which comprise between 25.0% and 55.0% of the assets and net results of this activity. The Group holds a 27.5% interest in operating companies in London and New York through holding companies in which it holds 55% of the share capital but exercises joint control under a contractual agreement with the partner.

Summarised financial information regarding the main joint ventures, before eliminating intercompany balances and transactions, is as follows:

At 31 December 2022 *€000*	**Gaitame.com Co., Ltd**	**TFS-ICAP**	**Other companies**	Total
Place of business	Tokyo	London, New York, Singapore		
Percentage holding	49,99%	25,0% - 55%		
Non-current assets	24 414	1 487		
Current assets	875 370	40 942		
Of which cash and cash equivalents	134 704	27 254		
Non-current liabilities	2 091	2 368		
Of which financial debts	1 777	-		
Current liabilities	746 816	10 158		
Of which financial debts	*1 422*	-		
Net assets	150 876	29 903		
Group share in:				
› net assets	75 040	13 293		
› goodwill	13 588	-	10 041	
Carrying amount at 31 December	88 628	13 293	16 579	118 500
Revenue	67 365	56 568		
Depreciation and amortisation	-1 589	-108		
Interest income	8	46		
Interest expense	-22	-227		
Income tax	-9 708	-475		
Net profit/comprehensive income for the year	25 903	9 708		
Group share in:				
› net profit/comprehensive income	12 949	4 193	742	17 884
Dividends paid to Group	7 851	843	930	9 624

Goodwill included in the carrying amount of joint ventures totalled €23,629,000 at 31 December 2022 (2021: €24,049,000).

At 31 December 2021 *€000*	Gaitame.com Co., Ltd	TFS-ICAP	Other companies	Total
Place of business	Tokyo	London, New York, Singapore		
Percentage holding	49,99%	25,0% - 55%		
Non-current assets	26 134	3 629		
Current assets	914 419	39 590		
Of which cash and cash equivalents	130 680	27 082		
Non-current liabilities	3 023	8 390		
Of which financial debts	2 684	-		
Current liabilities	786 552	11 170		
Of which financial debts	984	-		
Net assets	150 978	23 658		
Group share in:				
› net assets	75 060	10 298		
› goodwill	14 660	-	9 389	
Carrying amount at 31 December	89 720	10 298	16 137	116 156
Revenue	62 543	49 484		
Depreciation and amortisation	-2 228	-144		
Interest income	8	45		
Interest expense	-38	-317		
Income tax	-8 978	-521		
Net profit/comprehensive income for the year	19 497	7 624		
Group share in:				
› net profit/comprehensive income	9 747	3 443	1 073	14 263
Dividends paid to Group	7 076	644	895	8 615

10. Other financial assets

€000	31.12.2022	31.12.2021
Employee loans	4 734	4 009
Related party receivables (Note 27)	6 406	8 200
Other financial assets	-	-
TOTAL	11 140	12 209

Loans to employees bear interest at an average rate of 1.50% and have an average maturity of 30 months. The Group's exposure to credit risk, foreign currency risk and interest rate risk on other financial assets is disclosed in Note 30.

11. Unavailable cash

€000	31.12.2022	31.12.2021
Call deposits and securities given as collateral in connection with broking activities	32 527	32 376
TOTAL	32 527	32 376

This item mostly includes call deposits held as collateral with clearing houses such as Euroclear and the Fixed Income Clearing Corporation (FICC), and cash holdings of some subsidiaries that are subject to capital restrictions imposed by their regulatory authorities which limit the availability or free use of their cash within the Group.

The Group's exposure to credit risk, foreign currency risk and interest rate risk on unavailable cash is disclosed in Note 30.

12. Trade and other receivables

An analysis of this item is shown below:

€000	31.12.2022	31.12.2021
Receivables related to account holder activities	1 237 088	1 364 891
Receivables related to matched principal activities	110 812	435 861
Trade receivables	189 881	173 098
Employee receivables	69 946	85 631
Related party receivables	7 366	7 874
Other short-term receivables	20 956	22 116
TOTAL	1 636 049	2 089 470

"Receivables related to matched principal activities" include sales of securities that had passed the scheduled delivery date at 31 December 2022 and 2021. Virtually all these transactions were settled after these dates except for an amount of approximately CHF 21,251,000 at 31 December 2022 related to rouble-denominated securities trades.

The Group recognised a provision in the balance sheet for contingent credit losses of €17,166,000 on receivables related to unsettled matched principal trades and brokerage receivables in connection with the Russian invasion of Ukraine.

The provision for expected credit losses totalled CHF 18,503,000 at 31 December 2022 (2021: CHF 859,000). Additional information on expected credit losses is disclosed in Note 30.

"Employee receivables" includes bonuses paid in advance, subject to the employee remaining with the Group throughout the duration of the contract. The expense relating to these bonuses is recognised in the income statement on a straight-line basis over the life of the contract.

The Group's exposure to credit risk, foreign currency risk and interest rate risk on trade and other receivables is disclosed in Note 30.

13. Financial assets at fair value through profit or loss

An analysis of financial assets held for trading is shown below:

Non-current€000	31.12.2022	31.12.2021
Equities	18 506	18 838
Total	18 506	18 838

Current€000	31.12.2022	31.12.2021
Equities	-	-
Short-term bank deposits	10	105
Total	10	105

The Group's exposure to credit risk, foreign currency risk and interest rate risk on financial assets at fair value through profit or loss is disclosed in Note 30.

14. Financial assets

I. Financial assets at fair value through other comprehensive income

This item consists mainly of the following investments:

Non-current€000	31.12.2022	31.12.2021
Equities	5 423	4 678
Other	-	-
Total	5 423	4 678

These unlisted equity investments are not held for trading. The Group made the irrevocable election to present fair value changes in other comprehensive income.

The Group's exposure to credit risk, foreign currency risk and interest rate risk on financial assets at fair value through other comprehensive income is disclosed in Note 30.

II. FIINANCIAL ASSETS at amortised cost

Current€000	31.12.2022	31.12.2021
Short-term bank deposits	26 240	82 099
Total	26 240	82 099

This item consists of short-term bank deposits with maturities of more than three months from the acquisition date. The Group's exposure to credit risk, foreign currency risk and interest rate risk on financial assets at amortised cost is disclosed in Note 30.

15. Cash and cash equivalents

€000	31.12.2022	31.12.2021
Cash on hand and demand deposits	360 889	419 221
Short-term bank deposits	90 493	32 466
Short-term money market investments	8 349	6 968
Cash and cash equivalents on the balance sheet	459 731	458 655
Unavailable cash	32 527	32 376
Cash and cash equivalents - assets	492 258	491 030
Bank overdrafts	-1 896	-2 143
Cash and cash equivalents in cash flow statement	457 835	456 511

Cash on hand and demand deposits bear variable interest based on daily bank rates. Short-term bank deposits have maturities of between one day and three months depending on the Group's liquidity requirements, and bear interest at the bank rate prevailing during the respective periods.

The Group's exposure to credit risk, foreign currency risk and interest rate risk on cash and cash equivalents is disclosed in Note 30.

16. Share capital, treasury shares and consolidated reserves

› Composition of share capital

Share capital at 31 December 2022 was €13,908,094.60 consisting of 69,540,468 shares with a nominal value of €0.2, compared with share capital of €14,324,593.60, consisting of 71,622,9694,402,68 shares in the previous year. This difference is due to the allotment of 138,000 free shares in 2022.

› Major shareholders

The breakdown of capital at 31 December 2022 was as follows:

- Viel et Compagnie-Finance : 61.99%
- Amiral Gestion : 6.98%
- Sycomore AM : 5.63%
- Patrick Combes 5.62%
- Quaero Capital : 3.10%
- Financière de l'Echiquier: 0.55%
- Public : 7.49%
- Actions propres : 8.64%

› Authorised capital

Delegated financial authorities

As required by Section L. 225-100(7) of the Commercial Code, a summary of delegated powers currently in effect, granted to the Board of Directors by the General Meeting, and the use made of such powers during the 2022 financial year is presented below:

Type of delegation	EGM	Expiration dates	Authorised amount	Used in 2022	Remaining authority
Capital increase (general delegation with pre-emptive rights maintained)	09.06.2022	26 months	€10 000 000	-	€10 000 000
Capital increase (general delegation with disapplication of pre-emptive rights)	09.06.2022	26 months	€10 000 000	-	€10 000 000
Capital increase (general delegation with disapplication of pre-emptive rights - Sec. L. 411-2.II MFC)	09.06.2022	26 months	€10 000 000	-	€10 000 000
Capital increase by capitalising reserves	09.06.2022	18 months	€5 000 000	-	€5 000 000
Capital increase by issuing warrants (pre-emptive rights maintained)	09.06.2022	26 months	€20 000 000	-	€20 000 000
Capital increase by granting free, existing or yet to be issued shares	09.06.2022	26 months	€1 388 049	-	€1 388 049
Capital increase by issuing warrants (in case of public offering)	09.06.2022	18 months	€10 000 000	-	€10 000 000
Capital reduction (cancellation of shares)	09.06.2022	24 months	€1 388 049		€1 388 049
Capital increase (granting of free shares to employees of associates) (with pre-emptive rights maintained)	12.06.2020	38 months	€1 432 459	€27 600	€1 404 859

Treasury shares:

The Group held 6,008,249 of its own shares, or 8.64% of its capital, for a gross total of €27,112,000 at 31 December 2022 (2021: 4,378,501 shares for a gross total of €18,079,000). These shares are held under an authority from the General Meeting of Shareholders.

The value of these shares was charged against consolidated equity.

Consolidated reserves

An analysis of this item is shown below:

€000	Retained earnings	Reserve for share options	Revaluation reserve	Actuarial gains and losses in defined benefit schemes	Other reserves	Consolidated reserves
Consolidated reserves at 1 January 2022	412 400	16 148	1 023	-6 975	13 343	435 940
Net profit for the year	73 552	-	-	-		73 552
Remeasurement of defined benefit schemes	-	-	-	4 439	-	4 439
Effect of recognition of hedging instruments		-	-	-	6 818	6 818
Effect of remeasurement of financial assets at fair value through other comprehensive income	-	-	248	-	-	248
Effect of remeasurement of investment property	-	-	-	-	-	-
Comprehensive income for the year	73 552	-	248	4 439	6 818	85 057
Transfer to the general reserve	-	-	-	-	-	-
Transfer to the reserve for treasury shares	9 033	-	-	-	- 9 033	-
Exercise of share options	-	859	-	-	-	859
Effect of recognition of share options	-	-	-	-	-	-
Dividends paid	-19 325	-	-	-	-	-19 325
Effect of changes in basis of consolidation/ Other variations	-6 279	-18	34	143	-	-6 120
Consolidated reserves at 31 December 2022	469 381	16 989	1 306	-2 393	11 128	496 412

€000	Retained earnings	Reserve for share options	Revaluation reserve	Actuarial gains and losses in defined benefit schemes	Other reserves	Consolidated reserves
Consolidated reserves at 1 January 2021	382 626	16 000	1 029	-9 671	23 422	413 405
Net profit/(loss) for the year	50 960	-	-	-	-	50 960
Remeasurement of defined benefit schemes	-	-	-	2 635	-	2 635
Effect of recognition of hedging instruments	-	-	-	-	-	-
Effect of remeasurement of financial assets at fair value through other comprehensive income	-	-	204	-	-	204
Effect of remeasurement of investment property	-	-	-	-	-	-
Comprehensive income for the year	50 960	-	204	2 635	-	53 799
Transfer to the general reserve	-	-	-	-	-	-
Transfer to the reserve for treasury shares	-5 885	-	-	-	-	-5 885
Exercise of share options	1 862	-	-	-	-	1 862
Effect of recognition of share options	-	148	-	-	-	148
Dividends paid	-18 294	-	-	-	-	-18 294
Effect of changes in basis of consolidation/ Other variations	1 132	-	-210	61	-10 079	-9 096
Consolidated reserves at 31 December 2021	412 400	16 148	1 023	-6 975	13 343	435 940

The share options reserve is used to recognise the fair value of own equity instruments granted to Group employees (Note 19). At each exercise of share options, the value of the instruments is transferred from this reserve to the share premium account.

The revaluation reserve comprises net cumulative changes in the fair value of financial assets at fair value through other comprehensive income. On disposal of these instruments, the net cumulative changes in fair value up to the time of disposal are reclassified to equity.

The currency translation reserve comprises foreign exchange differences arising from the translation into euros of the financial statements of Group companies denominated in foreign currencies, as well as changes in fair value of instruments used in hedging net investments in foreign entities. It is shown separately in the Consolidated statement of changes in equity.

The reserve for actuarial gains and losses of defined benefit schemes is used to recognise changes in long-term assumptions and any differences between the assumptions and the actual changes in those schemes.

Other comprehensive income

An analysis of this item is shown below:

2022 €000	Attributable to shareholders of the parent					Minority interests	Total
	Currency translation	Hedging reserve	Revaluation reserve	Actuarial gains and losses of defined benefit schemes	Total Group share		
Other comprehensive income that cannot be reclassified to profit or loss							
Financial assets at fair value through other comprehensive income	-	-	-	248	248	89	337
Actuarial gains and losses of defined benefit schemes	-	-	-	4 439	4 439	1 551	5 990
Total other comprehensive income that cannot be reclassified to profit or loss	-	-	-	4 687	4 687	1 640	6 327
Other comprehensive income that can be reclassified to profit or loss							
Fair value adjustments on cash flow hedges							
-recognised in hedging reserve	-	6 818	-	-	6 818	-	6 818
- transferred to income statement	-	-	-		0	-	-
Currency translation	-9 940	-	-	-	-9 940	-3 965	-13 905
Transfer of exchange differences to income statement	6	-	-	-	6	4	10
Revaluation differences	-	-	-	-	-	-	-
Other comprehensive income of associates	-278	-	-	-	-278	13	-265
Total other comprehensive income that can be reclassified to profit or loss	-10 212	6 818	-	-	-3 394	-3 948	-7 342
Other comprehensive income for the year, net of tax	-10 212	6 818	-	4 687	1 293	-2 308	-1 016

2021 €000	Attributable to shareholders of the parent					Minority interests	Total
	Currency translation	Hedging reserve	Revaluation reserve	Actuarial gains and losses of defined benefit schemes	Total Group share		
Other comprehensive income that cannot be reclassified to profit or loss							
Financial assets at fair value through other comprehensive income	-	-	-	204	204	78	282
Actuarial gains and losses of defined benefit schemes	-	-	-	2 635	2 635	1 081	3 716
Total other comprehensive income that cannot be reclassified to profit or loss	-	-	-	2 839	2 839	1 159	3 998
Other comprehensive income that can be reclassified to profit or loss							
Currency translation	11 122	-	-	-	11 122	5 369	16 491
Transfer of exchange differences to income statement	-8 348	-	-	-	-8 348	-3 764	-12 112
Revaluation differences	-	-	-	-	-	-	-
Other comprehensive income of associates	-293	-	-	-	-293	-114	-407
Total other comprehensive income that can be reclassified to profit or loss	2 481	-	-	-	2 481	1 491	3 972
Other comprehensive income for the year, net of tax	2 481	-	-	2 839	5 320	2 650	7 970

17. Minority interests

The main companies in which the minority interests are considered significant are Bourse Direct, which represents the online trading business, and the Tradition subgroup, which comprises the interdealer broking business. Companies considered significant within the Tradition subgroup are presented in the notes to the consolidated financial statements of Compagnie Financière Tradition, a listed company.

The summary financial information of the Tradition subgroup is presented after elimination of intercompany accounts and transactions within that group.

	At 31 December 2022		At 31 December 2021	
€000	**Tradition Group**	**Bourse Direct**	**Tradition Group**	**Bourse Direct**
	Switzerland	France	Switzerland	France
Percentage holding of minority interests	26,29%	20,01%	27,67%	20,37%
Non-current assets	343 161	35 578	334 674	31 296
Current assets	750 852	1 292 674	1 208 878	1 318 022
Of which cash and cash equivalents	313 059	43 166	296 366	39 040
Non-current liabilities	280 668	3 377	273 016	2 801
Current liabilities	363 953	1 256 500	854 564	1 279 545
Net assets	449 392	68 375	415 972	66 972
Carrying amount of minority interests[1]	**25 579**	**10 280**	**20 626**	**10 079**
Revenue	942 516	47 116	809 135	45 919
Net profit	96 916	5 872	66 232	7 164
Share attributable to minority interests in Group's net profit in[2]:	**31 556**	**1 320**	**23 128**	**1 494**
Net operating cash flows	135 029	12 757	59 430	-538
Net investing cash flows	61 746	-3 217	-61 088	-7 544
Net financing cash flows (excl. dividends paid to minority interests)	-163 047	-4 737	21 506	-3 597
Dividends paid to minority interests	-13 738	-677	-11 957	-548
Movement in exchange rates	-17 581	-	98	-
Movement in cash and cash equivalents	**8 582**	**4 126**	**7 989**	**-12 227**

[1] *Tradition Group – of which €4.9m for Tradition-ICAP, an equity-accounted joint venture (Note 9).*

[2] *Tradition Group – of which €1.6m for Tradition-ICAP, an equity-accounted joint venture (Note 9).*

18. Dividends

€000	2022	**2021**
Dividend	24 176	20 821
Dividend per share in €	0,35	0,30

19. Share-based payments

› Compagnie Financière Tradition

An analysis of share options granted to employees of the Tradition Group at 31 December 2022 is shown below:

Grant date	Number of shares of CHF 2.50 nominal	Potential increase in capital in CHF	Start of exercise period[1]	Expiration date	Exercise price in CHF	Exercise terms[2]
05.01.18	20 000	50 000	01.02.21	01.02.26	2.50	115.00
30.08.18	12 000	30 000	01.09.21	01.09.26	2.50	120.00
20.11.18	50 000	125 000	20.11.21	20.11.26	2.50	120.00
28.11.18	18 000	45 000	6,000 from 01.12.21 6,000 from 01.12.22 6,000 from 01.12.23	01.12.26	2.50	110.00
09.01.19	3 000	7 500	09.07.20	09.07.25	2.50	110.00
06.06.19	58 000	145 000	01.06.22	01.06.27	2.50	120.00
13.01.20	20 000	50 000	13.01.23	13.01.28	2.50	114.00
07.04.20	22 500	56 250	07.04.23	07.04.28	2.50	125.00
01.07.20	50 000	125 000	01.07.23	01.07.28	2.50	125.00
08.04.21	22 500	56 250	08.04.24	08.04.29	2.50	130.00
31.08.21	19 000	47 500	5 000 from 31.08.2022 5 000 from 31.08.2023 5 000 from 31.08.2024 3 000 from 31.08.2025 3 000 from 31.08.2026	31.08.29	2.50	110.00
10.09.21	5 000	12 500	10.09.24	10.09.29	2.50	120.00
14.04.22	20 000	50 000	14.04.25	14.04.30	2.50	120.00
24.06.22	10 000	25 000	2 000 from 24.6.2023 2 000 from 24.6.2024 2 000 from 24.6.2025 2 000 from 24.6.2026 2 000 from 24.6.2027	24.06.30	2.50	110.00
28.07.22	7 000	17 500	28.07.25	28.07.30	2.50	120.00
30.08.22	60 000	150 000	20 000 from 01.10.2023 20 000 from 01.10.2024 20 000 from 01.10.2025	01.10.28	2.50	112.00
TOTAL	397 000	992 500				

Exercise terms

[1]These options may only be exercised if the employee is still employed by the Group.

[2]The share price must have been above these thresholds for 10 consecutive days in the 12 months preceding the exercise date.

Compagnie Financière Tradition SA granted 97,000 share options to Group employees in 2022 (2021: 48,500 options).

The fair value of options granted or changes made is determined at the grant date or change date using a valuation method that takes account of the general vesting characteristics and conditions prevailing at that date.

The following valuation parameters, based on historical observations, were used to determine the fair value of options granted:

	2022	2021
Dividend yield	5,0%	5,0 %
Expected volatility	15,5%	14,0 %
Risk-free interest rate	0,5%	0,0 %
Share price on the grant date (in CHF)	110,5	114,7

In 2022. the weighted average fair value of options at the grant date was CHF 19.7 (2021: CHF 17.9).

An analysis of the number and weighted average exercise prices of employee share options is shown below:

In CHF	2022		2021	
	Weighted average exercise price	Number of options	**Weighted average exercise price**	**Number of options**
Outstanding at start of the year	2,50	302 000	2,50	364 167
Granted	2,50	97 000	2,50	48 500
Exercised*	2,50	-2 000	2,50	-109 667
Lapsed				
Cancelled			2,50	-1 000
Outstanding at end of the year	2,50	397 000	2,50	302 000
Exercisable at end of the year	2,50	29 000	2,50	29 000

**Options exercised in 2022 had a weighted average share price at the exercise date of CHF 105.0 (2021: CHF 112.8).*

Options exercised only entitle holders to delivery of the shares. The cost of share-based payments in 2022 was CHF 1,125,000 (2021: CHF 1,014,000).

› VIEL & Cie

Share option schemes

No new share option schemes had been granted by VIEL & Cie at 31 December 2022.

Free share schemes

Details of the free share schemes at 31 December 2022 are shown below:

Type of scheme (euros)	**2017 award scheme**		**2021 award scheme**
	# 1	# 2	
Date of General Meeting	14 June 16	14 June 16	12 June 20
Date of first awards under the scheme	4 Sept 17	4 Sept 17	18 March 21
Total number of free shares awarded	440 000	138 000	135 000
Start date of award of free shares	4 Sept 17	4 Sept 17	18 March 21
Award period	4 Sept 20	4 Sept 22	18 March 24
Vesting period in the event of non-fulfilment of the performance condition	4 Sept 27	4 Sept 27	18 March 31
Conditional on employee remaining with the Company	Yes	Yes	Yes
Share price performance conditions	€6.50	€6.00	€6.80
Number of free shares outstanding at 1 January	380 000	138 000	135 000
Number of free shares cancelled during the year	-	-	-
No free shares were allotted during the year	-	138 000	135 000
Number of free shares outstanding at 31 December	**380 000**	**-**	**135 000**
Number of persons concerned	2	4	4

20. Financial debts

€000	31.12.2022	**31.12.2021**
Bank overdrafts	1 896	2 143
Bank borrowings	8 124	-
Short-term portion of long-term bank borrowings	18 000	18 000
Bond issues	-	106 401
Short-term	**28 020**	**126 544**
Long-term borrowings	164 000	182 000
Bond issues	212 629	202 497
Long-term	**376 629**	**384 497**
TOTAL	**404 649**	**511 042**

Movements in financial debts from financing activities presented in the cash flow statement were as follows:

2022 *€000*		Financial items		Non-financial items		
			Other movements	Reclassifications	Currency translation	31.12.2022
Long-term						
Bank borrowings	182 000	-18 000				164 000
Bond issues	202 497	175			9 957	212 629
Short-term						
Bank borrowings	-	7 959			166	8 124
Short-term bank loans	18 000					18 000
Bond issues	106 401	-109 357			2 955	-
Total	**508 898**	**-119 223**	**-**	**-**	**13 078**	**402 754**

2021 *€000*		Financial items		Non-financial items		
			Other movements	Reclassifications	Currency translation	31.12.2021
Long-term						
Bank borrowings	83 500	98 500				182 000
Bond issues	221 568	73 811		-101 725	8 843	202 497
Short-term						
Bank borrowings	11 109	-11 114			5	-
Short-term bank loans	30 150	-12 150				18 000
Bond issues	-	86		101 725	4 590	106 401
Total	**346 327**	**149 133**	**-**	**-**	**13 438**	**508 898**

An analysis of bond issues is shown below:

Issuer	Year of issue and maturity	Outstanding face value CHF 000	Coupon	Effective interest rate	Carrying amount CHF 000	Carrying amount CHF 000
					31.12.22	31.12.21
Compagnie Financière Tradition SA	2021-2027	CHF 80 000	1.875%	1.980%	79 654	79 585
Compagnie Financière Tradition SA	2019-2025	CHF 130 000	1.750%	1.850%	129 722	129 615
Compagnie Financière Tradition SA	2016-2022	CHF 110 000	1.625%	1.726%	-	109 923
TOTAL					209 376	319 123
Of which amount redeemable within 12 months					-	109 923

Compagnie Financière Tradition had credit facilities of CHF 177,485,000 at 31 December 2022 (2021: CHF 169,138,00); €8,124,000 had been drawn down at 31 December 2022 (unused in 2021).

Long-term bank borrowings included an amount of €182,000,000 repayable in annual instalments, maturing in June 2026 (€200,000,000 at 31 December 2021).

Long-term debts are subject to an early repayment clause in the event of non-compliance with the various management ratios. These ratios mainly concern the Group's debt level to consolidated equity, or the Group's level of net financial expenses to operating profit.

VIEL & Cie and its subsidiaries had unused credit facilities of €169,361,000 at year-end against €169,138,000 at 31 December 2021.

The Group's exposure to liquidity risk, foreign currency risk and interest rate risk on financial debts is disclosed in Note 30.

21. Provisions and contingent liabilities

An analysis of provisions is shown below:

€000	**Pensions and post-employmen t benefits**	**Litigation**	**Provisions for tax**	**Other provisions**	TOTAL
Amount at 31 December 2021	**30 082**	**338**	**500**	**324**	**31 244**
Of which amount to be settled within 12 months					-
Change in basis of consolidation	137	-	-	-	137
Recognised	2 706	13 463	-	-177	15 992
Used	-491	-1 750	-	-	-2 240
Reversed	-17	-188	-	-147	-352
Remeasurement of defined benefit schemes	-4 698	-	-	-	-4 698
Reclassifications	-	338	-	-	338
Currency translation	49	307	-	-	356
Amount at 31 December 2021	**27 768**	**12 508**	**500**	**-**	**40 776**
Of which amount to be settled within 12 months					-
Change in basis of consolidation	-	-	-	-	-
Recognised	2 651	115	-	-	2 767
Used	-1 401		-	-	-1 401
Reversed	-59		-	-	-59
Remeasurement of defined benefit schemes	-6 778	-	-	-	-6 778
Reclassifications	-	407	-	-	407
Currency translation	-671	-646	-	-	-1 317
Amount at 31 December 2022	**21 510**	**12 385**	**500**	**-**	**34 395**
Of which amount to be settled within 12 months					11 839

› Pensions and post-employment benefits

Provisions for pensions and post-employment benefits recognised in the balance sheet cover the Group's obligations under defined benefit plans and other long-term employee benefits. Details of these liabilities are disclosed in Note 22.

› Litigation

In the course of their business activities, the Group's subsidiaries may become involved in litigation with former employees over termination of their employment contracts, or with competitors over the hiring of new employees. Subsidiaries may be subject to administrative procedures brought by local regulators.

The timing of cash outflows relating to these provisions is uncertain, as it will depend on the outcome of the relevant cases which can last several years.

A Group subsidiary in the United Kingdom is a defendant in civil proceedings brought at the end of 2017 by five English companies in liquidation as well as the liquidators of these companies.

In 2009, these companies negotiated EU quotas, also called carbon credits, and did not pay the VAT invoiced to counterparties in the context of these transactions. The Group's subsidiary acted as an intermediary in the transmission of a limited number of orders related to these transactions.

The liquidators are claiming damages because they believe that by being involved in the transactions the subsidiary contributed to the managers of the English companies in liquidation failing to fulfill their legal obligations.

The subsidiary vigorously defended itself and was successful in dismissing all the claims by three of the companies and some of the claims by the other two companies. Certain matters were then referred to the English Court of Appeal where the subsidiary secured further successes. One issue remains in respect of which permission is sought to appeal to the Supreme Court. A provision has been booked to cover for a potential adverse decision in respect of the remaining issue. The provisioned amount is included in the heading of short-term provisions at 31 December 2022.

› Provisions for tax

The Group is regularly subject to tax inspections. Potential risks are assessed and, if necessary, provisioned.

› Other provisions

Provisions were set aside in previous years to cover the various risks facing VIEL & Cie and its consolidated subsidiaries. These provisions cover all estimated potential risks.

22. Employee benefits

The retirement and post-employment benefits of most VIEL & Cie employees and its operating subsidiaries are insured under defined contribution plans. Contributions to these plans are recognised as an expense when incurred. Any amounts payable at the end of the period are presented under "Trade and other payables".

Defined benefit schemes are confined mainly to Group employees based in Switzerland.

Swiss based employees are insured with the employer's occupational benefits institution for retirement, death and disability cover. This occupational benefits institution is established as a foundation. It manages retirement risk itself while reinsuring death and disability risks with an insurance company. Retirement benefits are defined on the basis of the individual's retirement savings account balance (retirement savings capital) at the retirement date. The annual retirement pension is calculated by multiplying the retirement savings capital at the retirement date by the conversion rate defined in the foundation's pension plan rules. Employees may opt to take early retirement from age 58, in which case the conversion rate is reduced proportionally, to take account of the expected increase in the duration of pension payments and the lower retirement savings capital. Employees also have the option of taking all or part of their retirement pension as a lump sum.

The employer's ordinary contributions are expressed as a percentage of the pensionable salary (according to age) and are paid into the individual retirement accounts.

The investment policy of the occupational benefits institution aims at achieving a target return which, combined with contributions paid to the foundation, is sufficient to maintain reasonable control over the pension scheme's funding risks. The Pension Board, with the assistance of investment advisers, determines the asset class weightings and target allocations, which are reviewed periodically. The actual asset allocation is determined by a series of economic and market conditions and takes account of the specific risks of the asset classes.

The other long-term benefits mainly concern employees of the Group's subsidiaries in Japan, who can defer the payment of part of their remuneration until retirement age or until they leave the Company.

Provisions for pensions and post-employment benefits are broken down as follows:

€000	31.12.2022	31.12.2021
Other long-term benefits	14 275	14 330
Provisions for defined benefit schemes	7 235	13 438
Total provisions for pensions and post-employment benefits	**21 510**	**27 768**

Expense related to defined benefit and defined contribution pension schemes is reported under "Staff costs". In 2022, expense for defined contribution schemes amounted to €4,151,000 (2021: €4,695,000).

› Assets and liabilities recognised in the balance sheet

€000	31.12.2022	31.12.2021
Present value of obligations	55 621	61 268
Fair value of plan assets	-48 386	-47 967
Net defined benefit scheme liabilities	**7 235**	**13 301**

› Movements in present value of obligations

€000	2022	2021
Present value of obligations at 1 January	**61 268**	**58 571**
Of which funded obligations	**55 186**	**53 159**
Of which non-funded obligations	**6 081**	**5 412**
Financial cost	229	115
Current service cost	1 591	2 187
Employee contributions	968	914
Past service cost	137	-
Benefits paid	964	-1 276
Actuarial (gains).losses arising from experience adjustments	841	2 490
Actuarial (gains).losses arising from changes in demographic assumptions	-	-1 731
Actuarial (gains).losses arising from changes in financial assumptions	-13 135	-2 559
Curtailment	-	-
Reclassifications	139	-17
Currency translation	2 619	2 573
Present value of obligations at 31 December	**55 621**	**61 268**
Of which funded obligations	**49 616**	**55 186**
Of which non-funded obligations	**6 005**	**6 081**

› Movements in the present fair value of plan assets

€000	2022	2021
Fair value of plan assets at 1 January	47 967	41 854
Expected return on plan assets	139	10
Employer contributions	1 379	1 130
Employee contributions	968	914
Benefits paid	1 243	-842
Administration costs	-84	-70
Actuarial gains/(losses)	-5 517	2 898
Curtailment	-	-
Currency translation	2 291	2 073
Fair value of plan assets at 31 December	48 386	47 967

The Group estimates that contributions to defined benefit plans in 2022 will amount to €1,344,000.

› Fair value of asset classes as a percentage of total plan assets

	2022	2021
Equities	28,58%	31,35%
Bonds	25,31%	26,29%
Real estate	28,58%	28,57%
Insurance contracts	0,76%	0,79%
Cash and cash equivalents	9,15%	5,16%
Other	7,62%	7,84%
Total	100%	100%

Investments in stocks, bonds and real estate are mostly made through investment funds and the majority are listed on an active stock market. Most other investment categories are not listed on an active stock market.

› Actuarial gains and losses of defined benefit schemes recognised in other comprehensive income

€000	2022	2021
Actuarial gains/losses) on plan liabilities	13 135	2 559
Experience adjustments on plan liabilities	-841	-2 490
Experience adjustments on plan assets	-5 517	2 898
Gain/(loss) on remeasurement of defined benefit schemes	6 778	2 967

› Expense recognised in the income statement

€000	2022	2021
Current service cost	1 591	2 258
Net interest expense	90	104
Past service cost	137	-
Administration costs	84	-
Cost/(income) - defined benefit plans	1 819	2 362

€000	2022	2021
Actual return on/(cost of) plan assets	-5 490	3 050

› Main actuarial assumptions

In %	2022	2021
Discount rate	2,49%	0,62%
Future salary increases	1,94%	1,18%

› Mortality tables

Life expectancy is taken into account in liabilities defined on the basis of mortality tables in the country in which the scheme operates. Generational tables, which model future mortality trends, were used at 31 December 2022 and 2021.

› Sensitivity analysis

The impact of an increase or decrease in the main actuarial assumptions on defined benefit plan liabilities at 31 December 2022 and 2021 is presented below.

€000		2022
	Increase	Decrease
Discount rate (0.5% variation)	-3 197	3 591
Future salary increases (0.5% variation)	147	-147

€000		2021
	Increase	Decrease
Discount rate (0.5% variation)	-4 092	4 637
Future salary increases (0.5% variation)	218	-218

This analysis is based on the assumption that all other variables remain constant.

› Duration of defined benefit obligations

The weighted average duration of the defined benefit obligation for Group employees in Switzerland was 14 years at 31 December 2022 (2021: 16 years).

23. Trade and other payables

An analysis of this item is shown below:

€000	31.12.2022	31.12.2021
Payables related to account holder activities	1 240 938	1 363 471
Payables related to matched principal activities	108 115	433 049
Accrued liabilities	154 919	132614
Related party payables	3 396	3 260
Other short-term liabilities	57 157	54 532
TOTAL	1 564 525	1 986 926

The Group's exposure to liquidity risk, foreign currency risk and interest rate risk on trade and other payables is disclosed in Note 30.

24. Tax payables and receivables

Tax payables amounted to €11,411,000 (2021: €8,830,000) at 31 December 2022.

Tax receivables of €6,161,000 at 31 December 2022 (2021: €5,297,000) consisted mainly of tax instalments paid by Group companies.

25. Derivative financial instruments

€000		2022		2021
	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts	350	174	244	-
Interest rate swaps	9 250	163	152	19
Total	9 600	337	396	19

Derivative financial instruments entered into by the Group at year-end 2022 mainly comprise hedging instruments in hedging relationships.

26. Leases

The Group's leases mainly concern offices used by employees in connection with their business activities.

› Right-of-use assets

2022 **€000**	Buildings	Vehicles	Total
Net carrying amount at 1 January	57 149	0	57 149
Change in basis of consolidation	97		97
Additional assets	14 050	161	14 211
Depreciation and amortisation	-15 844	-64	-15 908
Reclassifications	18	18	36
Currency translation	1 480		1 480
Net carrying amount at 31 December	56 950	115	57 065

2021 **€000**	Buildings	Vehicles	Total
Net carrying amount at 1 January	49 350	-	49 350
Change in basis of consolidation	-	-	-
Additional assets	19 695	-	19 695
Depreciation and amortisation	-14 660	-	-14 660
Reclassifications	-38	-	-38
Currency translation	2 802	-	2 802
Net carrying amount at 31 December	57 149	-	57 149

› Lease liabilities

€000	2022	2021
Short-term		
Lease liabilities	17 235	16 061
Total		
Long-term		
Lease liabilities	51 584	54 184
Total		
Total lease liabilities on balance sheet	68 819	70 245

The Group's exposure to liquidity risk, foreign currency risk and interest rate risk on lease liabilities is disclosed in Note 30.

Movements in lease liabilities from financing activities presented in the cash flow statement were as follows:

€000	01.01.22	Financial items	Non-financial items		31.12.22
			Other movements	Currency translation	
Lease liabilities	70 245	-17 522	14 299	1 796	68 819
Total	70 245	-17 522	14 299	1 796	68 819

€000	01.01.21	Financial items	Non-financial items		31.12.21
			Other movements	Currency translation	
Lease liabilities	61 172	-14 268	19 642	3 699	70 245
Total	61 172	-14 268	19 642	3 699	70 245

› Other information on leases

- Short-term lease related expenses for fiscal 2022 amounted to €4,185,000 (2021: €3,817 000).
- Interest expense on lease liabilities is presented in Note 4.
- The total cash outflow for leases amounted to € 21,624,000 for 2022 (2021: € 17,836,000).

27. Related party transactions

› Nature of duties of key management staff

VIEL & Cie includes three core business segments in its consolidated financial statements: interdealer broking, through Compagnie Financière Tradition, online trading, through Bourse Direct, and a 40% equity accounted stake in SwissLife Banque Privée. The Chair of the Board of Directors of VIEL & Cie is considered a key employee.

› Key management remuneration

The Chair of the Board of Directors does not receive remuneration from VIEL & Cie, but from its parent company VIEL et Compagnie-Finance. He received emoluments from VIEL & Cie of €12,000 for 2022, unchanged from the previous year.

The Chairman and CEO was not granted any benefits in kind, post-employment benefits, other long-term benefits, termination benefits, or share-based payments.

› Related party receivables

Non-current *€000*	31.12.2022	31.12.2021
Receivables from associates	435	2 000
Receivables from shareholder and related companies	-	-
TOTAL	435	2 000

Current *€000*	31.12.2022	31.12.2021
Receivables from associates	52	63
Receivables from joint ventures	6 461	6 853
Receivables from shareholder and related companies	853	957
TOTAL	7 366	7 874

› Related party payables

€000	31.12.2022	31.12.2021
Payables to associates	30	55
Payables to joint ventures	3 366	3 197
Payables to shareholder and related companies	0	8
TOTAL	3 396	3 260

"Receivables from shareholder and associated companies" and "Payables to shareholder and associated companies" include all receivables and payables due to or by VIEL & Cie and its subsidiaries in respect of their ultimate majority shareholder, VIEL et Compagnie-Finance, Paris, and subsidiaries of that company.

› Related party transactions

One of the Group subsidiaries signed a lease agreement with a company owned by its ultimate shareholder. In 2022, the Group recognised an expense of €766,000 in relation to the right of use of those premises (2021: €758,000). The carrying amount of the lease liability was €2,523,000 at 31 December 2022 (2021: €3,137,000).

A service company owned by VIEL & Cie's majority shareholder billed the Group for travel expenses amounting to €843,000 in 2022 (2021: €723,000).

Compagnie Financière Tradition SA's defined benefits scheme in Switzerland is considered as a related party.

Consolidation of VIEL & Cie

VIEL & Cie is consolidated in the financial statements of VIEL et Compagnie-Finance, whose registered office is at 23 Place Vendôme, 75001 Paris.

28. Off-balance sheet operations

› Commitments to deliver and receive securities

€000	31.12.2021	31.12.2021
Commitments to deliver securities	183 564 213	170 507 247
Commitments to receive securities	183 564 759	170 482 633

Commitments to deliver and receive securities reflect buy and sell transactions entered into before 31 December 2022 and closed out after that date, in connection with matched principal activities carried out by Group companies dealing with institutional clients, or deferred settlement transactions for the online trading business.

29. Financial risk management

The Group is exposed to the following types of risk:

- credit risk
- liquidity risk
- market risk
- interest rate risk
- operational risk

This note details the Group's exposure to each of these risk areas, its risk management objectives, policy and procedures, and the methods it uses to measure risk. No changes were made in the Group's approach to managing risk in 2022.

The Board of Directors is ultimately responsible for defining the Group's risk appetite, establishing risk, management policies, and overseeing the Executive Board. It is assisted in these tasks by the Audit Committee, whose role is to oversee the internal control of financial reporting, risk management, and compliance with the laws and regulations. The Internal Audit department reviews the effectiveness of risk management procedure and internal controls, the results of which are reported to the Audit Committee.

The Risk Management department operates independently and reports directly to the Chair of the Board of Directors. It is responsible for identifying, assessing, mapping and monitoring the Group's risk exposure.

- **Credit and counterparty risk**

As a holding company, VIEL & Cie is not exposed to credit risk.

Credit risk is primarily the risk of financial loss for the operating subsidiaries in the event that a customer or a counterparty to a financial instrument does not fulfil its obligations. This risk mainly concerns the item "Trade and other receivables".

VIEL & Cie's operating subsidiaries are interdealer brokers in the financial and non-financial markets, serving mainly institutional clients for Compagnie Financière Tradition, and retail customers for Gaitame (Japan-based subsidiary of Compagnie Financière Tradition), and Bourse Direct.

Interdealer broking: Compagnie Financière Tradition

This broking business consists of facilitating contact between two counterparties to a trade, and receiving a commission for services rendered. Compagnie Financière Tradition's exposure to credit risk in connection with these activities is therefore very limited. The quality of counterparties is evaluated locally by subsidiaries in accordance with Group guidelines, and commission receivables are closely monitored. Impairments are recognised where necessary on certain receivables.

Some of the Group's operating companies act as principal in the simultaneous purchase and sale of securities for the account of third parties. These trades are managed through clearing houses on the basis of cash against delivery of securities. Since October 2014, the period between the transaction date and the settlement date has generally been two days, during which time these companies are exposed to counterparty risk.

This risk is contained within the limits set by Compagnie Financière Tradition's Credit Committee, which bases its decisions on the creditworthiness of the counterparty, taking into account ratings published by recognised bodies (External Credit Assessment Institutions (ECAI)), and available financial information (stock market prices, credit default swaps, yields in the secondary bond markets, etc.). Where no external rating is available, Compagnie Financière Tradition calculates an internal rating using internal methods. Aside from the counterparty's rating, the type of instruments traded and their liquidity are also taken into account for determining the limit.

Compagnie Financière Tradition's Risk Management department, or the risk management departments of the operational zones, independently establish credit limits and monitor adherence. The limits are reviewed regularly, at set frequencies or following events that could affect the creditworthiness of the counterparty or the environment in which it operates (country, type of sector, etc.).

Exposure is concentrated in regulated financial institutions, the majority of which have investment grade ratings.

The clearing itself is handled by specialised teams. The Tradition Group's indirect subsidiary, Tradition London Clearing Ltd, is a dedicated clearing company and the lynchpin of the Group's matched principal operations for Europe and Asia. Tradition London Clearing Ltd is responsible for following up trades introduced by the Tradition Group's operating entities, until their final settlement in the clearing houses. Tradition Asiel Securities Inc., one of the Tradition Group's US subsidiaries, performs all clearing operations in the United States. This company is a member of the FICC (Fixed Income Clearing Corporation), a central settlement counterparty for US government securities. Membership in the FICC considerably reduces the risk of a counterparty default, since it guarantees settlement of all trades entering its net.

ONLINE TRADING: BOURSE DIRECT

Bourse Direct caters mainly to retail investors, whose transactions are covered by cash deposited in their securities account; automatic control systems are in place to prevent trades where there is insufficient cover.

Bourse Direct also serves institutional customers. All counterparties in this segment must be approved by the Credit Committee. Most counterparties are major financial institutions with excellent credit ratings. An essential part of the approval process is the separation of operating functions from risk assessment and authorisation. Bourse Direct's management regularly monitors compliance with decisions, and reviews the effectiveness of control procedures for counterparties and clearing operations.

› **Liquidity risk**

VIEL & Cie must always have sufficient funds available to finance current operations and maintain its investment capability. Exposure to liquidity risk is managed at the holding company level through ongoing monitoring of the duration of funding, the availability of credit facilities, and the diversification of funding sources. The Group also operates a conservative investment policy for surplus cash by placing cash balances in risk-free, cash and money market instruments. Cash flow agreements are entered into between VIEL & Cie and certain subsidiaries in order to optimise treasury management within the Group.

Liquidity risk arises when subsidiaries encounter difficulties in honouring their financial commitments. For risk management purposes this risk is divided into two types.

Transactional liquidity risk concerns the ability to meet cash flows related to matched principal trades or the requirements of market counterparties – for instance, the need to fund securities in the process of settlement or to post margins or collateral with clearing houses or banks that provide clearing services to the Group's consolidated companies.

These liquidity demands are hard to anticipate but are normally short term, overnight or even intra-day and are usually met from overdrafts with the clearing entity. In order to manage these risks the subsidiaries engaged in matched principal trading hold cash or cash equivalents sufficient to meet potential funding requirements using a statistical approach based on historical data, which is stress tested to establish an appropriate level of contingency funding.

Balance sheet liquidity risk is the risk that a Group entity will be unable to meet its net working capital needs over a certain period of time due to trading difficulties or significant investments in the business. In order to manage this risk, all the Tradition Group's trading entities prepare rolling twelve-month cash forecasts as part of the monthly financial reporting process, in order to identify any potential liquidity issues.

At the very least, all entities retain sufficient cash or cash equivalents to meet expected net cash outflows for the next three months. Checks are carried out twice a year to determine surplus funds in relation to local requirements. Moreover, regulations specific to investment companies require some Group companies to invest customers' cash in liquid, risk-free products that are not subject to interest rate or counterparty risk and are immediately accessible.

› **Market risk**

VIEL & Cie is exposed to market risk in respect of the value of its assets and unfavourable changes in the costs of its debt. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices and affect the Group's net profit or the value of its financial instruments. Market risk includes currency risk and interest rate risk.

Interest rate risk

The Group's exposure to interest rate risk arises mainly from the structure of its financial debt. However, as virtually all variable rate long-term financial debt is hedged using interest rate swaps or has been set up at fixed rates (fixed-rate debt), the risk is negligible.

Financial debt commitments within the Group must be approved by the Executive Board.

› **Operational risk related to controlled interests.**

Operational risk covers all risks arising from transaction processing, and ranges from the correct execution of customer orders through to order confirmation and administrative processing. It also includes breakdowns in the IT system that could interfere with order execution.

Another source of operational risk is the major role that key employees can play within the organisation. There is also the risk of competitors headhunting from our operational teams. Finally, the development and improvement of IT tools is a major challenge.

› **Capital management**

The Group’s capital management strategy aims to maintain sufficient equity to ensure operating continuity and produce a return on investment for shareholders.

The Board of Directors monitors return on equity, which is defined as the ratio of net operating income to shareholders’ equity, net of the share of minority interests. The Board also monitors dividends paid to shareholders.

The Group manages the capital structure and adjusts it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

No changes were made in the Group’s approach to managing capital in 2022.

VIEL & Cie is not subject to any externally imposed capital requirements. However, on the local level, some Group subsidiaries are subject to capital requirements imposed by regulators in the countries concerned. Monitoring and compliance with regulatory directives are the responsibility of local compliance officers.

30. Financial instruments

› Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the Group's maximum exposure to credit risk. Exposure to credit risk is shown below:

€000	2022	2021
Financial assets at fair value through other comprehensive income	5 423	4 678
Financial assets at fair value through profit or loss	18 517	18 943
Loans and receivables	29 240	82 099
Financial assets at amortised cost	1 591 736	2 032 648
Derivative financial instruments	9 600	396
Cash and cash equivalents	459 731	458 655
Unavailable cash	32 527	32 376
Total	2 146 772	2 629 796

The Group is not exposed to significant concentrations of credit risk on financial assets, due to its broad geographical footprint and the number of counterparties.

More than 90% of the Group's counterparty exposure consisted of investment grade counterparties (rated BBB-/Baa3 or higher) at 31 December 2022 and 2021.

Expected credit losses

An analysis of ageing of trade receivables and expected credit losses is shown below:

	2022		2021	
€000	Gross value	Expected credit losses	Gross value	Expected credit losses
Not overdue	125 636	-10	106 710	-43
Less than 30 days overdue	29 350	-35	27 735	-28
Between 31 and 60 days overdue	11 822	-25	15 849	-45
Between 61 and 90 days overdue	8 343	-8	8 188	-15
Between 91 and 180 days overdue	8 852	-15	6 949	-12
More than 180 days overdue	7 648	-1 677	8 525	-716
TOTAL	191 652	-1 770	173 957	-859

Since the adoption of IFRS 9 Financial Instruments, the Group has applied a simplified approach for measuring expected credit losses over the life of brokerage receivables. An analysis is carried out by Group companies based on the ageing of trade receivables, taking into account historical default data and the current and foreseeable situation at the balance sheet date. Most customers are major financial institutions with good credit ratings. However, at 31 December 2022, an amount of approximately CHF 432,000 had been provisioned for brokerage receivables in connection with sanctioned Russian counterparties.

The ageing of receivables related to matched principal activities is shown below:

	2022			2021		
€000	Gross value	Expected credit losses	Net value	Gross value	Expected credit losses	Net value
Less than 5 days overdue	65 798	-	65 798	207 144	-	207 144
Between 6 and 15 days overdue	35 599	-	35 599	158 372	-	158 372
Between 16 and 30 days overdue	2 205	-	2 205	66 274	-	66 274
Between 31 and 45 days overdue	388	-	388	1 743	-	1 743
More than 45 days overdue	23 556	-16 734	6 823	2 328	-	2 328
TOTAL	127 546	-16 734	110 812	435 861	-	435 861

These amounts represent transactions that are unsettled after the due delivery dates and are mainly caused by delays in the settlement of securities by counterparties. Based on an analysis of historical data on losses incurred, the Group does not consider it necessary to write down receivables related to matched principal activities. Most counterparties are major financial institutions with good credit ratings. Transactions are subject to appropriate credit limits, established on the basis of the creditworthiness of the counterparty.

However, the various sanctions and counter-sanctions taken in the wake of the Russian invasion of Ukraine on 24 February 2022 have made the standard settlement process significantly more complex and have negatively impacted the Group's technical ability to complete a number of transactions in rouble-denominated bonds. As a result, certain counterparties and particularly those subject to sanctions, may be unable to meet their settlement obligations in the foreseeable future, regardless of their creditworthiness. The probability of default has therefore been estimated at 100% for those trades where the Group has received the underlying securities against payment but is currently unable to settle the trades. Receivables related to these unsettled transactions amounted to €16,734 at 31 December.

In the event of a counterparty default, the cash flows that the Group expects to receive include receipts from the sale of the underlying securities and/or the cash flows associated with the securities themselves. In these transactions, the securities to be delivered consist of Russian government bonds that are listed locally on an active market. At 31 December 2022, the market value of these securities, which were received but not delivered, was higher than the balance sheet value of the receivables. However, in view of the existing transfer restrictions and the uncertain access to the local market, both for the sale of the securities and the receipt of the associated cash flows, the Group considers that the value of the securities cannot be included in the balance sheet at 31 December 2022.

At 31 December 2022, a provision was recognised in the balance sheet for contingent credit losses of €16,734,000 on receivables related to unsettled matched principal trades.

Movements in the provision for impairment losses expected on trade receivables during the period is shown below:

2022 *€000*	Trade receivables and related accounts	**Receivables related to matched principal activities**	**Total**
Provision at 1 January	-859	-	-859
Changes in basis of consolidation	-	-	-
Reclassifications	-95	-	-95
Recognised	-1 045	-17 406	-18 451
Used	96	-	96
Reversed	104	-	104
Currency translation	29	673	702
Other	-	-	-
Provision at 31 December	-1 770	-16 733	-18 503

During the period, an amount of €17,838,000 was recognised in the income statement for expected credit losses in connection with sanctioned Russian counterparties. These expected losses concern receivables related to unsettled matched principal trades and brokerage receivables.

2021 *€000*	Trade receivables and related accounts	**Receivables related to matched principal activities**	**Total**
At 1 January	741	-	**741**
Changes in basis of consolidation	-24	-	-24
Reclassifications	-	-	-
Recognised	-254	-	-254
Used	62	-	62
Reversed	122	-	122
Currency translation	-24	-	-24
Other	-	-	-
Provision at 31 December	-859	-	-859

› Liquidity risk

An analysis of remaining contractual maturities of financial liabilities, including estimated interest payments, is shown below:

31 December 2022 €000	**Less than 3 months**	**3 to 6 months**	**6 to 12 months**	**1 to 5 years**	**Over 5 years**	Total
Long-term financial debts	-	-	-	164 000	-	164 000
Lease liabilities	3 676	4 996	9 422	35 541	15 007	68 642
Bond issues	-	-	3 855	223 402	-	227 257
Trade and other payables	1 536 107	14 863	13 555			1 564 525
Derivative financial instruments	318	19				337
Short-term financial debts	10 020	18 000	-			28 020
Other financial liabilities				-	-	-
TOTAL	1 550 121	37 879	26 832	422 943	15 007	2 052 782

31 December 2021 *€000*	**Less than 3 months**	**3 to 6 months**	**6 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
Long-term financial debts	-	-	-	182 000	-	182 000
Lease liabilities	4 833	4 603	7 267	36 157	17 319	70 178
Bond issues	-	-	111 817	137 945	78 495	328 257
Trade and other payables	1 968 245	3 669	15 012	-	-	1 986 926
Derivative financial instruments	19	-	-	-	-	19
Short-term financial debts	2 143	18 000	-	-	-	20 143
Other financial liabilities	-	-	-	-	-	-
TOTAL	1 975 240	26 272	134 096	356 102	95 814	2 587 523

› Currency risk

Sensitivity analysis

The Group is exposed to transaction risk, particularly on the US dollar (USD), sterling (GBP), yen (JPY), euro (EUR) and Swiss franc (CHF).

The table below details the Group's sensitivity to a 10% change in a transaction currency compared with corresponding functional currencies. This analysis includes monetary assets and liabilities denominated in a currency other than the functional currency of the Group's entities, and adjusts their value at the end of the period for a 10% change in the foreign exchange rate.

It is based on the assumption that all other variables remain constant, and has been prepared on the same basis as the previous financial year.

At 31 December, an appreciation of 10% in a transaction currency compared with other corresponding functional currencies would have increased/(decreased) net profit for the year as shown below, with no impact on equity:

31 December 2022 €000	**USD**	**GBP**	**EUR**	**CHF**	**Other**	**TOTAL**
Functional currencies						
USD		-210	174	-38	184	110
GBP	1 248		1 692	8	1 513	4 461
EUR	902	289		16	107	1 314
CHF	11 606	192	1 145		3 615	16 558
Other	1 476	-40	23	-39		1 420
	15 232	231	3 034	-53	5 419	

31 December 2021 *€000*	USD	GBP	EUR	CHF	Other	TOTAL
Functional currencies						
USD		-437	432	-3	189	181
GBP	1 489		2 689	40	329	4 547
EUR	463	1 569		131	28	2 191
CHF	12 278	317	1 075		4 326	17 996
Other	2 317	21	47	-4		2 381
	16 547	1 470	4 243	164	4 872	

› interest rate risk

Profile

The profile of interest-bearing financial instruments at 31 December was as follows:

€000	2022	2021
Financial assets	86 934	109 942
Financial liabilities	289 467	368 380
Fixed rate instruments (net)	-202 533	-258 438
Financial assets	1 294 947	1 331 193
Financial liabilities	192 038	240 891
Variable rate instruments (net)	1 102 910	1 090 301
Of which variable rate financial debts	900 377	831 863

Sensitivity analysis of cash flows for variable rate instruments

Variable rate financial assets and liabilities essentially consist of cash and cash equivalents and financial debts. Financial debts with variable rates expose the Group to cash flow interest rate risk.

A 50 bps increase in interest rates at 31 December would have increased/(decreased) net profit and equity by the amounts shown below. This analysis is based on the assumption that all other variables remain constant and has been prepared on the same basis as the previous financial year.

31 December 2022 *€000*	Net profit	Equity	
Net financial assets	6 315	-	-
Interest rate swaps	-	800	800

31 December 2021 *€000*	Net profit	Equity	
Net financial assets	5 452	-	-
Interest rate swaps	-	-	

› Fair value

The table below shows the carrying amount of financial assets and liabilities as well as their fair value according to the following hierarchy level:

- Level 1 quoted prices (unadjusted) in active markets for an identical instrument.
- Level 2 corresponds to fair values determined on the basis of a valuation model using inputs which are directly observable in a ma corresponds to rket (level 1) or derived from observed prices.
- Level 3 corresponds to fair values determined on the basis of a valuation model using inputs which are not observable in a market.

Fair value is not shown for items where the carrying amount is a reasonable estimate of their fair value. The methods used to measure fair value are disclosed in the section on significant accounting policies.

31 December 2020 €000	Carrying amount			Fair value	Total
		Level 1	Level 2	Level 3	
Financial assets at fair value					
Investment property	2 355	-	-	-	0
Financial assets at fair value through other comprehensive income	5 423	-	3 658	-	3 658
Financial assets at fair value through profit or loss	18 517	13 545	4 972	-	18 517
Derivative financial instruments	9 600	-	9 600	-	9 600
Cash and cash equivalents					
Short-term money market investments	8 349	3 349	-	-	3 349
Total financial assets at fair value	**44 243**	**16 894**	**18 229**	**-**	**35 123**
Financial assets at amortised cost					
Unavailable cash	32 527	-	-	-	-
Trade and other receivables	1 591 376	-	-	-	
Financial assets at amortised cost	29 240	-	-	-	
Cash and cash equivalents	451 382	-	-	-	-
Total financial assets at amortised cost	2 104 885	-	-	-	-
Total financial assets	2 149 128	16 894	18229	-	35 123
Financial liabilities at fair value					
Derivative financial instruments	337	-	337	-	337
Total financial liabilities at fair value	337	-	337	-	337
Financial liabilities at amortised cost					
Long-term financial debts:					
Bond issues	212 629	208 134			208 134
Other long-term financial debts	164 000				

31 December 2020 €000	**Carrying amount**			**Fair value**	Total
	Carrying amount	Level 1	Level 2	Level 3	Total
Long-term lease liabilities	51 584				
Other long-term financial liabilities	-				
Short-term financial debts:					
Bond issues					
Bank overdrafts	1 896				
Other short-term financial debts	26 124				
Short-term lease liabilities	17 235				
Trade and other payables	1 564 525				
Total financial liabilities at amortised cost	2 037 994	208 134	-	-	208 134
Total financial liabilities	2 038 331	208 134	337	-	208 472

31 December 2021 €000	**Carrying amount**			**Fair value**	Total
		Level 1	Level 2	Level 3	
Financial assets at fair value					
Investment property	2 357	-	-	-	0
Financial assets at fair value through other comprehensive income	4 678	-	4 678	-	4 678
Financial assets at fair value through profit or loss	18 943	12 140	6 700	-	18 840
Derivative financial instruments	396	-	396	-	396
Cash and cash equivalents					
Short-term money market investments	6 968	1 967	5 000		6 967
Total financial assets at fair value	**33 341**	**14 107**	**16 775**	**-**	**30 882**
Financial assets at amortised cost					
Unavailable cash	32 376	-	-	-	-
Trade and other receivables	2 015 044	-	-	-	--
Financial assets at amortised cost	82 099	-			
Cash and cash equivalents	451 687	-	-	-	-
Total financial assets at amortised cost	2 581 206	-	-	-	-
Total financial assets	2 614 548	14 107	16 775	-	30 882
Financial liabilities at fair value					
Derivative financial instruments	19	-	19	-	19

31 December 2021 €000	**Carrying amount**			**Fair value**	Total
	Carrying amount	Level 1	Level 2	Level 3	Total
Total financial liabilities at fair value	19	-	19	-	19
Financial liabilities at amortised cost					
Long-term financial debts:					
Bond issues	202 497	205 029	-	-	205 029
Other long-term financial debts	182 000	-	-	-	-
Long-term lease liabilities	54 183	-	-	-	-
Other long-term financial liabilities	-	-	-	-	-
Short-term financial debts:					
Bond issues	106 401	107 264	-	-	107 264
Bank overdrafts	2 143	-	-	-	-
Other short-term financial debts	18 000	-	-	-	-
Short-term lease liabilities	16 061	-	-	-	-
Trade and other payables	1 986 926	-	-	-	-
Total financial liabilities at amortised cost	2 568 213	312 292	-	-	312 292
Total financial liabilities	2 568 232	312 292	19	-	312 311

31. Exchange rates

The main exchange rates against the euro used in consolidation are shown below:

	31.12.2022		**31.12.2021**	
	Closing rate	Average rate	Closing rate	Average rate
CHF – 1 Swiss franc	0.9847	1.0052	1.0331	1.0797
GBP - 1 pound sterling	0.8869	0.8526	0.8403	0.8612
JPY - 1 Japanese yen	140.66	138.01	130.38	129.70
USD - 1 US dollar	1.0666	1.0539	1.1326	1.1852

32. Basis of consolidation

The table below presents the main consolidated companies, the percentage interests held directly or indirectly, and the method of consolidation used for each company.

		New companies	% controlling interest	% equity interest	Capital in thousands		EM/FCM method
France	**VIEL & Cie**			**100.0%**	**EUR**	**14 325**	**Société consolidante**
Europe							
South Africa	Tradition Government Bond Brokers and Derivative Brokers (Pty) Ltd, Johannesburg		100.0%	73.71%	ZAR	1 000	IG
	Tradition Data Analytics Services (PTY) Ltd Fourways		100.0%	73.71%	ZAR	n/s	IG
	TFS Securities (Pty) Ltd, Johannesburg		100.0%	73.71%	ZAR	1 000	IG
Germany	Finacor Deutschland GmbH, Francfort, et succursale de Munich		100.0%	73.71%	EUR	6 050	IG
	Tradition Financial Services GmbH, Francfort		27.5%	20.27%	EUR	75	MEE
Belgium	Finacor & Associés S.A., Bruxelles		100.0%	73.64%	EUR	1 967	IG
	Easdaq N.V.		16.7%	15.01%	EUR	439	MEE
United Arab Emirates	Tradition (Dubai) Ltd, Dubaï		100.0%	73.71%	USD	450	IG
Spain	C.M. Capital Market Holdings S.A. Madrid		32.4%	23.88%	EUR	379	MEE
	Tradition Financial Services Espana,S.V.S.A Madrid		100.0%	73.71%	EUR	750	IG
France	Arpège S.A., Paris		100.0%	100.00%	EUR	22 280	IG
	Bourse Direct S.A., Paris		79.4%	79.99%	EUR	13 500	IG
	Carax SA, Paris		90.9%	67.00%	EUR	1 320	IG
	E-VIEL, Paris		100.0%	100.00%	EUR	8 886	IG
	Exoé, Paris		76.6%	63.99%	EUR	554	IG
	SwissLife Banque Privée, Paris		40.0%	40.00%	EUR	15 155	MEE
	Tradition Securities And Futures S.A., Paris, et succursales de Amsterdam, Bruxelles, Londres, Madrid et Milan		99.9%	73.64%	EUR	11 486	IG
	TSAF OTC, Paris		100.0%	73.64%	EUR	4 836	IG
	Elixium, Paris		100.0%	73.71%	EUR	37	IG
Israel	TFS Israel (Brokers) Ltd, Tel Aviv		80.0%	58.97%	ILS	2 778	IG
Italy	Tradition Italia S.R.L., Milan		100.0%	73.71%	EUR	50	IG
Luxembourg	Tradition Luxembourg S.A., Luxembourg		100.0%	73.71%	EUR	11 021	IG
Monaco	Carax Monaco SAM, Monaco		100.0%	73.71%	EUR	300	IG
United Kingdom	Tradition Management Services Ltd, Londres 2)		100.0%	73.71%	GBP	n/s	IG
	Tradition (UK) Ltd, Londres, et succusale de Varsovie		100.0%	73.71%	GBP	35 800	IG
	Tradition UK Holdings Ltd, Londres		100.0%	73.71%	GBP	100	IG
	Tradition London Clearing Ltd, Londres		100.0%	73.71%	GBP	28 500	IG
	Tradition Financial Services Ltd, Londres		100.0%	73.71%	GBP	15 250	IG
	TFS-ICAP Ltd, Londres		51.0%	20.27%	GBP	20	MEE
	TFS Derivatives Ltd, Londres et succursales de Madrid, Milan et Amsterdam		100.0%	73.71%	GBP	23 700	IG
	Trad-X (UK) Ltd, Londres		100.0%	73.71%	GBP	200	IG
	ParFX (UK) Ltd, Londres		100.0%	73.71%	GBP	n/s	IG
Netherlands	Financière Vermeer N.V., Amsterdam		100.0%	100.00%	EUR	90	IG
Switzerland	Compagnie Financière Tradition SA , Lausanne		71.40%	73.71%	CHF	19 136	IG
	Finarbit AG, Küsnacht		100.0%	73.71%	CHF	1 500	IG
	Gottex Brokers S.A., Lausanne		49.0%	36.12%	CHF	360	MEE
	Starfuels SA Nyon		40.0%	29.48%	CHF	142	MEE
	Tradition Service Holding SA, Lausanne 1)		100.0%	73.71%	CHF	21 350	IG
	Tradition S.A., Lausanne et succursales de Zurich et Genève		100.0%	73.71%	CHF	450	IG
	TFS S.A., Lausanne 1)		100.0%	73.71%	CHF	100	IG
	Trad-X Holding S.A, Lausanne 1)		100.0%	73.71%	CHF	100	IG
	ParFX Holding SA, Lausanne 1)		100.0%	73.71%	CHF	100	IG
	Tradificom International, Lausanne 2)		100.0%	73.71%	CHF	200	IG

		New compani es	% controlling interest	% equity interest	Capital in thousands		EM/FCM method
Americas							
Argentina	Tradition Argentina S.A., Buenos Aires		100.0%	73.71%	ARS	1 546	IG
Chile	Tradition Chile S.A., Santiago		100.0%	73.71%	CLP	476 805	IG
Colombia	Tradition Securities Colombia S.A., Bogota		100.0%	73.71%	COP	200 001	IG
	Tradition Colombia S.A., Bogota		100.0%	73.71%	COP	90 000	IG
United States	Tradition America Holdings Inc., New York 1)		100.0%	73.71%	USD	500	IG
	MTS Markets International Inc.		100.0%	73.71%	USD	n/s	IG
	Tradition Americas LLC, New York		100.0%	73.71%	USD	500	IG
	Tradition SEF Inc., New York		100.0%	73.71%	USD	n/s	IG
	Tradition Securities and Derivatives Inc., New York		100.0%	73.71%	USD	5	IG
	Trad-X US LLC, New York		100.0%	73.71%	USD	n/s	IG
	TFS Derivatives Corp. LLC, New York		100.0%	73.71%	USD	95	IG
	TFS-ICAP LLC, New York		51.0%	20.27%	USD	n/s	MEE
	TFS Energy LLC, Stamford		57.5%	42.38%	USD	n/s	IG
	TFS Energy Futures LLC, Stamford		100.0%	42.38%	USD	n/s	IG
	TFS Energy Solutions LLC, Stamford		60.0%	44.23%	USD	n/s	IG
	StreamingEdge.com Inc., New Jersey 2)		80.0%	58.97%	USD	n/s	IG
Mexico	Tradition Services S.A. de C.V., Mexico		100.0%	73.71%	MXN	50	IG
Australia	TFS Australia Pty Ltd, Sydney		100.0%	73.71%	AUD	5	IG
	Tradition Australia Pty Ltd, Sydney		100.0%	73.71%	AUD	n/s	IG
	The Renewable Energy Hub Pty Ltd, Sydney		44.8%	33.01%	AUD	634	MEE
ASIA-PACIFIC							
China	Tradition (Asia) Ltd, Hong Kong		100.0%	73.71%	HKD	25 001	IG
	TFS Derivatives HK Ltd, Hong Kong		100.0%	73.71%	HKD	65 200	IG
	Ping An Tradition International Money Broking Company Ltd, Shenzhen		33.0%	24.32%	CNY	50 000	MEE
South Korea	Tradition Korea Ltd, Séoul		100.0%	73.71%	KRW	5 000 000	IG
India	Derivium capital & Securities Private Ltd, Mumbai		50.0%	36.86%	INR	24 375	MEE
Indonesia	PT Tradition Indonesia, Jakarta		98.0%	72.24%	IDR	5 000 000	IG
Japan	Tradition Nihon Ltd, Tokyo		100.0%	73.71%	JPY	300 000	IG
	Tradition Japan FX Holdings Ltd, Tokyo 1)		100.0%	73.71%	JPY	500	IG
	Gaitame.com Co., Ltd, Tokyo		50.0%	36.84%	JPY	801 354	MEE
	Ueda Tradition Holding Ltd, Tokyo 1)		60.0%	44.23%	JPY	1 000	IG
	Ueda Tradition Derivatives Ltd, Tokyo		100.0%	44.23%	JPY	5 000	IG
	Ueda Tradition Securities Ltd, Tokyo		100.0%	44.23%	JPY	2 943 000	IG
New Zealand	Tradition Kiwi Brokers Limited, Wellington		100.0%	73.71%	NZD	2 676	IG
Philippines	Tradition Financial Services Philippines Inc., Makati		100.0%	73.71%	PHP	515 000	IG
Singapore	Tradition Singapore (Pte) Ltd, Singapour		100.0%	73.71%	SGD	300	IG
	TFS Currencies Pte Ltd, Singapour		100.0%	73.71%	USD	700	IG
	Tradition Asia Pacific (Pte) Ltd, Singapour 1)		100.0%	73.71%	SGD	n/s	IG
Thailand	Tradition Brokers (Thailand) Ltd, Bangkok		100.0%	52.31%	THB	12 000	IG
	Tradition Siam (Brokers) Ltd, Bangkok		100.0%	52.31%	THB	5 000	IG
	Tradition Fixed Income Co Ltd, Bangkok		100.0%	52.30%	THB	1 000	IG

Holding company
Service company
FCM: Full consolidation method
EM: Equity method

33. Headcount

Headcount	2022	2021
France	265	278
Abroad	2 218	2 138
TOTAL	2 483	2 416

34. Auditing fees

Fees paid to the independent auditors by the Group for the 2022 and 2021 financial years were as follows:

	KPMG Audit		Ernst & Young Audit				Fidorg Audit			
	Amount (€ net of tax)	%	Amount (€ net of tax)		%		Amount (€ net of tax)		%	
	2022	2022	2022	2021	2022	2021	2022	2021	2022	2021
Audit										
Auditing, certification, examination of statutory and consolidated accounts	2 901 264		117 900	2 513 007			164 100	151 600		
› Issuer	172 400	6%	-	162 500	0%	6%	60 400	58 000	38%	38%
› Fully consolidated subsidiaries	2 728 864	94%	117 900	2 350 507	100%	94%	103 700	93 600	62%	62%
Other services				10 483			2 000	-	-	-
Issuer				4 000		38%	2 000	-	-	-
Fully consolidated subsidiaries				6 483		62%	-	-	-	-
Subtotal	2 901 264	99%	117 900	2 523 491	42%	94%	166 100	151 600	100%	100%
Other services provided by the networks to fully consolidated subsidiaries										
› Legal, tax, social	34 820	100%	-	-	-		-	-	-	-
› Other	-	100%	-	10 000	100%	100%	-	-	-	-
Subtotal	34 820	100%	-	10 000	-	-	-	-	-	-
TOTAL	2 936 084	91%	117 900	2 533 491	4%	94%	166 100	151 600	5%	6%

35. Consolidation of VIEL & Cie

VIEL & Cie is consolidated in the financial statements of VIEL et Compagnie-Finance, whose registered office is at 23 Place Vendôme - 75001 Paris.

36. Changes in the basis of consolidation

MTS Markets International Inc

In December 2022, the Group acquired a 100% interest in MTS Markets International Inc., New York, for a consideration of €7,758,000, generating goodwill of CHF 3,480,000. This company operates the MTS BondsPro Web platform, specialised in the private sector bond market. BondsPro offers access to liquidity and real-time execution on its anonymous, all-to-all order book.

The fair value measurement of identifiable assets and liabilities at the acquisition date is set out below:

€000	**2022**
Property and equipment	308
Right-of-use assets	103
Intangible assets	2 181
Unavailable cash	469
Other current assets	353
Trade and other receivables	670
Cash and cash equivalents	969
Total assets	5 053
Lease liabilities	106
Trade and other payables	613
Tax liabilities	56
Total liabilities	775
Fair value of net assets	4 278
Acquisition cost	7 758
Goodwill	3 480

37. Events after the balance sheet date

The interest rate hikes that began in 2022 continued into the first few months of 2023, increasing the risks for financial institutions in both the United States and Switzerland. These events had no impact on the Group's business or results.

In January 2023, by resolution of the Board of Directors, the Company's capital was reduced through the cancellation of 845,563 treasury shares. The Board also authorised the transfer of 113,753 treasury shares held for the purpose of external growth to treasury shares held for cancellation.

This was followed by a resolution of the Board of Directors in March 2023 to increase the Company's capital by €76,000, i.e. 380,000 new shares, following recognition of fulfilment of the terms of the 2017 free share award scheme (# 1).

SUMMARY FINANCIAL STATEMENTS

BALANCE SHEET AT 31 DECEMBER

€000			31.12.2022	**31.12.2021**
	Gross	Depr./ Amort.	Net	Net
ASSETS				
Non-current assets				
Intangible assets	36	36	-	-
Property and equipment	162	151	11	11
Long-term investments				
Shareholding	135 715	513	135 202	135 018
Portfolio securities and other long-term investments	29 814	319	29 495	20 463
TOTAL NON-CURRENT ASSETS	165 728	1 019	164 709	155 492
Current assets				
Trade receivables	-	-	-	-
Other receivables	26 839	41	26 798	27 337
Investment securities	6 222	-	6 222	3 222
Cash	102 439	-	102 439	124 879
Prepaid expenses	108	-	108	63
Total current assets	135 608	41	135 567	155 501
Deferred charges	1 080	-	1 080	1 440
TOTAL ASSETS	302 416	1 060	301 356	312 433

BALANCE SHEET AT 31 DECEMBER

€000	31.12.2022	31.12.2021
LIABILITIES		
Shareholders' equity		
Share capital	13 908	13 880
Share, merger, or contribution premiums	12 869	12 869
Legal reserve	1 613	1 613
Other reserves	12 965	12 993
Retained earnings	11 109	12 212
Net profit for the year	25 906	18 186
TOTAL SHAREHOLDERS' EQUITY	78 371	71 754
Provisions	579	224
Debts		
Borrowings and financial debts	182 159	200 070
Trade and other payables	261	203
Tax and social liabilities	336	335
Other payables	39 650	39 847
TOTAL DEBTS	222 405	240 455
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	301 356	312 433

INCOME STATEMENT

€000	2022	2021
Operating income	57	1 850
Operating expenses	-3 364	-5 219
Operating profit	-3 307	-3 369
Financial result	29 064	21 326
Profit before tax and exceptional items	25 757	17 956
Exceptional items	49	144
Income tax	101	85
Net profit for the year	25 906	18 186
Net earnings per share	0,40	0,28
Net diluted earnings per share	0,40	0,28

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€000	At 1.1.2010	Appropriation of net profit 2021	2022 Results	Share capital transactions	Balance at 31.12.2022
Share capital	13 880	-	-	28	13 908
Share premium	12 869	-	-	-	12 869
Legal reserve	1 613	-	-	-	1 613
Other reserves	12 993	-	-	-28	12 965
Retained earnings	12 212	-1 104	-	-	11 109
Profit for the year	18 186	-18 186	25 906	-	25 906
TOTAL	71 754	-19 289	25 906	-	78 371

TEXT OF RESOLUTIONS

TEXT OF RESOLUTIONS SUBMITTED TO THE COMBINED ANNUAL AND EXTRAORDINARY GENERAL MEETING OF 8 JUNE 2023

TEXT OF RESOLUTIONS

TEXT OF RESOLUTIONS

Ordinary business

› FIRST RESOLUTION

Having considered the reports of the Board of Directors and the Auditors, the General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting, approves the financial statements for the year ended 31 December 2022, as presented, showing a profit of 25,906,474.28 euros, as well as the transactions reflected in the accounts or summarised in these reports.

› SECOND RESOLUTION

Having heard the reports of the Board of Directors and the Auditors, the General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting, approves the consolidated financial statements for the year ended 31 December 2022, as prepared in accordance with Articles L. 233-16 *et seq.* of the Commercial Code, showing a Group share of net profit of 73,544,000 euros.

› THIRD RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting, on the proposal of the Board of Directors, resolves to appropriate distributable income of 35,242,685.98 euros as follows:

Determination of distributable amounts:

› Net profit for the year	25,906,474.28 euros
› Retained earnings and distributable reserves	9,336,211.70 euros
Amount for appropriation	**35,242,685.98 euros**

Proposed appropriation:

› Dividends	24,176,216.75 euros
› Retained earnings for proposed appropriation	11,066,469.23 euros
Total	**35,242,685.98 euros**

The dividend for the financial year totals 24,176,216.75 euros, and has been set at 0.35 euros per share. The Board of Directors has full power and authority to record in the "Retained earnings" account the fraction of the dividend corresponding to the treasury shares held by VIEL & Cie.

The shares will go ex-dividend on 19 June 2023 and the dividend will be paid on 21 June 2023.

As provided by law and the regulations currently in force, the full amount of this gross dividend will be subject to the single flat-rate tax unless the taxpayer opts for the progressive income tax rate, in which case the dividend will be eligible for the 40% proportional allowance provided for in Article 158(3) of the General Tax Code.

The dividend history over the past three financial years (after deduction of the share attributable to treasury shares) is as follows:

- in June 2022, a dividend of 0.30 euros per share was paid for the 2021 financial year, for a total of 20,820,740.40 euros;
- in June 2021, a dividend of 0.28 euros per share was paid for the 2020 financial year, for a total of 20,054,431.04 euros;
- in June 2020, a dividend of 0.25 euros per share was paid for the 2019 financial year, for a total of 17,905,542 euros.

› FOURTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting, having considered the Auditors' Special Report on the agreements governed by the provisions of Article L. 225-38 of the Commercial Code, approves the conclusions of the report and the agreements stipulated therein. Interested parties shall abstain from voting.

› FIFTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting notes that the term of office of Mr Christian Baillet, director, residing at Chalet Amalia, 2 Grunbuhlstrasse, Lauenen (3782), Switzerland, expires at the conclusion of the present Meeting and re-elects him for a further term of six financial years, terminating at the conclusion of the General Meeting of Shareholders to be convened in 2029 to approve the accounts for the year ending 31 December 2028.

› SIXTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting notes that the term of office of Mr Jean-Marie Descarpentries, director, residing at 6 Rue Robert Le Coin, Paris (75016), expires at the conclusion of the present Meeting and re-elects him for a further term of six financial years, terminating at the conclusion of the General Meeting of Shareholders to be convened in 2029 to approve the accounts for the year ending 31 December 2028.

› SEVENTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting notes that the term of office of Ms Jeanne Dubarry de Lassalle, director, residing at 8 Rue Dante, Paris (75005), expires at the conclusion of the present Meeting and re-elects her for a further term of six financial years, terminating at the conclusion of the General Meeting of Shareholders to be convened in 2029 to approve the accounts for the year ending 31 December 2028.

› EIGHTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting notes that the term of office of Mr Dominique Langlois, director, residing at Flat 6 – 2 Nutley Terrace, London NW3 5BX (United Kingdom), expires at the conclusion of the present Meeting and re-elects him for a further term of six financial years, terminating at the conclusion of the General Meeting of Shareholders to be convened in 2029 to approve the accounts for the year ending 31 December 2028.

› NINTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting notes that the term of office of Ms Catherine Nini, director, residing at 92 Boulevard Georges Seurat, Neuilly-sur-Seine (92200), expires at the conclusion of the present Meeting and re-elects her for a further term of six financial years, terminating at the conclusion of the General Meeting of Shareholders to be convened in 2029 to approve the accounts for the year ending 31 December 2028.

› TENTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting notes that the term of office of Ms Dominique Velter, director, residing at 59 Boulevard Inckerman, Neuilly-sur-Seine (92200), expires at the conclusion of the present Meeting and re-elects her for a further term of six financial years, terminating at the conclusion of the General Meeting of Shareholders to be convened in 2029 to approve the accounts for the year ending 31 December 2028.

› ELEVENTH RESOLUTION

Having reviewed the Directors' Report, the General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting, grants authority to the Board of Directors to make purchases of the Company's own shares, pursuant to Article L. 22-10-62 of the Commercial Code.

Shares purchased in connection with or pursuant to the foregoing authority may be acquired for the purpose of:

- allotting shares in connection with a capital increase reserved for Group employees under employee
- delivering shares as payment or exchange or hedging obligations related to debt securities, in connection with external growth operations;
- cancelling all or part of these shares by reducing the capital with a view to optimising earnings per share
- facilitating trading liquidity and price stability of the issuer's securities or avoiding price inconsistencies that are not justified by market trends, by means of a liquidity contract;

TEXT OF RESOLUTIONS

- any other purpose that is or may become authorised by law or regulations in force.

This authority is conferred for a period of eighteen months (18) from the date of this General Meeting. The maximum number of shares that may be acquired shall not exceed 10% of the total number of shares comprising the share capital.

The shares may be purchased, sold or exchanged at any time and by any means, including through the use of options and/or in the form of block sales, provided however that such transactions do not increase share price volatility, and excluding the purchase of call options, including during a takeover bid, within the limits of securities regulations. The maximum price that may be paid for any such shares shall not exceed 11 euros.

The maximum amount of the operation is therefore set at 10,403,767 euros.

In the case of a capital increase by capitalising reserves and allotting free shares, or of a share split or share consolidation, prices shall be adjusted by a coefficient equal to the ratio of the number of shares making up the share capital before the operation to the number of shares making up the share capital after the operation.

The General Meeting confers full power and authority on the Board of Directors, with right of delegation, to place any order on the stock market, enter into any agreement, complete any formalities and in general do everything that may be necessary or expedient to carry this authority into effect.

In its report to the Annual General Meeting, the Board of Directors shall inform shareholders in respect of any such purchases, transfers, sales or cancellation of shares.

This authority supersedes and replaces, for the remainder of its effective term, the authority conferred by the Annual and Extraordinary General Meeting of 9 June 2022.

› TWELFTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting, having considered the Directors' Report and pursuant to Article L. 22-10-8 of the Commercial Code, approves the report on remuneration of Company officers including the information mentioned in Article L. 22-10-9 as presented in the corporate governance report prepared in accordance with Article L. 225-37 of the Commercial Code.

› THIRTEENTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting and pursuant to Article L. 22-10-8 of the Commercial Code, approves the remuneration policy for Company officers as presented in the Company's corporate governance report prepared pursuant to Articles L. 225-68 and L. 22-10-20 of the Commercial Code.

› FOURTEENTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting and pursuant to Article L. 22-10-8 of the Commercial Code, notes that no remuneration was paid to the Chair of the Board of Directors for the 2022 financial year, other than remuneration allocated as Director's fees.

› FIFTEENTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting and pursuant to Article L. 22-10-8 of the Commercial Code, notes that no remuneration is provided for the Chairof the Board of Directors in the coming financial year.

› SIXTEENTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meeting and pursuant to Article L. 22-10-26 of the Commercial Code, approves the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and advantages of any kind to be awarded to the Directors for the coming financial year.

TEXT OF RESOLUTIONS

Special business

› SEVENTEENTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority conditions for an Extraordinary General Meeting, having noted the Directors' report and the Auditors' special report, and pursuant to Article L. 22-10-62 of the Commercial Code and the authority referred to in the eleventh Resolution above:

1. grants authority to the Board of Directors to cancel, at its sole discretion, in one or several stages, all or any of the ordinary shares of the Company held by it following implementation of the buyback programmes authorised by the General Meeting, up to a limit of 10% of the total number of shares, per 24-month period, by deducting the difference between the purchase value of the cancelled securities and their nominal value from the available premiums and reserves, including in part from the legal reserve up to 10% of the cancelled capital;
2. sets the term of this authority at twenty-four (24) months from today; this authority supersedes and replaces, for the remainder of its existing term, the authority granted for the same purpose by the Combined General Meeting of 9 June 2022 in its thirteenth resolution;
3. confers full power and authority on the Board of Directors, with right of delegation in accordance with the law, to implement this authority and, in particular, to record the completion of the capital reduction(s), amend the Articles of Association accordingly and complete all necessary formalities.

› EIGHTEENTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Annual General Meetings, having considered the Directors' Report, and pursuant to Articles L. 225-129-2, L. 225-130 and L. 22-10-50 of the Commercial Code:

1. delegates to the Board of Directors its authority to increase the share capital in one or more stages, in the proportions, at the times and on the terms that it shall determine, by capitalising reserves, profits, premiums or other sums that may be capitalised, by issuing and granting free shares, increasing the nominal value of existing ordinary shares, or a combination of the two;
2. resolves that should the Board of Directors use this delegation pursuant to Articles L. 22-10-50 and L. 225-130 of the Commercial Code, in the event of an increase in capital in the form of an allotment of free shares, fractional entitlements shall not be tradable or transferable and the corresponding securities shall be sold. The proceeds from such a sale shall be allotted to the holders of fractional entitlements within the period provided for by regulations;
3. sets the term of validity of this delegation at eighteen (18) months from the date of this Meeting;
4. resolves that the amount of the capital increase under this resolution shall not exceed the nominal amount of five (5) million euros, representing approximately 36% of the capital, not including the nominal amount of the increase in capital that may be required by law or by contract to protect the rights of holders of securities giving access to the Company's share capital.

TEXT OF RESOLUTIONS

This ceiling is independent of all the ceilings provided for in the other resolutions of this General Meeting;

5. grants full power and authority to the Board of Directors to implement this Resolution and, in general, to take all measures and complete all formalities required for the successful completion of each capital increase, and to amend the Articles of Association accordingly;
6. notes that this delegation supersedes, as of today, any unused portion of any previous delegation for the same purpose.

› NINETEENTH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Extraordinary General Meeting, having reviewed the Directors' Report and the Auditors' Special Report, delegates to the Board of Directors the necessary powers to grant, in one or several stages, to all or certain officers and employees of the Company or associated companies and economic interest groups, on the conditions provided in Section L. 225-180 of the Commercial Code, options conferring the right to purchase existing shares obtained through buybacks carried out by the Company or to subscribe new shares to be issued by way of a capital increase, in accordance with the provisions of Sections L. 225-177 *et seq.* of the Commercial Code.

This delegation entails the express waiver by shareholders of their pre-emptive right to subscribe for shares issued on the exercise of these options, in favour of holders of share options.

The period during which the Board of Directors may exercise this authority, in one or several stages, is set at thirty-eight (38) months from the date of this General Meeting.

Officers and staff of the Company and associated economic interest groups holding over 10% of the Company's capital, are excluded from option allotments.

The exercise period for options may not exceed ten years from the date the options are allotted by the Board of Directors.

The aggregate number of shares that may be allotted in relation to share options or share subscription rights is set at 10% of the share capital.

The maximum capital increase that may be implemented in connection with these share option schemes is set at 10% of the share capital.

The Company is authorised to purchase its own shares prior to the grant of the share options, up to an amount of 10% of the share capital.

The purchase or subscription price of shares shall be set by the Board of Directors in accordance with the terms detailed in its report and in accordance with the laws and regulations in force on the day the options are allotted, provided however that no option may be granted less than twenty trading sessions after the detachment of a coupon from the shares, as provided by law.

Full power and authority is granted to the Board of Directors acting in accordance with the above conditions, for the purpose of granting the above-mentioned share purchase or subscription options, setting the terms and conditions in accordance with the law and the Articles of Association, increasing the Company's capital, accomplishing all the necessary formalities and amending the Articles of Association accordingly.

› TWENTIETH RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Extraordinary General Meeting, having heard the Directors' Report and the Auditors' Special Report, voting in accordance with the provisions of Sections L. 228-92 *et seq.* of the Commercial Code, noting that the share capital is fully paid up, delegates its powers to the Board of Directors, with the right to sub-delegate, to issue as and when it deems fit, in one or several stages, share warrants subject to Sections L. 228-91 to L. 228-106 of the Commercial Code, giving the right to subscribe one or more of the Company's shares and to establish the characteristics of the warrants and the conditions under which they may be exercised.

The shareholders' pre-emptive rights to subscribe these warrants pro rata to their shareholdings are maintained.

The maximum increase in capital resulting from the exercise of such warrants is twenty (20) million euros.

This maximum amount is cumulative with other delegations granted to the Board of Directors by this or previous General Meetings.

These ceilings do not take account of adjustments that may be made pursuant to applicable laws, regulations, and contractual provisions, if any, to protect the rights of holders of securities giving access to the Company's share capital.

The General Meeting delegates full power and authority to the Board of Directors for the purposes of:

- issuing warrants and fixing the terms, particularly the number of warrants to issue, the issue price, the characteristics of the warrants and the date from which they will carry dividend rights;
- determining the conditions of exercise of such warrants and, in particular, the number of shares that may be subscribed, the date from which such shares will carry dividend rights, the periods and time limits within which share subscriptions may be carried out, and the issue price;
- recording the exercise of warrants issued and the subsequent increases in share capital;
- amending the Articles of Association accordingly, and accomplishing any formalities related to the said capital increases;
- determining the conditions for the adjustments required to protect the rights of warrant holders;
- in general, doing everything that may be necessary or expedient for the issuance of said warrants and the exercise of the attached subscriptions rights.

This delegation is conferred for a period of twenty-six months (26) from the date of this General Meeting. It entails the express waiver by shareholders, in favour of subscribers, of their pre-emptive right to subscribe the shares to be issued on the exercise of subscription rights attached to the warrants.

› TWENTY-FIRST RESOLUTION

The General Meeting, duly constituted with the required quorum and majority voting conditions for an Extraordinary General Meeting, having considered the Directors' Report and pursuant to Article L. 233-33 of the Commercial Code authorises the Board of Directors, in the event that the Company's securities are the target of a takeover bid, to implement the authorities and delegations granted under the eleventh, seventeenth, eighteenth, nineteenth, and twentieth resolutions of this General Meeting. The General Meeting resolves that the Board of Directors shall have full power and authority, with right of delegation, to implement this authority to the extent provided by law and, in particular, to amend the Articles of Association accordingly.

This authority is conferred for a period of eighteen (18) months from the date of this General Meeting.

› TWENTY-SECOND RESOLUTION

The General Meeting, duly constituted with the required quorum and majority for an Extraordinary General Meeting, having considered the Directors' Report, and as a result of the adoption of the foregoing resolutions on increases in capital, resolves:

to set at twenty (20) million euros the total nominal amount of the shares that may be issued, immediately or in the future, under the authorities conferred by the above resolutions, it being understood that this nominal amount may be added to the nominal amount of the increase in capital that may be required by law or by contract to protect the rights of holders of securities giving access to the Company's share capital.

to set globally at one hundred (100) million euros, or the equivalent value if issued in foreign currency or in units of account determined by reference to a basket of currencies, the maximum nominal amount of debt securities that may be issued by virtue of the authority conferred by the above resolutions,

› TWENTY-THIRD RESOLUTION

The General Meeting confers full power and authority on the bearer of an original, a copy or an extract of these minutes for the purpose of completing any formalities in respect of filing, publishing notices or other formalities that may be required.

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