

Ageasfinlux S.A.
Société anonyme
Registered office: 6, rue Eugène Ruppert, L-2453, Luxembourg
R.C.S. Luxembourg: B 86976
(the Company)

WRITTEN RESOLUTIONS OF THE SOLE SHAREHOLDER

The undersigned,

Ageas Insurance International N.V., a Public limited company, incorporated under the laws of Kingdom of Belgium, having its registered office at 21, Avenue du Boulevard, 1210 Brussels, Kingdom of Belgium, being the sole owner of 1,612,904 shares of the Company, representing 100% of the Company's issued share capital and voting rights (the Sole Shareholder)

HEREBY AGREES and RESOLVES:

1. to CONFIRM and APPROVE the audited financial statements of the Company comprised of the balance sheet, the profit and loss account and the notes for the financial year ended on 31 December 2022 (together the Audited Annual Accounts) as attached hereto as Annexure A;
2. to CONFIRM and APPROVE the management report for the financial year ended 31 December 2022 attached hereto as Annexure B;
3. to CONFIRM and APPROVE the statutory (*réviseur d'entreprises agréé*) auditor's report (the Auditor's Report) for the financial year ended 31 December 2022 attached hereto as Annexure C;
4. to CONFIRM and APPROVE the allocation of the result of the Company in relation to the financial year ended 31 December 2022 as recommended by the Board of Directors.

to CONFIRM that according to the Audited Annual Accounts, the result for the year amounted to a loss of EUR 5,601,365.83-.

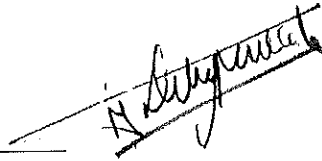
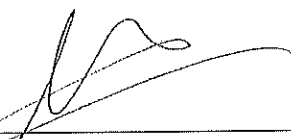
Considering the current financial situation of the Company, to **RESOLVE** that the loss from the current year be allocated against the profit brought forward from previous years in the following manner and to **CONFIRM** that no final dividend will be distributed:

(i) Profit brought forward from previous years	EUR	49,663,259.08
(ii) Result for the financial year	EUR	(5,601,365.83)
(iii) <u>To be carried forward to the next financial year</u>	<u>EUR</u>	<u>44,061,893.25</u>

5. to **CONFIRM** and **APPROVE** full and entire discharge of the Board of Directors of the Company for the exercise of their mandate for the financial year ended 31 December 2022;
6. to **CONFIRM** and **APPROVE** discharge of the statutory auditor (*Réviseur d'entreprises agréé*) of the Company for the exercise of their mandate for the financial year ended 31 December 2022;
7. to **CONFIRM** and **APPROVE** the re-appointment of PricewaterhouseCoopers, Société cooperative, incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 2 rue Gerhard Mercator, L-2182, Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B65477 as statutory auditor (*Réviseur d'entreprises agréé*) of the Company until the next annual general meeting considering the audited annual accounts for the financial year ended 31/12/2023;
8. to **AUTHORISE** any employee of Intertrust (Luxembourg) S.à r.l., to undertake the necessary action(s) required to file and register the Audited Annual Accounts and the changes mentioned in the resolutions with the Luxembourg Trade and Companies' Register, and to proceed with any required publication in the *Recueil Electronique des Sociétés et Associations (RESA)*.

(Remainder of the page intentionally left blank – Signature page follows)

NOTE: These resolutions have been unconditionally and irrevocably proposed by the board of directors of the Company in accordance with the articles of association and the law of 10 August 1915 as amended from time to time.



By: Ageas Insurance International N.V.
Title: Sole Shareholder
Duly represented by: Hans De Cuyper and Antonio Cano
Place: Brussels
Date: 02nd May 2023

Annexure A
Audited Annual Accounts for the financial year ended 31 December 2022

Annual accounts as at 31 December 2022

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Societe anonyme

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Annual accounts as at 31 December 2022

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Ageasfinlux S.A.
societe anonyme
registered office: 6, Rue Eugene Ruppert
L-2453 Luxembourg R.C.S.Luxembourg B 86 976
(hereinafter referred to as the « Company »)

MANAGEMENT REPORT FOR THE FINANCIAL YEAR AS OF 31 DECEMBER 2022

Dear Shareholder,

We are pleased to provide you with the report on the activities of the Company for the financial year 2022 and to submit the annual accounts for the financial year ended on 31 December 2022 for approval, as well as the accompanying audit report issued by PwC Luxembourg, *Societe cooperative, Reviseur d'Entreprises agree.*

1. Preparation of the annual accounts

The annual accounts are prepared by Intertrust (Luxembourg) S.à r.l, with which the Company concluded domiciliation, management & administration agreements, and reviewed by the Board of Directors in accordance with legal and regulatory requirements and generally accepted accounting principles in the Grand Duchy of Luxembourg.

2. Development of the Company's business

2022 has been a remarkable year in many years. While the high-level threat of Covid may have diminished and we have regained much of our freedom of movement, the world is facing tough times. The conflict on Europe's eastern borders has had enormous consequences, not least the huge human price paid by people in Ukraine and Russia. Moreover, we have seen a major fallout at the geopolitical level, with a heavy impact on the economy, enterprises, and citizens around the world. Volatility in financial markets, inflation, rising interest rate, a global energy crisis, and new climate disasters have all converged into an unprecedented period of instability. While we cannot control the external environment, we can control how we respond to it within our own business.

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It remains important to note in this regards that the liquidity position of the business is broadly immune to the financial stress. The Company held 'Cash at bank and in hand' of EUR 4,631,445.76 at end of 2022, ensuring sufficient over for the annual cost of operations (excluding the debt servicing cost). The structural construct enables the Company to more than fully cover the debt servicing cost through the recurring receivables from Ageas Insurance International NV against the underlying debt it holds towards the Company. Ageas Insurance International NV at end of 2022 held almost EUR 0.5 billion of cash and deposits, which sufficiently ensures its ability to honor its debt servicing capacity towards the Company.

In 2002 the Company issued EUR 1,250,000,000.00 undated floating rate equity-linked subordinated hybrid securities (the "FRESHsecurities") and on-lending of the proceeds in the form of bonds issued by Ageas Insurance International NV and subscribed to by the Company.

The FRESHsecurities that the Company issued will mandatorily convert into Ageas SA/NV ("Ageas") shares if the Ageas share price equals or exceeds EUR 472.50 for 20 consecutive stock exchange business days.

After the events in September/October 2008 that led to the breakup of Fortis and given Ageas' current share price level, this mandatory conversion is not expected to take place in the near future. This also explains that the FRESHsecurities effectively trade as if they were perpetual instruments.

On 19 November 2019, the Company launched an offer to purchase in cash all its outstanding EUR 1,250,000,000.00 FRESHsecurities. Holders who validly tendered their FRESHsecurities by 5 p.m. CET on 2 December 2019 were offered 59.0 per cent of the principal amount of their holding which was accepted for purchase. Holders who validly tendered their FRESHsecurities thereafter, but in any event by 10 A.M. CET on 3 January 2020, were offered 56.0 per cent of the principal amount of their holding which was accepted for purchase.

On 3 January 2020, the Company announced that in total 65.50 per cent (being EUR 818,750,000.00 in nominal amount) of the outstanding FRESHsecurities were validly tendered and accepted for purchase. The purchase price of the FRESHsecurities was paid by way of a bridge loan granted by the sole shareholder of the Company, being Ageas Insurance International NV.

Following the purchase, the validly tendered FRESHsecurities were exchanged into 2,599,206-underlying shares of Ageas in accordance with the terms and conditions of the FRESHsecurities. These shares were sold to Ageas pursuant to a share purchase agreement at the closing price of the shares

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on Euronext Brussel on the day before the date of the share purchase agreement. The purchase price of the shares was paid by way of the issuance of a vendor note. The exchange of the FRESH securities furthermore triggered an automatic partial redemption of bonds which were issued by Ageas Insurance International NV and subscribed to by the Company for the same amount as the purchased FRESH securities.

On 31 January 2020 the Company's directors passed the resolutions for the payment of Interim Dividend in favour of its sole shareholder in an amount of EUR 392,408,673.78 and that the payment of such Interim Dividend take place by way of set-off of the remaining liabilities under the redeemed Bonds in an amount of EUR 333,041,341.86 and by way of distribution in kind of part of the Vendor Note in an amount of EUR 59,367,331.92.

On 05 February 2020 the Company proceeded with the Capital Reduction to be satisfied by the distribution in kind to the Shareholder of the remaining part of the Vendor Note in an amount of seventy seven million one hundred ninety four thousand nine hundred fifty one Euro and thirty two cents (EUR 77,194,951.32) from one hundred twenty seven million seven hundred ninety four thousand seven hundred fifty seven Euros and twelve cents (EUR 127,794,757.12) to fifty million five hundred ninety nine thousand eight hundred and five Euros and eighty cents (EUR 50,599,805.80) by cancellation of sixty two million two hundred fifty three thousand nine hundred ninety three (62,253,993) shares.

On 30 March 2020 the Company passed resolutions of the Board of Directors to approve, based on the Interim Accounts and the Special Report, the distribution of the Interim Dividend by the Company to its sole shareholder.

The payment was made by way of a distribution in kind of the remaining part of the Vendor Note in an amount of EUR 77,194,951.32.

On 26 June 2020 the Company exchanged 189 FRESH (representing an aggregate principal amount of EUR 47,250,000.00) into 150,000 shares of Ageas SA/NV ("Ageas"). The number of FRESH remaining outstanding after this transaction amounts to 1,536 (representing an aggregate principal amount of EUR 384,000,000.00) and will continue to be serviced in accordance with their terms and conditions.

On 08 July 2020 the Company reduced the share capital by an amount of forty-eight million five hundred ninety-nine thousand eight hundred four Euro and eighty-four cents (EUR 48,599,804.84) from fifty million five hundred ninety-nine thousand eight hundred and five Euros and eighty cents (EUR 50,599,805.80) to two million Euros and ninety-six cents (EUR 2,000,000.96) by cancellation of thirty nine million one hundred ninety three thousand three hundred ninety one (39,193,391) shares.

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On 17 September 2020 the Board of Directors resolved to start litigation proceedings against the tax authorities of Luxembourg (issue related to reassessment of tax losses carried forward).

On the same day, 17 September 2020 the Board of Directors passed the resolutions concerning the distribution of the Interim Dividend by the Company to its sole shareholder, which was imputed to the distributable reserves.

The payment thereof was made by way of a distribution in kind of (i) the Remaining Redemption Receivable in an amount of EUR 17,845,270.27 and (ii) the Shares Vendor Note in an amount of EUR 4,698,000.00.

3. Results for the financial year

Compared to the previous financial year, the result of the Company has decreased. The result of the year 2022 amounts to EUR(5,601,365.83), compared to 2021 which amounted to EUR16,789,907.66. The result of the year 2022 is mainly due to the value adjustments in respect of financial assets whereas the result of the year 2021 was mainly driven by the reversal of value adjustment on financial assets.

Tax of EUR 23,429.99 was composed of Luxembourg net wealth tax for the year 2022. Other provisions are composed of additional tax payable as assessed by Luxembourg tax authorities on the interest margin of EUR 567,117.74.

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Other external expenses totalling EUR 157,761.46 are detailed as follows:

Bank account charges and commissions (custody fees)	(23,767.21)
Tax advisory fees	(9,626.94)
Audit fees	(35,723.09)
Other professional fees	(1,186.97)
Domiciliary, management fees & services	(64,153.02)
Extra services	(11,715.43)
Paying agent fees	(8,560.02)
Contributions to professional associations - CHAMB	(350.00)
Contributions to professional associations - CSSF	(1,500.00)
Publication - Bourse de Luxembourg	(1,178.78)

Other operating expenses amounting to EUR 1,550.31 mainly relate to non-refundable VAT and tax penalties.

4. Balance sheet

4.1 Equity

The equity value amounts to EUR 46,261,895.57. The subscribed capital of the Company totals EUR 2,000,000.96 represented by 1,612,904.00 registered shares with a nominal value of EUR 1.24 held by AgeasInsurance International NV.

4.2 Financial assets

As at 31 December 2022, the Company holds 1,219,048 Ageas shares valued at EUR 42,191,251.28 compared to a net book value of EUR 47,177,157.60 at year-end 2021.

The Board of Directors decided to recognize a loss as durable if the value is longer than one year below the carrying-value; a loss is reversed when the market value is for more than one year above the carrying value. Since the lowest price in 2022 amounted to EUR 34.61, value adjustment was recorded in the financial year for an amount of EUR 4,985,906.32 (2021: reversal of value adjustment for EUR 16,335,243.20) moving the value of the share portfolio to EUR 42,191,251.28 (2021: EUR 47,177,157.60). As at 31 December 2022, the purchase price of the shares amounted to EUR 316,574,575.04, so the accumulated value adjustment amounts to EUR 274,383,323.76.

These Ageas shares serve no other purpose than forming adequate collateral for the conversion rights, which can be exercised under the FRESH securities and are for that purpose pledged in favour of the FRESH securities' holders.

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4.3 Tax

Based on its initial tax clearance letters dated 8 May and 17 October 2002 (the "Initial Ruling"), the Company agreed with the Luxembourg tax authorities that it would realize a net margin of 3bps on its financing activities, in particular the granting of intra-group loans financed by the issuance of the FRESHsecurities in an amount of EUR 1.25 billion. Based on the agreement in the Initial Ruling, the Company did not report and (immediately) make use of the tax losses booked, stemming from a depreciation on the Ageas shares it held.

Given that, on 28 January 2011, the Luxembourg tax authorities changed their approach to the remuneration of intragroup financial services, the Company had to revisit its transfer pricing policy. The Company therefore agreed with the Luxembourg tax authorities in a letter dated 19 September 2013 (the "APA") to no longer apply a net margin of 3bps, but to instead apply a gross margin of 8bps (determined on the basis of a formal transfer pricing study prepared by an independent expert).

Following this change, the Company has claimed the tax losses, originating from the depreciation of the Ageas shares that could be deducted from the gross taxable margin.

On 12 April 2018, the Luxembourg tax authorities issued a letter indicating that, based on detailed assessment on the Company's tax situation based on §100a of the Luxembourg general tax law, they had the intention to issue assessments for tax years 2013 and 2014, disregarding the tax losses carried forward which arose in tax years prior to 2013 (i.e., in tax years where the company was subject to a net margin tax base). On 2 May 2018, the Company filed a letter with the authorities marking its disagreement with this position. Unfortunately, the authorities indicated that they would proceed with the tax assessment as contemplated and have assessed an amount of EUR 523,886.27 for tax years 2013 and 2014 (which the Company paid to avoid being subject to late interest penalties).

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On 3 August 2018, the Company filed a formal tax protest letter with the Luxembourg tax authorities to challenge the position taken. As the Luxembourg tax authorities have not answered the formal tax protest letter within 6 months, the Company initiated legal proceedings in front of the administrative tribunal on 27 November 2020. An unfavourable decision was rendered by the administrative tribunal on 6 December 2022 and an appeal was filed by the Company with the administrative court on 13 January 2023. The Company received on 13 February 2023 the "*Memoire en reponse sur l'appel forme en date du 13 janvier 2023 par la societe*" of the Delegee du Gouvernement of Luxembourg who represents the interests of the tax administration (hence the State of Luxembourg) in this litigation. Linklaters who represents the interests of the Company prepared a very concise reply which has been submitted to the Court. The Company expects a decision of the administrative court on 27 April 2023.

Furthermore, on 10 March 2020, the Company received a letter from the Luxembourg tax authorities stating the intention to reassess the Company, like for the tax years 2013 and 2014, also for the tax years 2015 and 2016, using the same arguments. The Company has replied on 23 March 2020 with the arguments already raised for the 2013 and 2014 reassessment. The Luxembourg tax authorities disregarded the Company's comments and proceeded with the formal tax assessments for the tax years 2015 and 2016 for EUR 535,094.25 in total (which the Company paid - less the advance taxes already paid - to avoid being subject to late interest penalties). The Company filed two formal tax protest letters to the Luxembourg tax authorities, within 3 months of the receipt of each assessment, on 23 July 2020 and on 13 November 2020 for respectively 2015 and 2016 (this would also secure its right to initiate legal proceeding in front of the administrative tribunal for the tax years 2015 and 2016 in case the formal tax protest letter remains unanswered after 6 months). To date, also these formal tax protest letters to the Luxembourg tax authorities remain unanswered.

The taxes in the current year are linked to the tax provisions for 2017 to 2019 based on the unfavourable decision issued by the administrative tribunal on 6 December 2022 for EUR 567,117.74.

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4.4 Debtors and creditors

The Company subscribed to bonds issued by Ageas Insurance International NV for EUR 1,250,000,000.00 bearing interest at a rate of Euribor 3 months + 1.385%. the outstanding bonds at year-end is EUR 384,000,000.00.

The current assets of the Company amounting to EUR 6,467,190.91 are detailed as follows:

- interest accrued on the bonds issued by Ageas Insurance International NV for EUR 1,803,590.14;
- net wealth tax advances and VAT advances for EUR 32,155.01;
- cash at bank for EUR 4,631,445.76;

The total liabilities amount to EUR 432,661,397.15. Said figure mainly results from capital and reserves for EUR 46,261,895.57, additional tax provisions for the years 2017 to 2019 for EUR 567,117.74 and the FRESH securities issued by the Company for EUR 384,000,000.00. The interest accrued on the FRESH securities amount to EUR 1,783,338.08.

5. **Allocation of the result**

The financial year 2022 ends with a loss of EUR (5,601,365.83). The Board of Directors proposes to allocate the result as follows:

Profit brought forward from previous years	EUR	49,663,259.08
Result for the financial year	EUR	(5,601,365.83)
To be carried forward to the next financial year	EUR	44,061,893.25

The Board of Directors decided to take the own funds when verifying the criteria of article 480-2 of the Luxembourg Commercial Law. Taking this into account the Board states that the capital and reserves of the Company exceed 50% of the subscribed capital.

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6. **Risk Management**

Exposure to various risks arises in the normal course of business of the Company. The objective and policy of the Board of Directors is to minimise these risks to the extent possible. It wishes to report as follows about risks to which the Company could be exposed:

Operational risk

The risk of loss resulting from inadequate or failed internal processes or system, human error, external events or change in the competitive environment that damages the franchise or operating economics of the business is low: the activity of the Company is limited to managing the interest flows stemming from the loan and securities outstanding, whereby the board members are directly involved in any cash transaction realised.

Legal risk

In case of any potential risk (e.g. claim received from a note holder or an investor), the Company requests advice from the legal department of the Ageas group and advice from an external advisor if required by one member of the Board of Directors.

Furthermore, the Company follows the compliance rules defined by the Ageas group in terms of reputational risk and compliance with laws and regulations applicable to the Company.

Tax risk

In case of any potential tax risk, the Company requests advice from the tax advisors of the Ageas group and advice from an external advisor if required by one member of the Board of Directors.

Credit Risk

The Directors monitor exposure to credit risk on an ongoing basis. As the Company holds bonds from Ageas Insurance International NV only, a significant concentration of credit risk exists. Credit evaluations are performed regularly.

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Annual accounts as at 31 December 2022

The bonds issued by Ageas Insurance International NV including accrued interest represent about 89% of Total Assets held at year-end 2022; Ageas Insurance International NV is rated A+ (Stable) by Fitch Ratings, while Ageas (the direct shareholder of Ageas Insurance International NV) is rated A+ (Stable) by Fitch Ratings.

The Directors have reviewed the debt servicing capacity of the Company and concluded that it completely relies on the debt servicing capacity of Ageas Insurance International NV, from which it holds bonds. Ageas Insurance International NV was involved in some legal proceedings that link with the sale of its Dutch insurance activity to the Dutch State, linked to the September/October 2008 events that lead to the break-up of Fortis. As Ageas Insurance International NV is no longer involved in these legal proceedings, the Board of Directors concluded that the debt servicing capacity is in good shape. In case the solvency of Ageas Insurance International NV would deteriorate materially, it could imply that the coupon payment on the Company's issued securities may not take place under all conditions. Please also note the analysis stated under liquidity risk.

Interest rate risk

The Directors have reviewed the interest rate risk of the Company, considering its current liabilities (primarily the FRESH securities issued in 2002) and current assets (primarily the bonds from to Ageas Insurance International NV) and given that there is a back-to-back mechanism based on the same floating rate (Euribor 3M) the interest rate risk is cancelled.

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Liquidity risk

The Directors have reviewed the liquidity risks of the Company, given its current liabilities (FRESH securities) and assets (bonds from to Ageas Insurance International NV). The Directors concluded that in principle the coupons received on its assets more than cover the coupons that the Company owes on its liabilities and are also sufficient to cover other expected running costs. Furthermore, the expected cash inflows on the bonds take place on the same date as expected outflows on the issued securities.

In case Ageas Insurance International NV is not able to service its debt for whatever reason, the Company can elect to move to a so-called Alternative Coupon Settlement Method, to serve the coupons due on its liabilities. Such method implies that the Ageas group will deliver such a number of shares to FRESH securities' holders, that it fulfils its coupon obligations. The Ageas group is obliged to issue sufficient shares to fully support the coupon payment. In the unlikely event that the number of shares that Ageas authorised to the Ageas group with a view to fully satisfy the coupon obligation, such situation leads to a postponement event according to the terms and conditions of the FRESH securities. In such case no cash will be disbursed by the Company. The Directors therefore concluded that in all foreseen circumstances no liquidity risk exists.

7. Corporate governance statement

The Ageas group has adopted its own corporate governance charter, which is available on <https://www.ageas.com/about/governance> and which should be followed within all its subsidiaries. Therefore and considering the organization and the structure, the Company has established the following committees:

- The Audit Committee;
- The Annual General Meeting of Shareholder;
- The Board of Directors.

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The annual general meeting of Shareholder

Any regularly constituted meeting of Shareholder of the Company represents the entire body of Shareholder.

Subject to all other powers reserved to the Board of Directors by law or the Articles of Incorporation, the meeting of Shareholder has the broadest powers to carry out or ratify acts relating to the operations of the Company.

The Board of Directors

The Company shall be managed by a Board of Directors, composed of not less than three members who need not to be Shareholder (the "Board of Directors"). The members of the Board of Directors will be elected by the general meeting of Shareholder, who will determine their number, for a period not exceeding six years, and, if their resignation would cause the number of remaining members to fall below three, they will hold office until their successors are elected. They are re-eligible and they may be removed at any time, with or without cause, by a resolution adopted by the general meeting of Shareholder. In the event of a vacancy on the Board of Directors, the remaining directors may elect by co-optation a director to fill such vacancy until the next general meeting of Shareholder, which shall ratify such co-optation or elect a new member of the Board of Directors instead. The Shareholder shall neither participate in nor interfere in the management of the Company.

The Board of Directors is vested with the broadest powers to perform all acts necessary or useful for accomplishing the Company's object. All powers not expressly reserved by the Articles of Association or by the Laws to the general meeting of Shareholder or the statutory auditor(s) are in the competence of the Board of Directors.

The Board of Directors may delegate the daily management of the Company and the representation of the Company within such daily management to one or more persons or committees of its choice. The delegation of the daily management of the Company to members of the Board of Directors is subject to the previous authorization by the general meeting of Shareholder. The Board of Directors may also delegate other special powers or proxies or entrust determined permanent or temporary functions to persons or committees of its choice.

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The Company will be bound towards third parties by the joint signature of any two members of the Board of Directors. The Company will further be bound towards third parties by the joint signatures or single signature of any persons to whom the daily management of the Company has been delegated, within such daily management, or by the joint signatures or single signature of any persons to whom special signatory power has been delegated by the Board of Directors, within the limits of such special power. Payment orders require the formal authorization by at least two members of the Board of Directors.

As on 31 December 2022, the Board of Directors, elected by the Shareholder at a general meeting, was composed as follows:

- 1) Ms. Laurence BIVER, born on 06/01/1971 in Luxembourg (Grand Duchy of Luxembourg), residing professionally at 6, rue Eugene Ruppert, L-2453 Luxembourg, was nominated as a director on 30/04/2020. Ms. BIVER is also expert Accounting Services at Intertrust (Luxembourg) S.à r.l.;
- 2) Mr. Koen Adrien DEVOS, born on 06/04/1975 in Deinze (Kingdom of Belgium), residing professionally at Markiesstraat 1, 1000, Brussels, Belgium, was nominated as a director, and Chairman of the Board on 29/06/2018. Mr. DEVOS is also Director Treasury, Financing & Rating at Ageas;
- 3) Mr. Ajay Kumar GARG, born on 29/03/1980 in Jalandhar (Republic of India), residing professionally at Markiesstraat 1, 1000, Brussels, Belgium, was nominated as a director on 10/10/2018. Mr. GARG is also Group Director Capital Management, Treasury & FCG at Ageas;
- 4) Mr. Nikola KALEZIC, born on 29/11/1982 in Belgrade (Republic of Serbia), residing professionally at 6, rue Eugene Ruppert, L-2453, Luxembourg, was nominated as a director on 11/02/2019. Mr. KALEZIC is also Director Operations - Corporate & Private Wealth at Intertrust (Luxembourg) S.à r.l.;
- 5) Mr. Lorenzo BARCAGLIONI, born on 18/04/1974 in Rome (Republic of Italy), residing professionally at 6, rue Eugene Ruppert, L-2453, Luxembourg, was nominated as a director on 04/02/2019. Mr. BARCAGLIONI is also Associate Head of Legal at Intertrust (Luxembourg) S.à r.l.

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The Audit Committee

Amongst the board members the shareholder meeting appointed two non-executive members, respectively - Ms. Laurence BIVER and Mr. Nikola KALEZIC (chairman). The Audit Committee maintains the relationship with the statutory auditor and is responsible for the following matters:

- selects the statutory auditor;
- monitors the audit performance, the auditor's independence and informs the board of the outcome of the audit;
- monitors the financial reporting process of the entity and submits recommendations or proposals to ensure its integrity;
- monitors the effectiveness of the internal quality control and risk management systems of the entity.

No changes took place in the composition of the audit committee of the Company during the financial year ended 31/12/2022.

Financial reporting process

The financial information is prepared monthly by Intertrust (Luxembourg) S.à.r.l, with which the Company concluded domiciliation and management & administration agreements.

The financial information prepared by Intertrust (Luxembourg) S.à r.l. is duly reviewed by the Board of Directors.

Payments and transactions cannot be performed without the formal authorization of the Board of Directors.

The Company does not own its own shares and has no branch.

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Annual accounts as at 31 December 2022

8. Subsequent events


No events have occurred subsequent to 31 December 2022 which would materially affect the annual accounts and related disclosure for the financial year ended 31 December 2022.

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Ageasfinlux S.A.
Annual accounts as at 31 December 2022



Name: Lorenzo BARCAGLIONI
Position: Director



Name: Nikola KALEZIC
Position: Director



Audit report

To the Shareholder of
Ageasfinlux S.A.

Report on the audit of the annual accounts

Our opinion

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of Ageasfinlux S.A. (the "Company") as at 31 December 2022, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Our opinion is consistent with our additional report to the Audit Committee or equivalent.

What we have audited

The Company's annual accounts comprise:

- the balance sheet as at 31 December 2022;
 - the profit and loss account for the year then ended; and
 - the notes to the annual accounts, which include a summary of significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the EU Regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the annual accounts" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.

PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg
T : +352 494848 1, F : +352 494848 2900, www.pwc.lu

Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period.

These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><i>Recoverability of loans to affiliated undertakings</i></p> <p>As described in Note 2.3, loans to affiliated undertakings, recorded at nominal value less any durable losses, are material to the annual accounts (total carrying value amounting to 384 million EUR as at 31 December 2022) and consist of subordinated bonds issued by Ageas Insurance International NV that the Company has subscribed to. This balance represents 89% of the total assets of the Company.</p> <p>Due to the significance of the Company's exposure towards Ageas Insurance International NV and the potential impact this can have on the ability of the Company to meet its contractual obligations, we consider the recoverability of loans to affiliated undertakings as a key audit matter.</p>	<p>Our procedures concerning the recoverability of loans to affiliated undertakings included, but not limited to, the following:</p> <ul style="list-style-type: none"> • We obtained and analysed the audited annual accounts of Ageas Insurance International NV as at 31 December 2022 and the audited statutory annual accounts of Ageas SA/NV, mother company of Ageas Insurance International NV to assess whether any impairment was booked on its participation in Ageas Insurance International NV as at 31 December 2022; • We inspected whether the interest coupon was timely paid by Ageas Insurance International NV to the Company by checking the bank statements; • We obtained a confirmation from Ageas Insurance International NV regarding the amount of the loan outstanding as at 31 December 2022 and traced it to accounting records.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the management report and the Corporate Governance Statement but does not include the annual accounts and our audit report thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of the Board of Directors and those charged with governance for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 annual accounts.

As part of an audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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;
- obtain 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 Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;



- conclude on the appropriateness of the Board of Directors' 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. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the management report. The information required by Article 68ter Paragraph (1) Letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We have been appointed as "Réviseur d'Entreprises Agréé" by the General Meeting of the Shareholders on 27 July 2022 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 5 years.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 26 April 2023

Electronically signed by:
Anthony Dault

A handwritten signature in black ink, appearing to read 'Anthony Dault', written over a horizontal line.

Anthony Dault

RCSL Nr.: B86976

Matricule : 2002 2208 420

eCDF entry date : 20/04/2023

BALANCE SHEETFinancial year from ⁰¹ 01/01/2022 to ⁰² 31/12/2022 (in ⁰³ EUR)

Ageasfinlux S.A.
6, rue Eugène Ruppert
L-2453 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
B. Formation expenses	1107	107	108
C. Fixed assets	1109	426.191.251,28	431.177.157,60
I. Intangible assets	1111	111	112
1. Costs of development	1113	113	114
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115	115	116
a) acquired for valuable consideration and need not be shown under C.I.3	1117	117	118
b) created by the undertaking itself	1119	119	120
3. Goodwill, to the extent that it was acquired for valuable consideration	1121	121	122
4. Payments on account and intangible assets under development	1123	123	124
II. Tangible assets	1125	125	126
1. Land and buildings	1127	127	128
2. Plant and machinery	1129	129	130

The notes in the annex form an integral part of the annual accounts

RCSL Nr.: B86976

Matricule : 2002 2208 420

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 _____	131 _____	132 _____
4. Payments on account and tangible assets in the course of construction	1133 _____	133 _____	134 _____
III. Financial assets	1135 _____ 3	135 _____ 426.191.251,28	136 _____ 431.177.157,60
1. Shares in affiliated undertakings	1137 _____	137 _____	138 _____
2. Loans to affiliated undertakings	1139 _____ 3	139 _____ 384.000.000,00	140 _____ 384.000.000,00
3. Participating interests	1141 _____	141 _____	142 _____
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Investments held as fixed assets	1145 _____ 3	145 _____ 42.191.251,28	146 _____ 47.177.157,60
6. Other loans	1147 _____	147 _____	148 _____
D. Current assets	1151 _____	151 _____ 6.467.190,91	152 _____ 5.154.966,93
I. Stocks	1153 _____	153 _____	154 _____
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work in progress	1157 _____	157 _____	158 _____
3. Finished goods and goods for resale	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
II. Debtors	1163 _____ 4	163 _____ 1.835.745,15	164 _____ 464.145,54
1. Trade debtors	1165 _____	165 _____	166 _____
a) becoming due and payable within one year	1167 _____	167 _____	168 _____
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____ 4	171 _____ 1.803.590,14	172 _____ 464.145,54
a) becoming due and payable within one year	1173 _____	173 _____ 1.803.590,14	174 _____ 464.145,54
b) becoming due and payable after more than one year	1175 _____	175 _____	176 _____
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 _____	178 _____
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____
4. Other debtors	1183 _____ 4	183 _____ 32.155,01	184 _____
a) becoming due and payable within one year	1185 _____	185 _____ 32.155,01	186 _____
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____

The notes in the annex form an integral part of the annual accounts

RCSL Nr.: B86976

Matricule : 2002 2208 420

	Reference(s)	Current year	Previous year
III. Investments	1189 _____	189 _____	190 _____
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1209 _____ 5	209 _____	210 _____
3. Other investments	1195 _____	195 _____	196 _____
IV. Cash at bank and in hand	1197 _____	197 4,631,445,76	198 4,690,821,39
E. Prepayments	1199 _____	199 2,954,96	200 2,954,98
TOTAL (ASSETS)		201 432,661,397,15	202 436,335,079,51

RCSL Nr.: B86976

Matricule : 2002 2208 420

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
I. Subscribed capital	1301 _____ 6	301 _____ 46.261.895,57	302 _____ 51.863.261,40
II. Share premium account	1303 _____ 7	303 _____ 2.000.000,96	304 _____ 2.000.000,96
III. Revaluation reserve	1305 _____ 7	305 _____ 1,26	306 _____ 1,26
IV. Reserves	1307 _____	307 _____	308 _____
1. Legal reserve	1309 _____ 8,9	309 _____ 200.000,10	310 _____ 200.000,10
2. Reserve for own shares	1311 _____ 8,9	311 _____ 200.000,10	312 _____ 200.000,10
3. Reserves provided for by the articles of association	1313 _____	313 _____	314 _____
4. Other reserves, including the fair value reserve	1315 _____	315 _____	316 _____
a) other available reserves	1429 _____	429 _____	430 _____
b) other non available reserves	1431 _____	431 _____	432 _____
V. Profit or loss brought forward	1433 _____	433 _____	434 _____
VI. Profit or loss for the financial year	1319 _____ 9	319 _____ 49.663.259,08	320 _____ 32.873.351,42
VII. Interim dividends	1321 _____ 9	321 _____ -5.601.365,83	322 _____ 16.789.907,66
VIII. Capital investment subsidies	1323 _____	323 _____	324 _____
	1325 _____	325 _____	326 _____
B. Provisions	1331 _____ 10	331 _____ 567.117,74	332 _____
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____	335 _____	336 _____
3. Other provisions	1337 _____	337 _____ 567.117,74	338 _____
C. Creditors	1435 _____ 11	435 _____ 385.832.383,84	436 _____ 384.471.818,11
1. Debenture loans	1437 _____ 11	437 _____ 385.783.338,08	438 _____ 384.444.261,70
a) Convertible loans	1439 _____	439 _____ 385.783.338,08	440 _____ 384.444.261,70
i) becoming due and payable within one year	1441 _____	441 _____ 1.783.338,08	442 _____ 444.261,70
ii) becoming due and payable after more than one year	1443 _____	443 _____ 384.000.000,00	444 _____ 384.000.000,00
b) Non convertible loans	1445 _____	445 _____	446 _____
i) becoming due and payable within one year	1447 _____	447 _____	448 _____
ii) becoming due and payable after more than one year	1449 _____	449 _____	450 _____
2. Amounts owed to credit institutions	1355 _____	355 _____	356 _____
a) becoming due and payable within one year	1357 _____	357 _____	358 _____
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B86976

Matricule : 2002 2208 420

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____ 11	367 _____ 24.160,56	368 _____
a) becoming due and payable within one year	1369 _____	369 _____ 24.160,56	370 _____
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____	379 _____	380 _____
a) becoming due and payable within one year	1381 _____	381 _____	382 _____
b) becoming due and payable after more than one year	1383 _____	383 _____	384 _____
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____ 11	451 _____ 24.885,20	452 _____ 27.556,41
a) Tax authorities	1393 _____	393 _____ 24.885,20	394 _____ 27.556,41
b) Social security authorities	1395 _____	395 _____	396 _____
c) Other creditors	1397 _____	397 _____	398 _____
i) becoming due and payable within one year	1399 _____	399 _____	400 _____
ii) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
D. Deferred income	1403 _____	403 _____	404 _____
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 _____ 432.661.397,15	406 _____ 436.335.079,51

RCSL Nr.: B86976

Matricule : 2002 2208 420

eCDF entry date : 20/04/2023

PROFIT AND LOSS ACCOUNTFinancial year from ⁰¹ 01/01/2022 to ⁰² 31/12/2022 (in ⁰³ EUR)

Ageasfinlux S.A.
6, rue Eugène Ruppert
L-2453 Luxembourg

	2	Reference(s)	Current year	Previous year
1. Net turnover		1701 _____	701 _____	702 _____
2. Variation in stocks of finished goods and in work in progress		1703 _____	703 _____	704 _____
3. Work performed by the undertaking for its own purposes and capitalised		1705 _____	705 _____	706 _____
4. Other operating income		1713 _____	713 _____	714 _____
5. Raw materials and consumables and other external expenses		1671 _____ 12	671 _____ -157.761,46	672 _____ -181.312,61
a) Raw materials and consumables		1601 _____	601 _____	602 _____
b) Other external expenses		1603 _____ 12	603 _____ -157.761,46	604 _____ -181.312,61
6. Staff costs		1605 _____ 21	605 _____	606 _____
a) Wages and salaries		1607 _____	607 _____	608 _____
b) Social security costs		1609 _____	609 _____	610 _____
i) relating to pensions		1653 _____	653 _____	654 _____
ii) other social security costs		1655 _____	655 _____	656 _____
c) Other staff costs		1613 _____	613 _____	614 _____
7. Value adjustments		1657 _____	657 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets		1659 _____	659 _____	660 _____
b) in respect of current assets		1661 _____	661 _____	662 _____
8. Other operating expenses		1621 _____ 13	621 _____ -1.550,31	622 _____ 165.569,80

RCSL Nr.: B86976

Matricule: 2002 2208 420

	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720
10. Income from other investments and loans forming part of the fixed assets	1721	721	722
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725	726
11. Other interest receivable and similar income	1727	727	728
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731	731	732
12. Share of profit or loss of undertakings accounted for under the equity method	1663	663	664
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	665	666
14. Interest payable and similar expenses	1627	627	628
a) concerning affiliated undertakings	1629	629	630
b) other interest and similar expenses	1631	631	632
15. Tax on profit or loss	1635	635	636
16. Profit or loss after taxation	1667	667	668
17. Other taxes not shown under items 1 to 16	1637	637	638
18. Profit or loss for the financial year	1669	669	670

Ageasfinlux S.A.
Notes to the annual accounts as at 31 December 2022

Notes to the annual accounts

Note 1: General information

Ageasfinlux S.A. (hereafter the "Company") was incorporated on 22 April 2002 and is organised under the laws of Luxembourg as a "Société anonyme" for an unlimited period.

The Company is registered with the Trade and Companies Register of Luxembourg with the number B86976 and has its registered office established at 6 rue Eugène Ruppert, L-2453 Luxembourg.

The Company's financial year starts on 01 January and ends on 31 December each year.

The main activity of the Company is the holding of participations, in any form whatsoever, in Luxembourg and foreign companies, the acquisition by purchase, subscription, or in any other manner as well as the transfer by sale, exchange or otherwise of stock, bonds, debentures, notes and other securities of any kind, the possession, the administration, the development and the management of its portfolio.

In accordance with the legal provisions in Title II of the amended Law of 19 December 2002, these annual accounts were presented on a non-consolidated basis for the approval of the sole shareholder during the Annual General Meeting.

The Company is included in the consolidated accounts of Ageas SA/NV, which forms the smallest and the largest body of undertakings, with a registered office located at rue du Marquis 1, B-1000 Brussels, Belgium. The consolidated accounts of Ageas SA/NV are available for consultation at the above-mentioned address and as well on the website of Ageas (www.ageas.com).

Note 2: Summary of significant accounting policies

2.1 Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements on a going concern basis and under the historical cost convention.

The accounting methods and valuation rules are determined and applied by the Board of Directors, in addition to those imposed by the amended Law of 19 December 2002.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company is not active in Ukraine and Russia, but carefully monitors the evolving geo-political tensions in those regions, in particular with regards to the indirect macro-economic effect such as the future evolution of interest rates and inflation. The Company currently assesses the direct impact to be immaterial.

The books and records are maintained in EUR and the annual accounts have been prepared in accordance with the valuation rules and accounting policies described below.

Ageasfinlux S.A.
Notes to the annual accounts as at 31 December 2022

Note 2: Summary of significant accounting policies (continued)

2.2 Foreign currency translation

The subscribed capital of the Company is expressed in euro ("EUR") and these annual accounts are established in euro ("EUR").

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Fixed assets in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these items remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the financial year.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. Solely the unrealized exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realization.

2.3 Financial assets

Historical cost model

Valuation at nominal value and purchase price (shares) less any durable losses

Loans to affiliated undertakings are valued at nominal value less any durable losses and securities held as fixed assets are valued at purchase price less any durable losses.

In the case of a lasting depreciation in their value in the opinion of the Board of Directors, the value of financial assets is adjusted such that they are valued at the lowest figure to be attributed to them on the balance sheet date. Such value adjustments will not be continued if the reasons giving rise to them cease to apply.

2.4 Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. Such value adjustments will not be continued if the reasons giving rise to them cease to apply.

2.5 Prepayments

This asset item includes expenditure incurred during the accounting period that relates to a subsequent accounting period.

2.6 Provisions

Provisions are intended to cover losses or debts, whose nature is clearly defined and which, on the balance sheet date, are either likely or certain to be incurred but are subject to uncertainty as regards the amount they represent or the date on which they will arise.

Provisions can also be set up to cover charges that arise in the course of the financial year under review or in the course of a previous financial year. These are charges whose nature is clearly defined and which, on the balance sheet date, are either likely or certain to be incurred but are subject to uncertainty as regards the amount they represent or the date on which they will arise.

At the balance sheet date, a provision shall represent the best estimate of the expenses likely to be incurred or, in the case of a liability, of the amount required to meet that liability.

Ageasfinlux S.A.
Notes to the annual accounts as at 31 December 2022

Note 2: Summary of significant accounting policies (continued)

Provision for taxation

Current tax provision

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years are recorded under the caption "Creditors - a) tax authorities". Advance payments are shown in the assets of the balance sheet under the " Other debtors" item.

2.7 Creditors

Creditors are recorded at their reimbursement value. Where the reimbursable amount in the account is greater than the amount received, the difference is recorded in the profit and loss account.

2.8 Interest income and expenses

Interest income and expenses are recorded on an accrual basis.

Ageasfinlux S.A.

Notes to the annual accounts as at 31 December 2022

Note 3: Financial assets

The movements for the year are as follows:

	Loans to affiliated undertakings	Investments held as fixed assets	Total
	EUR	EUR	EUR
Gross book value - opening balance	384,000,000.00	316,574,575.04	700,574,575.04
Additions	-	-	-
Disposals	-	-	-
Transfers	-	-	-
Gross book value - closing balance	384,000,000.00	316,574,575.04	700,574,575.04
Accumulated value adjustment - opening balance	-	(269,397,417.44)	(269,397,417.44)
Allocations	-	(4,985,906.32)	(4,985,906.32)
Reversals	-	-	-
Transfers	-	-	-
Accumulated value adjustment - closing balance	-	(274,383,323.76)	(274,383,323.76)
Net book value - opening balance	384,000,000.00	47,177,157.60	431,177,157.60
Net book value - closing balance	384,000,000.00	42,191,251.28	426,191,251.28

Loans to affiliated undertakings

The Company subscribed to bonds issued by Fortis Insurance NV, which changed name into Ageas Insurance NV in May 2010 and merged into Ageas Insurance International NV in December 2010 (all these entities are affiliated undertakings); the bonds can be specified as follows:

Issue date: 7 May 2002

Name of the Company: Ageas Insurance International NV

Nominal : EUR 1,250,000.00

Current Nominal Amount Outstanding : EUR 384,000,000.00

Interest rate: Euribor 3 months + margin of 1.385%.

Duration : no maturity date

The bonds are issued in denominations of EUR 250,000.00 each and are subordinated obligations of Ageas Insurance International NV (hereafter "All") and rank at all times (i) junior to any indebtedness or obligation, including any preference shares, of All other than such indebtedness or obligation in clauses (ii) and (iii) below, (ii) pari passu and without any preference among themselves and with any other indebtedness or obligation that, expressly or by applicable law, ranks pari passu with the loans and (iii) senior to (A) any indebtedness or obligation of All that, expressly or by applicable law, is subordinated to the loans and (B) any ordinary shares of All.

The bonds were redeemable, in a whole or in part, at any time at the option of All, while a proportional number of bonds could convert into All-shares upon an exchange of all or part of the FRESH securities.

Management of the Company reviewed these terms in 2013 and concluded that the conversion option represented no value (this option was far "out of the money"), while All's early redemption option represented a risk to the Company.

Management therefore renegotiated the terms and conditions of the bonds and reached an agreement on new terms that became effective as of 31 December 2013: the early redemption option as well as the conversion option into All shares were removed and replaced by a mandatory proportional redemption of the bonds by All at par upon any exchange of all or part of the FRESH securities. On 13 January 2020, the Company sold 3,275 bonds for EUR 818,750,000.00. On 26 June 2020 the Company did a partial redemption of 189 bonds for EUR 47,250,000.00. On 31 December 2021 and 31 December 2022, the Company held 1,536 bonds.

The Board of Directors has reviewed the valuation of Loans to affiliated undertakings and does not consider it necessary to make any value adjustments for durable losses (2021: nil).

Ageasfinlux S.A.
Notes to the annual accounts as at 31 December 2022

Note 3: Financial assets (continued)

Investments held as fixed assets

Following the merger and reverse stock split on Ageas SA/NV shares, which occurred on 7 August 2012, the Company held 3,968,254 Ageas SA/NV shares. During the previous financial years, the Company sold 2,749,205 shares in Ageas SA/NV. The balance of shares held at 31 December 2021 and 31 December 2022 is 1,219,048 shares.

These Ageas SA/NV shares serve no other purpose than forming adequate collateral for the conversion rights, which can be exercised under the FRESH and are for that purpose pledged in favor of the FRESH holders. These shares have no voting/dividends rights as long as they are held by the Company.

The Board of Directors has decided to recognize a loss as durable if the value is for longer than one year below the carrying value; a loss is reversed when the market value is for more than one year above the carrying value. Since the lowest price in 2022 amounted to EUR 34.61, value adjustment was recorded in the financial year for an amount of EUR 4,985,906.32 (2021: reversal of value adjustment for EUR 16,335,243.20) moving the value of the share portfolio to EUR 42,191,251.28 (2021: EUR 47,177,157.60).

Note 4: Debtors

Debtors are mainly composed of:

	Within one year EUR	After more than one year EUR	Total 2022 EUR	Total 2021 EUR
Amounts owed by affiliated undertakings	1,803,590.14	-	1,803,590.14	464,145.54
Other debtors	32,155.01	-	32,155.01	-
TOTAL	1,835,745.15	-	1,835,745.15	464,145.54

Amounts owed by affiliated undertakings correspond to accrued interest linked to the bonds subscribed by the Company in Ageas Insurance International N.V.

Other debtors correspond to advances paid to Luxembourg tax authorities.

Note 5: Own shares

As at 31 December 2022, the Company does not hold any of its own shares.

Note 6: Subscribed capital

The subscribed capital amounts to EUR 2,000,000.96 and is divided into 1,612,904 shares with a nominal value of EUR 1.24.

Note 7: Share premium account

The amount of EUR 1.26 related to the residual amount of the share premium incorporated to the capital following the Extraordinary Shareholder's meeting dated 3 September 2002 (2021: EUR 1.26).

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Note 8: Reserves

Legal reserve

The Company is required to allocate a minimum of 5% of its net annual income to a legal reserve until such time as that reserve reaches 10% of the subscribed share capital. This reserve cannot be distributed.

Note 9: Movements for the year on the reserves and the profit and loss items

The movements for the year are as follows:

	Legal reserve EUR	Results brought forward EUR	Result for the financial year EUR
As at 31 December 2021	200,000.10	32,873,351.42	16,789,907.66
Allocation of previous year's profit or (loss)	-	16,789,907.66	(16,789,907.66)
Profit or (loss) for the year	-	-	(5,601,365.83)
As at 31 December 2022	200,000.10	49,663,259.08	(5,601,365.83)

Note 10: Provisions

Other provisions

Other provisions are composed of additional tax payable as assessed by Luxembourg tax authorities on the interest margin of EUR 567,117.74 (2021: nil) for the years 2017, 2018 and 2019 (See note 17).

Note 11: Creditors

Creditors are made up as follows:

	Within one year EUR	After more than one year EUR	Total 2022 EUR	Total 2021 EUR
Convertible debenture loans	1,783,338.08	384,000,000.00	385,783,338.08	384,444,261.70
Trade creditors	24,160.56	-	24,160.56	-
Tax authorities	24,885.20	-	24,885.20	27,556.41
TOTAL	1,832,383.84	384,000,000.00	385,832,383.84	384,471,818.11

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Note 11: Creditors (continued)

Ageasfinlux S.A. has issued "Undated Floating Rate Equity-linked Subordinated Hybrid" (FRESH) in denominations of EUR 250,000.00 each on 7 May 2002 for a total amount of EUR 1,250,000,000.00. The FRESH pays an interest of EURIBOR-3 months plus a margin of 1.35%. The total interest charges on FRESH for the year ending 31 December 2022 amount to EUR 5,285,954.63 (2021: EUR 3,109,810.84). The FRESH securities are exchangeable in Ageas SA/NV shares at an Exchange Price of EUR 315.00 per share. The FRESH are listed on the Luxembourg Stock Exchange. As at 31 December 2022, the principal amount is EUR 384,000,000.00 (2021: EUR 384,000,000.00). The principal amount is secured by collateral as indicated in the Note 3.
The accrued interest amounts to EUR 1,783,338.08 (2021: EUR 444,261.70).

All FRESH outstanding shall automatically be exchanged for Ageas SA/NV shares at the Exchange Price if, at any time after the seventh anniversary of the issue date, the weighted average price of an Ageas SA/NV share equals or exceeds EUR 472.50 for 20 consecutive stock exchange business days.

The tax authorities correspond to VAT and Net Wealth Tax payable to Luxembourg tax authorities for an amount of EUR 24,885.20 (2021: EUR 27,556.41).

Note 12: Other external expenses

Other external expenses are presented as follows:

	2022	2021
	EUR	EUR
Bank fees & commissions	(23,767.21)	(30,785.23)
Audit fees	(35,723.09)	(33,394.73)
Tax advisory fees	(9,626.94)	(29,831.07)
Management , administration services, other commission & paying agent fees	(85,615.44)	(84,164.58)
Contribution to professional associations	(1,850.00)	(1,850.00)
Other external charges	(1,178.78)	(1,287.00)
TOTAL	(157,761.46)	(181,312.61)

Note 13: Other operating expenses

Other operating expenses consist of non deductible VAT and interest on late payment of Net Wealth tax amounting to EUR 1,550.31.

In prior year, this item was composed of a reversal of non deductible VAT amounting to EUR 165,569.80.

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Note 14: Income from other investments and loans forming part of the fixed assets

Income from other investments and loans forming part of the fixed assets corresponds to interests on bonds subscribed by the Company in Ageas Insurance International N.V. amounting to EUR 5,420,354.62 (2021: EUR 3,244,110.85), of which EUR 1,803,590.14 (2021: EUR 464,145.54) are accrued at year-end (see note 3 and 4).

Note 15: Value adjustment in respect of financial assets and of investments held as current assets

Value adjustments in respect of financial assets and of investments held as current assets are composed of value adjustment on investments held as fixed assets for EUR 4,985,906.32. In 2021, this item was composed of a reversal of value adjustment on investments held as fixed assets for EUR 16,335,243.20.

Note 16: Interest payable and similar expenses

The interest payable and similar expenses are composed of interest expenses on the convertible bonds issued amounting to EUR 5,285,954.63 (2021: EUR 3,109,810.84), of which EUR 1,783,338.08 (2021: EUR 444,261.70) are accrued at year-end (see note 11).

Note 17: Tax expenses

The tax expenses of the Company for the financial year are detailed as follows:

	2022	2021
	EUR	EUR
Tax expenses from previous years	(567,117.74)	357,262.26
TAX ON PROFIT OR LOSS	(567,117.74)	357,262.26
	2022	2021
	EUR	EUR
Other tax expenses for the financial year	(23,429.99)	(21,155.00)
OTHER TAXES	(23,429.99)	(21,155.00)

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Note 17: Tax expenses (continued)

Other tax expenses for the financial year correspond to Net Wealth Tax for an amount of EUR 23,429.99 (2021: EUR 21,155.00).

Based on its initial tax clearance letters dated 8 May and 17 October 2002 (the "Initial Ruling"), the Company agreed with the Luxembourg tax authorities that it would realize a net margin of 3bps on its financing activities, in particular the granting of intra-group loans financed by the issuance of the FRESH securities in an amount of EUR 1.25 billion. Based on the agreement in the Initial Ruling, the Company did not report and (immediately) make use of the tax losses booked, stemming from a depreciation on the Ageas shares it held.

Given that, on 28 January 2011, the Luxembourg tax authorities changed their approach to the remuneration of intragroup financial services, the Company had to revisit its transfer pricing policy. The Company therefore agreed with the Luxembourg tax authorities in a letter dated 19 September 2013 (the "APA") to no longer apply a net margin of 3bps, but to instead apply a gross margin of 8bps (determined on the basis of a formal transfer pricing study prepared by an independent expert).

Following this change, the Company has claimed the tax losses, originating from the depreciation of the Ageas shares that could be deducted from the gross taxable margin.

On 12 April 2018, the Luxembourg tax authorities issued a letter indicating that, based on detailed assessment on the Company's tax situation based on §100a of the Luxembourg general tax law, they had the intention to issue assessments for tax years 2013 and 2014, disregarding the tax losses carried forward which arose in tax years prior to 2013 (i.e., in tax years where the company was subject to a net margin tax base). On 2 May 2018, the Company filed a letter with the authorities marking its disagreement with this position. Unfortunately, the authorities indicated that they would proceed with the tax assessment as contemplated and have assessed an amount of EUR 523,886.27 for tax years 2013 and 2014 (which the Company paid to avoid being subject to late interest penalties).

On 3 August 2018, the Company filed a formal tax protest letter with the Luxembourg tax authorities to challenge the position taken. As the Luxembourg tax authorities have not answered the formal tax protest letter within 6 months, the Company initiated legal proceedings in front of the administrative tribunal on 27 November 2020. An unfavourable decision was rendered by the administrative tribunal on 6 December 2022 and an appeal was filed by the Company with the administrative court on 13 January 2023. The Company received on 13 February 2023 the "Memoire en reponse sur l'appel forme en date du 13 janvier 2023 par la societe" of the Delegeue du Gouvernement of Luxembourg who represents the interests of the tax administration (hence the State of Luxembourg) in this litigation. Linklaters who represents the interests of the Company prepared a very concise reply which has been submitted to the Court. The Company expects a decision of the administrative court on 27 April 2023.

Furthermore, on 10 March 2020, the Company received a letter from the Luxembourg tax authorities stating the intention to reassess the Company, like for the tax years 2013 and 2014, also for the tax years 2015 and 2016, using the same arguments. The Company has replied on 23 March 2020 with the arguments already raised for the 2013 and 2014 reassessment. The Luxembourg tax authorities disregarded the Company's comments and proceeded with the formal tax assessments for the tax years 2015 and 2016 for EUR 535,094.25 in total (which the Company paid - less the advance taxes already paid - to avoid being subject to late interest penalties). The Company filed two formal tax protest letters to the Luxembourg tax authorities, within 3 months of the receipt of each assessment, on 23 July 2020 and on 13 November 2020 for respectively 2015 and 2016 (this would also secure its right to initiate legal proceeding in front of the administrative tribunal for the tax years 2015 and 2016 in case the formal tax protest letter remains unanswered after 6 months). To date, also these formal tax protest letters to the Luxembourg tax authorities remain unanswered.

The taxes in the current year are linked to the tax provisions for 2017 to 2019 based on the unfavourable decision issued by the administrative tribunal on 6 December 2022 for EUR 567,117.74.

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Note 18: Emoluments granted to the members of the management and supervisory bodies and commitments in respect of retirement pensions for former members of these bodies

During the financial year, no emolument or obligation arising or entered into in respect of retirement pensions for former members of those bodies for the financial year, was granted (2021: none).

Note 19: Advances and loans granted to the members of the management and supervisory board

During the financial year, no loan or advance was granted to members of the Board of Directors or other administrative bodies (2021: none).

Note 20: Off balance sheet commitments

The Company has no off balance sheet commitment as at 31 December 2022 other than the ones disclosed in notes 3 and 11 (2021: none).

Note 21: Staff

The Company did not have any employee during 2022 (2021: none).

Note 22: Subsequent events

No events have occurred subsequent to 31 December 2022 which would materially affect the annual accounts and related disclosure for the financial year ended 31 December 2022.

