

Natixis Structured Issuance SA

Société Anonyme

INTERIM FINANCIAL STATEMENTS

For the period ended 30 June 2024

And Report of the réviseur d'entreprises agréé

51, avenue J.F. Kennedy
L-1855 Luxembourg
R.C.S. Luxembourg B 182619

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Management Report

Report of 2024 Activities

The principal activity of Natixis Structured Issuance SA (the "Company" or "NSI") is the issue of debt financial instruments. The Company is a wholly owned, indirect subsidiary of NATIXIS S.A. ("NATIXIS"). The aim of this Company is to be an issuing vehicle for its parent company, for structured bonds, EMTN, warrants, certificates and other financial instruments (linked to indices, futures, dividends, warrants, funds, equity, commodity, credit, currency, inflation, rates, preference shares, and hybrid).

The following programmes were approved by CSSF (Commission de Surveillance du Secteur Financier, the Luxembourg regulator) and are still active as updated from time to time:

- ✓ On 12 January 2024, the CSSF granted its approval for the publication of the EUR 3,000,000,000.00 Base Prospectus, dated 12 January 2024, relating to the German law Structured Products Retail Programme;
- ✓ On 4 April 2024, the CSSF granted its approval for the 1st Supplement to the Base Prospectus, dated 12 January 2024, relating to the German law Structured Products Retail Programme;
- ✓ On 12 April 2024, the CSSF granted its approval for the 2nd Supplement to the Base Prospectus, dated 23 November 2023, relating to the Warrant Programme; and
- ✓ On 19 April 2024, the CSSF granted its approval for the publication of the EUR 30,000,000,000.00 Base Prospectus, dated 19 April 2024, relating to the Debt Issuance Programme.

The following programmes were approved by the AMF (Autorité des Marchés Financiers, the French regulator) and are still active as updated from time to time:

- ✓ On 2 April 2024, the AMF granted its visa for the 5th Supplement to the Base Prospectus, dated 9 June 2023, relating to the French law Bonds Programme 2023;
- ✓ On 30 April 2024, the AMF granted its visa for the 6th Supplement to the Base Prospectus, dated 9 June 2023, relating to the French law Bonds Programme 2023; and
- ✓ On 7 June 2024, the AMF granted its visa for the update 2024 of the French law Bonds Programme, dated 7 June 2024.

The following programmes were approved by the FCA (Financial Conduct Authority, the UK regulator) and are still active as updated from time to time:

- ✓ On 9 January 2024, the FCA granted its approval for the third Supplement to the Base Prospectus, dated 25 July 2023, relating to the UK Debt Issuance Programme;
- ✓ On 13 May 2024, the FCA granted its approval for the fourth Supplement to the Base Prospectus, dated 25 July 2023, relating to the UK Debt Issuance Programme; and
- ✓ On 19 July 2024, the FCA granted its approval for the update 2024 of the Base Prospectus, dated 19 July 2024, relating to the UK Debt Issuance Programme.

It is to be noted that issuance programmes have been launched and authorised by regulators outside Luxembourg (e.g. France, Germany and UK).

Since inception, NSI's activities were in the scaled-up trend with an aggregate outstanding nominal value of the notes, bonds, certificates and derivatives as of 30 June 2024 at 9,008 million euros equivalent:

30 June 2024	Outstanding Ccy	Outstanding €
Not warrants	66,020,882,045	8,993,729,152
USD	1,186,972,198	1,107,456,800
EUR	7,297,342,300	7,297,342,300
GBP	135,652,547	160,016,342
SEK	191,610,000	16,880,762
JPY	56,545,700,000	328,023,733
CHF	68,975,000	71,596,325
ZAR	116,570,000	5,958,933
RUB	475,800,000	5,146,969
AUD	400,000	249,263
NZD	1,860,000	1,057,725

30 June 2024	Outstanding Ccy	Outstanding €
Warrants	125,735,061	14,366,973
SEK	51,640,530	4,549,509
EUR	6,038,957	6,038,957
USD	2,787,324	2,600,601
NOK	9,768,250	855,948
JPY	55,500,000	321,958
Total		9,008,096,125

It is to be noted that the amounts above and in the next paragraphs below cannot be reconciled with the balance of borrowings on the statement of financial position, due to the fact that these amounts are nominal amounts while the balances presented in the statement of financial position reflect the fair value of underlying position.

As of 30 June 2024, the outstanding of Natixis Structured Issuance SA per issuance programme is as follows:

- Notes under its English law Debt Issuance Programme in an aggregate nominal amount of EUR 2,016,140,316 and under its UK Debt Issuance Programme in an aggregate nominal amount of EUR 25,511,779;
- Obligations under its French law Bonds Programme in an aggregate nominal amount of EUR 6,937,731,957;
- Certificates under its German law Structured Products Retail Programme in an aggregate nominal amount of EUR 14,345,100; and
- Warrants under its Warrant Programme in an aggregate premium amount of EUR 14,366,973.

At the end of June 2024, NSI's activities have reached steady state. The outstanding nominal debts and warrants reached 9,008 million equivalent euros as at 30 June 2024.

Internal Control

The Board of Directors is responsible for managing the Company and carefully managing potential risks to the Company. Its members are jointly accountable for the management of the Company and ensure that the statutory and legal requirements and obligations of the Company are met and complied with.

The Company has assessed the provisions of the Anti-tax avoidance directive I and II (ATAD) and its impact on the Company's financial position, performance, and operations. The Company has determined that ATAD's requirements have no material impact on its financial statements, including the determination of taxable income, tax expense, or deferred tax assets and liabilities.

Risk management

The market risk is fully hedged with Natixis SA: the structure of any financial product and all the corresponding flows are perfectly matched between the Company and Natixis S.A., except for a small interest margin and an upfront fee which are used to cover the managing and operating costs of the Company.

The credit risk is limited to Natixis S.A., the only counterparty and guarantor of the Company. Operational risk is managed and minimized by the Directors.

Although the pandemic situation is over the Company has implemented the following measures and estimates of the impact over the following areas:

- Going concern assumption: Management has assessed the relevant information after the reporting period and are of the opinion that no material uncertainty exist that cast significant doubt on the Company's ability to continue as going concern.
- In response to Russia's invasion of Ukraine in February 2022, many countries (including the US, UK and EU) have introduced financial sanctions against a large number of entities and individuals with Russian origin.

Some of the sanctioned entities were counterparts of Natixis Structured Issuance.

Natixis Structured Issuance decided to follow a legal analysis that concluded that no provisions were needed in relation to Natixis Structured Issuance's payment obligations impacted by the sanctions imposed on Russian counterparties."

Taking into account the management of environmental, social and governance (ESG) risks in the financing and investment businesses is part of a global approach involving the business lines, CSR and control functions.

This approach includes, in particular, the development and implementation of CSR policies in the most sensitive sectors, the definition of excluded sectors of activity, assessing and monitoring the ESG risks of operations and counterparties using various tools and processes.

Declaration of the persons responsible for the financial statements for the period ended 30 June 2024

Pursuant to Article 4 of the amended law of 11 January 2008 on transparency requirements concerning information on issuers whose securities are admitted to trading on a regulated market, we declare that these interim financial statements have been prepared in accordance with the applicable accounting standards and to the best of our knowledge, these interim financial statements give a true and fair view of the financial position of the Company as at 30 June 2024, of the financial performance and cash-flow of the Company, and a description of the principal risks and uncertainties faced by the Company. To the best of our knowledge, the Management Report faithfully presents the Company's evolution, results and situation.

Acquisitions of own shares

The Company may, to the extent and under the terms permitted by law, purchase its own shares. During the period ended 30 June 2024, the Company did not purchase any of its own shares.

Allocation of free shares

During the period ended 30 June 2024, the Company has no free shares.

Branches and subsidiaries

The Company does not have any branches or subsidiaries.

Research and development activities

The Company has not had any activity in research and development.

Audit committee requirement

Pursuant to Article 52 of the Law of 23 July 2016 concerning the audit profession, the Company is classified as public-interest entity and required to establish an audit committee. However, in accordance with Article 52 (5), the Company is exempted to have an audit committee. Taking into consideration the activity of the Company, the board is in the opinion that an audit committee is not required.

Luxembourg, 3 September 2024

A handwritten signature in black ink, consisting of several overlapping loops and horizontal strokes, positioned above the name Sylvain Garriga.

Sylvain Garriga

Director



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To the Shareholder of
Natixis Structured Issuance SA
Société Anonyme

R.C.S. Luxembourg B182619

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REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying interim financial statements of **Natixis Structured Issuance SA** (the "Company"), comprising the statement of financial position as at 30 June 2024 and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period from 1 January 2024 to 30 June 2024 and the notes to the interim financial statements including a summary of material accounting policies. The Board of Directors is responsible for the preparation and fair presentation of this interim financial statements in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the financial position of the Company as at 30 June 2024, its financial performance and its cashflows for the period from 1 January 2024 to 30 June 2024 in accordance with IFRS, as adopted by the European Union.

Luxembourg, 3 September 2024

For Forvis Mazars, Cabinet de révision agréé
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DocuSigned by:
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Konstantinos IATRIDIS
Réviseur d'entreprises agréé

Natixis Structured Issuance SA
Société anonyme
Statement of profit or loss and other comprehensive income
For the period ended 30 June 2024

(in EUR)	Notes	Financial period from 1 January 2024 to 30 June 2024	Financial period from 1 January 2023 to 30 June 2023
Interest and similar income		192,054,814	108,434,928
Interest and similar expenses		(188,998,386)	(107,665,166)
Net finance income	13	3,056,428	769,762
Net foreign exchange gain		(549,910)	447,358
Administrative expenses	14	(444,900)	(294,159)
Other expenses	15	(211,410)	(73,312)
Profit before tax		1,850,208	849,649
Income tax expense	10	(509,275)	(246,050)
Profit for the period		1,340,933	603,599
Total comprehensive income for the period		1,340,933	603,599

Natixis Structured Issuance SA
Société anonyme
Statement of financial position
For the period ended 30 June 2024

(in EUR)	Notes	30 June 2024	31 December 2023
ASSETS			
Non-current assets			
Loans to related parties	5	7,787,138,498	6,009,084,547
Derivative financial assets	5	8,306,974	1,816,261
Total non-current assets		7,795,445,472	6,010,900,808
Current assets			
Loans to related parties	5	663,738,654	508,900,952
Derivative financial assets	5	4,309,958	7,384,892
Other receivables	6	2,162,716	7,884,761
Cash and cash equivalents	7	19,338,273	10,080,498
Total current assets		689,549,601	534,251,103
TOTAL ASSETS		8,484,995,073	6,545,151,911
EQUITY AND LIABILITIES			
Equity			
Share capital	8	2,200,000	2,200,000
Legal reserves	8	220,000	220,000
Net wealth tax reserve	8	108,225	216,450
Retained earnings		9,212,941	7,763,783
Equity attributable to owners of the Company		11,741,166	10,400,233
Total Equity		11,741,166	10,400,233
Liabilities			
Borrowings	9	7,801,873,101	6,010,098,899
Derivative financial liabilities	9	9,627,120	6,453,737
Total non-current liabilities		7,811,500,221	6,016,552,636
Current liabilities			
Borrowings	9	640,997,176	503,097,855
Derivative financial liabilities	9	3,956,163	4,148,731
Current tax liabilities	10	943,454	434,179
Deferred income	11	6,513,729	3,312,344
Trade and other payables	12	9,343,164	7,205,933
Total current liabilities		661,753,686	518,199,042
TOTAL EQUITY AND LIABILITIES		8,484,995,073	6,545,151,911

Natixis Structured Issuance SA
Société anonyme
Statement of cash flows
For the period ended 30 June 2024

(in EUR)	Notes	30 June 2024	30 June 2023
Cash flows from operating activities			
(Loss)/profit for the period		1,340,933	603,599
Adjustments for:			
Income tax expense recognised in profit or loss	10	509,275	246,050
Net forex exchange profit	13	549,910	(447,358)
Interest and similar expense recognised in profit or loss	13	188,998,386	107,665,166
Interest and similar income recognised in profit or loss	13	(192,054,814)	(108,434,928)
		(656,310)	(367,471)
Movements in working capital:			
Decrease/(increase) in other receivables		5,722,045	(8,705,416)
Increase/(decrease) in trade and other payables		2,646,506	(1,263,050)
Increase/(decrease) in deferred income		3,201,385	(1,509,060)
Cash generated/(used) in operations		10,913,626	(11,844,997)
Income taxes paid		-	(15,215)
Net cash generated/(used) in operating activities		10,913,626	(11,860,212)
Cash flows from investing activities			
(Payments for) / Proceeds on sale of derivative financial assets		(989,689)	14,982,730
(Payments for) / Proceeds on sale of loans to related parties		(2,047,029,463)	(1,080,553,510)
Interest received		188,889,971	108,699,900
Net cash (used)/generated by investing activities		(1,859,129,181)	(956,870,880)
Cash flows from financing activities			
Proceeds from borrowings		2,045,802,185	1,081,973,207
Repayments from derivative financial liabilities and interest paid		(188,328,855)	(122,093,126)
Net cash generated/(used) by financing activities		1,857,473,330	959,880,081
Net increase/(decrease) in cash and cash equivalents		9,257,775	(8,851,011)
Cash and cash equivalents at the beginning of the period		10,080,498	14,016,163
Net cash and cash equivalents at the end of the period		19,338,273	5,165,152

Natixis Structured Issuance SA
Société anonyme
Statement of changes in equity
For the period ended 30 June 2024

(in EUR)	Attributable to the owners of the Company				
	Share capital	Legal reserve	Non-distributable Net Wealth Tax reserve	Retained earnings	Total
Balance as at 1 January 2023	2,200,000	220,000	335,525	6,208,616	8,964,141
Profit for the period	-	-	-	603,599	603,599
Transfer of reserves	-	-	(59,537)	59,537	-
Total comprehensive (loss)/ income	-	-	(59,537)	663,136	603,599
Balance as at 30 June 2023	2,200,000	220,000	275,988	6,871,752	9,567,740
Balance as at 1 January 2024	2,200,000	220,000	216,450	7,763,783	10,400,233
Profit for the period	-	-	-	1,340,933	1,340,933
Transfer of reserves	-	-	(108,225)	108,225	-
Total comprehensive (loss)/ income	-	-	(108,225)	1,449,158	1,340,933
Balance as at 30 June 2024	2,200,000	220,000	108,225	9,212,941	11,741,166

Natixis Structured Issuance SA
Société anonyme
Notes to the interim financial statements
Period ended 30 June 2024

NOTE 1 – GENERAL

Natixis Structured Issuance SA, *société anonyme* (the "**Company**"), having its registered office at 51, avenue J.F. Kennedy, L-1855 Luxembourg, R.C.S. Luxembourg B 182619 was incorporated on 29 November 2013 under the Luxembourg Commercial Companies Act (the law of August 10, 1915 as subsequently amended) for an unlimited period.

The Company's corporate purpose is to (i) obtain funding by the issue of bonds, notes, derivative financial instruments, certificates or other financial instruments of any term or duration and in any currency, including under one or more issue programmes or by means of standalone issuances, or any other indebtedness, or by any other means, (ii) enter into, execute and deliver and perform any swaps (including any credit support annexes), futures, forwards, foreign exchange agreements, derivatives, options, repurchase agreements, securities lending transactions and transactions having similar effect in connection with or ancillary to the activities mentioned above and (iii) enter into loan agreements as lender with a view to complying with any payment or other obligation the Company has under any of the financial instruments issued by it or any agreement entered into within the context of its activities.

The Company may borrow in any form. It may enter into any type of loan agreement. The Company may also give guarantees and grant security in favour of third parties to secure its obligations or the obligations of its subsidiaries, affiliated companies or any other company. The Company may further pledge, transfer, encumber or otherwise create security over some or all its assets.

The descriptions above are to be understood in their broadest sense and their enumeration is not limiting. The corporate purpose shall include any transaction or agreement which is entered by the Company, provided it is not inconsistent with the foregoing enumerated objects and to the extent permitted under applicable law.

In general, the Company may take any controlling and supervisory measures and carry out any operation or transaction which it considers necessary or useful in the accomplishment and development of its corporate objects.

The Company's financial year starts on 1 January and ends on 31 December of each year.

The Company is included in the consolidated accounts of Natixis S.A., a *société anonyme*, incorporated under the French law, having its registered office at 7 promenade Germaine Sablon, 75201 Paris Cedex 13 – France, RCS Paris 542 044 524 ("**Natixis S.A.**") forming the intermediary body of undertakings included in the body of undertakings referred in the below-mentioned paragraph of which the Company forms part as a subsidiary undertaking. The consolidated accounts are available at the registered office of Natixis S.A.

Additionally, the Company is also included in the consolidated accounts of BPCE, *société anonyme*, incorporated under the French law, having its registered office 7 promenade Germaine Sablon, 75201 Paris Cedex 13 – France, RCS Paris 493 455 042 forming the largest body of the undertakings included in the body of undertakings referred in the above-mentioned paragraph of which the Company forms part as a subsidiary undertaking. The consolidated accounts are available at the registered office of BPCE.

Natixis Structured Issuance SA
Société anonyme
Notes to the interim financial statements
Period ended 30 June 2024

NOTE 2 – MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance

The interim financial statements for the six months period ended 30 June 2024 have been prepared in compliance with International Financial Reporting Standards (“IFRS”) and interpretations of the International Financial Reporting Interpretation Committee (IFRIC) adopted in the European Union (“EU”), issued and effective or issued and early adopted as at 30 June 2024.

The Company has concluded that it operates as a single operating segment and, therefore, does not have reportable segments under the provisions of IFRS 8. Consequently, the Company has not disclosed segment information in these interim financial statements. Accordingly, the information presented herein represents the financial statements of the Company as a whole and does not reflect any segment-specific data.

2.2 Basis of preparation

These interim financial statements are for the six months ended from 1 January 2024 to 30 June 2024. The interim financial statements have been prepared on a going concern and on a historical cost basis except for the items that have been measured at fair value.

The interim financial statements present the statement of cash flows using the indirect method.

The interim financial statements are presented in Euro (“EUR”) rounded to the nearest EUR except where otherwise indicated. The Company’s reporting currency as well as functional currency is EUR.

The preparation of the interim financial statements 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 interim financial statements in the period in which the assumptions changed. The Board of Directors believed that the underlying assumptions might be appropriate and that the interim financial statements therefore present the financial position and results fairly.

It is the role of the Board of Directors to ensure that, to the best of their knowledge, the interim financial statements are prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets and liabilities, financial position and profit or loss and that the management report represents the information required under Article 3 (5) of the Transparency Law dated 11 January 2008, as amended from time to time.

2.2.1 Standards, interpretations and amendments to published standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards have been issued by the IASB and are not yet effective. The Company has not adopted any of these standards or amendments before their effective date.

(i) New standards, amendments and interpretations effective in the current period

The amendments which are effective from 1 January 2024 that do not have material impact on the interim financial statements:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements;
- Amendments to IAS 1 Presentation of Financial Statements:
 - ✓ Classification of Liabilities as Current or Noncurrent (issued on 23 January 2020);
 - ✓ Classification of Liabilities as Current or Noncurrent - Deferral of Effective Date; and
 - ✓ Non-current Liabilities with Covenants;
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback.

Natixis Structured Issuance SA
Société anonyme
Notes to the interim financial statements
Period ended 30 June 2024

NOTE 2 – MATERIAL ACCOUNTING POLICIES (CONT.)

(ii) *New standards, amendments and interpretations issued but not yet effective**

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024); Effective 1 January 2027;
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024); Effective 1 January 2027;
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024); Effective 1 January 2026;
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023); Effective 1 January 2025.

*Not yet endorsed by European Financial Reporting Advisory Group.

None of these is expected to have a material effect on the interim financial statements of the Company.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

2.3 Going concern

The Directors have considered the aforesaid and the Company's financial structure and have a reasonable expectation that the Company will be able to meet the mandatory repayment terms of its different commitments and has adequate resources to continue to operate for the foreseeable future. Accordingly, they have adopted the going concern basis of preparation for these financial statements.

There is an irrevocable and unconditional guarantee granted as of 23 January 2014 by Natixis S.A., the Company's parent company, in favour of any holders of financial instruments issued by the Company. Term financial instruments in this context means any notes, bonds, certificates, derivative financial instruments or other securities or financial instruments issued on or after 23 January 2014, other than: (i) any subordinated securities or debts issued or entered into by the Company subject to a subordination provision which is intended for or which results in the assimilation of such securities or debts to own funds as defined by applicable banking regulation; and (ii) any financial instruments provided that it is expressly specified in the legal documentation attached to such financial instruments that these do not benefit from this guarantee. The irrevocable and unconditional guarantee granted as of 23 January 2014 by Natixis S.A. in favour of any holders of financial instruments issued by the Company may be terminated at any time by Natixis S.A., although the guarantee shall remain in full force and effect with respect of any obligations arising from financial instruments issued before the effective date of the termination until such obligations have been performed in full. The irrevocable and unconditional guarantee granted as of 23 January 2014 by Natixis S.A. in favour of any holders of financial instruments issued by the Company meets the definition of a financial guarantee under IFRS 9 – "Financial Instruments: Recognition and Measurement". Natixis S.A. is rated A+ (Fitch), A+ (S&P) and A1 (Moody's). The related fee paid by the Company to Natixis S.A. is recognised on a pro rata temporis basis.

2.4 Foreign currency translation

2.4.1 Functional and presentation currency

The interim financial statements are presented in EURO ("EUR"), which is also the Company's functional currency. Items included in the interim financial statements are measured using the currency of the primary economic environment in which the entity operates.

Natixis Structured Issuance SA
Société anonyme
Notes to the interim financial statements
Period ended 30 June 2024

NOTE 2 – MATERIAL ACCOUNTING POLICIES (CONT.)

2.4.2 Foreign currency transactions and balances

Foreign currency transactions are translated into EUR using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss under “Net foreign exchange gain/(loss)”.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined and recognised in the statement of profit or loss under “Fair value adjustment of financial instruments”.

2.5 Financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.5.1 Financial asset (excluding derivatives)

As the Company does not hold equity instruments, it classifies its financial assets excluding derivatives in the following measurement categories:

- those to be measured subsequently at amortised cost;
- those to be measured subsequently at fair value through profit or loss (“FVPL”).

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

2.5.1.1 Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect their contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company’s cash and cash equivalents and other receivables have been classified under this category.

Natixis Structured Issuance SA
Société anonyme
Notes to the interim financial statements
Period ended 30 June 2024

NOTE 2 – MATERIAL ACCOUNTING POLICIES (CONT.)

2.5.1.2 Financial assets at fair value through profit or loss

Financial assets recorded in the fair value through profit or loss category correspond either to financial assets that are mandatorily subsequently measured at fair through profit or loss or to financial assets that are voluntarily designated as subsequently measured at fair value through profit or loss under the fair value option.

Financial assets are mandatorily measured through profit or loss (i) when their contractual terms give rise on specific dates to cash flows that are not those of a basic lending arrangement (i.e. these cash flows are not solely payments of principal and interest on the principal amount outstanding (in short “SPPI”)) or (ii) when the financial assets are not held within a business model whose objective is to hold financial assets in order to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets or (iii) both (i) and (ii) apply.

Financial assets that are voluntarily designated as subsequently measured at fair value through profit or loss under the fair value option are financial assets which give rise to cash flows that are SPPI and these financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and hence would normally be required to be measured either at amortised cost or at fair value through other comprehensive income, but the Company voluntarily elected to measure them at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch.

All the financial assets held by the Company are structured in such a manner to ensure that they are a mirror of all financial liabilities with Natixis S.A. Therefore, the financial assets are structured assets which replicate all the features of the structured notes, and which accordingly give rise to cash flows that are not those of a basic lending arrangement. Moreover, financial assets and financial liabilities are managed, and their performance evaluated, on a fair value basis, in accordance with a risk management strategy that matches the risks associated between the financial assets and liabilities. Accordingly, they are not held within a business model whose objective is to hold financial assets in order to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Consequently, all the financial assets held by the Company shall be measured at fair value through profit or loss, on a mandatory basis.

2.5.2 Financial liabilities (excluding derivatives)

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities are recognised initially at fair value net of transaction costs.

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at amortised cost;
- those to be measured subsequently at fair value through profit or loss (“FVPL”).

Trade and other payables are measured at amortised cost.

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NOTE 2 – MATERIAL ACCOUNTING POLICIES (CONT.)

2.5.2 Financial liabilities (CONT.)

Both groups of financial assets and financial liabilities are managed, and their performance evaluated, on a fair value basis, in accordance with a risk management strategy that matches the risks associated between the financial assets and liabilities. In addition, the measurement of both financial assets and financial liabilities at FVTPL enables the Company to reduce the accounting mismatch on profit or loss, and statement of financial position that would arise would the financial liabilities be measured at amortized cost.

Consequently, the EMTNs and certificates issued have been designated as financial liabilities at fair value through profit or loss on initial recognition under the fair value option and the embedded derivatives have not been separated since the hybrid contracts are measured at fair value.

2.5.3 Derivative financial instruments

Derivative financial instruments are recognised at fair value on the balance sheet.

Derivatives held for trading purposes are recorded in the balance sheet under ‘Derivative financial asset’ at fair value through profit or loss when their market value is positive and under ‘Derivative financial liabilities’ at fair value through profit or loss when their market value is negative.

After initial recognition, changes in fair value are recorded in the income statement under ‘fair value adjustment of financial instruments’.

The Company does not apply hedge accounting.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and cash deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments.

2.7 Other receivables

Other receivables include miscellaneous receivables and the unamortised portion of the upfront discount on EMTN. These accounts relate to the straight-line amortisation of premiums of debt instruments held (determined using the effective interest rate at inception date) and include accruals and prepaid expenses.

The expected credit loss attached to the other receivables balance was considered and assessed by the Board of Directors as at 30 June 2024 and 31 December 2023 as being null and as a result, no impairment was recognised in the respective periods.

2.8 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

2.9 Taxation

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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Notes to the interim financial statements
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NOTE 2 – MATERIAL ACCOUNTING POLICIES (CONT)

2.10 Fair value

The fair value of an instrument (asset or liability) is the price that would be received to sell an asset or paid to transfer a liability in a standard arm's length transaction between market participants at the measurement date. No financial instruments of the Company are traded in an active market. As such, fair value is established using standard valuation models. The models applied use relevant observable entry data or inputs estimated based on observable data.

They may refer to observable data from recent transactions, the fair value of similar instruments, discounted cash flow analysis and option pricing models or proprietary models in the case of hybrid instruments, etc. Additional valuation adjustments incorporate factors related to valuation uncertainties, such as market, credit and liquidity risks in order to account, in particular, for the costs resulting from an exit transaction.

The Company 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.

All assets and liabilities, for which fair value is measured or disclosed in the interim financial statements are categorised within the fair value hierarchy (described as follows), based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in these interim financial statements at fair value, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole).

2.11 Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle a net basis or to realise the assets and settle the liabilities simultaneously.

2.12 Other payables

Other payables include accruals for miscellaneous expenses. The latter accounts relate to the straight-line amortisation of premiums of debt instruments issued (determined using the effective interest rate at inception).

2.13 Financial guarantee

As mentioned in Note 2.3, the irrevocable and unconditional guarantee was granted on 23 January 2014 by Natixis S.A. in favour of any holders of financial instruments issued by the Company. The guarantee is not recognized in the financial statements of the Company, but provides comfort to the investors and the Company's stakeholders as it means that any losses incurred in respect of the financial instruments of the Company will be borne by Natixis S.A.

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Notes to the interim financial statements
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NOTE 2 – MATERIAL ACCOUNTING POLICIES (CONT.)

2.14 Recognition of income and expense

2.14.1 Term loans income

Interest income from term loans is recognised on an accruals basis. The revaluation of the fair value relating to the terms loans is based on the clean price (i.e. price that does not consider premium amortisation and accrued interest).

2.14.2 Fees and commissions paid

The method of accounting for fees and commissions paid depends on the end purpose of the services delivered and the method of accounting for the financial instruments to which the service relates. Fees and commissions for one-off services, such as business provider fees, are recognised as an expense as soon as the service is provided.

Fees and commissions for ongoing services, such as guarantee fees, are recognized over the period during which the service is provided.

The irrevocable and unconditional guarantee granted on 23 January 2014 by Natixis S.A in favour of any holders of financial instruments issued by the Company meets the definition of a financial guarantee (IFRS 9). The related fee paid by the Company to Natixis S.A. (parent company) is recognised on an accruals basis.

2.14.3 Financial income and expense

Financial income and expense include interest from bank accounts and commissions related to the Natixis S.A. guarantee (2.3) respectively.

2.14.4 EMTNs and certificates interest expenses

Interest expense from EMTNs and certificates is recognised on an accruals basis. The revaluation of the fair value relating to the EMTNs and certificates is based on the clean price.

2.15 Financial risk management

The Company does not use hedge accounting. The Company is not exposed to significant financial risks on the basis of matching of assets and liabilities. The risk on cash and cash equivalents is managed by Natixis S.A.. For further information on risk management, refer to Note 4.

2.16 Current vs Non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period or;
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period or;
- There is no right to defer the settlement of the liability for at least twelve months after the reporting period.

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Notes to the interim financial statements
Period ended 30 June 2024

NOTE 2 – MATERIAL ACCOUNTING POLICIES (CONT.)

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.17 Provisions

General Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.18 Inflation

The scenario developed at the end of 2021 assumed an easing of both post-pandemic demand and supply constraints. This scenario was based on twofold normalization with growth remaining sustained after a period of unusual vigorousness and a moderation of inflation. In February 2022, the dramatic shock of the Russia-Ukraine war broadsided this scenario through three main channels: confidence, by causing concern; supply, by causing actual or anticipated shortages; and demand, by stimulating inflation. As during the Covid crisis, a hierarchy of national vulnerabilities was established according to multiple criteria: distance from the war zone; level of the trade with warring parties (including dependence on grain, gas and oil imports and the energy mix); terms-of-trade shock; and ability to mitigate price increases (particularly by means of public subsidies). While countries have been affected differently by this new shock, none have escaped the acceleration and spread of inflation, leading to a more widespread and premature monetary tightening and a downward revision of growth.

As conclusion, following the above description over the actual global situation, the Board of Directors have assessed that there is no impact on the financial position, performance, or cash flow.

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Notes to the interim financial statements
Period ended 30 June 2024

NOTE 3 – USE OF ESTIMATE AND JUDGMENTS

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Estimates and assumptions are made in particular with regard to calculating the fair value of term loans, EMTNs, certificates issued and held. These fair values have been derived from valuation techniques using standard market models. In respect of the fair value mirroring of term loans with EMTNs, any changes in fair value of one of these financial instruments would be offset by the other. Further information regarding the fair value of these financial instruments is provided in Note 5.

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NOTE 4 – RISK MANAGEMENT

The financial liabilities issued by the Company (EMTNs and certificates) replicate the characteristics of the Company's financial assets (term loans and certificates) with Natixis S.A., the parent company, except for a small interest margin in favour of the Company.

The management regards the monitoring and controlling of risk as a fundamental part of the management process and accordingly involves its more senior staff in developing risk policy and in monitoring its application. The evaluation of the risks inherent in the activities and the development of policies and procedures to control them are carried out by the Board of Directors.

All transaction documentation is thoroughly reviewed by the Natixis legal department and/or Intertrust, and the Company's legal advisor before being submitted to the Board of Directors or a committee appointed by the Board for a second level of review.

a) Market risk

Exposure to market risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.

Market risk is eliminated by ensuring a match between the assets (term loans to the parent company Natixis S.A. and German certificates) and the liabilities (EMTNs and German certificates issued by the Company), as the characteristics of term loans and certificates replicate the characteristics of the EMTNs and certificates, except for a small interest margin to cover the cost of managing and operating the structure.

The Company only carries out transactions with Natixis S.A. All financial assets held have been purchased from Natixis S.A. and all financial liabilities have been taken by Natixis S.A. As a result, the Company considers, the credit risk has been mitigated by transacting only with Natixis S.A.

i) Interest rate risk

The EMTNs and term loans are mostly equity derivative structured products, which can be broken down from an economic standpoint into a low-coupon debt instrument and an equity derivative. These instruments are not very sensitive to changes in interest rates but are very sensitive to changes in the value of the underlying assets and changes in the implicit volatility of the underlying assets.

However, as the Company holds matched positions on the structured products, it does not have significant market or interest rate risk. There is no material exposure to interest rate risk on cash and cash equivalents.

ii) Currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's foreign exchange exposure arises from issuing debt in currencies other than Euro. The Company's policy is to hedge these foreign exchange risks naturally economically by investing solely in term loans which replicate the same currency characteristics as the EMTNs and certificates.

(in EUR)	Impact on result	
	30 June 2024	31 December 2023
Foreign currency/EUR 10% increase	(423,213)	(398,124)
Foreign currency/EUR 10% decrease	507,376	515,307

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NOTE 4 – RISK MANAGEMENT (CONT)

ii) Currency risk (CONT)

The table below shows the Company's exposure to major currencies as at 30 June 2024 and 31 December 2023.

	30 June 2024 Carrying amount in EUR	31 December 2023 Carrying amount in EUR
Loans to related parties		
AUD	253,505	125,625
CHF	61,796,413	48,981,746
EUR	6,747,349,544	5,223,591,314
GBP	168,780,310	158,178,181
JPY	296,330,990	259,165,378
NOK	375,229	-
NZD	1,396,530	1,377,411
RUB	4,899,289	4,586,216
SEK	21,006,366	17,295,351
USD	1,142,720,675	798,078,317
ZAR	5,968,301	6,605,960
	8,450,877,152	6,517,985,499
	30 June 2024 Carrying amount in EUR	31 December 2023 Carrying amount in EUR
Derivative financial assets		
CHF	-	7,820
EUR	6,483,530	5,176,178
NOK	308,373	467,261
SEK	4,200,018	2,586,201
JPY	531,519	-
USD	1,093,492	963,693
	12,616,932	9,201,153
	30 June 2024 Carrying amount in EUR	31 December 2023 Carrying amount in EUR
Borrowings		
AUD	(253,495)	(125,624)
CHF	(61,575,024)	(48,975,845)
EUR	(6,744,395,078)	(5,224,837,403)
GBP	(168,792,109)	(158,173,817)
JPY	(306,600,189)	(268,528,207)
NOK	(375,229)	-
NZD	(1,396,531)	(1,377,411)
RUB	(4,877,686)	(4,656,274)
SEK	(20,655,910)	(17,149,604)
USD	(1,128,087,716)	(782,908,800)
ZAR	(5,861,310)	(6,463,769)
	(8,442,870,277)	(6,513,196,754)

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NOTE 4 – RISK MANAGEMENT (CONT.)

ii) Currency risk (CONT.)

	30 June 2024 Carrying amount in EUR	31 December 2023 Carrying amount in EUR
Derivative financial liabilities		
CHF	-	(7,819)
EUR	(7,008,336)	(5,051,226)
JPY	(531,518)	(356,296)
NOK	(308,373)	(467,261)
SEK	(4,736,975)	(2,586,008)
USD	(998,081)	(2,133,858)
	(13,583,283)	(10,602,468)

iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The other price risk relates to the embedded derivatives in the financial instruments (as the Company issued products with underlying such as Equity Index, Fixed income zero coupon, Hybrid operation).

iv) Capital risk management

The Company manages its capital to ensure it will be able to continue as a going concern. The capital structure of the Company consists of shareholder's equity comprising issued capital and reserves.

The authorised share capital is composed of shares conferring the same rights to their holder.

v) Anti-tax avoidance directive

The Company has assessed the provisions of the Anti-tax avoidance directive I and II (ATAD) and its impact on the Company's financial position, performance, and operations. The Company has determined that ATAD's requirements have no material impact on its financial statements, including the determination of taxable income, tax expense, or deferral tax assets and liabilities.

b) *Credit risk*

Credit risk is the risk that a customer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. The Company manages its credit risk through transacting only with the parent company, which is rated A+ (Fitch), A+ (S&P), and A1 (Moody's) at 30 June 2024.

The maximum credit exposure of the Company is:

(in EUR)	30 June 2024	31 December 2023
Other receivables	2,162,716	7,884,761
Cash and cash equivalents	19,338,273	10,080,498
	21,500,989	17,965,259

Credit risk is supervised by making the various business lines of the group accountable, and by various control measures overseen by a dedicated Group Risk Department team. As Natixis Trust S.A. is the sole shareholder of the Company, credit risk exposures are managed by the Group supervision, including cash and cash equivalents.

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NOTE 4 – RISK MANAGEMENT (CONT.)

Credit risk is supervised by making the various business lines of the group accountable, and by various control measures overseen by a dedicated Group Risk Department team. As Natixis Trust S.A. is the sole shareholder of the Company, credit risk exposures are managed by the Group supervision, including cash and cash equivalents.

The Company only carries out transactions with Natixis S.A in the context of financial assets. Consequently, all financial assets held have been purchased from Natixis S.A. The Directors consider that, as a result, the credit risk has been mitigated by transacting only with Natixis S.A.

No financial assets are past due, nor impaired; their respective credit risk is deemed low.

Issuer credit risk

The valuation of the "issuer credit risk" component is based on the discounted cash-flow method, using parameters such as yield curves, revaluation spreads, etc. For each issue, this valuation represents the product of its remaining notional amount and its sensitivity, taking into account the existence of calls, and based on the difference between the revaluation spread (based on BPCE's cash reoffer curve as at 30 June 2023) and the average issue spread. Changes in the issuer spread are generally not material for issues with an initial maturity of less than one year.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in realising assets or otherwise raising funds to meet commitments. The Company hedges the issue of debt securities through the loans to the parent company which match in all respects the features of the debt that the Company has issued, except for a small interest margin in favour of the Company.

The table below discloses a maturity analysis for non-derivative financial liabilities showing the remaining contractual maturities.

As the return on EMTNs and certificates is indexed to different types of underlying, the future interest payments are not disclosed as such in this table. However, there is no liquidity risk in relation to these interest payments as these interest payments are economically perfectly hedged with Natixis S.A.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 30 June 2024:

	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
(in EUR)						
Borrowings	82,158,960	558,838,216	361,689,138	1,092,807,268	6,347,376,695	8,442,870,277
Derivative financial liabilities	1,987,766	1,968,397	3,939,802	2,964,114	2,723,204	13,583,283
Trade and other payables	9,343,164	-	-	-	-	9,343,164
Total liabilities	93,489,890	560,806,613	365,628,940	1,095,771,382	6,350,099,899	8,465,796,724

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NOTE 4 – RISK MANAGEMENT (CONT.)

c) Liquidity risk (CONT.)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 December 2023:

(in EUR)	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowings	120,829,157	382,268,698	197,985,039	859,828,940	4,952,284,920	6,513,196,754
Derivative financial liabilities	940,430	3,208,300	2,430,141	3,224,740	798,857	10,602,468
Trade and other payables	7,205,933	-	-	-	-	7,205,933
Total liabilities	128,975,520	385,476,998	200,415,180	863,053,680	4,953,083,777	6,531,005,155

d) Fair values of financial instruments

Fair value movements on the term loans, certificates and EMTNs are shown in Notes 5 and 9. The Company's risk management system ensures that the Company's financial assets and liabilities are matched and therefore the Company has little net exposure in this area.

The Company's financial instruments carried at fair value are analysed below. The different levels of the fair value hierarchy have been defined as follows:

- Level 1: instruments quoted on an active market;
- Level 2: instruments for which valuation model is based on market observables either directly or indirectly;
- Level 3: instruments measured using models that are not commonly used and/or that draw on unobservable inputs.

The methods and assumptions used by the Company in estimating the fair values of financial instruments are the financial assets (loans to Natixis S.A.) mirror the liabilities (EMTNs). Both financial assets and liabilities are financial instruments that are priced using standard market valuation models. The inputs of these models are either directly observable by reference to published price quotations in an active market or are estimated based on published price quotations in an active market for instruments presenting similar characteristics. As a result, the Company classifies fair value measurements in level 2 (2023: level 2). No transfers between levels of the fair value hierarchy occurred during the period ended 31 June 2024 (2023: Nil).

With regard to the cash and cash equivalents, the accrued interest on term loans, the other receivables, the accrued interest on EMTNs and the other payables, the fair value of these balances are deemed to equates to their carrying value.

Quantitative disclosures of the Company's financial instruments in the fair value measurement hierarchy as at 30 June 2024:

Assets

(in EUR)	Level 1	Level 2	Level 3	Total
Loans to related parties	-	8,450,877,152	-	8,450,877,152
Derivative financial assets	-	12,616,932	-	12,616,932
	-	8,463,494,084	-	8,463,494,084

Liabilities

(in EUR)	Level 1	Level 2	Level 3	Total
Borrowings	-	8,442,870,277	-	8,442,870,277
Derivative financial liabilities	-	13,583,283	-	13,583,283
	-	8,456,453,560	-	8,456,453,560

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Quantitative disclosures of the Company's financial instruments in the fair value measurement hierarchy as at 31 December 2023:

Assets

(in EUR)	Level 1	Level 2	Level 3	Total
Loans to related parties	-	6,517,985,499	-	6,517,985,499
Derivative financial assets	-	9,201,153	-	9,201,153
	-	6,527,186,652	-	6,527,186,652

Liabilities

(in EUR)	Level 1	Level 2	Level 3	Total
Borrowings	-	6,513,196,754	-	6,513,196,754
Derivative financial liabilities	-	10,602,468	-	10,602,468
	-	6,523,799,222	-	6,523,799,222

NOTE 5 – FINANCIAL ASSETS

The financial assets are composed of loans and derivative financial instruments.

	30 June 2024	31 December 2023
	Carrying amount in EUR	Carrying amount in EUR
Financial asset at fair value through profit or loss		
Loans to related parties	8,450,877,152	6,517,985,499
Derivative financial assets	12,616,932	9,201,153
Total	8,463,494,084	6,527,186,652
Disclosed as follows:		
Non-current assets		
Loans to related parties	7,787,138,498	6,009,084,547
Derivative financial assets	8,306,974	1,816,261
	7,795,445,472	6,010,900,808
Current assets		
Loans to related parties	663,738,654	508,900,952
Derivative financial assets	4,309,958	7,384,892
	668,048,612	516,285,844
	8,463,494,084	6,527,186,652

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NOTE 5 – FINANCIAL ASSETS (CONT.)

The movements of financial assets during the period ended 30 June 2024 are as follows:

(in EUR)	Loans to related parties	Derivative financial assets	Total
As at 01 January 2024	6,517,985,499	9,201,153	6,527,186,652
Additions for the period	4,780,609,131	3,303,442	4,783,912,573
Reimbursements for the period	(2,733,579,668)	(2,313,752)	(2,735,893,420)
Fair value adjustment	(117,302,652)	2,426,090	(114,876,562)
Interest accrued movement	3,164,842	-	3,164,842
As at 30 June 2024	8,450,877,152	12,616,932	8,463,494,084

The movements of financial assets during the period ended 31 December 2023 are as follows:

(in EUR)	Loans to related parties	Derivative financial assets	Total
As at 01 January 2023	4,172,385,659	18,872,781	4,191,258,440
Additions for the year	4,562,434,309	4,020,649	4,566,454,958
Reimbursements for the year	(2,541,185,868)	(18,703,849)	(2,559,889,717)
Fair value adjustment	325,303,805	5,011,572	330,315,377
Interest accrued movement	(952,406)	-	(952,406)
As at 31 December 2023	6,517,985,499	9,201,153	6,527,186,652

The financial assets include the fair value adjustments as follows:

(in EUR)	Loans to related parties	Derivative financial assets	Total
As at 01 January 2023	(758,488,283)	(16,654,751)	(775,143,034)
Fair value adjustment	325,303,805	5,011,572	330,315,377
As at 31 December 2023	(433,184,478)	(11,643,179)	(444,827,657)
Fair value adjustment	(117,302,652)	2,426,090	(114,876,562)
As at 30 June 2024	(550,487,131)	(9,217,089)	(559,704,220)

Loans to related parties

In relation with the Debt Issuance Programme launched by the Company (Note 9), the Company entered into an intra-group loan agreement on 23 January 2014. The characteristics of the loans granted to the affiliated undertaking as per this intra-group loan agreement are replicating to the characteristics of the Notes issued by the Company.

As at 30 June 2024, the accrued interests for EUR 8,967,940 (31 December 2023: EUR 5,803,097) are included in the current assets as loans to related parties becoming due and payable within one year. An interest income of EUR 192,054,814 (30 June 2023: EUR 101,971,794) has been recorded in the profit and loss account for the period ended 30 June 2024.

The Company's loans held with Natixis SA (Parent company) replicate the characteristics of the EMTNs and certificates issued by the Company (Note 9), except for a small interest margin in favour of the Company.

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NOTE 5 – FINANCIAL ASSETS (CONT.)

Derivatives financial assets

Derivative financial assets entered by the Company are used to cover interest and market risks derived from the Derivative financial liabilities in relation to the warrant program (Note 9).

NOTE 6 – OTHER RECEIVABLES

Other receivables consist of miscellaneous receivable of EUR 2,162,716 (31 December 2023: EUR 7,884,761) including unamortised discount on EMTN prepaid amounting to EUR 28,503 (31 December 2023: EUR 28,470).

NOTE 7 – CASH AND CASH EQUIVALENTS

The cash and cash equivalents disclosed in the statement of financial position and in the statement of cash flows are cash in bank and do not include any restricted amounts.

NOTE 8 – CAPITAL AND RESERVES

Subscribed capital

As at 30 June 2024 and 31 December 2023, the subscribed and fully paid-up capital amounted to EUR 2,200,000 and was represented by 22,000 ordinary shares with a par value of EUR 100 each.

During the financial period, the Company has not acquired any of its own shares.

Legal reserve

Luxembourg companies are required to appropriate to a legal reserve a minimum of 5% of the net profit for the year, until this reserve equals 10% of the subscribed capital. This reserve may not be distributed in the form of cash dividends, or otherwise, during the life of the Company.

Other reserves

As at 30 June 2024, accumulated net wealth tax reserve, which forms part of the other reserves, amounts to EUR 108,225 (31 December 2023: EUR 216,450). This reserve is not available for distribution for a period of five years. Other reserves are available for distributions.

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NOTE 9 – BORROWINGS AND DERIVATIVE FINANCIAL LIABILITIES

The Borrowings and derivative financial liabilities are detailed as follows:

(in EUR)	30 June 2024	31 December 2023
Financial liabilities at fair value through profit or loss		
Borrowings	8,442,870,277	6,513,196,754
Derivative financial liabilities	13,583,283	10,602,468
	8,456,453,560	6,523,799,222

(in EUR)	30 June 2024	31 December 2023
Disclosed as follows:		
Non-current liabilities		
Borrowings	7,801,873,101	6,010,098,899
Derivative financial liabilities	9,627,120	6,453,737
	7,811,500,221	6,016,552,636
Current liabilities		
Borrowings	640,997,176	503,097,855
Derivative financial liabilities	3,956,163	4,148,731
	644,953,339	507,246,586
	8,456,453,560	6,523,799,222

The movements of financial liabilities during the period ended 30 June 2024 are as follows:

(in EUR)	Borrowings	Derivative financial Liabilities	Total
As at 01 January 2024	6,513,196,754	10,602,468	6,523,799,222
Additions for the period	4,780,087,992	3,303,442	4,783,391,434
Reimbursements for the period	(2,733,579,667)	(2,313,753)	(2,735,893,420)
Fair value adjustment	(117,302,652)	2,426,090	(114,876,562)
Interest accrued movement	(963,535)	-	(963,535)
Other movements	1,431,385	(434,964)	996,421
As at 30 June 2024	8,442,870,277	13,583,283	8,456,453,560

Cash flows arising from financial activities related to borrowings during the period amounts to EUR 2,045,802,185 (30 June 2023: EUR 1,081,973,207). Cash flows arising from financial activities related to derivative financial liabilities during the year amounts to EUR 188,328,855 (30 June 2023: EUR 122,093,126).

The movements of financial liabilities during the period ended 31 December 2023 are as follows:

(in EUR)	Borrowings	Derivative financial Liabilities	Total
As at 01 January 2023	4,166,202,226	18,812,246	4,185,014,472
Additions for the year	4,564,666,693	4,020,649	4,568,687,342
Reimbursements for the year	(2,541,185,868)	(18,703,849)	(2,559,889,717)
Fair value adjustment	325,303,805	5,011,572	330,315,377
Interest accrued movement	(389,092)	-	(389,092)
Other movements	(1,401,011)	1,461,850	60,839
As at 31 December 2023	6,513,196,754	10,602,468	6,523,799,222

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NOTE 9 – BORROWINGS AND DERIVATIVE FINANCIAL LIABILITIES (CONT.)

The financial liabilities include the fair value adjustments as follows:

(in EUR)	Borrowing	Derivative financial Liabilities	Total
As at 01 January 2023	(758,488,283)	(16,654,751)	(775,143,034)
Fair value adjustment	325,303,805	5,011,572	330,315,377
As at 31 December 2023	(433,184,478)	(11,643,179)	(444,827,657)
Fair value adjustment	(117,302,652)	2,426,089	(114,876,563)
As at 30 June 2024	(550,487,131)	(9,217,090)	(559,704,221)

Loans and borrowings

- (i) During 2014, the Company launched a Debt Issuance Programme according to which the Company is entitled to issue an aggregate principal amount of Notes outstanding up to EUR 10,000,000,000.

In April 2019, the Company launched a Debt Issuance Programme, to replace the 2014 Debt Issuance Programme, according to which the Company is entitled to issue an aggregate principal amount of Notes outstanding up to EUR 20,000,000,000.

The Notes may be issued at their principal amount or at a discount or premium to their principal amount in any currency including, among others, Euro, U.S. Dollars, Hong Kong Dollars, Pound Sterling or Swiss francs.

The Notes may be zero coupons, fixed interest or floating rate Notes or Structured Notes, for which the basis for calculating the amounts of interest payable may be by reference to share prices, stock indices, commodities, funds, dividend or as otherwise provided in the relevant Final Terms.

- (ii) In April 2021, the Company launched an English law Debt Issuance Programme according to which the Company is entitled to issue an aggregate principal amount of Certificates outstanding up to EUR 20,000,000,000.
- (iii) On 11 June 2021, Company launched a French law debt programme according to which the Company is entitled to issue an aggregate principal amount of Certificates outstanding up to EUR 20,000,000,000.

As at 30 June 2024, the maturity dates of the outstanding Notes and Certificates range from 1 July 2024 to 16 December 2050.

As at 30 June 2024, the total amount of the notes (excl. fair value adjustments) amounted to EUR 8,993,729,152 (31 December 2023: EUR 6,958,282,688).

An interest expense of EUR 185,275,259 (30 June 2023: EUR 101,947,001) has been recorded in the profit and loss account for the period ended 30 June 2024.

- (iv) On 9 June 2023, Company launched a French law Bonds Programme according to which the Company is entitled to issue an aggregate principal amount of Certificates outstanding up to EUR 30,000,000,000.
- (v) In July 2023, the Company launched a UK Debt Issuance Programme according to which the Company is entitled to issue an aggregate principal amount of Certificates outstanding up to GBP 1,000,000,000.

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NOTE 9 – BORROWINGS AND DERIVATIVE FINANCIAL LIABILITIES (CONT.)

- (vi) In January 2024, the Company launched a German law Structured Products Retail Programme according to which the Company is entitled to issue an aggregate principal amount of Certificates outstanding up to EUR 3,000,000,000.
- (vii) During 2014, the Company launched a Warrant Programme. According to this programme the Company may issue derivative financial instruments of any kind including, but not limited to, derivative financial instruments relating to a specified index or a basket of indices, a specified share or a basket of shares, a specified debt instrument or a basket of debt instruments, a specified currency or a basket of currencies, a specified commodity or a basket of commodities, a specified fund or a basket of funds.

The total premium of the derivative financial instruments issued amounted to EUR 14,366,973 as at 30 June 2024 (31 December 2023: EUR 13,701,439).

On 23 January 2014, Natixis S.A. granted an irrevocable and unconditional guarantee in favour of the holders of financial instruments issued by the Company (Note 2.3 and Note 2.13).

Derivative financial instruments

As at 30 June 2024 and 31 December 2023, the financial derivative instruments held by the Company consists of warrants Call options (European) and are detailed below:

	30 June 2024			31 December 2023		
	Cost in currency	Cost in EUR	Fair value in EUR	Cost in currency	Cost in EUR	Fair value in EUR
CHF	-	-	-	217,500	233,970	7,819
EUR	6,038,957	6,038,957	7,008,336	6,114,121	6,114,121	5,051,226
JPY	55,500,000	321,958	531,519	14,793,358	94,970	356,296
NOK	9,768,250	855,948	308,373	9,768,250	870,679	467,261
SEK	51,640,530	4,549,509	4,736,975	38,297,530	3,440,564	2,586,008
USD	2,787,324	2,600,601	998,080	3,255,699	2,947,134	2,133,858
	125,735,062	14,366,973	13,583,283	72,446,459	13,701,439	10,602,468

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NOTE 10 – TAX

(in EUR)	Period ended 30 June 2024	Period ended 30 June 2023
Current income tax expense in respect of the current period	(509,275)	(246,050)
Net deferred income tax benefit / (expense)	-	-
Total income tax expense	(509,275)	(246,050)

(in EUR)	Period ended 30 June 2024	Period ended 30 June 2023
Applicable average tax rate	24.94%	24.94%
Profit/(loss) before tax:	1,850,208	849,649
Theoretical tax benefit/ (expense)	(461,442)	(211,902)
Effect of (Non-deductible expenses)/ tax exempt income	(47,833)	(34,148)
	(47,833)	(34,148)
Income tax expense	(509,275)	(246,050)

The estimated tax provisions for Luxembourg taxes for the period ended 30 June 2024 were as follows: CIT EUR 334,405, MBT EUR 122,910 and NWT EUR 51,960.

The estimated tax provisions for Luxembourg taxes for the period ended 30 June 2023 were as follows: CIT EUR 147,629, MBT EUR 53,601 and NWT EUR 44,820.

The Company is part of the Luxembourg horizontal tax consolidation since 1 January 2016 and the immunization capacity for the tax consolidation of the net wealth tax. The Company made on 6 July 2017 an allocation of EUR 23,190, which have been made available and released on 1 January 2022, on 10 April 2018 an allocation of EUR 119,075 and on 19 December 2019 an allocation of EUR 216,450 from other reserves to the net wealth tax reserve. During the period ended 30 June 2024, neither the Company or any member of the fiscal unit built any additional NWT reserve.

Non-deductible expense / tax exempt income are represented by the Luxembourgish taxes, such as municipal business tax and NWT, as well as any interest and fines on late payment of these taxes.

Due to the Company's activity deferred taxes between assets and liabilities are equal. Therefore, the Company is netting the deferred tax assets and liabilities.

Pillar II implication

In December 2022, the Council of the European Union released the EU Directive 2022/2523 on ensuring a global minimum level of taxation for Multinational Enterprises groups (MNEs groups) and large-scale domestic groups in the EU (hereafter "Pillar Two"). This EU Directive was adopted by Luxembourg during the year 2023 (Law of 22 December 2023). The new rules apply for fiscal years starting on or after 31 December 2023.

Pillar Two rules apply to MNEs groups and large-scale domestic groups in the EU with a consolidated revenues of EUR 750 million or more in at least two of the last four years. Where the effective tax rate paid by certain group entities is lower than 15%, an additional amount of tax, referred to as "top-up tax" will be added in compensation for the low-taxed entities, to reach a global minimum tax rate of 15%.

According to the Financial statements of the Company for the year ended 31 December 2023, the additional Pillar Two taxes do not apply to the Company as the current effective tax rate has already exceeded the above threshold. A study at Luxembourg level is ongoing at BPCE level. In addition, the Company has not carried forward tax losses.

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The Company is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

NOTE 11 – DEFERRED INCOME

Deferred income is mainly composed of unamortised premiums on EMTN and unamortised discounts on loans.

NOTE 12 – TRADE AND OTHER PAYABLES

As of 30 June 2024, this item consists of accruals for miscellaneous expenses and suspended payments impacted by the sanctions imposed on Russian counterparties (refer to note 21).

NOTE 13 – NET FINANCE INCOME/(COSTS)

(in EUR)	Period ended 30 June 2024	Period ended 30 June 2023
<i>Interest income and similar income</i>		
Interest income from Loans to related parties	191,915,397	101,971,794
Interest income from derivative instruments	139,417	6,463,134
	192,054,814	108,434,928
<i>Interest expense and similar costs</i>		
Interest expense on borrowings	(185,275,259)	(101,947,001)
Interest expense on derivative instruments	(3,723,127)	(5,718,165)
	(188,998,386)	(107,665,166)
Net finance (costs)/income	3,056,428	769,762

NOTE 14 – ADMINISTRATIVE EXPENSES

(in EUR)	Period ended 30 June 2024	Period ended 30 June 2023
Accounting and audit fees (note 16)	(69,109)	(65,163)
Staff costs (note 17)	(86,376)	(84,546)
Other fees	(289,415)	(144,450)
	(444,900)	(294,159)

NOTE 15 – OTHER EXPENSES

Other expenses are mainly composed of fee expenses on securities commitments.

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NOTE 16 – AUDIT FEES

The total fees expensed by the Company and due for the current financial period to the audit firm are presented as follows:

(in EUR)	Period ended 30 June 2024	Period ended 30 June 2023
Audit fees	69,109	65,163

NOTE 17 – STAFF COST

As of 30 June 2024, the Company has one staff (2023: one staff) and staff costs for the period end amounts to EUR 86,376 (30 June 2023: EUR 84,546).

NOTE 18 – ADVANCES AND LOANS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

As at 30 June 2024 and 31 December 2023, there were neither advances, nor loans granted to the Board of Directors acting as sole management body of the Company.

As at 30 June 2024 and 31 December 2023, there were no retirement benefit granted to the members of the Company.

NOTE 19 – EMOLUMENTS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

As at 30 June 2024 and 31 December 2023, there were no emoluments granted to the Board of Directors acting as sole management body of the Company.

NOTE 20– COMMITMENTS FOR INSTRUMENTS WITH EFFECTIVE DATE AFTER 30 JUNE 2024

As at 30 June 2024, as part of the Programmes launched by the Company (Note 9), the Company issued and redeemed the following Notes, Derivative financial instruments and Certificates having an effective date after 30 June 2024:

(in EUR)	Year ended 30 June 2024	Year ended 31 December 2023
Securities commitments given	698,671,698	626,835,327
Securities commitments received	59,043,647	104,993,298
Interest rate certificates	1,288,666,730	1,030,893,484
	2,046,382,075	1,762,722,109

NOTE 21 – RUSSIA AND UKRAINE CRISIS

In response to Russia's invasion of Ukraine in February 2022, many countries (including the US, UK and EU) have introduced financial sanctions against a large number of entities and individuals with Russian origin.

Some of the sanctioned entities were counterparts of Natixis Structured Issuance. Natixis Structured Issuance decided to follow a legal analysis that concluded that no provisions were needed in relation to Natixis Structured Issuance's payment obligations impacted by the sanctions imposed on Russian counterparties.

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NOTE 22 – ISRAEL AND PALESTINE CRISIS

During the reporting period, the geopolitical situation in the Middle East, particularly the conflict between Israel and Palestine, has escalated, leading to increased volatility and uncertainty in the region. The Company has determined that there is no direct or indirect exposure to the regions affected by the Israel-Palestine conflict.

NOTE 23 – NON-FINANCIAL INFORMATION

Taking into account the management of environmental, social and governance (ESG) risks in the financing and investment businesses is part of a global approach involving the business lines, corporate social responsibility (CSR) and control functions.

This approach includes, in particular, the development and implementation of CSR policies in the most sensitive sectors, the definition of excluded sectors of activity, assessing and monitoring the ESG risks of operations and counterparties using various tools and processes.

Additional information is detailed in the Universal Registration Document and Financial Report published by BPCE, the largest body of the undertakings, of which the Company forms part as a subsidiary undertaking, available at:

https://natixis.groupebpce.com/wp-content/uploads/2024/03/NATI_URD2023_NATIXIS_MEL_ecobook-EN.pdf

The Corporate Sustainability Reporting Directive (CSRD), adopted by the European Union, significantly expands the scope and requirements of sustainability reporting for companies. The CSRD is applicable to all large companies and all companies listed on EU-regulated markets, regardless of size. The directive introduces more detailed reporting requirements and ensures that large companies are publicly accountable for their environmental, social, and governance (ESG) impacts.

The Company acknowledges the importance of the CSRD in enhancing transparency and accountability in sustainability reporting. While the implementation of the directive will require substantial efforts, the Company is committed to aligning its reporting practices with the CSRD and to providing comprehensive and reliable sustainability information to its stakeholders.

NOTE 24 – SUBSEQUENT EVENTS

No event has occurred subsequent to 30 June 2024 which would have a material impact on the interim financial statements as at 30 June 2024.