



# Financial Report

## 2019 financial year

### UMG Groupe VYV

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This report on financial year 2019 was approved by the Board of Directors at the meeting on 12 May 2020.

G R O U P E  
**vyv**  
Entrepreneur du  
**mieux-vivre**





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## 1. Management report

### 1.1 Profit and loss account

In € thousands	31/12/2019	31/12/2018	Variation	%
Revenue	113,899	99,196	14,703	15%
Miscellaneous revenue	9,780	6,779	3,001	44%
General expenses	(48,612)	(46,385)	-2,227	5%
Taxes and duties	(6,596)	(5,868)	-728	12%
Payroll expense	(50,678)	(43,080)	-7,598	18%
Operating provisions	(12,745)	(9,356)	-3,389	36%
Other charges	(6,578)	(1,285)	-5,293	412%
<b>Operating result</b>	<b>(1,530)</b>	<b>0</b>	<b>-1,530</b>	
Financial result	(2,633)	(444)	-2,189	493%
Extraordinary profit or loss	(7)	0	-7	
Corporate income tax	(1,002)	188	-1,190	-632%
<b>Net income</b>	<b>(5,172)</b>	<b>(256)</b>	<b>-4,916</b>	<b>1.922%</b>

The 2019 results show a loss of €5,172,000. This is due to:

- The financial result (excluding debt issuance) not invoiced: + €1,630,000
- Charges linked to projects not invoiced: €5,800,000
- Corporate income tax: €1,002,000

The €5,800,000 not invoiced to the mutual insurance companies correspond to specific costs of UMG Groupe VYV, linked to its structure, that are not intended to be continued in the future.

In € thousands	31/12/2019
Fees to define the strategic business plan	750
VYV Les Solidarités Festival	600
Cost of the Deputy CEO not replaced	1,985
Urbanisation IS project fees - Finance and Risk Department	1,264
ISD Project Fees	1,201
<b>Total</b>	<b>5,800</b>



### 1.1.1 Premiums

In € thousands	Common costs	Own charges	Subtotal	Debt issuance	Risk Integrity	Total
Harmonie Mutuelle	10,276	45,867	56,143	1,857		58,000
Harmonie Fonction Publique	457	683	1,139	83		1,222
Mutuelle Mare Gaillard	228	49	277	41		318
MGEN	10,276	23,646	33,922	1,857	4,656	40,435
MNT	4,133	3,530	7,663	747	731	9,140
MGEFI	822	1,121	1,943	149	282	2,374
Chorum	228	49	277	41		318
Smacl Assurances	822	1,121	1,943	149		2,091
<b>Total</b>	<b>27,242</b>	<b>76,064</b>	<b>103,306</b>	<b>4,924</b>	<b>5,669</b>	<b>113,899</b>

- The members' contributions make it possible to finance common costs (re invoiced in proportion to the initial capital contributed) and the specific charges of each entity (re invoiced according to specific indicators).
- The cost linked to debt issuance is re invoiced in proportion to the initial capital contributed.
- The Risk Integrity tool is re invoiced to the user mutual insurance companies.

### 1.1.2 Other operating income

In € thousands	31/12/2019	31/12/2018
Supply of employees	3,949	2,753
VYV Coopération	777	
Transfer of employees from mutual insurance companies	709	1,675
Reinvoicing by the Legal Department	548	20
Brokerage fees	469	
Reinvoicing of VYV Care rent and amortisation	401	477
VYV Invest - fees	148	
Union Harmonie Mutuelles - State health service contract	128	30
Reversal of a provision for liabilities and charges - HR	1,869	
2017 employee bonuses		1,498
Miscellaneous revenue	782	326
<b>Total</b>	<b>9,780</b>	<b>6,779</b>

This item mainly includes re invoicing of charges relating to services provided for the entities (supply). The general increase is due to the supply/provision of more services to group entities.



### 1.1.3 General expenses

In € thousands	31/12/2019	% revenue	31/12/2018	% revenue	Var.
Services supplied by the group	3,037	6%	5,073	11%	-2,036
Rental charges	5,521	11%	5,286	11%	235
Fees	18,413	38%	18,815	41%	-402
Communications, partnership, advertising	9,378	19%	9,467	20%	-89
IT maintenance/outsourcing	4,434	9%	2,445	5%	1,989
Travel/moving/entertainment expenses	2,436	5%	2,178	5%	258
Bank charges	1,375	3%	5	0%	1,370
Costs of forums, general meetings, seminars	1,366	3%	552	1%	814
Other	2,652	5%	2,564	6%	88
<b>Total</b>	<b>48,612</b>	<b>100%</b>	<b>46,385</b>	<b>100%</b>	<b>2,227</b>

- "Services supplied by the group" corresponds to re invoicing of the payroll expenses of affiliated mutual insurance companies that work for Groupe VYV. This item decreased due to recruitments by Groupe VYV as well as to external outsourcing (IT).
- "Rental charges" mainly comprise rent and charges for the Tour Montparnasse, the head office of Groupe VYV, as well as rent for regional sites.
- "Fees" comprise in particular the costs linked to projects developed by Groupe VYV.
- Bank charges mainly correspond to charges incurred for debt issuance (lawyers, banks, advisers, road show expenses etc.).
- "Other" comprises: expenses for power, documentation, maintenance, insurance, telecommunications and recruitment costs etc.

### 1.1.4 Taxes and duties

This mainly comprises the payroll tax, the company's added-value contribution (CVAE) and the property tax.

### 1.1.5 Payroll expense

In € thousands	31/12/2019	31/12/2018
Remuneration	30,428	24,047
Other (variation in Paid leave, territorial economic contribution (CET), bonuses etc.)	4,640	5,564
Social security charges	15,610	13,469
<b>Total</b>	<b>50,678</b>	<b>43,080</b>
<i>rate of social security charges</i>	<i>44.5%</i>	<i>45.5%</i>

"Other" comprises in particular the provisions for paid leave and the time savings account that were transferred by the affiliated mutual insurance companies. These were re invoiced to the mutual insurance companies and recognised as transfers of charges, with no impact on the profit and loss account.



The workforce at the end of 2019 amounted to 453 people (compared with 411 employees at the end of 2018).

### 1.1.6 Operating provisions

Depreciation, amortisation and provisions break down as follows:

- Amortisation of intangible assets totalling €3,416,000, representing mainly the amortisation of the licences and development costs related to Risk Integrity, until 31/12/2020.
- Depreciation of property, plant and equipment totalling €3,277,000.
- Provisions for liabilities and charges totalling €6,052,000 (retirement benefits, long-service awards, provision for contingencies).

### 1.1.7 Other charges

This item mainly comprises:

- IT licensing fees (€3,668,000)
- The contribution paid to VYV Partenariat, following the membership of that UGM (€1,303,000)
- The subsidy paid to the association VYV Les Solidarités (€900,000)
- The contribution paid to VYV Coopération (€561,000)

### 1.1.8 Financial result

In € thousands	31/12/2019	31/12/2018
Interest on the senior debt	(4,263)	0
Interest on SMACL TSR	134	0
Other interest, coupons due	968	348
Capital losses on UCITS	(400)	(8)
Provisions (-)/Reversals of provisions (+)	616	(666)
Premium/discount - Bonds	312	(118)
<b>Financial result</b>	<b>(2,633)</b>	<b>(444)</b>

- The decrease in the financial result is mainly due to the interest expense linked to issuance of the senior debt.
- Interest on the senior debt (-€4,263,000) is invoiced to the affiliates (in proportion to their contributions).
- The financial result excluding the senior debt (+ €1,630,000) is not passed on to the affiliates and is retained by the UMG.
- The portfolio of UCITS showed a capital loss at 31/12/2018 resulting in a provision. In 2019 this portfolio showed a capital gain.



### 1.1.9 Corporate income tax

The income tax expense is detailed below:

In € thousands	31/12/2019
<b>Earnings before corporate income tax</b>	<b>(4,170)</b>
<b>Reversals (non-deductible charges)</b>	
UCITS unrealised capital gain (N)	1,436
URSSAF risk	224
Provision for severance pay - redundancy	3,420
Provision for retirement benefits	2,408
Charitable donations	569
Subsidy to VYV Les Solidarités	900
Other	68
<b>Deductions (non-taxable income)</b>	
UCITS unrealised capital gain (N-1)	489
Reversal of a provision for UCITS	(611)
Transfer of charges (retirement benefits)	(350)
<b>Taxable income</b>	<b>4,383</b>
<b>Corporation tax 28% - 31%</b>	<b>(1,344)</b>
tax credit (60% on donations)	341
<b>Tax expense</b>	<b>(1,002)</b>

## 1.2 Balance sheet

In € thousands	31/12/2019	31/12/2018	Variation
Intangible assets	3,514	6,012	-2,498
Property, plant and equipment	3,894	5,265	-1,371
Financial assets	323,159	92,387	230,772
Receivables	22,552	13,790	8,762
Cash	291,645	22,756	268,889
Prepayments and accrued income	5,226	1,287	3,939
<b>Total Assets</b>	<b>649,990</b>	<b>141,498</b>	<b>508,492</b>
Own funds	109,314	109,886	-572
Provisions for liabilities and charges	10,883	6,700	4,183
Financial debts	504,062	0	504,062
Trade accounts payable	10,778	10,176	602
Tax and social security liabilities	13,253	14,197	-944
Other debts	1,700	539	1,161
<b>Total liabilities</b>	<b>649,990</b>	<b>141,498</b>	<b>508,492</b>





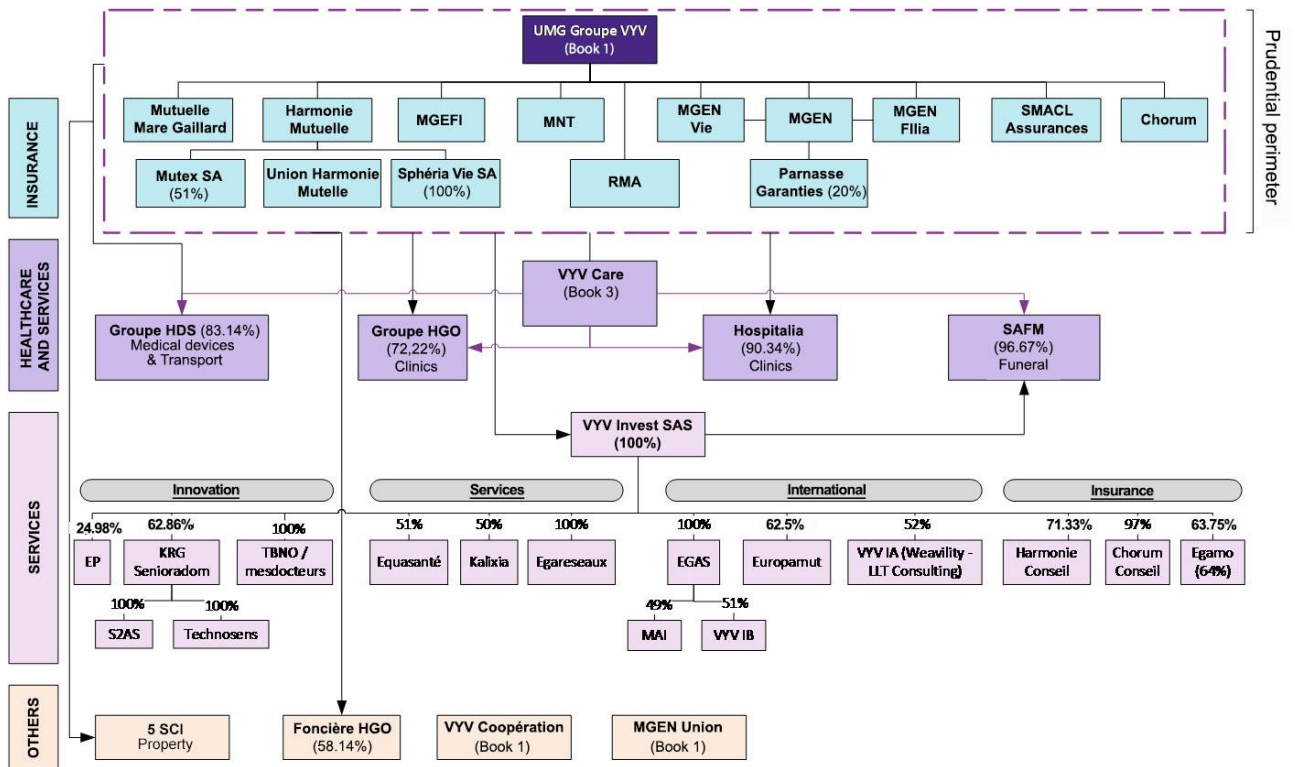
Issuance of the debt in July 2019 with a nominal value of €500m resulted in a significant increase in financial assets and cash.

### 1.3 Acquisition of holdings

None

### 1.4 Combination perimeter

The UMG Groupe VYV is defined as the combining entity of the Group and therefore produces combined financial statements. The summary perimeter is shown below:



### 1.5 Post-balance sheet events

The epidemic of the coronavirus "Covid-2019" has been spreading worldwide since January 2020. The impact of this health crisis on the 2020 accounts and its consequences on the UMG Groupe VYV are not yet known at the date of preparation of this report. The UMG Groupe VYV activated its crisis unit as of mid-March 2020 and has organized itself internally in order to ensure continuity of service in all the territories in which it is established and where it operates. In this respect, the UMG Groupe VYV is monitoring its exposure to the epidemic, in particular the impact of the health crisis on the economic and financial environment, the people's displacements, the necessary sanitary repatriations, etc.



## 1.6 Future developments

On 1 January 2020, the mutual insurance company Chorum will leave the UMG Groupe VYV. This is due to the replacement of this mutual insurance company by Harmonie Mutuelle.

The sums contributed to the initial capital/solidarity fund are nevertheless retained by the UMG Groupe VYV (contributions without right to recovery).

## 1.7 Appropriation of earnings

The General Assembly will decide on the appropriation of the loss for the financial year, i.e. - €5,172,000, to “Loss carried forward”, on the proposal of the Board of Directors.

After the appropriation of earnings, UMG Groupe VYV’s own funds will amount to €109,314,000.

## 1.8 Financial transfers between mutual insurance companies and unions

The UMG Groupe VYV received contributions of own funds of €4,600,000 at 1/1/2019

- SMACL Assurance: €3,600,000
- Chorum: €1,000,000

## 1.9 Reimbursement and compensation of elected representatives

### 1.9.1 Sums and benefits of all kinds allocated to the members of the governing bodies

The sums and benefits allocated to elected representatives amounted to €133,273 for the 2019 financial year.

### 1.9.2 Travel expenses reimbursed to elected representatives

Reimbursements to elected representatives amounted to €39,368 for the 2019 financial year.

In accordance with Article 114-17 of the French mutual insurance code (Code de la Mutualité), a report on the reimbursements and benefits paid to elected representatives has been prepared and a special certificate will be drawn up by the statutory auditors.

## 1.10 Remuneration paid to the operational manager

The remuneration paid to the operational manager amounted to €634,779 for the 2019 financial year.



## 1.11 List of offices and positions held by the directors

Name	First name	Offices - Positions	Other offices
ALLAIN	Annick	<p><b>Director UMG Groupe VYV</b> Vice-Chairwoman MNT</p>	<p><i>Director Vacancier</i> <i>Member of the Supervisory Board Fondation de l'Avenir</i></p>
BABAULT	Florence	<p><b>Director UMG Groupe VYV</b> Director MGEN Union, MGEN, Director MGEN Partenaires Director MFP Director VYV 3 Director VYV 3 Île-de-France</p>	<p><i>Director EGAMO</i> <i>Chairwoman MGEN Solutions</i> <i>Director MAIF</i></p>
BEAUDET	Thierry	<p><b>Chairman UMG Groupe VYV</b> Chairman VYV Coopération UGM Chairman FMNF Director MGEN Union, MGEN Vice-Chairman MFPASS</p>	<p><i>Chairman VYV Les Solidarités</i> <i>Chairman VYV Invest</i> <i>Chairman EGARESEAUX</i> <i>Chairman EGAS</i> <i>Director OFIVALMO Partenaires</i> <i>Chairman EGAMO MULTI MONETAIRE unit trust</i> <i>Chairman of the Governance and Ethics Committee OFI Holding</i> <i>Chairman MGEN IB</i> <i>Member Conseil Supérieur de la Mutualité</i> <i>Chairman of the Supervisory Board of Fondation de l'Avenir</i></p>
BELLIN	Claude	<p><b>Director UMG Groupe VYV</b> Vice-Chairman HFP Vice-Chairman MNA-OM Director UT Charente Director Union Mutualiste Director MFPrécaution Director Mutex Union</p>	<p><i>Director VYV Les Solidarités</i></p>
BERDER	Marie-Thérèse	<p><b>Member of the Executive Board</b> Director VYV Coopération UGM Vice-Chairwoman Harmonie Member of the Executive Board Director UT Mutualité Française Finistère Morbihan Director Union Harmonie Director SFG</p>	<p><i>Director VYV Invest</i> <i>Director MUTEX</i></p>



Name	First name	Offices - Positions	Other offices
<b>BERTHILIER</b>	<b>Roland</b>	<p><b>Vice-Chairman UMG Groupe VYV</b>                      Director VYV Coopération UGM                      Chairman MGEN Union, MGEN, MGEN ASS, MGEN CS, MGEN Vie, MGEN Filia                      Vice-Chairman FNMF                      Deputy Treasurer General MFPass</p>	<p><i>Director VYV Invest                      Chairman EGAMO                      Chairman GAIA                      Full member CNAS                      Secretary General Fonds Lilian Thuram endowment fund                      Member Conseil Supérieur de la Mutualité                      Director OFI Partenaires</i></p>
<b>BLANCHETTE</b>	<b>Thomas</b>	<p><b>Member of the Executive Board UMG</b>                      Chairman Chorum                      Director Harmonie Mutuelle                      Director Union Harmonie Mutuelles                      Director UGM Santé et Travail                      Director VYV Partenariat UGM                      Director Harmonie Santé Services</p>	<p><i>Director MUTEX                      Chairman Chorum Conseil                      Director Arcade VYV</i></p>
<b>BODDELE</b>	<b>Gilles</b>	<p><b>Member of the Executive Board UMG</b>                      Treasurer General Harmonie Mutuelle                      Director Union Harmonie Mutuelles                      Director MUTEX Union</p>	<p><i>Director MUTEX SA                      Director VYV Invest                      Director SPHERIA VIE</i></p>
<b>BOISSIEU (de)</b>	<b>Jean-Luc</b>	<p><b>Member of the Executive Board UMG</b>                      Chairman SMACL Assurances                      Auditor MNT</p>	<p><i>Director CAPMA CAPMI                      Chairman UGM Territoires</i></p>
<b>BONNEL</b>	<b>Mylène</b>	<p><b>Director UMG Groupe VYV</b>                      Director MGEN Union, MGEN                      Director UMR</p>	<p><i>Director Réseau Education et Solidarité</i></p>
<b>BRICHET</b>	<b>Serge</b>	<p><b>Vice-Chairman UMG Groupe VYV</b>                      Director VYV Coopération UGM                      Chairman MGEFI                      Chairman MFP</p>	<p><i>Director VYV Invest                      Director CASDEN                      Vice-Chairman Fondation de l'Avenir                      Managing Director SCI Groupe MGEFI</i></p>
<b>CAZIMIR</b>	<b>Guy</b>	<p><b>Vice-Chairman UMG Groupe VYV</b>                      Director VYV Coopération UGM                      Chairman Mutuelle Mare Gaillard                      Director Union Harmonie Mutualité                      Director Union Harmonie Mutuelles</p>	<p><i>Director VYV Invest                      Director VYV Les Solidarités</i></p>



Name	First name	Offices - Positions	Other offices
CHENUT	Eric	<p><b>Member of the Executive Board</b>            Director VYV Coopération UGM            Acting Vice-Chairman VYV 3            Acting Vice-Chairman MGEN Union, MGEN, MGEN ASS, MGEN CS, MGEN Vie, MGEN Filia            Director MGEN Partenaires            Director FNMF</p>	<p><i>Director VYV Invest            Chairman Fondation MGEN pour la santé            Chairman ADOSEN Prévention Santé MGEN            MGEN UNION representative EGAMO            Member of the Supervisory Board Maison des Obsèques SAFM            Member of the Supervisory Board Fondation de l'Avenir            Full member CNAS            Director Arcade VYV            Member of the Supervisory Board Clinicprosport            Director VIVOPTIM Solutions</i></p>
CLARY	Anne-Julie	<p><b>Director UMG Groupe VYV</b>            Secretary General VYV 3            Director VYV Coopération UGM            Member of the ExCom Harmonie            Director Union Harmonie            Chairwoman Harmonie Santé &amp;            Vice-Chairwoman Ressources            Director FNMF            Vice-Chairwoman MF Sud SSAM</p>	<p><i>SAFM            Chairwoman of the Supervisory Board HDS            Mutualistes Sans Frontières</i></p>
CTIBORSKY	Marcel	<p><b>Director UMG Groupe VYV</b>            Director Harmonie Mutuelle            Director UGM Santé et Travail            Secretary General MUTEX Union</p>	<p><i>Chairman MUTEX SA            Director SPHERIA VIE            Member of the Supervisory Board Harmonie Conseil</i></p>
DEBORD	Didier	<p><b>Director UMG Groupe VYV</b>            Vice-Chairman MGEFI            Director Union MFPS</p>	<p><i>Director MFP Prévoyance            Director SOGESTOP L            Director Groupe Arcade - VYV</i></p>
GIANAZZA	Alain	<p><b>Vice-Chairman UMG Groupe VYV</b>            Chief Executive Officer MNT            Vice-Chairman Territoires d'Avenir            Director FNMF</p>	<p><i>Director VYV Invest            Chairman Santé Mutuelle Services</i></p>
HARSTER	Anne-Marie	<p><b>Director UMG Groupe VYV</b>            Director MGEN Union, MGEN, MGEN Vie, MGEN Filia</p>	<p><i>Chairwoman Solidarité Laïque            Director Jeunesse au plein air            Director Crédit Coopératif            Director ACS-P</i></p>



Name	First name	Offices - Positions	Other offices
JUNIQUE	Stéphane	<p><b>Acting Vice-Chairman VYV 3</b>  <b>Deputy Vice-Chairman VYV</b>  <b>Chairman</b>  <b>Vice-Chairman</b>  <b>Vice-Chairman</b>  <b>Vice-Chairman</b>  <b>Director VISAUDIO</b>  <b>Director CAREL</b>  <b>Honorary Director Union des centres de santé mutualiste</b></p>	<p><i>Director VYV Invest</i>  <i>Director Mutex SA</i>  <i>Member of the Supervisory Board VISAUDIO</i>  <i>Member of the Supervisory Board HOSPI Grand Ouest</i>  <i>Member of the Supervisory Board Foncière Hospi Grand Ouest</i>  <i>Member of the Supervisory Board Clinique Mutualiste Jules Vernes</i>  <i>Member of the Supervisory Board Fondation de l'Avenir</i>  <i>Chairman of the mutual insurance group Conseil économique et social et environnemental</i></p>
JUTIER	Alain	<p><b>Director UMG</b>  <b>1st Vice-Chairman</b>  <b>Director Mutualité</b>  <b>Chairman Union</b></p>	<p><i>Managing Director Territoires Services</i></p>
LAFOND	Christophe	<p><b>Director UMG</b>  <b>Vice-Chairman MGEN Union, MGEN, MGEN ASS, MGEN CS, MGEN Vie, MGEN Filia</b>  <b>Vice-Chairman</b>  <b>Member of the</b></p>	<p><i>Treasurer Fondation MGEN pour la santé</i>  <i>Chairman Equasanté</i>  <i>Treasurer ADOSEN</i>  <i>Treasurer Institut Montparnasse</i>  <i>Chairman Association DOC</i>  <i>Member of the Supervisory Board VISAUDIO</i>  <i>Vice-Chairman Parnasse Garanties</i>  <i>Chairman of the Supervisory Board "La Maison des Obsèques" SAFM</i>  <i>Director Fondation de la Route</i>  <i>Chairman of the Board of Directors SOGESTOP L</i>  <i>Director VIVOPTIM Solutions</i></p>
LE BRETON	Marie-Pierre	<p><b>Director UMG</b>  <b>Director VYV</b>  <b>Director VYV</b>  <b>Director FNMF</b>  <b>Director Mutualité</b>  <b>Secretary General</b>  <b>Chairwoman VYV 3</b>  <b>Member of the</b>  <b>Director Chorum</b>  <b>Member of the</b></p>	<p><i>Chairwoman ANEM</i>  <i>Vice-Chairwoman UDES</i></p>



Name	First name	Offices - Positions	Other offices
<b>MAGNANT</b>	<b>Laurent</b>	<p><b>Member of the Executive Board UMG Groupe</b>                      Director VYV Coopération UGM                      Director VYV Partenariat UGM                      Chairman Harmonie Fonction Publique                      Chairman MNAM OM                      Director, Member of the ExCom Harmonie Mutuelle</p>	<i>Director VYV Invest</i>
<b>MATHIEU</b>	<b>Sylvie</b>	<p><b>Director UMG Groupe VYV</b>                      Director SMACL Assurances</p>	<p><i>Chairman ADAVIE 88</i>  <i>Chairwoman UNA Grand Est</i>  <i>1st Vice-Chairwoman UNA France</i>  <i>Qualified person Supervisory Board ARS Grand Est</i></p>
<b>MOREAU</b>	<b>Jean-René</b>	<p><b>Director UMG Groupe VYV</b>                      2nd Vice-Chairman MNT</p>	
<b>ROGER</b>	<b>Stéphanie</b>	<p><b>Director UMG Groupe VYV</b>                      Director VYV Coopération UGM                      Treasurer VYV 3                      Director MGEN Union, MGEN, MGEN ASS, MGEN CS                      Director MFP</p>	<p><i>Director FEHAP</i>  <i>Director Fondation MGEN pour la santé</i></p>
<b>RONDOT</b>	<b>Isabelle</b>	<p><b>Member of the Executive Board UMG Groupe</b>                      Director VYV Coopération UGM                      Director VYV 3                      Director MGEN Union, MGEN, MGEN ASS, MGEN CS, MGEN Vie, MGEN Filia                      Director MGEN Partenaires                      Director MFP                      Director FNMF</p>	<p><i>Director VYV Invest</i>  <i>Vice-Chairwoman Arts et Vie</i>  <i>Director CIRIEC</i>  <i>Director Institut Montparnasse</i></p>
<b>SALABERT</b>	<b>Dominique</b>	<p><b>Director UMG Groupe VYV</b>                      Secretary General Harmonie Mutuelle                      Director Union Harmonie Mutuelles                      Director FNMF                      Director UNMI                      Vice-Chairman UTIM Centre</p>	<p><i>Director MUTEX SA</i>  <i>Chairman Synergie Mutuelles EIG</i></p>



## 2. Annual financial statements

### 2.1 Balance sheet

#### 2.1.1 Assets (in €)

Item	Gross amount	Amortisation	31/12/2019	31/12/2018
Uncalled subscribed capital				
<b>INTANGIBLE ASSETS</b>				
Preliminary expenses				
Development expenses				
Concessions, patents and other similar rights	15,146,612	12,206,451	2,940,162	6,012,464
Goodwill				0
Other intangible assets				0
Intangible assets in progress	573,403		573,403	
<b>PROPERTY, PLANT AND EQUIPMENT</b>				
Land				
Buildings				
Industrial fixtures, fittings, machinery & equipment	2,557	1,359	1,198	0
Other property, plant and equipment	9,826,900	5,950,622	3,876,278	4,862,613
Construction work in progress	16,563		16,563	402,439
Advances and payments on account				
<b>FINANCIAL ASSETS</b>				
Equity securities				
Other forms of investment	5,172,000		5,172,000	5,172,000
Long-term investments other than portfolio holdings				
Other long-term investments	91,539,776	50,338	91,489,438	80,773,093
Loans				
Other financial assets	226,497,827		226,497,827	6,441,811
<b>FIXED ASSETS</b>	<b>348,775,638</b>	<b>18,208,769</b>	<b>330,566,869</b>	<b>103,664,419</b>
<b>STOCKS AND WORK IN PROGRESS</b>				
Raw materials & supplies				
Work in progress for production of goods				
Work in progress for services				
Advances and payments on account on orders				54,574
<b>ACCOUNTS RECEIVABLE</b>				
Trade accounts receivable				
Non-trade receivables	22,552,296		22,552,296	13,734,944
Subscribed capital - called up and unpaid				
<b>MISCELLANEOUS</b>				
Marketable securities (of which own shares: )				
Cash assets	291,645,906		291,645,906	22,756,442
<b>ACCRUALS</b>				
Prepaid expenses	1,381,067		1,381,067	1,285,721
<b>CURRENT ASSETS</b>	<b>315,579,270</b>		<b>315,579,270</b>	<b>37,831,680</b>
Debt issuance costs to be spread				
Differences in the redemption prices to be received	35,117		35,117	1,403
Loan redemption premiums	3,809,500		3,809,500	
<b>GRAND TOTAL</b>	<b>668,164,408</b>	<b>18,208,769</b>	<b>649,990,755</b>	<b>141,497,502</b>





## 2.1.2 Liabilities (in €)

Item	31/12/2019	31/12/2018
Initial capital	114,400,000	109,800,000
Premiums arising from share issues or mergers		
Revaluation adjustments (including equity method adjustment: )		
Legal reserve		
Statutory or contractual reserves		
Regulated reserves (including reserves Prov. Fluctuations in prices)	51,401	51,401
Other reserves (including purchase of original works by artists)	290,043	290,043
Retained earnings/losses brought forward	(255,758)	
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>(5,171,817)</b>	<b>(255,758)</b>
Investment grants		
Regulated provisions		
<b>OWN FUNDS</b>	<b>109,313,869</b>	<b>109,885,686</b>
Income from issue of participating shares		
Conditional advances		
<b>OTHER OWN FUNDS</b>		
Provision for contingencies	3,657,647	13,820
Provision for charges	7,224,921	6,686,272
<b>PROVISIONS</b>	<b>10,882,568</b>	<b>6,700,092</b>
<b>FINANCIAL DEBTS</b>		
Convertible debenture loans		
Other debenture loans	500,000,000	
Borrowings from lending institutions		
Miscellaneous loans and borrowings	4,062,500	
Advances and payments on account received on orders in progress		
<b>ACCOUNTS PAYABLE</b>		
Trade accounts payable	10,701,860	9,769,412
Tax and social security liabilities	13,253,528	14,196,625
<b>MISCELLANEOUS LIABILITIES</b>		
Liabilities in respect of fixed assets	76,240	406,731
Other debts	1,700,190	538,956
<b>ACCRUALS</b>		
Deferred revenue		
<b>DEBTS</b>	<b>529,794,318</b>	<b>24,911,724</b>
Translation gains		
<b>GRAND TOTAL</b>	<b>649,990,755</b>	<b>141,497,502</b>



## 2.2 Profit and loss account

Item	France	Exports	31/12/2019	31/12/2018
Sales of goods				
Sales of goods produced				
Sales of services	113,899,275		113,899,275	99 195 900
<b>NET REVENUE</b>	<b>113,899,275</b>	<b>0</b>	<b>113,899,275</b>	<b>99 195 900</b>
Stored production				
Self-constructed capital assets				
Operating grants				
Reversals of impairment write-downs, provisions (and depreciation), transfers of charges			9,750,899	6,738,327
Miscellaneous revenue			28,659	40,190
<b>OPERATING REVENUE</b>			<b>123,678,833</b>	<b>105,974,417</b>
Purchases of goods				
Change in inventory				
Purchases of raw materials and other supplies				
Change in inventory				
Other external purchases and expenses			48,611,847	46,385,145
Taxes and similar levies			6,596,113	5,868,416
Wages and salaries			35,068,071	29,610,661
Social security charges			15,609,673	13,468,866
<b>OPERATING ALLOWANCES</b>				
For fixed assets: depreciation expense			6,693,490	5,968,720
For fixed assets: provisions for impairment				
For current assets: provisions for impairment				
Allocation to provisions			6,051,519	3,387,497
Other charges			6,577,721	1,285,112
<b>OPERATING EXPENSES</b>			<b>125,208,434</b>	<b>105,974,417</b>
		<b>OPERATING RESULT</b>	<b>(1,529,601)</b>	<b>0</b>
<b>JOINT VENTURES</b>				
Profit assigned or loss transferred				
Loss incurred or profit transferred				
<b>FINANCIAL INCOME</b>				
Financial income from holdings			0	196
Income from other real property and receivables from fixed assets			680,558	348,378
Other interest and similar income			230,243	1,406
Reversal of impairment write-downs and provisions, transfers of charges			828,914	
Foreign exchange gains				
Net proceeds from sales of marketable securities			225,384	
<b>FINANCIAL INCOME</b>			<b>1,965,099</b>	<b>349,979</b>
Impairment and provisions for financial assets			413,336	666,416
Interest and similar charges			3,784,119	120,695
Foreign exchange loss				11
Net charges on sales of marketable securities			400,211	6,824
<b>FINANCIAL EXPENSES</b>			<b>4,597,666</b>	<b>793,945</b>
		<b>FINANCIAL RESULT</b>	<b>(2,632,568)</b>	<b>(443,966)</b>
		<b>PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS</b>	<b>(4 162 168)</b>	<b>(443,966)</b>



Item	France	Exports	31/12/2019	31/12/2018
Exceptional & extraordinary operating profits				
Exceptional & extraordinary income from capital transactions				
Reversals of impairment write-downs and provisions, transfers of charges				
<b>EXCEPTIONAL INCOME</b>			<b>0</b>	
Exceptional & extraordinary expenses			578	
Exceptional & extraordinary charges on capital transactions			6,821	
Exceptional depreciation, amortisation and provisions				
<b>EXCEPTIONAL EXPENSES</b>			<b>7,399</b>	
			<b>(7,399)</b>	
Employee profit-sharing				
Income tax expense			1,002,250	(188,208)
<b>TOTAL INCOME</b>			<b>125,643,932</b>	<b>106,324,396</b>
<b>TOTAL CHARGES</b>			<b>130,815,749</b>	<b>106,580,154</b>
			<b>(5,171,817)</b>	<b>(255,758)</b>
			<b>PROFIT OR LOSS</b>	

## 2.3 Off-balance sheet items

None



## 3. Notes to the annual financial statements

The UMG Groupe VYV is governed by Book I of the French mutual insurance code (*Code de la Mutualité*). It has a strategic and prudential purpose. Its core activity involves:

- acquiring and managing holdings as defined in Article L. 310-3 10 of the French Insurance Code (*Code des Assurances*), in the companies mentioned in Articles L. 310-1 or L. 310-1-1 of the French Insurance Code, or in insurance or reinsurance companies whose head office is located outside France;
- establishing and managing strong and lasting financial relations with insurance companies without share capital, regardless of their institutional nature.

### 3.1 Highlights

#### 3.1.1 Change of Chief Executive Officer

Stéphane Dedeyan became the new Chief Executive Officer of the UMG Groupe VYV on 1 February 2019, replacing François Venturini.

#### 3.1.2 Rating of the UMG Groupe VYV

Following its initial rating, Fitch Ratings assigned Groupe VYV an “A+” rating in view of its financial soundness. Its rating outlook is stable. The A+ rating concerns the following entities:

- Harmonie Mutuelle
- MGEN
- Mutex
- MGEFI
- MNT

As the holding entity, UMG Groupe VYV was assigned an “A” rating.

Fitch emphasised some of the strengths of Groupe VYV in its assessment:

- Very strong business profile,
- Leading position in health insurance in France,
- Very strong financial soundness,
- Very low financial debt.

#### 3.1.3 Issue of senior debt

On 2 July 2019 Groupe VYV carried out an inaugural bond issue for a nominal amount of €500m maturing in 10 years (July 2029) with a yearly coupon of 1.625%. This issue, which was rated A- by Fitch Ratings, was carried out at the level of the umbrella entity “UMG Groupe VYV”, and will enable Groupe VYV to finance its ambitious transformation project, that aims both to develop and diversify its insurance offering, and to extend its healthcare and related services activity.

The success of this operation which was oversubscribed almost 2.7 times, half in France and half in other European markets, particularly in England and Germany, shows the confidence of investors in the strategy implemented by the group and in its credit profile.

The bonds were admitted to trading on Euronext Growth Paris on 2 July 2019.

The issue was carried out by Natixis as lead underwriter.

It had the following characteristics:



- €500m issued on 2 July 2019 at the actuarial rate of 1.713% (coupon rate: 1.625%). Bullet redemption takes place after 10 years.
- The interest expense amounts to €4.1m, in addition to €0.2m for amortisation of the bond premium, i.e. €4.3m.
- The funds received were invested in fixed deposit accounts/term deposits and savings accounts (€220m), and the remainder (€274m) kept in cash.

### 3.1.4 Impact of the cost of borrowing

The total cost of debt issuance amounts to €4.9m, including:

- Financial result of €4.3m (interest, amortisation of the bond premium),
- Issue costs of €0.6m (recognised under operating expenses).

The cost was invoiced in full to the affiliated mutual insurance companies.

### 3.1.5 Affiliations to the UMG

SMACL Assurances and Chorum signed the Groupe VYV affiliation agreement. They contributed €3.6m and €1m respectively, i.e. a total of €4.6m, recognised in own funds (contribution without right to recovery).

### 3.1.6 SRB subscription

The UMG Groupe VYV subscribed to a subordinated redeemable bond (TSR) on 24 July 2019 with SMACL Assurances for a total of €10m, yielding 3%. Bullet redemption after 10 years.

### 3.1.7 Loss by the UMG

In accordance with the 2019 budget approved by the Board of Directors in December 2018, it was decided not to invoice certain projects to the mutual insurance companies: impact -€5.8m.

The €5.8m not invoiced to the mutual insurance companies correspond to specific costs of UMG Groupe VYV, linked to its structure, that are not intended to be continued in future.

These projects concern the fees to define the strategic business plan, VYV Les Solidarités, the cost of the Deputy CEO who was not replaced, fees linked to information system urbanisation projects of the Finance and Risk Department, and fees linked to ISD projects.

### 3.1.8 Transfer of employees

In connection with the operational development of UMG Groupe VYV, it acquired human resources from the affiliated mutual insurance companies, as well as from other group entities (Mutex, VYV Care etc.). In all, 18 employees were transferred in 2019. The rights previously acquired by these employees were retained (paid leave entitlements, length of service etc.).

The social security obligations taken over were invoiced to the original mutual insurance companies for a total of €709,000. For accounting purposes, the obligations were included in the balance sheet liabilities of UMG Groupe VYV, in return for receivables from the mutual insurance companies (with no impact on the profit and loss account).

The workforce at the end of 2019 amounted to 453 people (compared with 411 employees at the end of 2018).



## 3.2 Accounting principles and valuation methods

### 3.2.1 Accounting and statutory standards

The annual financial statements were drawn up and presented in accordance with the French regulations in force applicable to the organisation (UMG – Book I of the French mutual insurance code), resulting from the regulations of the French Accounting Regulatory Committee (CRC) and in particular Regulation No. 2002-07 of 12 December 2002 on the chart of accounts of mutual insurance companies governed by the French mutual insurance code that do not bear any insurance or reinsurance risks.

Given that the affiliated members of the UMG present their accounts in accordance with the insurance chart of accounts (Regulation No. 2015-11 of 26 November 2015) and that the insurance business is predominant in Groupe VYV, the accounting standards applicable for producing the consolidated combined financial statements are the insurance chart of accounts.

Furthermore, in accordance with the opinion of the French National Accounting Council (CNC) (opinion CU 2001-A), it is stated that each entity presents its financial statements according to its own accounting standards.

The financial year lasts for 12 months, from 1 January to 31 December.

The accounting conventions were applied in compliance with the conservatism principle, pursuant to the following basic principles:

- Going concern,
- Consistent accounting methods from one year to the next,
- Time period assumption.

### 3.2.2 Valuation methods

#### 3.2.2.1 Intangible assets

Intangible assets are recognised at their acquisition cost (gross value). This mainly corresponds to the development costs relating to Solvency II projects 2 (VEGA) and to the internal control/compliance tool (GERICAU). The latter projects have not yet been deployed.

These items are not revalued.

Amortisation was calculated over the normal service life: 5 years (straight-line).

On the other hand, the amortisation of Risk Integrity was calculated to take into account an end date of 31/12/2020. This concerns:

- Development costs of the Solvency II Project (Risk Integrity),
- Risk Integrity licences.

#### 3.2.2.2 Property, plant and equipment

Property, plant and equipment are recognised at their acquisition cost (gross value). This cost corresponds to the initial value of the assets acquired, taking into account the expenses required to prepare them for use.

These items are not revalued.



Amortisation was calculated over the useful life of the assets:

- Alteration work and fixtures at the Tour Montparnasse: end date 31/03/2020 (straight-line)
- Furniture: 5 years (straight-line)

### 3.2.2.3 Financial assets

Investments in securities comprise listed and unlisted securities (in particular equity securities), unit trusts and units in mutual funds, listed and unlisted bonds, savings accounts and deposits.

The book value of the assets is their acquisition cost or nominal value. Disposals of marketable securities are recognised using the first-in, first-out (FIFO) method.

Their realisable value is determined as follows:

- Listed securities: last price quoted on the inventory date,
- Unlisted securities: market value if known or estimate according to the last known net assets,
- Unit trusts and units in mutual funds: last redemption price published on the inventory date,
- Other investments: book value, possibly written down.

It should be noted that UMG Groupe VYV:

- Recognises its financial investments as long-term investments, under “Financial assets”. This is justified by the fact that the UMG is intended to guarantee the financial solidarity of its affiliates via its financial investments, as these are intended to be held as long-term investments.
- Has opted to apply the premium/discount method for amortisable securities.
- Is subject to the French General Chart of Accounts, as it is not an insurance entity, and must therefore write down investments as soon as there is an unrealised capital loss.

### 3.2.2.4 Receivables and liabilities

Receivables and liabilities were valued at their nominal value.

They were not written down, as we were not given any information about possible recovery difficulties.

### 3.2.2.5 Cash assets

This item comprises the bank accounts (working balances).

### 3.2.2.6 Provisions for liabilities and charges

Provisions are made to cover liabilities and charges that are likely due to past or current events, the subject of which is clearly defined, but the realisation, timing or amount of which remain uncertain. The main methods applied for the provisions recognised are:

- Provision for retirement benefits: The prospective method is used, for which the main parameters are:
  - Retirement age: calculated according to the age they started work and the number of quarters (based on the generation) to obtain the full rate,
  - Mortality table of the French national institute of statistics and economic studies (INSEE) TD-TV 14-16,
  - Salary revaluation factor: 2% for non-executives and 3% for executives,
  - Discount rate 0.63% (IBOXX Corporate AA10+ at 30 November 2019)
- Provision for long-service awards: The method applied is the pro rata method (recommendation of the French National Institute of Auditors - CNCC). The parameters are the same as for the provision for retirement benefits, except for the revaluation rate (0%).



### **3.3 Changes in the rules and methods of presentation**

#### 3.3.1 Changes in accounting principles

None

#### 3.3.2 Changes in valuation rules

None

#### 3.3.3 Changes in the presentation rules

None





## 3.4 Notes to the balance sheet and profit and loss account

### 3.4.1 Intangible assets

In € thousands	31/12/2018	Acquisitions/ Allocations	Sales	31/12/2019
Gross value	14,926	351	(130)	15,147
Construction work in progress	0	573		573
Amortisation	(8,913)	(3,416)	123	(12,206)
<b>Net book value</b>	<b>6,012</b>	<b>(2,492)</b>	<b>(7)</b>	<b>3,514</b>

The net book value of the intangible assets mainly includes costs relating to the deployment of Risk Integrity (Solvency II), i.e. costs of software licences, as well as the related development costs (external service providers). Amortisation is due to end on 31/12/2020.

Construction work in progress concerns the future tools currently being configured: mainly VEGA (Solvency II prudential reporting), GERICAU (compliance - internal control).

Sales of fixed assets concern SAP-FC licences (statutory consolidation software package) transferred to the SIHM EIG.

### 3.4.2 Property, plant and equipment

In € thousands	31/12/2018	Acquisitions/ Allocations	Transfer	31/12/2019
Gross value	7,538	1,890	402	9,829
Construction work in progress	402	17	(402)	17
Depreciation	(2,675)	(3,277)		(5,952)
<b>Net book value</b>	<b>5,265</b>	<b>(1,371)</b>	<b>0</b>	<b>3,894</b>

- Property, plant and equipment relate to alteration work and furniture at the Tour Montparnasse, as well as at sites in the provinces (Angers, Nantes, Orleans)
- Construction work in progress at 31/12/2018 comprises the work carried out on regional sites (Angers and Nantes). This was finalised in the first half of 2019.



### 3.4.3 Financial assets

In € thousands	Gross value	Impairment	Net book value	premium/discount	Net value of premium/discount	Valuation	Unrealised capital gain
Equity securities	5,172		5,172		5,172	5,207	35
Money-market UCITS	3,282		3,282		3,282	3,282	0
Bond-based UCITS	48,456		48,456		48,456	49,123	667
Equity-based UCITS	4,045		4,045		4,045	4,674	629
Diversified UCITS	5,016		5,016		5,016	5,156	140
SMACL SRB	10,000		10,000		10,000	10,269	269
Listed bonds	20,740	(50)	20,690	(204)	20,486	21,764	1,278
Fixed deposit accounts/term deposits	135,000		135,000		135,000	135,000	0
Savings accounts	90,333		90,333		90,333	90,333	0
Sureties	636		636		636	636	0
Interest accrued but not due	529		529		529	529	0
<b>Total</b>	<b>323,209</b>	<b>(50)</b>	<b>323,159</b>	<b>(204)</b>	<b>322,955</b>	<b>325,973</b>	<b>3,018</b>

- Financial assets are recognised as long-term investments, in view of the intention to keep them on a long-term basis to guarantee financial solidarity between the members.
- The funds received following issue of the debt were mainly invested in fixed deposit accounts/term deposits and savings accounts.
- The equity securities correspond to the VYV Invest securities (2.56% of the capital).
- Unrealised capital gains are low, in view of the recent acquisition of investments.
- Premiums/discounts, totalling - €204,000 are recognised under “Accruals” and “Other liabilities”.

### 3.4.4 Receivables

In € thousands	Amount
Credit on current accounts:	
- MGEN	5,004
- MNT	1,513
- MGEFI	357
- Harmonie Mutuelle	3,954
- Mutuelle Mare Gaillard	64
- Harmonie Fonction Publique	153
- Chorum	68
- SMACL Assurances	290
- MGEN Union	212
- VYV Care	814
Other Group entities - Supply	3,762
Accrued income	6,347
Tax and social security claims	14
<b>Total</b>	<b>22,552</b>



The receivables are all current.

### 3.4.5 Prepaid expenses

These amounted to €1,381,000 and mainly comprise invoices paid for 2020 events (2020 inter-regional events), and IT maintenance.

### 3.4.6 Bond redemption premium

This comprises in particular the issue premium linked to the senior debt (€4,010,000 in gross value) amortised over 10 years.

### 3.4.7 Own funds

In € thousands	31/12/2018	Appropriation of earnings	Contributions	Income	31/12/2019
Initial capital	63,920	,	2,760		66,680
Solidarity fund	45,880	,	1,840		47,720
Solvency reserve	51	,			51
Other reserves	290	,			290
Retained earnings/losses brought forward	0	(256)			(256)
Income	(256)	256		(5,172)	(5,172)
<b>Total</b>	<b>109,886</b>	<b>0</b>	<b>4,600</b>	<b>(5,172)</b>	<b>109,314</b>

The income for 2018 was allocated to “Retained earnings/losses brought forward” in accordance with the decision of the General Assembly.

Own funds break down as follows:

• Contributions by the affiliated mutual insurance companies to the initial capital/solidarity fund in September 2017:	€114,700,000
• Contribution to VYV Coopération (deducted from the initial capital in September 2017):	-€4,900,000
• Contributions by SMACL Assurances and CHORUM on 1 January 2019:	+ €4,600,000
• Previous reserves:	€86,000
• Loss for the year:	<u>- €5,172,000</u>
<b>Total:</b>	<b>€109,314,000</b>

### 3.4.8 Provisions for liabilities and charges

In € thousands	31/12/2018	Provisions	Reversals	31/12/2019
Provision for labour disputes	13	,		13
Provision for contingencies		224		224



Provision for severance pay - redundancy		3,420		3,420
Provision for retirement benefits	4,628	2,408		7,036
Provision for long-service awards	195		(5)	190
Other provisions for charges	1,864		(1,864)	0
<b>Total</b>	<b>6,700</b>	<b>6,052</b>	<b>(1,869)</b>	<b>10,883</b>

The provisions for the year for retirement benefits are linked to:

- Provisions for outgoing directors,
- Provisions for contractual benefits,
- Transfers of employees from the various affiliated mutual insurance companies,
- The effects of external recruitments and ageing of the population,
- The decrease in the discount rate of 0.99 points (impact: increase in provisions of €494,000)

### 3.4.9 Debts

In € thousands	Amount
Operations	10,702
Fixed assets	76
Tax/social security liabilities	13,254
Other debts	1,700
<b>Total</b>	<b>25,732</b>

- All liabilities are due within one year.
- Trade accounts payable are paid within 30 days of the end of the month.

### 3.4.10 Revenue

Members' contributions are valued to make it possible to finance:

- Common costs, reinviced in proportion to the initial capital contributed;
- Specific charges of each entity, reinviced according to specific indicators.

### 3.4.11 Corporate income tax

Taking into account taxable income of €4,383,000, corporate income tax amounted to €1,344,000, from which is deducted a tax credit (donations) of €341,000, i.e. a net expense of €1,002,000

## 3.5 Additional information

### 3.5.1 Combination perimeter

UMG Groupe VYV is the combining entity of the Group.



### 3.5.2 Fees of the statutory auditors

The fees of the joint auditors for the year amounted to €271,000 inclusive of tax for the statutory audit of the individual and combined financial statements of the Union.

### 3.5.3 Post-balance sheet events

#### 3.5.3.1 Disaffiliation

On 1 January 2020, the mutual insurance company Chorum will leave the UMG Groupe VYV. This is due to the replacement of this mutual insurance company by Harmonie Mutuelle.

The sums contributed to the initial capital/solidarity fund are nevertheless retained by the UMG Groupe VYV (contributions without right to recovery).

#### 3.5.3.2 Covid-19 epidemic

The epidemic of the coronavirus "Covid-2019" has been spreading worldwide since January 2020. The impact of this health crisis on the 2020 accounts and its consequences on the UMG Groupe VYV are not yet known at the date of preparation of this report. The UMG Groupe VYV activated its crisis unit as of mid-March 2020 and has organized itself internally in order to ensure continuity of service in all the territories in which it is established and where it operates. In this respect, the UMG Groupe VYV is monitoring its exposure to the epidemic, in particular the impact of the health crisis on the economic and financial environment, the people's displacements, the necessary sanitary repatriations, etc.



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