

FINANCIAL STATEMENTS OF

BNP PARIBAS HOME LOAN SFH

Dated 31 DECEMBER 2023

INCOME STATEMENT AT 31/12/2023

In euros	Notes	31/12/2023	31/12/2022
Interest and similar revenue	2.a	326 444 532	228 649 079
Interest and similar expenses	2.a	(315 753 635)	(226 055 193)
Revenue from variable-income securities			
Commissions (revenue)	2.b	1 703 457	1 250 000
Commissions (expenses)	2.b	(104 437)	(45 209)
Gains or losses on trading portfolio transactions	2.b	0	(0)
Gains or losses on investment portfolio transactions and similar		-	-
Other revenue from banking operations - Single Resolution Fund	2.c	483 162	1 597 859
Other expenses on banking operations		-	-
NET BANKING INCOME		12 773 080	5 396 536
Personnel expenses		-	-
Other administrative expenses <i>Including (S)ingle (R)esolution (F)und (1)</i>	2.c	(1 535 368)	(1 099 608)
Other banking operating expenses	2.c	(483 162)	(1 597 859)
Amortisation and impairment charge on tangible and intangible fixed assets		-	-
GROSS OPERATING PROFIT		10 754 549	2 699 069
Cost of risk		-	-
OPERATING PROFIT		10 754 549	2 699 069
Gains or losses on capitalised assets			
Net regulated provisions			
PROFIT ON ORDINARY ACTIVITIES BEFORE		10 754 549	2 699 069
Extraordinary result			
Corporation tax	2.d	(2 787 269)	(682 345)
NET PROFIT		7 967 280	2 016 724

BALANCE SHEET AS AT 31/12/2023

In euros	Notes	31/12/2023	31/12/2022
ASSETS			
Cash, central banks, PO accounts		820	230 *
Treasury bills and similar securities		-	-
Loans and advances to banks	3.a	34 903 084 859	34 885 271 277
Transactions with customers		-	-
Bonds and other fixed-income securities		-	-
Equities and other variable-income securities		-	-
Equity investments and other long-term securities		-	-
Interests in group companies		-	-
Lease financing with purchase option		-	-
Intangible assets		-	-
Tangible assets		-	-
Treasury shares		-	-
Other assets	3.b	2 306 836	2 166 563
Adjustment accounts	3.c	82 536 051	86 670 449
TOTAL ASSETS		34 987 928 566	34 974 108 518
LIABILITIES			
DEBT			
Central banks, PO accounts	3.a	-	- *
Amounts due to banks	3.a	190 230 684	590 305 841
Transactions with customers		-	-
Debt securities	3.d	34 362 854 432	33 955 430 970
Other liabilities	3.b	2 334 550	524 186
Adjustment accounts	3.c	97 873 892	99 505 285
Provisions for liabilities and charges		-	-
Subordinated debt	3.e	40 118 056	40 082 563
TOTAL DEBT		34 693 411 613	34 685 848 846
SHAREHOLDERS' EQUITY	4.c		
Share capital subscribed		285 000 000	285 000 000
Redemption premiums		-	-
Reserves		1 317 734	1 216 898
Retained earnings		231 939	26 051
Profit for the period		7 967 280	2 016 724
TOTAL SHAREHOLDERS' EQUITY		294 516 953	288 259 673
TOTAL LIABILITIES		34 987 928 566	34 974 108 518
OFF-BALANCE-SHEET ITEMS			
COMMITMENTS GIVEN			
Financing commitments		-	-
Guarantee commitments		2 306 836	2 166 563
Commitments on securities		-	-
COMMITMENTS RECEIVED			
Financing commitments		-	-
Guarantee commitments		41 715 127 300	-
Commitments on securities		-	-

* Banque de France bank account

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1. SUMMARY OF THE ACCOUNTING PRINCIPLES APPLIED BY BNP PARIBAS HOME LOAN SFH

The financial statements of BNP Paribas Home Loan SFH are prepared in accordance with the accounting principles applicable in France to credit institutions, as set out in ANC regulation no. 2014-07 of 26 November 2014.

The income statement as at 31 December 2023 and the notes to the financial statements provide comparative information for the period ended 31 December 2022.

The method adopted for valuing items recorded in the accounting records is historical cost.

The main accounting methods used are as follows:

Loans and advances to credit institutions and customers

Loans and advances to credit institutions cover all loans and advances, including subordinated loans, made within the context of banking transactions with credit institutions, with the exception of those represented by certificates. They also include assets purchased under resale agreements, whatever the type of assets concerned, and receivables corresponding to securities sold under collateralised repurchase agreements. These are broken down into sight deposits and term loans.

Loans and advances to credit institutions and customers are stated in the balance sheet at face value plus accrued interest not yet due.

Debt securities

Debt securities are recorded at amortised cost.

Share and bond redemption premiums are amortised on an actuarial basis over the term of the borrowing, where related issuance costs are amortised on a straight-line basis over the same period.

Recognition of revenue and expenses

Interest and similar commissions are recognised as they arise, on a pro rata basis.

Commissions not similar in nature to interest and corresponding to the provision of services are recognised as of the date on which the services are provided or on a pro rata basis for the duration of the service rendered, where the service is delivered on an ongoing basis.

Revenue and expenses in foreign currency are recognised at their equivalent value as at transaction date.

Foreign currency transactions

Receivables and liabilities denominated in foreign currency are valued at the spot exchange rate as at balance sheet date.

The conversion of such transactions denominated in foreign currencies as at balance sheet date gives rise to a difference recognised through profit or loss.

Revenue and expenses denominated in foreign currency relating to loans or borrowings are recorded in the revenue and expenses accounts opened in each foreign currency concerned, with the conversion conducted at monthly closing of the accounts.

Information concerning transactions between affiliated parties

In the light of the company's business and of its capital link (subsidiary 99.99% held by BNP Paribas SA), the obligations of ANC regulation no. 2014-07 concerning presentation of the information about affiliated parties do not apply.

Tax consolidation rules

BNP Paribas Home Loan SFH is consolidated within the tax group France, headed by BNP Paribas since 01/01/2005.

With regard to corporation tax and under the terms of the tax consolidation agreement, tax is calculated by the subsidiary as if there were no tax consolidation.

After deducting any tax credits, the amount calculated accordingly is due to the parent company, BNP PARIBAS SA.

Consolidation

The accounts of BNP Paribas Home Loan SFH are incorporated within the consolidated accounts of BNP Paribas SA using the full consolidation method.

General information

Within the context of the issuance of housing bonds, BNP Paribas has collateralised a pool of real estate loans for BNP Paribas Home Loan SFH totalling €41,715,127,300 as at 31 December 2023.

This pool has been exploited in the amount of €38,290,909,091 in connection with existing issuances.

The company has its registered office in France and, in accordance with Article L. 513-29 of the Monetary and Financial Code, does not have any branch or subsidiary established abroad, including in non-cooperative countries.

Post-balance sheet events

None

2. NOTES TO THE INCOME STATEMENT AS AT 31/12/2023

2.a INTEREST MARGIN

Under the headings "Interest and similar revenue" and "Interest and similar expenses", BNP Paribas Home Loan SFH shows the calculated revenue on financial instruments carried at amortised cost.

In euros	31/12/2023		31/12/2022	
	Revenue	Expenses	Revenue	Expenses
Banks	311 835 137	(27 502 967)	213 903 826	(32 594 224)
Sight deposits, loans and borrowings	311 835 137	(27 502 967)	213 903 826	(32 594 224)
Debt securities	14 609 395	(288 250 667)	14 745 253	(193 460 969)
Bonds	14 609 395	(286 016 179)	14 745 253	(192 507 245)
Term subordinated debt		(2 234 488)		(953 724)
Interest revenue and expenses	326 444 532	(315 753 635)	228 649 079	(226 055 193)

Interest revenue and expenses on hedging derivatives are shown with the revenue from the items for which they contribute to hedging the risks.

2.b COMMISSIONS

In euros	31/12/2023		31/12/2022	
	Revenue	Expenses	Revenue	Expenses
Banking and financial transactions	1 703 457	(104 437)	1 250 000	(45 209)
Securities trading	1 703 457	(104 437)	1 250 000	(45 209)
Commission revenue and expenses	1 703 457	(104 437)	1 250 000	(45 209)

In euros	31/12/2023		31/12/2022	
	Revenue	Expenses	Revenue	Expenses
Gains or losses on trading portfolio transactions	0	-	-	(0)
Commission revenue and expenses	0	-	-	(0)

2.c GENERAL OPERATING GENERAL EXPENSES & SUNDRY OPERATING REVENUE

In euros	31/12/2023	31/12/2022
Other administrative expenses	(1 535 368)	(1 099 608)
<i>Remuneration of intermediaries</i>	<i>(1 294 176)</i>	<i>(1 030 154)</i>
<i>Taxes and duties</i>	<i>(241 192)</i>	<i>(69 454)</i>
<i>Guarantee fund and (S)ingle (R)esolution (F)und</i>		
Total general expenses	(1 535 368)	(1 099 608)
<i>Guarantee fund and (S)ingle (R)esolution (F)und (1)</i>	<i>(483 162)</i>	<i>(1 597 859)</i>
Total sundry banking operating expenses	(483 162)	(1 597 859)

(1) Reallocation of the contribution to the (S)ingle (R)esolution (F)und to

In euros	31/12/2023	31/12/2022
Sundry operating revenue	483 162	1 597 859
Other sundry operating revenue (1)	483 162	1 597 859

(1) European Regulation No. 806/2014 of the Single Resolution Fund. 2023 call for funds for €623,435.46 of which 77.5% was recognised as expenses and invoiced to BNP PARIBAS pursuant to the 2023 Fee Letter.

2.d CORPORATION TAX

In euros	31/12/2023	31/12/2022
Current tax for the period	(2 787 269)	(682 345)
Corporation tax	(2 787 269)	(682 345)

3. NOTES TO THE BALANCE SHEET AS AT 31/12/2023

3.a AMOUNTS DUE TO AND FROM CREDIT INSTITUTIONS

In euros	31/12/2023	31/12/2022
Loans and receivables	34 903 085 679	34 885 271 507
Ordinary debit accounts	25 340 987	14 463 487
Sight deposits and loans	34 877 744 692	34 870 808 020
Loans and amounts due from credit institutions	34 903 085 679	34 885 271 507
<i>Including associated receivables</i>	<i>171 744 691</i>	<i>89 808 019</i>

In euros	31/12/2023	31/12/2022
Ordinary credit accounts	-	-
Debt and borrowings	190 230 684	590 305 841
Amounts due to credit institutions	190 230 684	590 305 841
<i>Including associated liabilities</i>	<i>230 684</i>	<i>305 841,24</i>

3.b OTHER ASSETS AND LIABILITIES

In euros	31/12/2023	31/12/2022
Sundry debtors	2 306 836	2 166 563
<i>Including (S)ingle (R)esolution (F)und</i>	<i>2 306 836</i>	<i>2 166 563</i>
Other assets	2 306 836	2 166 563
Sundry creditors	2 334 550	524 186
Other liabilities	2 334 550	524 186

As at 31/12/2023, no trade payables were recognised in the accounts of BNP Paribas Home Loan SFH.

3.c ADJUSTMENT ACCOUNTS

In euros	31/12/2023	31/12/2022
Accrued income	0	1 597 876
Other adjustment accounts receivable	82 536 051	85 072 572
<i>Prepaid cexpenses</i>	82 536 051	85 072 572
Adjustment accounts - assets	82 536 051	86 670 449
Accrued expenses	768 739	320 066
Other adjustment accounts payable	97 105 153	99 185 219
<i>Prepaid income</i>	97 105 153	99 185 219
<i>Other adjustment accounts</i>	-	-
Adjustment accounts - liabilities	106 354 498	99 505 285

The adjustment accounts on the assets side include the zero-coupon bond redemption premiums still remaining to be amortised which are zero in December 2023.

3.d DEBT SECURITIES

In euros	31/12/2023	31/12/2022
Bonds	34 191 000 000	33 866 000 000
Associated liabilities	171 854 432	89 430 970

3.e SUBORDINATED DEBT

In euros	31/12/2023	31/12/2022
Repayable subordinated debt	40 000 000	40 000 000
Associated liabilities	118 056	82 563
Subordinated debt	40 118 056	40 082 563

4. ADDITIONAL INFORMATION

4.a POST-BALANCE SHEET EVENTS

There are no post-balance sheet events.

4.b CHANGES IN SHARE CAPITAL IN EUROS

	Number of shares				Nominal value
	at beginning of accounting period	created during accounting period	redeemed during accounting period	at end of accounting period	
Ordinary shares	28 500 000			28 500 000	10 euros
Redeemed shares					
Preferred shares without voting rights					
Preferred shares					
Partnership shares					
Investment certificates					

4.c CHANGES IN SHAREHOLDERS' EQUITY

In euros	31/12/2022	Increases in accounts	Decreases in accounts	31/12/2023
Equity	285 000 000	-	-	285 000 000
Share premiums				
Legal reserve	1 216 898	100 836		1 317 734
Retained earnings	26 051	205 888		231 939
Profit for the period	2 016 724	7 967 280	(2 016 724)	7 967 280
Shareholders' equity	288 259 673	8 274 004	(2 016 724)	294 516 953

4.d NOTIONAL ON FINANCIAL INSTRUMENTS

In euros	31/12/2023	31/12/2022
Exchange rate derivatives	-	-
Interest rate derivatives	-	-
OTC forward financial instruments	-	-

The net valuation of the swaps as at 31/12/2023 is zero.

4.e AGEING OF APPLICATIONS AND SOURCES OF FUNDS

In euros	Remaining term				Total
	Up to 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	
APPLICATIONS					
<i>sight receivables</i>	25 340 167	-	-	-	25 340 167
<i>term receivables</i>	515 000 000	2 300 000 000	18 321 000 000	13 570 000 001	34 706 000 001
SOURCES					
Amounts due to banks	189 999 180	-	-	-	189 999 180
Debt securities	-	2 300 000 000	18 321 000 000	13 570 000 000	34 191 000 000
Transactions with customers	-	-	-	-	-
Subordinated debt	25 000 000	-	-	15 000 000	40 000 000

4.f STATUTORY AUDITOR'S FEES

The total amount of audit fees associated with statutory audit of the financial statements for the period stand at 52,182 euros excluding VAT, in accordance with the duly approved and signed engagement letter. The amount rises to 62,618 euros including VAT.

Table of earnings for the last five financial years

Indicator	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Financial position at the end of the year					
Share capital	285 000 000	285 000 000	285 000 000	285 000 000	285 000 000
Number of ordinary shares in circulation	28 500 000	28 500 000	28 500 000	28 500 000	28 500 000
Number of convertible bonds	None	None	None	None	None
Actual operating earnings					
Net banking income	2 987 989	3 417 820	3 622 344	5 396 536	12 773 080
Earnings before taxes, depreciation and amortisation	816 741	1 039 782	1 000 160	2 699 069	10 754 549
Corporation tax	(243 818)	(316 909)	(267 802)	(682 345)	(2 787 269)
Earnings after taxes, depreciation and amortisation	572 923	722 873	732 358	2 016 724	7 967 280
Distributed earnings	570 000	570 000	855 000	1 710 000	
Earnings per share					
Earnings after taxes, but before depreciation and amortisation	0,02	0,03	0,03	0,07	0,28
Earnings after taxes, depreciation and amortisation	0,02	0,03	0,03	0,07	0,28
Dividend paid per share	0,02	0,02	0,03	0,07	0,00
Personnel					
Number of employees	None	None	None	None	None
Payroll costs	None	None	None	None	None
Total fringe benefits paid (social security, welfare initiatives, etc.)	None	None	None	None	None

BNP Paribas Home Loan SFH

**Statutory Auditors' report
on the financial statements**

For the year ended 31 December 2023

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

DELOITTE ET ASSOCIES
6 place de la Pyramide
92908 Paris-La Défense Cedex

Statutory Auditors' report on the financial statements

For the year ended 31 December 2023

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

BNP Paribas Home Loan SFH
16, boulevard des Italiens
75009 Paris

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of BNP Paribas Home Loan SFH for the year ended 31 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Financial Statements Committee exercising the duties of the specialized committee referred to in Article L. 821-67 of the Commercial Code.

Basis for opinion

Audit framework

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

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2023 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

In accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

We established that there were no key audit matters to address in our report.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements, with the exception of the item described below.

Concerning the fair presentation and the consistency with the financial statements of the disclosures about payment terms referred to in article D. 441-6 of the French Commercial Code, we have the following matter to report: as indicated in the management report, these disclosures do not include banking and related transactions, as the Company considers that such transactions do not fall within the scope of the disclosures to be provided.

Report on corporate governance

We attest that the corporate governance section of the Board of Directors' management report sets out the information required by articles L. 225-37-4 and L. 22-10-10 of the French Commercial Code.

Other verifications and information pursuant to legal and regulatory requirements

Presentation of the financial statements included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements included in the annual financial report referred to in paragraph I of article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of BNP Paribas Home Loan SFH by the Annual General Meetings held on 12 september 2012 for Deloitte & Associés, and 18 september 2006 for PricewaterhouseCoopers Audit.

At 31 December 2023, Deloitte & Associés and PricewaterhouseCoopers Audit were in the twelfth and the eighteenth year of their engagement, respectively.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

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

The Financial Statements Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in article L. 821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Financial Statements Committee

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

Our report to the Financial Statements Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Financial Statements Committee with the declaration provided for in article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.821-27 à L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Financial Statements Committee.

Paris La Défense and Neuilly-sur-Seine, 28 March 2024

The Statutory Auditors

PricewaterhouseCoopers Audit

Deloitte & Associés

Ridha BEN CHAMEK

Laurence DUBOIS