



Regulated information, Leuven, 27 January 2023 (17.40 hrs CET)

## Interim Financial Report 2022/2023

KBC Ancora recorded a profit of EUR 71.3 million in the first half of the financial year 2022/2023. This compared with a profit of EUR 223.9 million in the same period in the previous financial year. The difference is attributable principally to the fact that KBC Group, in line with its dividend policy, distributed an interim dividend of EUR 1.00 per KBC Group share in November 2022 in respect of its financial year 2022. In November 2021, KBC Group decided to distribute both an interim dividend of EUR 1.0 per share in respect of the financial year 2021 and an additional dividend of EUR 2.0 per share in respect of the financial year 2020.

### Abridged financial summaries and notes<sup>1</sup>

#### Results for the first half of financial year 2022/2023

	1H FY 2022/2023 per share (x EUR 1,000) <i>(in EUR)</i>	1H FY 2021/2022 per share (x EUR 1,000) <i>(in EUR)</i>
<b>Income</b>	<b>77,523</b>	<b>232,576</b>
Operating income	7	27
Recurring financial income		
Dividends from financial fixed assets	77,516	232,549
<b>Expenses</b>	<b>-6,214</b>	<b>-8,667</b>
Operating costs	-1,578	-1,733
Financial expenses	-4,636	-6,934
<b>Result after taxes</b>	<b>71,309</b>	<b>223,910</b>
Distribution of interim dividend	0	180,093
Number of shares in issue*	78,301,314	78,301,314
Number of shares with dividend entitlement at balance sheet date	77,350,759	78,184,128

\* No instruments have been issued which could lead to dilution.

KBC Ancora recorded a profit of EUR 71.3 million in the first six months of the current financial year, equivalent to EUR 0.91 per share, compared with a profit of EUR 223.9 million in the same period in the previous financial year.

<sup>1</sup> KBC Ancora's reporting is based on Belgian GAAP.  
 See Appendix for the balance sheet and profit and loss account.



Income consisted principally of dividend received on the participating interest in KBC Group (EUR 77.5 million). Expenses were made up mainly of interest charges on debt (EUR 4.6 million), operating costs (EUR 1.3 million) and tax on securities accounts (EUR 0.3 million).

**Balance sheet at 31 December 2022**

(x EUR 1,000)	31.12.2022	*30.06.2022
<b>BALANCE SHEET TOTAL</b>	<b>3,756,143</b>	<b>3,680,265</b>
<b>Assets</b>		
<b>Fixed assets</b>	<b>3,599,979</b>	<b>3,599,979</b>
<b>Current assets</b>	<b>156,164</b>	<b>80,287</b>
<b>Liabilities</b>		
<b>Equity</b>	<b>3,507,628</b>	<b>3,436,319</b>
Contribution	2,021,871	2,021,871
Unavailable reserves	1,312,315	1,282,494
Available reserves	101,890	131,711
Profit (loss) carried forward	243	243
Result for the period	71,309	n/a
<b>Creditors</b>	<b>248,515</b>	<b>243,947</b>
Amounts falling due after more than one year	243,000	243,000
Amounts falling due within one year	222	190
Accrued expense and deferred income	5,294	756

\* The balance sheet at 30 June 2022 is shown after appropriation of the result.

The balance sheet total at 31 December 2022 stood at EUR 3.8 billion, an increase of EUR 75.9 million compared with the end of the financial year 2021/2022.

The number of shares held by KBC Ancora in KBC Group remained unchanged at 77,516,380. The book value of these shares amounted to (the historical book value of) EUR 46.44 per share. The stock price of the KBC Group share stood at EUR 60.08 on 31 December 2022, while the IFRS equity value amounted to EUR 44.5 per KBC Group share on 30 September 2022.

Current assets increased by EUR 75.9 million, due to a combination of an increase of EUR 29.8 million in treasury shares to EUR 34.2 million and a rise in cash at bank and in hand of EUR 46.1 million to EUR 122.0 million.

Equity increased by EUR 71.3 million, being the result for the first six months of the current financial year. In view of the progress of the share repurchase programme, an amount of EUR 29.8 million was transferred from the available reserves to an unavailable reserve for treasury shares. Debt increased by EUR 4.6 million, principally due to the pro rata application of interest charges in respect of the first six months of the financial year.



## **Interim report on the first six months of the current financial year 2022/2023**

### ***Notes on the first half of the current financial year 2022/2023***

#### ***Results for the first six months of the financial year 2022/2023***

KBC Ancora recorded a profit of EUR 71.3 million in the first six months of the current financial year, compared with a profit of EUR 223.9 million in the same period in the previous financial year.

This result was influenced principally by the following factors:

- An interim dividend of EUR 1.00 per KBC Group share in respect of the financial year 2022. In the same period in the previous financial year, KBC Group distributed a dividend of EUR 1.00 per KBC Group share in respect of the financial year 2021, plus an additional dividend of EUR 2.00 per KBC share in respect of the financial year 2020.
- Interest charges amounting to EUR 4.6 million, EUR 2.4 million less than in the same period in the previous year owing to the repayment of loans totalling EUR 100 million in May 2022.
- Operating expenses amounting to EUR 1.6 million, EUR 0.2 million less than in the same period in the previous financial year. The operating expenses consisted primarily of costs incurred under the cost-sharing agreement with Cera (EUR 1.0 million). In addition, there were the usual costs such as listing fees and management expenses. There was also a tax liability of EUR 0.3 million on the securities accounts in the first half of the financial year.

#### ***Participating interest in KBC Group, net debt position and net asset value***

The number of KBC Group shares in portfolio remained unchanged during the past six months at 77,516,380.

Under the share repurchase programme launched on 10 June 2022 (to a total amount of EUR 50 million), KBC Ancora purchased 833,369 KBC Ancora shares on the stock exchange during the first half of the current accounting year, for a total amount of EUR 29.8 million. At year-end 2022, KBC Ancora had repurchased 950,555 shares for a total amount of EUR 34.2 million.

The net asset value of the KBC Ancora share corresponds to 1.002 times<sup>2</sup> the price of the KBC Group share, less the net debt<sup>3</sup> per share. KBC Ancora's net debt position at 31 December 2022 stood at EUR 1.64 per share.

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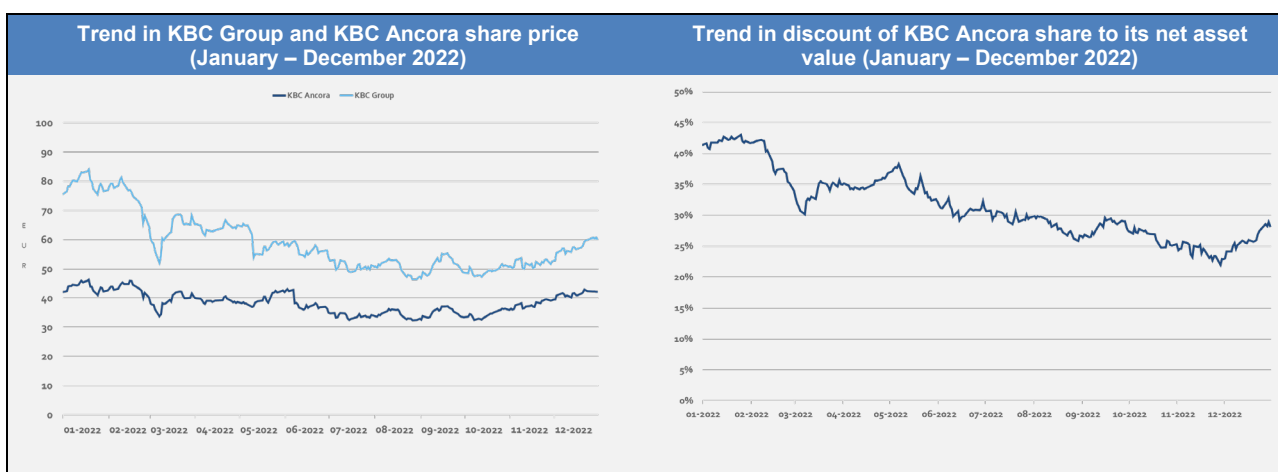
<sup>2</sup> Number of KBC Group shares in portfolio / (number of shares in issue – number of treasury shares) = 77,516,380 / (78,301,314 – 950,555) = 1.002.

<sup>3</sup> Net debt is defined here as total liabilities less total assets excluding financial assets and excluding treasury shares.



Based on the stock price of the KBC Group share on 31 December 2022 (EUR 60.08), the net asset value of one KBC Ancora share amounted to EUR 58.57, and the KBC Ancora share (EUR 42.12) was trading at a discount of 28.1% to the net asset value.

The following charts illustrate the movements in the price of the KBC Group and KBC Ancora shares and the discount of the KBC Ancora share to its net asset value.



**Appointments at the statutory director, Almancora Société de gestion**

Franky Depickere was reappointed as an A director (executive director) on the Board of Directors of Almancora Société de gestion, statutory director of KBC Ancora, in November 2022.

**Principal risks and uncertainties in the remaining months of the financial year**

Certain risk factors could have an impact on the value of the assets held by KBC Ancora and on its ability to distribute a dividend. Reference is made in this regard to the description of the risks in the most recent annual report (page 19).

Barring unforeseen circumstances, the current share repurchase programme will be completed in the second half of the financial year 2022/2023. This implies a further investment of EUR 15.8 million.

KBC Ancora's expenses in the second half of the current financial year (2022/2023) will consist principally of interest charges plus the usual limited operating expenses. KBC Ancora estimates the total expenses for the full financial year 2022/2023 at approximately EUR 12.5 million.

KBC Group reported a net result of EUR 2.05 billion for the first nine months of 2022. KBC Group will announce its annual result for the financial year 2022 on 9 February 2023.



Partly dependent on the decisions taken by KBC Group regarding the distribution in the first half of 2023 of a final dividend in respect of the financial year 2022, the Board of Directors of Almancora Société de gestion, statutory director of KBC Ancora, will take a decision at the end of May 2023 on whether to distribute an interim dividend in June 2023 in respect of the financial year 2022/2023, in line with its dividend policy. That policy sets out the intention to pay out 90% of the recurring result available for distribution in the form of an (interim) dividend (i.e. after adjustment for any exceptional results and after mandatory formation of the legal reserve).

### **Declaration by the responsible individuals**

“We, the members of the Board of Directors of Almancora Société de gestion, statutory director of KBC Ancora SA, hereby jointly declare that, in so far as we are aware:

- a) the abridged financial summaries, drawn up in accordance with the applicable standards for financial statements, present a true and fair picture of the capital position, financial position and results of KBC Ancora;
- b) the interim financial report presents a true and fair view of the key events and principal transactions with affiliated parties during the first six months of the current financial year and of their impact on the abridged financial summaries, as well as a description of the principal risks and uncertainties during the remaining months of the financial year.”



### **Information on the external audit**

The statutory auditor has reviewed the abridged interim financial information and accompanying notes. The auditor's report is appended to this interim report.

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**KBC Ancora** is a listed company which holds 18.6% of the shares in KBC Group and which together with Cera, MRBB and the Other Permanent Shareholders is responsible for the shareholder stability and further development of the KBC group. As core shareholders of KBC Group, these parties have signed a shareholder agreement to this effect.

#### **Financial calendar:**

1 September 2023 (17.40 hrs CEST)	Annual press release for the financial year 2022/2023
26 September 2023 (17.40 CEST)	Annual Report 2022/2023 available
27 October 2023	General Meeting of Shareholders

This press release is available in Dutch, French and English on the website [www.kbcancora.be](http://www.kbcancora.be).

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### Appendix: Balance sheet and profit and loss account with comparative figures

(x EUR 1,000)	31.12.2022	*30.06.2022
<b>BALANCE SHEET TOTAL</b>	<b>3,756,143</b>	<b>3,680,265</b>
<b>Assets</b>		
<b>Fixed assets</b>	<b>3,599,979</b>	<b>3,599,979</b>
Financial fixed assets	3,599,979	3,599,979
<i>Companies with which there is a participatory relationship</i>	3,599,979	3,599,979
<i>Participating interests</i>	3,599,979	3,599,979
<b>Current assets</b>	<b>156,164</b>	<b>80,287</b>
Receivables due within one year	2	6
<i>Trade receivables</i>	2	6
Investments	34,157	4,336
<i>Treasury shares</i>	34,157	4,336
Cash at bank and in hand	122,004	75,939
Accrued income and deferred expense	1	5
<b>Liabilities</b>		
<b>Equity</b>	<b>3,507,628</b>	<b>3,436,319</b>
Contribution	2,021,871	2,021,871
<i>Issued capital</i>	2,021,871	2,021,871
Reserves	1,414,205	1,414,205
Unavailable reserves	1,312,315	1,282,494
<i>Legal reserve</i>	141,900	141,900
<i>Unavailable reserve for treasury shares</i>	34,157	4,336
<i>Other unavailable reserves</i>	1,136,257	1,136,257
Available reserves	101,890	131,711
Profit (loss) carried forward	243	243
Profit/loss for the period	71,309	n/a
<b>Creditors</b>	<b>248,515</b>	<b>243,947</b>
Amounts falling due after more than one year	243,000	243,000
<i>Financial liabilities</i>	243,000	243,000
<i>Credit institutions</i>	243,000	243,000
Amounts falling due within one year	222	190
<i>Trade creditors</i>	151	155
<i>Suppliers</i>	151	155
<i>Other creditors</i>	70	35
Accrued expense and deferred income	5,294	756

\* The balance sheet at 30 June 2022 is shown after appropriation of the result.

# KBC Ancora

indirect investment in KBC Group



**Press Release**  
 Regulated information  
 27 January 2023 (17.40 hrs CET):  
 Interim financial report

(x EUR 1,000)	01.07.2022- 31.12.2022	01.07.2021- 31.12.2021
<b>Operating income</b>	<b>7</b>	<b>27</b>
Other operating income	7	27
<b>Operating costs</b>	<b>1,578</b>	<b>1,733</b>
Services and sundry goods	1,273	1,332
Other operating costs	305	400
<b>Operating result</b>	<b>-1,571</b>	<b>-1,705</b>
<b>Financial income</b>	<b>77,516</b>	<b>232,549</b>
Recurring financial income	77,516	232,549
<i>Income from financial fixed assets</i>	77,516	232,549
<b>Financial expenses</b>	<b>4,636</b>	<b>6,934</b>
Recurring financial charges	4,636	6,934
<i>Cost of debt</i>	4,582	6,934
<i>Other financial expenses</i>	54	0
<b>Financial result</b>	<b>72,880</b>	<b>225,615</b>
<b>Profit (loss) before tax</b>	<b>71,309</b>	<b>223,910</b>
<b>Profit (loss) after tax</b>	<b>71,309</b>	<b>223,910</b>





***Statutory auditor's report to the board of directors of KBC Ancora NV on the review of the condensed interim financial information as at 31 December 2022 and for the 6-month period then ended***

*FREE TRANSLATION OF A REPORT ORIGINALLY PREPARED IN DUTCH*

*Introduction*

We have reviewed the accompanying interim financial report 2022/2023, containing the condensed balance sheet of KBC Ancora NV as at 31 December 2022, the condensed profit and loss statement and notes (“the condensed interim financial information”). The board of directors is responsible for the preparation and presentation of this condensed interim financial information in accordance with the financial reporting framework applicable in Belgium for interim financial information. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

*Scope of Review*

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of condensed 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 condensed interim financial information as at 31 December 2022 and for the 6-month period then ended is not prepared, in all material respects in accordance with the financial reporting framework applicable in Belgium for condensed interim financial information.

Zaventem, 27 January 2023

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises  
Statutory Auditor  
represented by

Kenneth Vermeire  
Bedrijfsrevisor / Réviseur d'Entreprises