



Regulated information, Leuven, 26 January 2024 (17.40 hrs CET)

Interim Financial Report 2023/2024

KBC Ancora recorded a profit of EUR 72.9 million in the first half of the financial year 2023/2024. This compared with a profit of EUR 71.3 million in the same period in the previous financial year. The result for the first six months of the financial year was determined predominantly by dividend income totalling EUR 77.5 million from the participating interest in KBC Group, operating costs of EUR 1.6 million and interest charges amounting to EUR 3.5 million.

Condensed interim financial information and notes¹

Results for the first half of financial year 2023/2024

	1H fin. year (x EUR 1,000)	2023/2024 per share (in EUR)	1H fin. year (x EUR 1,000)	2022/2023 per share (in EUR)
Income	77,953	1.01	77,523	0.99
Operating income	0	0.00	7	0.00
Recurring financial income	77,953	1.01	77,516	0.99
Expenses	-5,074	-0.07	-6,214	-0.08
Operating costs	-1,567	-0.02	-1,578	-0.02
Financial expenses	-3,508	-0.05	-4,636	-0.06
Result after taxes	72,879	0.95	71,309	0.91
Number of shares in issue*		77,011,844		78,301,314

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

KBC Ancora recorded a profit of EUR 72.9 million in the first six months of the current financial year, equivalent to EUR 0.95 per share, compared with a profit of EUR 71.3 million in the same period in the previous financial year.

Income consisted principally of dividend received on the participating interest in KBC Group (EUR 77.5 million) and interest income (EUR 0.4 million). Expenses principally comprised interest charges on debt (EUR 3.5 million) and operating costs (EUR 1.6 million).

¹ KBC Ancora's reporting is based on Belgian GAAP. The valuation principles are set out in the filed annual financial statements and in the annual report.
 See Appendix for the balance sheet and profit and loss account.

Balance sheet at 31 December 2023

(x EUR 1,000)	31.12.2023	*30.06.2023
BALANCE SHEET TOTAL	3,680,471	3,654,085
Assets		
Fixed assets	3,599,979	3,599,979
Current assets	80,492	54,106
Trade receivables	0	2
Investments (own shares)	0	50,000
Investments (other)	79,750	3,900
Cash at bank and in hand	358	197
Accrued income and deferred expense	384	7
Liabilities		
Equity	3,503,158	3,480,279
Contribution	3,158,128	2,021,871
Legal reserve	156,844	156,844
Unavailable reserve for own shares	0	50,000
Other unavailable reserves	0	1,136,257
Available reserves	114,440	114,440
Profit (loss) carried forward	867	867
Result for the period	72,879	n/a
Creditors	177,313	173,806
Amounts falling due after more than one year	100,000	100,000
Amounts falling due within one year	73,236	73,223
Accrued expense and deferred income	4,078	583

* The balance sheet at 30 June 2023 is shown after appropriation of the result.

The balance sheet total at 31 December 2023 stood at EUR 3.7 billion, an increase of EUR 26.4 million compared with the end of financial year 2022/2023.

The number of shares held by KBC Ancora in KBC Group remained unchanged at 77,516,380. The book value of these shares was EUR 46.44 per share (i.e. the historical acquisition cost). The stock price of the KBC Group share stood at EUR 58.72 on 31 December 2023, while the IFRS equity value amounted to EUR 52.2 per KBC Group share on 30 September 2023.

Current assets showed a net increase of EUR 26.4 million to EUR 80.5 million, principally the result of interim dividend received on the participating interest in KBC Group (EUR +77.5 million) and the cancellation of own shares (EUR -50 million) pursuant to a decision by the Extraordinary Meeting of Shareholders held on 27 October 2023.



Total equity rose by EUR 22.9 million. This was largely accounted for by the result for the first half of the current financial year (EUR 72.9 million) and the write-down of the unavailable reserve for repurchase of own shares (EUR -50 million), that accompanied the cancellation of the own shares. Debt increased by EUR 3.5 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 2023/2024

Notes on the first half of the current financial year 2023/2024

Results for the first six months of the financial year 2023/2024

KBC Ancora recorded a profit of EUR 72.9 million in the first six months of the current financial year, compared with a profit of EUR 71.3 million in the same period in the previous financial year.

This result was influenced principally by the following factors:

- Dividend income totalling EUR 77.5 million. As in the same period in the previous year, this consisted of an interim dividend of EUR 1.00 per KBC Group share.
- Interest income on term investments amounting to EUR 0.4 million.
- Interest charges amounting to EUR 3.5 million, EUR 1.1 million less than in the same period in the previous year owing to the early repayment of loans totalling EUR 70 million in May 2023.
- Operating expenses amounting to EUR 1.6 million, in line with the same period in the previous financial year. The operating expenses consisted primarily of costs incurred under the cost-sharing agreement with Cera (EUR 1.1 million). There were also the usual expenses, such as listing costs and costs associated with the statutory director. There was also a tax liability of EUR 0.1 million on 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.

The intrinsic value of the KBC Ancora share is defined as 1.0066 times² the price of the KBC Group share, less the net debt³ per share. KBC Ancora's net debt position at 31 December 2023 stood at EUR 1.26 per share.

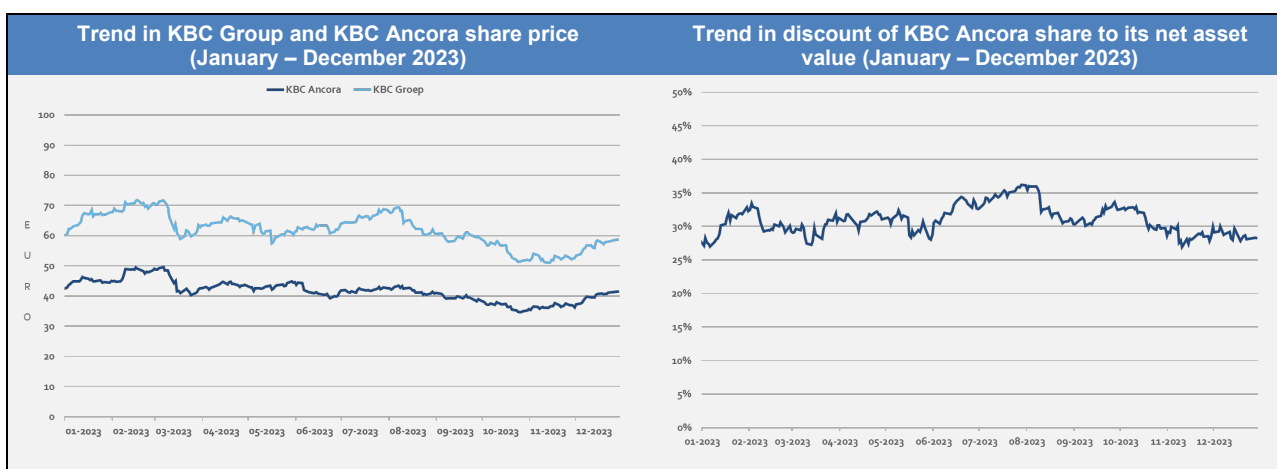
² Number of KBC Group shares held / number of KBC Ancora shares in issue: 1.0066
(= 77,516,380 / 77,011,844).

³ Net debt is defined here as the total liabilities less the total assets excluding financial fixed assets.



Based on the stock price of the KBC Group share on 31 December 2023 (EUR 58.72), the intrinsic value of one KBC Ancora share amounted to EUR 57.85, and the KBC Ancora share (EUR 41.52) was trading at a discount of 28.2% 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.



Extraordinary Meeting of Shareholders held on 27 October 2023

At the Extraordinary Meeting of Shareholders held on 27 October 2023, it was decided to cancel 1,289,470 repurchased own shares and to incorporate other unavailable reserves totalling EUR 1.13 billion into the capital. The Meeting also renewed the powers of the statutory director in respect of the authorised capital and in respect of the repurchase and disposal of the company's own shares.

Appointments at the statutory director, Almancora Société de gestion

On 15 December 2023, the Boards of Directors of Cera Société de gestion, statutory director of Cera, and Almancora Société de gestion, statutory director of KBC Ancora, announced that they had appointed Frederik Vandepitte as full-time managing director ('A' director) and CEO with effect from 1 February 2024. He follows in the footsteps of Franky Depickere, who has successfully led the Cera group since 2006. Until the end of April 2026, Franky Depickere will remain as a part-time managing director and will continue to fulfil his mandates and assignments in the KBC group on behalf of Cera, and prepare their transfer.



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 20).

KBC Ancora's expenses in the second half of the current financial year (2023/2024) will consist principally of interest charges plus the usual limited operating expenses. KBC Ancora estimates the total expenses in respect of the full financial year 2023/2024 at approximately EUR 10 million.

KBC Group reported a net result of EUR 2.73 billion for the first nine months of 2023. KBC Group will announce its annual result for the financial year 2023 on 8 February 2024.

Partly dependent on the decisions taken by KBC Group regarding the distribution in the first half of 2024 of a final dividend in respect of financial year 2023, the Board of Directors of Almancora Société de gestion, statutory director of KBC Ancora, will take a decision at the end of May 2024 on whether to distribute an interim dividend in June 2024 in respect of financial year 2023/2024, in line with its dividend policy. KBC Ancora's dividend 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).

A loan totalling EUR 73 million matures in May 2024. Based on its cash planning, KBC Ancora has sufficient funds available to repay this loan.

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 condensed financial information, 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 condensed financial information, as well as a description of the principal risks and uncertainties during the remaining months of the financial year."



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Information on the external audit

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

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:

30 August 2024 (17.40 hrs CEST)
24 September 2024 (17.40 CEST)
25 October 2024

Annual press release for the financial year 2023/2024
Annual Report 2023/2024 available
General Meeting of Shareholders

This press release is available in Dutch, French and English on the website www.kbcancora.be.

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

(x EUR 1,000)	31.12.2023	*30.06.2023
BALANCE SHEET TOTAL	3,680,471	3,654,085
Assets		
Fixed assets	3,599,979	3,599,979
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
Current assets	80,492	54,106
Receivables due within one year	0	2
<i>Trade receivables</i>	0	2
Investments	79,750	53,900
<i>Own shares</i>	0	50,000
<i>Other investments</i>	79,750	3,900
Cash at bank and in hand	358	197
Accrued income and deferred expense	384	7
Liabilities		
Equity	3,503,158	3,480,279
Contribution	3,158,128	2,021,871
<i>Issued capital</i>	3,158,128	2,021,871
Reserves	271,284	1,457,541
Unavailable reserves	156,844	1,343,101
<i>Legal reserve</i>	156,844	156,844
<i>Unavailable reserve for own shares</i>	0	50,000
<i>Other unavailable reserves</i>	0	1,136,257
Available reserves	114,440	114,440
Profit/loss carried forward	867	867
Profit/loss for the period	72,879	n/a
Creditors	177,313	173,806
Amounts falling due after more than one year	100,000	100,000
<i>Financial liabilities</i>	100,000	100,000
<i>Credit institutions</i>	100,000	100,000
Amounts falling due within one year	73,236	73,223
<i>Financial liabilities</i>	73,000	73,000
<i>Credit institutions</i>	73,000	73,000
<i>Trade creditors</i>	169	182
<i>Suppliers</i>	169	182
<i>Other creditors</i>	67	41
Accrued expense and deferred income	4,078	583

* The balance sheet at 30 June 2023 is shown after appropriation of the result.

KBC Ancora

indirect investment in KBC Group



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(x EUR 1,000)	01.07.2023- 31.12.2023	01.07.2022- 31.12.2022
Operating income	0	7
Other operating income	0	7
Operating costs	1,567	1,578
Services and sundry goods	1,417	1,273
Other operating costs	149	305
Operating results	-1,567	-1,571
Financial income	77,953	77,516
Recurring financial income	77,516	77,516
<i>Income from financial fixed assets</i>	77,516	77,516
<i>Income from current assets</i>	437	0
Financial expenses	3,508	4,636
Recurring financial charges	3,508	4,636
<i>Cost of debt</i>	3,508	4,582
<i>Other financial expenses</i>	0	54
Financial result	74,445	72,880
Profit (loss) before tax	72,879	71,309
Profit (loss) after tax	72,879	71,309



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 2023 and for the 6-month period then ended

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Introduction

We have reviewed the accompanying interim financial report 2023/2024, containing the condensed balance sheet of KBC Ancora NV as at 31 December 2023, the condensed profit and loss account for the 6-month period then ended, as well as the 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 the preparation of condensed 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 2023 and for the 6-month period then ended has not been prepared, in all material respects, in accordance with the financial reporting framework applicable in Belgium for the preparation of condensed interim financial information.

Other matter

The annual accounts of KBC Ancora NV for the financial year ended 30 June 2023 as well as the interim financial report 2022/2023, and therefore the corresponding figures included in the condensed interim financial information that is the object of the present report, were audited and reviewed by another statutory auditor. This statutory auditor expressed an unqualified opinion on



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those annual accounts on 22 September 2023 and made no comments in his review report of 27 January 2023 on these condensed interim financial information.

Diegem, 26 January 2024

The statutory auditor,
PwC Reviseurs d'Entreprises SRL / Bedrijfsrevisoren BV
Represented by

Damien Walgrave*
Bedrijfsrevisor / Réviseur d'Entreprises

* Acting in behalf of Damien Walgrave BV/SRL