Argenta Spaarbank

IFRS Half-year Financial Statements

2024

argenta.be

Condensed consolidated interim financial information of Argenta Spaarbank nv ([1]) for the first six months of the current financial year 2024, prepared in accordance with IAS34 as adopted by the European Union.

The IFRS financial statements and tables are in EUR, unless otherwise explicitly stated in the table in question.

[1] Argenta Spaarbank nv (hereinafter 'the Company', abbreviated to 'Aspa') is registered in Belgium under Belgian law. Its legal form is that of a public limited liability company that has made a public appeal to the savings system (statutory Belgian credit institution).

Table of Contents

Management certification of condensed consolidated interim financial statements and half-year report 4

Report on the first six months 4

Condensed consolidated interim financial statements according to IFRS 9

- **Condensed consolidated interim statement of financial position (in EUR)** 9
- **Condensed consolidated interim statement of profit or loss (in EUR)** 11
- **Condensed consolidated interim statement of comprehensive income (in EUR)** 12
- **Condensed consolidated interim statement of changes in equity (in EUR)** 13
- **Condensed consolidated interim cash flow statement (in EUR)** 14
- **Components of cash and cash equivalents** 15

Notes to the condensed consolidated interim financial statements (in EUR) 16

- **Statement of compliance and changes in accounting policies** 16
  - Note 1: Statement of compliance (Note 2 in the annual statements of 2023) 16
  - Note 2: Summary of significant accounting policies (Note 2 in the annual statements of 2023) 17
  - Note 3: Changes in significant accounting policies (Note 2 in the annual statements of 2023) 17

Notes on operating segments (in EUR) 18

- Note 4: Operating segments (Note 10 in the annual statements of 2023) 18

Notes on related party transactions (in EUR) 23

- Note 5: Related party transactions (Note 9 in the annual statements of 2023) 23

Notes to the condensed consolidated interim statement of financial position (in EUR) 26

- Note 6: Cash and balances with central banks and other demand deposits (Note 11 in the annual statements of 2023) 26
- Note 7: Non-trading financial assets mandatorily at fair value through profit or loss (Note 13 in the annual statements of 2023) 26
- Note 8: Financial assets at fair value through other comprehensive income (Note 14 in the annual statement of 2023) 27
- Note 9: Financial assets at amortised cost (Note 15 in the annual statements of 2023) 28
- Note 10: Financial liabilities measured at amortised cost (Note 22 in the annual statements of 2023) 29
- Note 11: Fair value of financial instruments (Note 26 in the annual statements 2023) 32
- Note 12: Other assets and other liabilities (Notes 21 & 24 in the annual statements 2023) 37
- Note 13: Equity attributable to the owners of the parent (Note 3 in the annual statements 2023) 37

Notes to the condensed consolidated interim statement of profit or loss (in EUR) 39

- Note 14: Net interest income (Note 28 in the annual statements of 2023) 39
- Note 15: Net fee and commission income (Note 30 in the annual statements of 2023) 40
- Note 16: Gains and losses on financial assets and liabilities not measured at fair value through profit or loss (Note 31 in the annual statements of 2023) 41
- Note 17: Gains or losses from hedge accounting (Note 34 in the annual statements of 2023) 41
- Note 18: Net other operating income (Note 36 in the annual statements of 2023) 41
- Note 19: Administrative expenses (Note 37 in the annual statements of 2023) 42
- Note 20: Impairments (Note 38 in the annual statements of 2023) 43
- Note 21: Taxes (Note 20 and 39 in the annual statements of 2023) 50
- Note on capital management (in EUR) 52
- Note 22: Solvency and capital management (Note 6 in the annual statements of 2023) 52

Note on subsequent events 55

- Note 23: Post-balance sheet events (note 44 in the annual statements of 2023) 55

Glossary 56

Management certification of condensed consolidated interim financial statements and half-year report

'I, Geert Ameloot, Chief Financial Officer, certify on behalf of the Board of Directors that, to the best of my knowledge, the condensed consolidated interim financial statements included in the half-year report are based on the relevant accounting standards and fairly present in all material respects the financial condition and results of Argenta Spaarbank nv including its consolidated subsidiaries, and that the half-year report provides a fair view of the main events, the main transactions with related parties in the period under review and their impact on the condensed consolidated interim financial statements'.

Report on the first six months

Economic developments

In the first half of 2024, the disinflationary trend continued. However geopolitical uncertainties remained, as there is currently still no sign of an end to the war caused by the Russian invasion of Ukraine. In addition, the Israel-Hamas war has evolved into heightened tension in the Middle-east region.

In the first part of 2024 the ECB maintained its policy interest rates stable at a level of 4%. This decision followed a period of significant rate hikes in order to combat inflation, with rates increasing by a total of 450 basis points from July 2022 to September 2023. As inflation began to slow, the ECB's stance shifted towards potential easing, reflecting a cautious optimism about economic recovery and declining inflation rates. In the ECB's March 2024 staff projections, inflation was revised down, particularly for 2024, mainly reflecting a lower contribution from energy prices. Although most measures of underlying inflation have eased further, domestic price pressures remain high, partly due to strong growth in wages.

On June 6, 2024, the ECB lowered the key interest rates by 25 basis points. This decision was based on an updated assessment of the inflation outlook, the dynamics of underlying inflation, and the strength of monetary policy transmission.

The mortgage market in Belgium and the Netherlands saw continued pressure from higher interest rates and deteriorated affordability. Average lending rates on new loans to households for house purchase remained elevated in Belgium and the Netherlands. In Belgium total production amounted to EUR 1.09 billion, a limited drop of EUR 0.15 billion compared to the first half year of 2023. In the Netherlands the mortgage production in the first half of 2024 was up by EUR 0.27 billion to EUR 1.40 billion.

Increasing market interest rates in 2023 also resulted in higher interest rates on deposit accounts. The competitive landscape among banks has intensified as they strive to attract customers with higher interest rates and favourable terms.

In 2024 Argenta Spaarbank continued to focus on raising retail funding resulting in a growth of regulated and term deposits with EUR 2.00 billion. As part of the Covered Bond programme, a EUR 0.75 billion bond was issued in February, and in March a retained Covered Bond of EUR 0.5 billion was issued (as this issue is fully retained it is not presented in the balance sheet).

Argenta continues to strategically focus on income diversification with the aim to increase our non-interest rate-driven result primarily through our asset management activities. The net production figures were dampened in 2023 by the difficult financial market environment. At the end of 2023 and in 2024 market conditions were however more favourable and production picked up. This resulted in increasing revenue from asset management activities.

Administrative expenses decreased by 5%. Inflation and growth in FTE led to an increase in staff expenses by 12%, which was more than offset by a decrease in IT expenses and professional fees.
Total net profit came in at EUR 85.0 million.

Through the addition of the half-year profit to reserves, equity continues to grow, which means all the solvency requirements continued to be comfortably met. The liquidity ratios were further strengthened and remained comfortable.

Key figures (unaudited)

The first half of 2024 resulted in a net profit of EUR 85.0 million (EUR 90.8 million 1H2023), a return on equity of 9.4% and a cost-income ratio of 52.3%.

The table below gives the Company's key figures.

	31/12/2023	30/06/2024
Return on equity	9.8%	9.4%
Return on total assets	0.45%	0.46%
Cost-income ratio (excluding bank levies)	43.6%	39.8%
Cost-income ratio (including bank levies)	56.0%	52.3%
Common equity tier 1 ratio	22.0%	26.9%
Total capital ratio	22.0%	26.9%
Leverage ratio	4.8%	4.8%
Liquidity coverage ratio	219%	242%
Net stable funding ratio	140%	146%
Minimum requirement for own funds and eligible liabilities (LRE)	8.7%	8.5%
Minimum requirement for own funds and eligible liabilities subordinated (LRE)	8.7%	8.5%
Minimum requirement for own funds and eligible liabilities (TREA)	39.5%	47.8%
Minimum requirement for own funds and eligible liabilities subordinated (TREA)	39.5%	47.8%

In calculating the cost-income ratio, the amounts recovered under cost sharing arrangements with the other group companies that are included under other operating income, are allocated to the relevant other administrative costs and to expenses related to commissions and fees. Return on equity, return on total assets and cost-income ratios are adjusted to take into account the upfront recording of bank levies (excluding IFRIC 21).

The CET1 ratio stood at 26.9%, up 4.9% compared to the CET1 ratio as of December 2023. The increase over 2024 is mainly the result of higher CET1 capital (EUR +69 million) due to the inclusion of the interim profit of the first half of 2024, and the decrease of risk weighted items, due to the implementation of the new IRB model for Dutch mortgages (and the release of the standardized floor for Dutch mortgages) as of March 2024 representing a decrease in risk weighted items of approximately EUR -1,770 million.

MREL expressed in relation to TREA (risk weighted items) increased to 47.8%, compared to 39.5% as of December 2023, as risk weighted items decreased.

Evolution of the balance sheet

The balance sheet total grew by 3.6% (EUR 1.93 billion) to EUR 55.77 billion.

Cash, cash balances at central banks and other demand deposits increased between December 31 and June 30 by 29.1% (EUR 0.64 billion).

Investments in debt securities increased by 3.4% (EUR 0.34 billion). The portfolio consists of EUR 2.85 billion stated at fair value with value adjustments recognised through other comprehensive income, and EUR 7.42 billion accounted for at amortised cost. Finally, there is a limited portfolio of debt securities that IFRS standards require to be measured at fair value through profit or loss. The debt securities portfolio, together with cash balances at central banks are primarily held for liquidity purposes.

	31/12/2023	30/06/2024
Non-trading financial assets mandatorily at fair value through profit or loss	33,615,223	34,444,443
Financial assets at fair value through other comprehensive income	2,849,599,421	2,852,208,199
Financial assets at amortised cost - debt securities	7,090,119,165	7,424,979,848
Total securities portfolio	**9,973,333,809**	**10,311,632,490**

The portfolio of loans and receivables increased from EUR 40.94 billion as of 31 December 2023 to EUR 41.91 billion, primarily driven by the mortgage loan portfolio which increased by 2.8% (EUR 1.10 billion). Overall mortgage production in the first half of 2024 amounted to EUR 2.49 billion and was up compared to the first half of 2023 (EUR 2.36 billion). Prepayment levels remained low.

	31/12/2023	30/06/2024
Financial assets at amortised cost - loans and advances	40,941,681,240	41,913,805,091
of which mortgage loans	39,099,706,812	40,191,813,894

Financial liabilities measured at amortized cost increased overall by EUR 1.96 billion.

The deposits from credit institutions increased by EUR 160.01 million due to the inflow of cash collateral related to derivatives, as all derivatives contracts are covered under credit support annexes (CSA) and are subject to the exchange of variation margin. As the fair value of the derivatives increased, this resulted in an inflow of collateral.

The Company continues to diversify its funding by raising non-retail funding, and in 2024 a Commercial Paper programme has been set up. Under the Covered Bond programme a total of EUR 0.75 billion was issued in February, partially compensated with factor repayments for EUR -71.92 million and the call of the Green Apple 2017 I NHG in March 2024 for EUR -530.84 million of the residential mortgages backed securities and maturities for EUR -499.86 million of the EMTN. Regulated savings deposits increased with EUR 1.24 billion, and term accounts increased with EUR 0.76 billion.

	31/12/2023	30/06/2024
Deposits from central banks	0	0
Deposits from credit institutions	1,130,294,811	1,290,307,786
Deposits from other than central banks and credit institutions	42,615,213,836	44,589,250,804
Senior debt securities issued	6,752,523,947	6,582,236,867
Subordinated debt securities issued	0	0
Other financial liabilities	85,677,345	78,920,550
Financial liabilities at amortised cost	**50,583,709,939**	**52,540,716,006**

Elements (drivers) of the result

The Company's profit (EUR 85,030,881 with the application of IFRIC 21 (levies) and EUR 128,018,040 without application of IFRIC 21) has decreased by EUR 5.77 million as a result of lower net interest income, partly compensated by higher net fee and commission income and other operating income and lower operating expenses and net impairments.

The interest result is the main driver of the recurring operating result and is supplemented by the net income from commissions and fees related to the offering and management of investment funds.

Net interest income decreased in 2024 by EUR -49.86 million compared to the first half of 2023. The interest income (excluding derivatives) grew by 104.00 million as a result of the combination of the increase in the return and a growing mortgage and investment portfolio. Interest income on debt securities was up by EUR 28.48 million (of which driven by yield increase for EUR 27 million and EUR 1 million by portfolio evolution). The interest income from mortgage loans increased with EUR +62.60 million, in line with growing mortgage portfolio (representing EUR 15 million of the increase), and with production at higher yields (representing EU 48 million).

The interest expenses (excluding derivatives) rose by EUR 235.37 million as a result of the increased interest payments on both retail and non-retail funding. The interest cost of the RMBS bonds increased further (variable interest payment) and the issues of Covered Bonds as from 2023 and in 2024 bear a relatively higher interest cost, as a result of the general increase in the interest rate curve. The interest cost on term accounts increased by EUR 145.54 million, which is largely related to the issuance of the one-year term deposit offered in 2023 as alternative to Argenta clients for the one-year government bond (staatsbon). The interest cost on savings accounts increased by EUR 52.32 million.

There was a positive change in the net interest result of derivatives. As a result of higher Euribor interest rates the net interest costs on the derivatives were EUR 85.14 million lower (and the cost-of-carry of the payer swaps derivatives portfolio fell).

Net fee and commission income related to assets under management and distribution commissions from investment fund products increased compared to the first half of 2023. Market turmoil in the second half of 2022 and early 2023 led to pressure on assets under management, lower net production and put asset management fees and entry fees under pressure in the first half of 2023. However at the end of 2023 and in 2024 markets somewhat stabilised, and net management fees received (after acquisition costs) on assets under management grew by EUR 12.4 million and custody and entry fees further increased by EUR 1.2 million. Net fee on payment services grew by EUR 6.0 million primarily as a result of higher net DMC (debit mastercard), BC (Bancontact) and ATM fees for EUR 6.0 million (of which EUR 4.1 million non-recurring).

Net other operating income increased by EUR 12.73 million due to an increase of the amounts recovered under cost sharing arrangements with the other group companies due to an update of the cost sharing mechanism.

The decrease in other administrative expenses by EUR 11.27 million is primarily driven by lower IT expenses and lower professional fees (including legal, tax and general consulting expenses). Bank levies remained on a similar level as compared to the first half of 2023, as the increase in other bank levies (as a result of the increase in the retail funding base) was fully compensated by the omission of the single resolution fund contribution in 2024.
Staff expenses increased by EUR 6.8 million due to inflationary pressure and increase in FTE.

Net impairments amounted to EUR +0.93 million in the first half of 2024. These reflect in particular the favourable evolution of HPI (House Price Index - an index that measures the changes in the transaction prices of residential housing) for the Netherlands and a positive effect of the indexation of property values for Belgian mortgages. In the non-retail portfolio, there was a negative impact due to the a rating downgrade of one counterparty, compensated by a general improvement of PDs on portfolio level.

Climate risk

The climate transition risk is included in the calculation of the expected credit losses (ECL) for the mortgage portfolios (retail), Hence the customers who are regarded as the most sensitive to the climate risk transition remained in stage 2.

In the Belgian mortgage portfolio this is done on the basis of the EPC label in combination with a high DSTI (debt service to income ratio, an indicator of the share of income spent on repaying debts). At 30 June 2024, a total of EUR 373 million of outstanding receivables are in stage 2, with a corresponding ECL of EUR 0.2 million. In the Dutch mortgage portfolio this is done on the basis of the EPC label in combination with a high LTI (loan to income ratio, a measure by which the amount loaned is plotted against income). At 30 June 2024, there are EUR 859 million of outstanding receivables in Stage 2 with an ECL impact of EUR 0.6 million.

Solid capital and robust liquidity position (unaudited)

The Common Equity Tier 1 ratio (IRB approach and phased in) amounted to 26.9%, up from 22.01% at 31 December 2023 mainly due to the implementation of the new IRB model for Dutch mortgages as of March 2024.

Liquidity continued strong with an LCR ratio of 242% and a stable NSFR of 146%.

The Company comfortably met all regulatory solvency and liquidity requirements.

Condensed consolidated interim financial statements according to IFRS

Condensed consolidated interim statement of financial position (in EUR)

Assets	Note	31/12/2023	30/06/2024
Cash and cash equivalents	6	62,600,333	75,032,216
Cash balances at central banks and other demand deposits	6	2,152,396,828	2,783,664,300
Financial assets held for trading		63,051,701	60,240,034
Non-trading financial assets mandatorily at fair value through profit or loss	7	33,615,223	34,444,443
Financial assets at fair value through other comprehensive income	8	2,849,599,421	2,852,208,199
Financial assets at amortised cost	9	48,031,800,405	49,338,784,938
Derivatives used for hedge accounting		1,425,057,322	1,616,313,785
Fair value changes of the hedged items in portfolio hedge of interest rate risk		-1,245,442,292	-1,504,125,295
Investments in subsidiaries, joint ventures and associates		56,700	63,628
Tangible assets		63,485,946	58,463,662
Property, plant and equipment		63,176,917	58,159,362
Investment property		309,029	304,300
Intangible assets		23,126,581	22,745,316
Goodwill		0	0
Other intangible assets		23,126,581	22,745,316
Tax assets		98,581,382	113,631,876
Current tax assets		84,612,533	105,490,398
Deferred tax assets	21	13,968,849	8,141,478
Other assets	12	283,615,427	316,033,956
Total assets		**53,841,544,977**	**55,767,501,059**

Liabilities and equity	Note	31/12/2023	30/06/2024
Financial liabilities held for trading		52,642,345	51,365,944
Financial liabilities at amortised cost	10	50,583,709,939	52,540,716,006
Deposits from central banks		0	0
Deposits from credit institutions		1,130,294,811	1,290,307,786
Deposits from other than central banks and credit institutions		42,615,213,836	44,589,250,804
Senior debt securities issued, including saving certificates		6,752,523,947	6,582,236,867
Subordinated debt securities issued		0	0
Other financial liabilities		85,677,345	78,920,550
Derivatives used for hedge accounting		242,563,369	155,770,109
Fair value changes of the hedged items in portfolio hedge of interest rate risk		0	0
Provisions		11,118,524	11,980,145
Tax liabilities		21,383,375	21,716,880
Current tax liabilities		4,189,420	5,000,841
Deferred tax liabilities	21	17,193,955	16,716,039
Other liabilities	12	200,023,990	168,775,970
Total liabilities		**51,111,441,542**	**52,950,325,054**
Equity attributable to owners of the parent	13	2,729,607,715	2,816,801,393
Equity attributable to minority interests	13	495,720	374,613
Total equity		**2,730,103,435**	**2,817,176,006**
Total liabilities and equity		**53,841,544,977**	**55,767,501,059**

Condensed consolidated interim statement of profit or loss (in EUR)

	Note	30/06/2023	30/06/2024
Total operating income		**428,407,376**	**410,146,940**
Net interest income	14	386,950,535	337,091,372
Interest income		599,623,136	786,684,567
Interest expenses		-212,672,601	-449,593,195
Dividend income		387,043	392,492
Net fee and commission income		25,210,837	40,626,908
Fee and commission income	15	123,181,317	143,640,255
Fee and commission expenses		-97,970,480	-103,013,347
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	16	-857,348	144,923
Financial assets at fair value through other comprehensive income		76,930	0
Financial assets and liabilities at amortised cost		-934,278	144,923
Gains or losses on financial assets and liabilities held for trading		-489,345	1,233,665
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss		-313,164	582,276
Gains or losses from hedge accounting	17	-7,604,684	-7,795,226
Gains or losses on derecognition of non-financial assets		-2,345	14,973
Net other operating income	18	25,125,847	37,855,556
Other operating income		32,197,997	46,232,979
Other operating expenses		-7,072,150	-8,377,423
Administrative expenses	**19**	**-270,509,744**	**-266,024,919**
Staff expenses		-53,489,635	-60,278,967
Other administrative expenses		-217,020,109	-205,745,951
Depreciation		**-12,928,113**	**-10,592,188**
Property, plant and equipment		-6,606,608	-5,692,072
Investment properties		-4,751	-4,728
Other intangible assets		-6,316,754	-4,895,387
Modification gains or losses		**0**	**0**
Provisions or reversal of provisions		**63,878**	**-861,621**
Impairments or reversal of impairments	**20**	**-8,826,634**	**935,739**
Financial assets (debt securities) at fair value through other comprehensive income		1,173,373	932,165
Financial assets at amortised cost		-10,000,007	3,575
Goodwill		0	0
Property, plant and equipment		0	0
Share in results of associated companies and joint ventures		**9,822**	**6,928**
Profit or loss before tax		**136,216,585**	**133,610,879**
Tax expense	21	-45,418,828	-48,579,998
Profit or loss after tax		**90,797,757**	**85,030,881**
Profit or loss attributable to owners of the parent		90,628,325	84,835,474
Profit or loss attributable to minority interests		169,432	195,408

Condensed consolidated interim statement of comprehensive income (in EUR)

Overview of the comprehensive income	Note	30/06/2023	30/06/2024
Profit or loss		**90,797,757**	**85,030,881**
Profit or loss attributable to owners of the parent		90,628,325	84,835,474
Profit or loss attributable to minority interests		169,432	195,408
Items that will not be reclassified to profit or loss		**-644,685**	**-927,715**
Equity instruments measured at fair value through other comprehensive income	8	-644,685	-927,715
Valuation gains or losses taken to equity		-650,134	-933,735
Deferred taxes		5,449	6,020
Actuarial gains or losses on defined benefit pension plans		0	0
Gross actuarial gains or losses on liabilities defined benefit pension plans		0	0
Deferred taxes		0	0
Items that may be reclassified to profit or loss		**11,337,297**	**3,285,919**
Debt securities at fair value through other comprehensive income	8	11,337,297	3,285,919
Valuation gains or losses taken to equity		16,366,700	5,313,390
Transferred to profit or loss		-1,250,303	-932,165
Deferred taxes		-3,779,099	-1,095,306
Cash flow hedges		0	0
Valuation gains or losses taken to equity		0	0
Transferred to profit or loss		0	0
Deferred taxes		0	0
Total other comprehensive income		**10,692,613**	**2,358,204**
Total comprehensive income		**101,490,369**	**87,389,086**
Profit or loss attributable to owners of the parent		101,320,937	87,193,678
Profit or loss attributable to minority interests		169,432	195,408

The evolution of the components of other comprehensive income (OCI) are split into two categories, namely 'Items that will not be reclassified to profit or loss' and 'Items that may be reclassified to profit or loss'.

'Items that will not be reclassified to profit or loss' include the evolution in the revaluation reserve of equity instruments at fair value through other comprehensive income (FVOCI) and the net actuarial result on defined benefit pension plans.

'Items that may be reclassified to profit or loss' include the evolution of the revaluation reserve for debt securities at FVOCI and the hedging reserve for effective cash flow hedges (CFH). These changes can be split into unrealised gains or losses arising during the period and reclassified realised gains or losses included in profit or loss. The breakdown of these elements is disclosed in the statement of changes in equity on the next page.

Other comprehensive income decreased (EUR 2.36 million) in the first six months of 2024 compared to the first half of 2023 (EUR 10.69 million).

Condensed consolidated interim statement of changes in equity (in EUR)

	Paid up capital	Share premium	Accumulated other comprehensive income				Retained earnings	Profit or loss attributable to owners of the parent	Equity attributable to owners of the parent	Minority interests	Total Equity
			Fair value changes of debt securities measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other com-prehensive income	Cash flow hedge reserve	Actuarial gains or losses on defined benefit pension plans					
Equity position 01/01/2023	**933,925,150**	**0**	**-63,559,993**	**-4,744,406**	**0**	**-1,602,769**	**1,409,161,162**	**195,753,375**	**2,468,932,518**	**467,354**	**2,469,399,872**
Capital increase	0	0	0	0	0	0	0	0	0	0	0
Profit or loss of the year	0	0	0	0	0	0	0	90,628,325	90,628,325	169,432	90,797,757
Dividends	0	0	0	0	0	0	0	0	0	-312,599	-312,599
Fair value gains or losses taken to equity	0	0	16,366,700	-650,134	0	0	0	0	15,716,565	0	15,716,565
Fair value gains or losses transferred to profit or loss	0	0	-1,250,303	0	0	0	0	0	-1,250,303	0	-1,250,303
Fair value gains or losses transferred to retained earnings	0	0	0	0	0	0	0	0	0	0	0
Deferred taxes on fair value gains or losses	0	0	-3,779,099	5,450	0	0	0	0	-3,773,649	0	-3,773,649
Total other comprehensive income	**0**	**0**	**11,337,297**	**-644,684**	**0**	**0**	**0**	**0**	**10,692,612**	**0**	**10,692,612**
Other changes	0	0	0	0	0	0	0	0	0	0	0
Transfer to retained earnings	0	0	0	0	0	0	195,753,375	-195,753,375	0	0	0
Equity position 30/06/2023	**933,925,150**	**0**	**-52,222,697**	**-5,389,090**	**0**	**-1,602,769**	**1,604,914,537**	**90,628,325**	**2,570,253,455**	**324,188**	**2,570,577,643**
Equity position 01/01/2024	**1,009,963,900**	**0**	**-25,326,114**	**-4,143,197**	**0**	**-5,126,481**	**1,511,978,287**	**242,261,320**	**2,729,607,714**	**495,720**	**2,730,103,434**
Capital increase	0	0	0	0	0	0	0	0	0	0	0
Profit or loss of the year	0	0	0	0	0	0	0	84,835,474	84,835,474	195,408	85,030,881
Dividends	0	0	0	0	0	0	0	0	0	-316,514	-316,514
Fair value gains or losses taken to equity	0	0	5,313,390	-933,735	0	0	0	0	4,379,656	0	4,379,656
Fair value gains or losses transferred to profit or loss	0	0	-932,165	0	0	0	0	0	-932,165	0	-932,165
Fair value gains or losses transferred to retained earnings	0	0	0	0	0	0	0	0	0	0	0
Deferred taxes on fair value gains or losses	0	0	-1,095,306	6,020	0	0	0	0	-1,089,286	0	-1,089,286
Total other comprehensive income	**0**	**0**	**3,285,919**	**-927,715**	**0**	**0**	**0**	**0**	**2,358,205**	**0**	**2,358,205**
											0
Other changes	0	0	0	0	0	0	0	0	0	0	0
Transfer to retained earnings	0	0	0	0	0	0	242,261,320	-242,261,320	0	0	0
Equity position 30/06/2024	**1,009,963,900**	**0**	**-22,040,195**	**-5,070,912**	**0**	**-5,126,481**	**1,754,239,607**	**84,835,474**	**2,816,801,393**	**374,613**	**2,817,176,006**

Note 13 provides further information on the equity position. Outflows from dividends in 2023 and 2024 relate to dividend distributions of subsidiaries for which a (purely formal) minority share is held by the parent of the Company.

Condensed consolidated interim cash flow statement (in EUR)

	30/06/2023	30/06/2024
Cash and cash equivalents at the start of the period	**3,288,565,687**	**2,343,477,101**
Operating activities		
Profit or loss before tax	136,216,585	133,610,879
Adjustments for:		
Depreciation	9,117,839	7,807,375
Provisions or reversal of provisions	-63,878	861,621
Gains or losses on derecognition of non-financial assets	2,345	-14,973
Impairments or reversal of impairments	8,826,634	-935,739
Changes in assets and liabilities from hedging derivatives and hedged item	42,534,039	-8,909,097
Other adjustments (among which interest expenses financing activities)	70,267,091	81,543,212
Cash flows from operating profits before changes in operating assets and liabilities	**266,900,655**	**213,963,278**
Changes in operating assets (excluding cash and cash equivalents)		
Financial assets held for trading	-242,263	2,811,667
Financial assets at amortised cost	-661,160,137	-1,408,729,189
Financial assets at fair value through other comprehensive income	347,546,538	681,591
Non-trading financial assets mandatorily at fair value through profit or loss	249,117	-829,220
Other assets	-57,679,047	-26,591,158
Changes in operating liabilities (excluding cash and cash equivalents)		
Deposits from central banks	0	0
Deposits from credit institutions	-136,559,904	160,012,975
Deposits from other than central banks and credit institutions	-239,530,561	1,974,036,968
Debt securities issued, retail	0	0
Financial liabilities held for trading	731,607	-1,276,401
Other liabilities	-12,421,992	-31,725,937
'(Paid) refunded income taxes	-113,720,034	-68,646,442
Net cash flow from operating activities	**-605,886,020**	**813,708,131**
Investing activities		
Cash payments to acquire property, plant and equipment	-1,267,100	-747,099
Cash proceeds from disposal of property, plant and equipment	24,876	37,313
Cash payments to acquire intangible assets	-2,817,908	-4,152,952
Cash proceeds from disposal of intangible assets	32,613	0
Changes concerning consolidated companies	0	0
Net cash flow from investing activities	**-4,027,519**	**-4,862,739**

	30/06/2023	30/06/2024
Financing activities		
Paid dividends	-312,599	-316,514
Cash proceeds from a capital increase	0	0
Cash proceeds from the issue of non-subordinated debt securities	498,555,000	754,270,070
Cash payments from non-subordinated debt securities	-128,678,900	-946,619,680
Cash proceeds from TLTRO-III ECB	0	0
Interest paid	-49,950,206	-70,252,732
Net cash flow from financing activities	**319,613,295**	**-262,918,856**
Cash and cash equivalents at the end of the period	**2,998,265,443**	**2,889,403,638**
Components of cash and cash equivalents		
Cash	72,012,432	75,032,216
Cash balances with central banks	2,627,926,756	2,623,863,504
Cash balances with other credit institutions	298,326,256	190,507,918
Other advances	0	0
Total cash and cash equivalents at the end of the period	**2,998,265,444**	**2,889,403,638**
Cash flow from operating activities:		
Received interest income	596,484,214	794,364,657
Dividends received	387,043	392,492
Paid interest expenses	-73,894,825	-123,341,702
Cash flow from financing activities:		
Paid interest expenses	-49,950,206	-70,357,938

The indirect method is applied for the preparation of the condensed consolidated interim cash flow statement above.

Components of cash and cash equivalents

The cash in hand, cash balances at authorised agents and cash balances with central banks can be found under the balance sheet item 'cash, cash balances at central banks and other demand deposits' (see Note 6).

The amount of 'other advances' can be found under the balance sheet item 'financial assets at amortised cost - loans from credit institutions'. These are term accounts with other financial institutions and the associated pro rata interest amounts.

Notes to the condensed consolidated interim financial statements (in EUR)

Statement of compliance and changes in accounting policies

Note 1: Statement of compliance (Note 2 in the annual statements of 2023)

The condensed consolidated interim financial statements of Argenta Spaarbank nv ('the Company') have been prepared in accordance with IAS 34 as adopted in the European Union ('endorsed IFRS'). The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements as of 31 December 2023.

The following IFRS standards and interpretations became effective as from 1 January 2024 and have been applied in this report:

- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases (issued on 22 September 2022).
- Amendments to IAS 1 Presentation of Financial Statements:
  - Classification of Liabilities as Current or Non-current (issued on 23 January 2020);
  - Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 15 July 2020); and
  - Non-current Liabilities with Covenants (issued on 31 October 2022).
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements (issued on 25 May 2023).

The entry into force of these standards and interpretations have no material impact on the financial statements of the Company.

A number of new accounting standards and amendments to accounting standards are not yet effective for annual periods ending 31 December 2024, and have not been applied in preparing these condensed interim consolidated financial statements:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability, issued on 15 august 2023, clarify when a currency is exchangeable into another currency (and when it is not). When a currency is not exchangeable, a company needs to estimate a spot rate. The company's objective when estimating a spot rate is that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments contain no specific requirements for estimating a spot rate. Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2025 with early adoption permitted. These amendments have not yet been endorsed by the EU.
- IFRS 18 Presentation and Disclosure in Financial Statements, issued on 9 April 2024, will replace IAS 1 Presentation of Financial Statements. The new standard will improve the quality of financial reporting by:
  - requiring defined subtotals in the statement of profit or loss;
  - requiring disclosure about management-defined performance measures; and
  - adding new principles for aggregation and disaggregation of information.

  The standard is effective for annual reporting periods beginning on or after 1 January 2027 with early adoption permitted. The standard has not yet been endorsed by the EU.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures, issued on 9 May 2024, will allow eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. A subsidiary will be able to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:
  - it does not have public accountability; and
  - its parent produces consolidated financial statements under IFRS Accounting Standards.

  The standard is effective for annual reporting periods beginning on or after 1 January 2027 with early adoption permitted. The standard has not yet been endorsed by the EU.

- Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7, issued on 30 May 2024, will address diversity in accounting practice by making the requirements more understandable and consistent. The amendments include:
  - Clarifications on the classification of financial assets with environmental, social and corporate governance (ESG) and similar features—ESG-linked features in loans could affect whether the loans are measured at amortized cost or fair value. To resolve any potential diversity in practice, the amendments clarify how the contractual cash flows on such loans should be assessed.
  - Clarifications on the date on which a financial asset or financial liability is derecognized. The IASB also decided to develop an accounting policy option to allow a company to derecognize a financial liability before it delivers cash on the settlement date if specified criteria are met.

  The International Accounting Standards Board has also introduced additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets. The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with early adoption permitted. These amendments have not yet been endorsed by the EU.
- IFRS 14 Regulatory Deferral Accounts (issued on 30 January 2014) - The European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard.
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued on 11 September 2014); including Effective Date of Amendments to IFRS 10 and IAS 28 (published in December 2015) - deferred indefinitely by removing the original effective date of 1 January 2016 and indicating that a new effective date would be determined at future date when the IASB finalizes the revisions, if any, that would result from the research project on equity method.

The Company will apply all of the foregoing standards, amendments to standards and interpretations upon their entry into force. The impact of IFRS 18 on the presentation of the financial statements is expected to be pervasive, as several aspects of presentation and disclosure will be affected. The changes to IFRS 9 and IFRS 7 for derecognition and electronic payment system is not expected to be material, for the changes related to ESG-linked instruments the Company currently already assesses SPPI compliance and materiality of the ESG feature, but expects additional requirements for the test based on the new guidance and disclosures to be affected by the change. The Company expects that the other changes will have no material impact on the financial statements of the Company.

Note 2: Summary of significant accounting policies (Note 2 in the annual statements of 2023)

A summary of the main accounting policies is provided in the annual financial statements as of 31 December 2023.

Note 3: Changes in significant accounting policies (Note 2 in the annual statements of 2023)

No significant changes were made to the accounting policies used for preparing the 2024 interim financial statements compared to the policies applied as of 31 December 2023.

Notes on operating segments (in EUR)

Note 4: Operating segments (Note 10 in the annual statements of 2023)

The Company solely delivers services under the heading of 'retail banking'. Retail banking provides retail financial services to individuals and self-employed persons. It provides advice on banking, saving, lending and investment. Therefore, no segmentation regarding services/activity is presented.

The operational segmentation is based on geographical areas where the Company is active.

The operational segmentation based on geographic regions reflects the Company's focus on the Benelux countries. The following geographical segmentation is specifically based on the location of the services provided via the entities and gives an indication of the breakdown by geographical region.

Assets	Belgium	The Netherlands	Luxembourg	31/12/2023
Cash and cash equivalents	62,600,304	0	28	62,600,333
Cash balances at central banks and other demand deposits	1,929,288,493	220,331,011	2,777,324	2,152,396,828
Financial assets held for trading	10,261,279	52,790,422	0	63,051,701
Non-trading financial assets mandatorily at fair value through profit or loss	33,615,223	0	0	33,615,223
Financial assets at fair value through other comprehensive income	2,849,599,421	0	0	2,849,599,421
Financial assets at amortised cost	27,385,109,438	20,644,634,846	2,056,122	48,031,800,405
Derivatives used for hedge accounting	1,419,969,542	5,087,780	0	1,425,057,322
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-1,238,299,395	-7,142,897	0	-1,245,442,292
Investments in subsidiaries, joint ventures and associates	56,700	0	0	56,700
Tangible assets	62,537,094	948,852	0	63,485,946
Intangible assets	23,113,785	0	12,797	23,126,581
Tax assets	36,438,090	62,143,292	0	98,581,381
Other assets	138,060,730	131,744,284	13,810,413	283,615,427
Total Assets	**32,712,350,705**	**21,110,537,589**	**18,656,683**	**53,841,544,977**

Assets	Belgium	The Netherlands	Luxembourg	30/06/2024
Cash and cash equivalents	75,032,188	0	28	75,032,216
Cash balances at central banks and other demand deposits	2,600,392,880	180,891,710	2,379,710	2,783,664,300
Financial assets held for trading	8,912,962	51,327,073	0	60,240,034
Non-trading financial assets mandatorily at fair value through profit or loss	34,444,443	0	0	34,444,443
Financial assets at fair value through other comprehensive income	2,852,208,199	0	0	2,852,208,199
Financial assets at amortised cost	27,909,113,791	21,427,615,026	2,056,122	49,338,784,938
Derivatives used for hedge accounting	1,616,313,785	0	0	1,616,313,785
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-1,502,183,368	-1,941,927	0	-1,504,125,295
Investments in subsidiaries, joint ventures and associates	63,628	0	0	63,628
Tangible assets	57,696,247	767,415	0	58,463,662
Intangible assets	22,733,169	0	12,147	22,745,316
Tax assets	10,610,719	103,021,157	0	113,631,876
Other assets	129,381,410	172,976,692	13,675,855	316,033,956
Total Assets	**33,814,720,052**	**21,934,657,145**	**18,123,862**	**55,767,501,059**

Liabilities	Belgium	The Netherlands	Luxembourg	31/12/2023
Financial liabilities held for trading	0	52,642,345	0	52,642,345
Financial liabilities at amortised cost	45,669,260,892	4,914,449,047	0	50,583,709,939
Derivatives used for hedge accounting	242,563,369	0	0	242,563,369
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0	0	0	0
Provisions	9,715,680	1,402,843	0	11,118,523
Tax liabilities	1,351,126	17,193,955	2,838,294	21,383,375
Other liabilities	155,691,223	42,100,536	2,232,232	200,023,991
Total liabilities	**46,078,582,290**	**5,027,788,726**	**5,070,526**	**51,111,441,542**

Liabilities	Belgium	The Netherlands	Luxembourg	30/06/2024
Financial liabilities held for trading	0	51,365,944	0	51,365,944
Financial liabilities at amortised cost	47,690,062,937	4,850,653,069	0	52,540,716,006
Derivatives used for hedge accounting	154,894,187	875,922	0	155,770,109
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0	0	0	0
Provisions	10,754,598	1,225,547	0	11,980,145
Tax liabilities	849,196	16,716,039	4,151,645	21,716,880
Other liabilities	142,763,576	24,069,857	1,942,537	168,775,970
Total liabilities	**47,999,324,494**	**4,944,906,378**	**6,094,182**	**52,950,325,054**

Statement of profit or loss	Belgium	The Netherlands	Luxembourg	Conso	30/06/2023
Net interest income	251,246,535	135,702,016	1,984	0	386,950,535
Dividend income	387,043	0	0	0	387,043
Net fee and commission income	-9,503,889	1,160,151	34,194,242	-639,668	25,210,836
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	-10,010	-847,338	0	-0	-857,348
Gains or losses on financial assets and liabilities held for trading	-506,220	16,875	0	0	-489,345
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	-313,164	0	0	0	-313,164
Gains or losses from hedge accounting	-7,563,696	-40,988	0	0	-7,604,684
Gains or losses on derecognition of non-financial assets	-2,345	0	0	0	-2,345
Net other operating income	71,199,746	-46,004,828	0	-69,070	25,125,848
Administrative expenses	-241,852,659	-26,591,825	-2,773,998	708,738	-270,509,744
Depreciation	-12,739,001	-188,193	-919	0	-12,928,113
Modification gains or losses	0	0	0	0	0
Provisions or reversal of provisions	123,891	-60,013	0	0	63,878
Impairments or reversal of impairments	-4,060,977	-4,765,656	0	0	-8,826,633
Share in results of associated companies and joint ventures	9,822	0	0	0	9,822
Profit or loss before tax	**46,415,076**	**58,380,201**	**31,421,309**	**0**	**136,216,586**
Tax expense	-22,116,314	-15,441,575	-7,860,939	0	-45,418,828
Profit or loss after tax	**24,298,762**	**42,938,626**	**23,560,369**	**0**	**90,797,757**

Statement of profit or loss	Belgium	The Netherlands	Luxembourg	Conso	30/06/2024
Net interest income	241,396,722	95,689,641	5,009	0	337,091,372
Dividend income	392,492	0	0	0	392,492
Net fee and commission income	1,362,287	1,058,076	38,710,119	-503,574	40,626,908
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	144,923	0	0	0	144,923
Gains or losses on financial assets and liabilities held for trading	1,420,613	-186,948	0	0	1,233,665
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	582,276	0	0	0	582,276
Gains or losses from hedge accounting	-7,794,044	-1,182	0	0	-7,795,226
Gains or losses on derecognition of non-financial assets	14,973	0	0	0	14,973
Net other operating income	68,525,798	-30,603,383	0	-66,859	37,855,556
Administrative expenses	-239,416,529	-24,139,084	-3,039,739	570,433	-266,024,919
Depreciation	-10,410,101	-181,437	-650	0	-10,592,188
Modification gains or losses	0	0	0	0	0
Provisions or reversal of provisions	-1,038,917	177,296	0	0	-861,621
Impairments or reversal of impairments	-1,276,327	2,212,066	0	0	935,739
Share in results of associated companies and joint ventures	6,928	0	0	0	6,928
Profit or loss before tax	**53,911,094**	**44,025,046**	**35,674,739**	**0**	**133,610,879**
Tax expense	-26,720,326	-12,963,573	-8,896,099	0	-48,579,998
Profit or loss after tax	**27,190,769**	**31,061,473**	**26,778,640**	**0**	**85,030,882**

The most important transaction between the operating segments consists of:
- The profit allocation between the Company's head office (located in Belgium) and the branch office (in the Netherlands). More information is included below;
- The retrocession of part of the management fees from asset management activities performed in Luxembourg to the head office of the Company as compensation for the distribution of these investment products.

The result in the Netherlands is realised by the Company's branch office, whereby the head office of the Company provides financing to the branch office and carries out a number of activities (mainly in the context of general strategy and risk management) for the branch office. The Company applies a ruling (pending approval from the tax authorities) for the allocation of the results to the branch office. The profit allocation in the ruling mechanism consists of:
- An interest compensation for the provided funding by which a share of the head office total interest expenses is allocated (based on the funding provided) to the branch office (fungibility approach), which is recorded under the heading 'Net interest income';
- A result allocation in line with the Company's value chain and key entrepreneurial risk-taking functions, which is recorded under 'Net other operating expenses'.

On 31 December 2019, the existing ruling expired and a new application was filed for a period of five years. The mechanism as in the filed application, which was not yet approved by the date of this report, has been applied in preparing the balance sheet and results as of 30 June 2024.

The increase in the profit or loss before tax in Belgium is mainly the result of the positive development of the fee income and lower administrative expenses, offset in part by the lower net interest income. The decrease of the net interest income in the Netherlands is the result of the interest cost on the funding provided by the head office and the increased interest costs on the securitisation issues (Euribor 3 months).

The net other operating income includes the result allocation mechanism between head office and branch for the non-interest component of the profit allocation and recoveries of administrative costs from customers and of rental costs and IT infrastructure cost from agents. The net operating expense in the Netherlands decreased as the net profit was lower with lower NII, resulting in a lower result allocation from the branch to the head office.

Notes on related party transactions (in EUR)

The Company regularly conducts transactions with related parties as part of its operations. In the interim financial statements, the transactions with the parent and the other group entities are listed below.

The tables below provide an overview of the activities undertaken with the related parties. The relationships between the parent and its subsidiaries are described in Note 1 (general information) of the annual financial statements as of 31 December 2023.

Note 5: Related party transactions (Note 9 in the annual statements of 2023)

31/12/2023 (off) balance sheet	Parent company	Key management	Subsidiaries	Joint ventures	Associates	Other related parties
Financial assets at fair value through other comprehensive income	0	0	0	0	0	3,636,125
Financial assets at amortised cost	0	22,352	0	0	0	5,364,515
Other assets	2,606,045	0	0	0	0	11,520,002
Total assets	**2,606,045**	**22,352**	**0**	**0**	**0**	**20,520,641**
Financial liabilities at amortised cost	91,874,394	1,415,892	0	1,713,984	0	194,456,008
Other liabilities	1,660,132	0	0	0	0	14,175,035
Total liabilities	**93,534,526**	**1,415,892**	**0**	**1,713,984**	**0**	**208,631,043**
Loan commitments given	0	37,500	0	0	0	307,500
Total off balance sheet items	**0**	**37,500**	**0**	**0**	**0**	**307,500**

30/06/2024 (off) balance sheet	Parent company	Key management	Subsidiaries	Joint ventures	Associates	Other related parties
Financial assets at fair value through other comprehensive income	0	0	0	0	0	3,714,125
Financial assets at amortised cost	0	21,166	0	0	0	5,345,447
Other assets	2,449,106	0	0	0	0	13,197,091
Total assets	**2,449,106**	**21,166**	**0**	**0**	**0**	**22,256,663**
Financial liabilities at amortised cost	59,393,563	1,519,616	0	1,502,575	0	117,568,513
Other liabilities	1,442,524	0	0	0	0	10,583,024
Total liabilities	**60,836,087**	**1,519,616**	**0**	**1,502,575**	**0**	**128,151,537**
Loan commitments given	0	27,500	0	0	0	301,250
Total off balance sheet items	**0**	**27,500**	**0**	**0**	**0**	**301,250**

30/06/2023 statement of profit or loss	Parent	Key management	Subsidiaries	Joint ventures	Associates	Other related parties
Interest expenses	1,061,812	253	0	5,736	0	172,288
Fee and commission expenses	0	0	0	0	0	10,645,253
Losses on financial assets and liabilities at amortised cost	0	0	0	0	0	847,338
Other operating expenses	6,646,518	0	0	0	0	6,607
Other administrative expenses	893,934	0	0	446,503	0	259,914
Modification losses	0	0	0	37	0	0
Total expenses	**8,602,264**	**253**	**0**	**452,276**	**0**	**11,931,399**
Interest income	0	276	0	0	0	162,611
Fee and commission income	0	0	0	0	0	249,067
Other operating income	239,280	123	0	0	0	23,783,296
Reversal of impairments	0	0	0	0	0	9,074
Total income	**239,280**	**400**	**0**	**0**	**0**	**24,204,048**

30/06/2024 statement of profit or loss	Parent	Key management	Subsidiaries	Joint ventures	Associates	Other related parties
Interest expenses	658,405	644	0	4,656	0	315,464
Fee and commission expenses	0	0	0	0	0	11,397,358
Losses on financial assets and liabilities at amortised cost	0	0	0	0	0	0
Other operating expenses	7,881,018	0	0	0	0	0
Other administrative expenses	857,824	0	0	511,158	0	125,144
Total expenses	**9,397,248**	**644**	**0**	**515,813**	**0**	**11,837,967**
Interest income	0	222	0	0	0	167,118
Fee and commission income	0	0	0	0	0	242,774
Other operating income	201,573	136	0	0	0	35,945,004
Reversal of impairments	0	0	0	0	0	8,397
Total income	**201,573**	**358**	**0**	**0**	**0**	**36,363,293**

The majority shareholder of the Company is Argenta Bank- en Verzekeringsgroep (BVg). Above this is the holding Investeringsmaatschappij Argenta (Investar) as the majority shareholder of BVg. The column with parent company contains the positions of both holding companies.

The ‘Key management’ column contains information in respect of executive and non-executive directors. The ‘close relatives’ of the directors comprise the spouses, partners who are regarded as equivalent to a spouse under their national law and first-degree blood relatives. They are included under ‘other related parties.
The ‘subsidiaries’ contains the data of the non-consolidated subsidiaries of the Company (there are no such companies as all subsidiaries are consolidated).

'Other related parties' contains the transactions with the other companies that are members of the Argenta Group (in particular Argenta Assuranties and Vestar) and the associated participating interests of the other companies that are members of the Argenta Group (Epico).

The financial liabilities at amortised cost towards the parent company consist of the lease obligations for the own-use buildings, as well as sight and savings balances held by the parent companies with the Company. The balance on sight and savings accounts held by the parent companies decreased in 2024. The financial liabilities towards other group companies (other related parties) also consist of current and savings balances, which have decreased, held by Aras and Vestar with the Company, the other liabilities are cost sharing and leasing debts. The financial liabilities at amortised cost towards 'joint ventures' represent the lease commitments to Jofico for the Company's ATMs.

Other operating income and expenses relate to cost sharing between Aspa, Aras and Bvg. The increase in other operating income for 'Other related parties' relates to the updated cost allocation methodology. No impairment losses were recognised in 2023 and 2024 on balance sheet items involving related parties.

Notes to the condensed consolidated interim statement of financial position (in EUR)

Note 6: Cash and balances with central banks and other demand deposits (Note 11 in the annual statements of 2023)

	31/12/2023	30/06/2024
Cash	62,600,333	75,032,216
Cash balances with central banks	1,950,858,245	2,623,863,504
Cash balances with other financial institutions	201,538,583	159,800,796
Total	**2,214,997,160**	**2,858,696,516**

Monetary policy requires financial institutions to maintain deposits with central banks in the countries where the Company operates. For this reason, the Company maintains deposits at the NBB and the DNB. The minimum central bank reserves are determined on a monthly basis. As of 30 June 2024, there was EUR 2,623,863,504 in the current accounts at the central bank. A part of this amount consists of the monetary reserves, but the major part relates to the deposit account at the ECB.

Note 7: Non-trading financial assets mandatorily at fair value through profit or loss (Note 13 in the annual statements of 2023)

For determining the classification and for measurement, the SPPI (Solely Payments of Principal and Interest) test is performed to assess whether only ordinary interest and capital repayments are made on a financial instrument. If this is not the case, the security has to be recognised at fair value through profit or loss.

As of 30 June 2024, there was EUR 34,444,443 under this classification, consisting of securities failing the SPPI test.

	31/12/2023	30/06/2024
Total portfolio	**33,615,223**	**34,444,443**
Breakdown by instrument type		
Equity instruments	0	0
Debt securities	33,615,223	34,444,443
Loans and advances	0	0
Breakdown by interest rate type		
Variable	26,511,850	26,131,202
Fixed	7,103,373	8,313,241
Undefined	0	0

Note 8: Financial assets at fair value through other comprehensive income (Note 14 in the annual statement of 2023)

	31/12/2023	30/06/2024
Total portfolio	**2,849,599,421**	**2,852,208,199**
of which hedged via micro-hedges	830,239,518	550,588,796
Breakdown by instrument type		
Equity instruments	11,430,719	10,545,574
Debt securities	2,838,168,702	2,841,662,625
Breakdown by interest rate type		
Variable	746,610,931	866,497,212
Fixed	2,091,557,772	1,975,165,412
Undefined	11,430,719	10,545,574
Breakdown by impairment stage (gross carrying amount)		
Debt securities		
Stage 1	2,838,168,702	2,841,662,625
Stage 2	0	0
Stage 3	0	0
Breakdown by impairment stage (impairment)		
Debt securities		
Stage 1	-1,935,666	-1,003,501
Stage 2	0	0
Stage 3	0	

The amortised cost, unrealised gains or losses and the fair value of instruments measured at fair value through other comprehensive income per 31 December 2023 and 30 June 2024 are as follows:

31/12/2023	Amortised cost	Accumulated fair value changes	Accumulated impairments	Fair Value
Debt securities				
General governments	940,290,836	-33,873,251	-604,251	905,813,334
Credit institutions	617,972,074	-13,049,096	-355,442	604,567,536
Other Financial corporations	503,981,073	-2,072,117	-84,929	501,824,027
Non-Financial corporations	851,541,712	-24,686,863	-891,044	825,963,805
Equity instruments				
Shares and others	15,561,165	-4,130,446		11,430,719
Total	**2,929,346,860**	**-77,811,773**	**-1,935,666**	**2,849,599,421**

30/06/2024	Amortised cost	Accumulated fair value changes	Accumulated impairments	Fair Value
Debt securities				
General governments	1,054,215,667	-38,637,617	-326,378	1,015,251,673
Credit institutions	503,957,604	-7,951,647	-180,616	495,825,341
Other Financial corporations	550,391,623	-694,940	-47,046	549,649,637
Non-Financial corporations	806,306,254	-24,920,818	-449,461	780,935,975
Equity instruments				
Shares and others	15,609,755	-5,064,181		10,545,574
Total	**2,930,480,903**	**-77,269,203**	**-1,003,501**	**2,852,208,199**

The classification by counterparty classes (e.g. general governments, credit institutions, other financial corporations and non-financial corporations) follows the breakdown of the prudential reporting at consolidated level. The fair value amounts that are applied are obtained from external sources such as Bloomberg and Euroclear (the Company's main clearing and custody counterparty). For the accumulated impairments reference is made to Note 19.

Note 9: Financial assets at amortised cost (Note 15 in the annual statements of 2023)

	31/12/2023	30/06/2024
Total portfolio	**48,031,800,405**	**49,338,784,938**
Breakdown by instrument type		
Loans and advances	40,941,681,240	41,913,805,091
Debt securities	7,090,119,165	7,424,979,848
Breakdown by product type		
Loans to credit institutions	2,056,122	2,056,122
Cash collateral	126,423,820	28,651,000
Consumer loans	427,815,655	445,938,427
Mortgage loans	39,099,706,812	40,191,813,894
Term loans	1,242,177,824	1,202,586,307
Advances and overdrafts	3,059,280	6,293,024
Leasing	40,441,728	36,466,317
Debt securities	7,090,119,165	7,424,979,848
Breakdown debt securities by interest rate type		
Variable	308,533,343	281,375,693
Fixed	6,781,585,822	7,143,604,154

	31/12/2023	30/06/2024
Breakdown by impairment stage (gross carrying amount)		
Debt securities		
Stage 1	7,016,036,309	7,355,305,891
Stage 2	90,248,021	87,062,927
Stage 3	0	0
Loans and advances		
Stage 1	35,887,055,638	37,179,122,513
Stage 2	4,920,310,052	4,587,142,421
Stage 3	179,020,113	189,877,847
Breakdown by impairment stage (impairment)		
Debt securities		
Stage 1	-5,630,112	-3,250,363
Stage 2	-10,535,053	-14,138,607
Stage 3	0	0
Loans and advances		
Stage 1	-6,060,704	-4,678,978
Stage 2	-12,163,032	-9,793,734
Stage 3	-26,480,827	-27,864,979

The loans and advances have further increased through the additional lending to the Company's retail customers, both in Belgium and the Netherlands.

At the end of 2023, the debt securities were subject to stage 1 impairments of EUR 5,630,112 and stage 2 impairments of EUR 10,535,053. As per 30 June 2024 stage 1 impairments have decreased to EUR 3,250,363 and stage 2 impairments have increased to EUR 14,138,607. The majority of the increase in stage 2 relates to the downgrade of one counterparty.

Stage 1 and stage 2 impairments for loans and advances decreased from EUR 6,060,704 (stage 1) and EUR 12,163,032 (stage 2) to EUR 4,678,978 (stage 1) and EUR 9,793,734 (stage 2). Stage 3 impairments slightly increased from EUR 26,480,827 to EUR 27,864,979. Additional information on accumulated impairments is included in Note 19.

Note 10: Financial liabilities measured at amortised cost (Note 22 in the annual statements of 2023)

	31/12/2023	30/06/2024
Deposits from central banks	0	0
Deposits from credit institutions	1,130,294,811	1,290,307,786
Deposits from other than central banks and credit institutions	42,615,213,836	44,589,250,804
Senior debt securities issued	6,752,523,947	6,582,236,867
Other financial liabilities	85,677,345	78,920,550
Total	**50,583,709,939**	**52,540,716,006**

Deposits from credit institutions

The deposits from credit institutions are composed as follows:

	31/12/2023	30/06/2024
Deposits from credit institutions	**1,130,294,811**	**1,290,307,786**

Breakdown by product type		
Deposits on demand	7,148,817	4,690,417
Repurchase agreements	0	0
Cash Collateral from financial institutions	1,123,145,994	1,285,617,369

The received cash collateral related to derivatives increased, as all derivatives contracts are covered under credit support annexes (CSA) and are subject to the exchange of variation margin. As the fair value of the derivatives increased, this resulted in an inflow of collateral.

Deposits from other than central banks and credit institutions

Deposits from institutions other than central banks and credit institutions – essentially deposits by retail customers – can be broken down as follows:

	31/12/2023	30/06/2024
Deposits from other than central banks and credit institutions	**42,615,213,836**	**44,589,250,804**

Breakdown by product type		
Deposits on demand	6,190,831,694	6,365,473,125
Deposits on term	8,417,221,745	9,178,076,302
Regulated saving deposits	24,767,331,301	26,008,451,482
Mortgage-linked deposits	621,230,799	655,618,461
Cash collateral	109,204,000	120,215,000
Other deposits	2,509,394,296	2,261,416,434

Regulated savings deposits increased with EUR 1.24 billion, current accounts ('deposits on demand') increased by EUR 174.64 million, and term accounts (deposits on term) increased with EUR 0.76 billion.

'Mortgage-linked deposits' contain the undrawn amounts of mortgage loans and savings linked to Dutch mortgage loans that have meanwhile been made available in blocked accounts (home construction account) and the mortgage part linked to the endowment mortgage insurance.

'Other deposits' relates to savings and term accounts offered to Dutch clients and non-retail (non-regulated) deposits on accounts.

Senior debt securities issued

The heading contains the A notes issued under the securitization transactions (by Green Apple), the notes issued under the EMTN programme, the bonds issued under the Belgian Mortgage Pandbrieven Programme and the Commercial Paper issued.

	31/12/2023	30/06/2024
Senior debt securities issued - bonds	**6,752,523,947**	**6,582,236,867**
Green Apple 2017-I NHG	375,479,158	0
Green Apple 2018-I NHG	378,469,993	350,709,395
Green Apple 2019-I NHG	411,049,312	387,089,009
Green Apple 2021-I	528,118,792	507,042,878
EMTN programme	2,552,416,988	2,068,777,245
of which hedged via micro-hedges	2,052,909,806	1,555,632,498
Belgian Mortgage Pandbrieven Programme	2,506,989,705	3,258,709,474
Commercial paper issued	0	9,908,866

The Company has three outstanding Dutch residential mortgages backed securities that were placed with institutional investors:

- SPV Green Apple 2018 I NHG issued on 26 June 2018 for a notional amount (A notes) of EUR 1.0 billion. The notes mature contractually in 2057, with a prepayment option from January 2025.
- SPV Green Apple 2019 I NHG issued on 26 June 2019 for a notional amount (A notes) of EUR 825 billion. The notes run until 2058 with a prepayment option from January 2026.
- SPV Green Apple 2021 I NHG issued on 23 June 2021 for a notional amount (A notes) of EUR 650 billion. The notes run until 2060 with a prepayment option from January 2028.

SPV Green Apple 2017 I NHG had a call option in March 2024 which was exercised.

There are four issues outstanding under the EMTN programme. On 27 January 2020, a EUR 500 million senior non-preferred bond with a maturity of 7 years was issued, followed on 9 October 2020 by another EUR 500 million senior non-preferred bond with a maturity of 6 years was issued. In 2022 two green senior non-preferred bonds were issued, the first on 8 February 2022 and a second on 29 November 2022 for EUR 600 million and EUR 500 million respectively, with a seven-year and a five-year term.

The senior preferred bond issued on 4 February 2019 for EUR 500 million with a term of 5 years has reached maturity during the first quarter of 2024.

As part of the Covered bond programme, EUR 1.0 billion of covered bonds were issued in two rounds in 2021. the first on 11 February 2021 for EUR 500 million with a 10-year term, and a second on 8 October 2021 for another EUR 500 million with a 20-year term. During 2022 EUR 1.0 billion was again issued in two rounds, on 23 February 2022 with a seven-year term and again on 20 October 2022 with a four-year term. On 22 June 2023 EUR 500 million was issued with a five-year term. In the first quarter of 2024 EUR 750 million was issued on 6 February with a 10-year term. On 11 March 2024 a retained covered bond of 500 million was issued with a 10-year term. As the total of 500 million is retained, this instrument is not recognised in the balance sheet.

Other financial liabilities

The other financial liabilities consist of lease liabilities measured and recorded in accordance with the IFRS 16 standard.

	31/12/2023	30/06/2024
Other financial liabilities	**85,677,345**	**78,920,550**
Breakdown by type		
Leasing	85,677,345	78,920,550

Note 11: Fair value of financial instruments (Note 26 in the annual statements 2023)

Valuation methods and input

The Company defines the fair value as the price that would be received/paid on the sale of an asset or transfer of a liability in an ‘orderly’ transaction between market participants at the time of measurement. The fair value is not the price that would be received on the basis of a forced transaction, a forced sale or mandatory liquidation.

The fair value is a market-based and not an entity-specific valuation. This means that the assumptions to be used are those that other market participants would use for the measurement of financial instruments, including assumptions about risks. Only the characteristics of the instrument itself are to be taken into consideration: characteristics arising from the identity of the entity holding the instrument are therefore left out of account in the measurement. For determining the fair value of a financial instrument, the Company opts for the measurement methods and techniques that are appropriate under the circumstances and for which sufficient data are available to calculate the fair value. The chosen technique must maximise the use of relevant observable inputs and minimise those of non-observable inputs.

The Company recognises value adjustments for counterparty risk on all assets and liabilities that are measured at fair value. CVA (Credit Valuation Adjustment) is an adjustment of the market value of derivative financial instruments to reflect the creditworthiness of the counterparty. This takes into account the current market value, expected future market value and creditworthiness (based on the counterparty’s credit default swap spread). A DVA (Debt Valuation Adjustment) is recorded for derivative financial instruments where the counterparty has a risk on the Company.

The valuation methodologies, the valuation hierarchy and positions within the levels, and the fair value calculations of both financial instruments not recognised at fair value and of financial instruments recognised at fair value are examined and validated by the Asset & Liability Committee (Alco) on a quarterly basis.

The Company’s valuation hierarchy distinguishes between the levels below. The fair value level here depends on the type of input used for the valuation of financial instruments.

- For determining the fair value of financial instruments, the Company first uses the quoted (unadjusted) prices in an active market (externally available and observable fair values of financial instruments on liquid markets). Only where these are not available does the Company use valuation techniques. The definition of level 1 inputs refers to the terminology “active market”. This is defined as a market in which transactions in the instrument take place with sufficient frequency and volume that the price information is available on a continuous basis. Whether the frequency and volume of transactions are sufficient to speak of an active market is a matter of assessment and depends on the facts and circumstances of the market for the instrument. The Company uses several sources (Bloomberg and Euroclear, the Company’s main clearing and holding counterparties) and assesses liquidity on the basis of price availability and price differences between the different sources. If deviations are determined based on this analysis, an individual detailed analysis is carried out for the instrument in question.
- Where the fair value is not available based on quoted prices in an active market, the Company determines the fair value using a valuation technique based on observable or non-observable parameters. Level 2 inputs are observable inputs that are either direct or indirect. Direct level 2 inputs are listed prices for similar instruments in active markets, quoted prices for identical or similar instruments in non-active markets and other inputs that are observable for the instrument that can be used as input for the valuation model. Indirect level 2 inputs are inputs derived from observable market data. The valuation techniques used on the basis of observable parameters are the discounting of future cash flows, and comparisons with the fair value of a similar instrument.
- Level 3 inputs are non-observable inputs. They are based on assumptions used by the Company in the valuation. Examples of non-observable inputs are the historical volatility of a quoted share, and non-observable interest rates derived from observable data, but which are not confirmed by observable data.

When the fair value measurement uses inputs from different levels, the asset or liability is classified according to the lowest level of the inputs concerned (with level 1 as the highest and level 3 as the lowest level).

Financial instruments not measured at fair value

The fair values recorded have been obtained on the basis of internal calculations. These can, however, fluctuate on a daily basis owing to the parameters used, such as interest rates, commercial margin and counterparty creditworthiness. Nor is there an intention to realise the fair value immediately. As a result, this value does not represent the substantial value to the Company on a going concern basis.

Estimating the fair value of financial instruments measured at historical cost requires the use of techniques, models, hypotheses and assumptions.

The calculation of the fair value of financial instruments, where this is not obtained externally, can be summarised as follows:

- The fair value of consumer credits, mortgage loans, term loans and term financial liabilities (fixed-term deposits, retail savings certificates, bonds and subordinated loans and bonds) is determined by discounting contractual cash flows applying the discounted cash flow method adjusted for prepayment and impairment. Loan repayment behaviour is modelled based on interest rate dynamic Conditional Prepayment Rate (CPR) models, which reflect the actual prepayment behaviour in the Belgian and Dutch mortgage portfolios. The discounting percentage is based on the risk-free reference rate to which a market-based margin is applied. This includes, among other things, a commercial margin spread, a capital cost and a credit cost. The interest rate curves are analogous to those used in the sensitivity analysis of interest rate risk (see risk section 5.1 of the FY 2023 annual consolidated financial statements). The sensitivity of the market values of the level 3 values is contained in the 'economic values' calculation mentioned there (here with the impact of all levels);
- The fair value of cash, sight deposits, regulated savings deposits, deposits of a special nature and deposits linked to mortgage loans is assumed to be equal to the carrying value, in view of their immediately retrievable or short-term nature;
- The other credit receivables and financial instruments relate to bonds in which the quoted (unadjusted) prices are used where these are traded on an active market. Where the instruments are deemed less liquid, valuation methods are used (theoretical or modelled prices with price control - level 2, or pricing by third parties for which no benchmark is possible owing to a lack of market data - level 3).

The following table presents the carrying amounts and fair values of financial assets and financial liabilities that, in the consolidated balance sheet, are not stated at their fair value. It does not include the fair value of non-financial instruments such as property, plant and equipment and other intangible assets.

	Carrying amount 31/12/2023	Fair value 31/12/2023	Carrying amount 30/06/2024	Fair value 30/06/2024
Cash and cash equivalents	62,600,333	62,600,333	75,032,216	75,032,216
Cash balances at central banks and other demand deposits	2,152,396,828	2,152,396,828	2,783,664,300	2,783,664,300
Financial assets at amortised cost				
Loans to credit institutions	2,056,122	2,056,122	2,056,122	2,056,122
Cash collateral to financial institutions	126,423,820	126,423,820	28,651,000	28,651,000
Loans and advances to other customers				
Consumer loans	427,815,655	422,342,039	445,938,427	433,831,381
Mortgage loans	39,099,706,812	35,898,361,333	40,191,813,894	36,685,239,010
Term loans	1,242,177,824	1,196,246,650	1,202,586,307	1,148,266,920
Advances and overdrafts	3,059,280	3,059,280	6,293,024	6,293,024
Leasing	40,441,728	40,441,728	36,466,317	36,466,317
Debt securities	7,090,119,165	6,867,504,711	7,424,979,848	7,194,028,865
Total financial assets	**50,246,797,566**	**46,771,432,843**	**52,197,481,455**	**48,393,529,156**

	Carrying amount 31/12/2023	Fair value 31/12/2023	Carrying amount 30/06/2024	Fair value 30/06/2024
Financial liabilities at amortised cost				
Deposits from central banks	0	0	0	0
Deposits from credit institutions	1,130,294,811	1,130,294,811	1,290,307,786	1,290,307,786
Deposits from other than central banks and credit institutions				
Deposits on demand	6,190,831,697	6,190,831,697	6,365,473,125	6,365,473,125
Deposits on term	8,417,221,745	8,458,487,079	9,178,076,302	9,175,805,643
Regulated savings deposits	24,767,331,301	24,767,331,301	26,008,451,482	26,008,451,482
Mortgage-linked deposits	621,230,799	663,989,874	655,618,461	693,422,259
Cash collateral	109,204,000	109,204,000	120,215,000	120,215,000
Other deposits	2,509,394,293	2,509,394,293	2,261,416,434	2,261,416,434
Senior debt securities issued				
Other	6,752,523,947	6,408,499,545	6,582,236,867	6,208,744,077
Other financial liabilities	85,677,345	85,677,345	78,920,550	78,920,550
Total financial liabilities	**50,583,709,939**	**50,323,709,945**	**52,540,716,006**	**52,202,756,356**

The table below shows the fair values of the listed IFRS classifications presented schematically by hierarchy level. A Level 2 is assigned by the Company to the very short-term financial instruments - with the carrying value used as fair value, while a level 3 is assigned to all other calculated fair values. The financial liabilities at amortised cost have been adjusted retroactively for the reference year 2023 in order to correct a presentation error in the published table of prior year.

31/12/2023	Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents	62,600,333	0	62,600,333	0
Cash balances at central banks and other demand deposits	2,152,396,828	0	2,152,396,828	0
Financial assets at amortised cost	44,556,435,683	5,535,760,981	1,497,513,676	37,523,161,025
Loans and advances	37,688,930,972	0	171,980,950	37,516,950,022
Debt securities	6,867,504,711	5,535,760,981	1,325,532,727	6,211,003
Financial liabilities at amortised cost	50,323,709,945	4,702,531,051	34,792,733,447	10,828,445,447

30/06/2024	Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents	75,032,216	0	75,032,216	0
Cash balances at central banks and other demand deposits	2,783,664,300	0	2,783,664,300	0
Financial assets at amortised cost	45,534,832,640	5,943,690,762	1,317,757,690	38,273,384,188
Loans and advances	38,340,803,775	0	73,466,463	38,267,337,312
Debt securities	7,194,028,865	5,943,690,762	1,244,291,227	6,046,877
Financial liabilities at amortised cost	52,202,756,356	4,942,708,598	36,134,693,243	11,125,354,515

Cash and balances at central banks and other demand deposits are measured at level 2 fair values (given the short-term nature).

Loans and advances measured at level 3 fair value relate primarily to mortgage loans to individuals for which Argenta has calculated a market valuation based on a discounted cash flow (DCF) model. Here, certain assumptions are applied with respect to spread and prepayment rate. The spread used includes, among other things, a commercial margin a capital cost and a credit cost. The Company periodically monitors the commercial margin and compares it with the observed commercial margin in transactions in the market (in particular, the commercial margin ceded to investors in an RMBS transaction). The fair value of loans and advances (and primarily the mortgage loans) decreased significantly as these assets typically have longer durations and are more susceptible to changes in the long-term yield curve.

Loans and advances in level 2 relate to nostro accounts, posted cash collateral, and overdrafts on current accounts.

The 'financial assets at amortised cost' includes the relevant debt securities from the securities portfolio. The relevant fair values are obtained externally. Financial liabilities measured at amortised cost under level 2 relate to deposits from credit institutions, demand deposits, regulated savings deposits and other deposits. Given the short-term nature of these liabilities, they are treated as a level 2 (carrying value equivalent to fair value).

The financial liabilities included in level 3 are the fixed term deposits. A market valuation is calculated based on a DCF model. As the majority of term deposits has a remaining duration of less than one year the fair value is close to the carrying amount. The covered bonds and non-subordinated issues under the EMTN programme are included under level 1 as there is sufficient evidence available for the existence of a liquid market for these instruments. As market interest rates compared to the first half of 2023 are higher the fair value moved slightly lower.

Financial instruments measured at fair value

The following tables show the fair values of the financial instruments that are measured in the balance sheet at their fair value.

In determining the fair value, the Company first uses the quoted (unadjusted) prices in an active market. For this the Company uses the same external sources as in previous years, namely Bloomberg and Euroclear. Instruments are classified as level 2 where theoretical or modelled prices are available that can be substantiated by/benchmarked against another source or pricing by third parties. For instruments included in level 3, prices are received from third parties for which the Company does not have a benchmark. The fair value of derivative instruments is calculated internally using a FINCAD application, with the market values calculated daily, in the context, among others, of the European Market Infrastructure Regulation (EMIR).

Collateral management (margin calls) takes place, depending on the individual agreements, on a daily or weekly basis. The external market values obtained with the margin calls are systematically compared with the internally calculated fair values. In general the net received cash collateral related to derivatives increased compared to 31 December 2023, as the net fair value of the derivatives increased, resulting in an additional margin calls.

Vanilla derivatives (vanilla IRSs and caps) are measured on the basis of interest rate curves and implicit volatilities observable in the market (level 2 inputs). The fair value of these transactions is therefore considered as level 2.

The table below provides an overview of the level hierarchy of financial assets and liabilities measured at fair value.

31/12/2023	Total	Level 1	Level 2	Level 3
Assets measured at fair value	**4,371,323,668**	**2,441,849,963**	**1,925,776,256**	**3,697,450**
Financial assets held for trading	63,051,701	0	63,051,701	0
Financial assets at fair value through other comprehensive income	2,849,599,422	2,434,746,590	411,155,382	3,697,450
Non-trading financial assets mandatorily at fair value through profit or loss	33,615,223	7,103,373	26,511,850	0
Derivatives used for hedge accounting	1,425,057,322	0	1,425,057,322	0
Liabilities measured at fair value	**295,205,715**	**0**	**295,205,715**	**0**
Financial liabilities held for trading	52,642,345	0	52,642,345	0
Derivatives used for hedge accounting	242,563,369	0	242,563,369	0

30/06/2024	Total	Level 1	Level 2	Level 3
Assets measured at fair value	**4,563,206,461**	**2,355,190,158**	**2,204,240,853**	**3,775,449**
Financial assets held for trading	60,240,034	0	60,240,034	0
Financial assets at fair value through other comprehensive income	2,852,208,199	2,346,876,917	501,555,833	3,775,449
Non-trading financial assets mandatorily at fair value through profit or loss	34,444,443	8,313,241	26,131,202	0
Derivatives used for hedge accounting	1,616,313,785	0	1,616,313,785	0
Liabilities measured at fair value	**207,136,053**	**0**	**207,136,053**	**0**
Financial liabilities held for trading	51,365,944	0	51,365,944	0
Derivatives used for hedge accounting	155,770,109	0	155,770,109	0

In the portfolio 'financial assets at fair value through other comprehensive income', sporadic changes occur between level 1 and level 2 as a result of changes in the liquidity of the instruments (for example, more providers). In the first half of 2024 there were no reclassifications between level 1 and level 2.

The fair value of hedging derivatives on the asset side increased and on the liabilities side decreased due to the changes in the interest environment and structure of the derivative portfolio. The cumulative fair value changes of the hedged items in a portfolio hedge of interest rate risk increased from EUR -1,245.4 million per end 2023 to EUR -1,504.1 million at the end of June 2024.

The following table provides a reconciliation of level 3 fair values for the first half year of 2024 and 2023. It refers to the securities held under FVOCI and MFVPL.

	Debt securities at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Financial assets at fair value through profit or loss
Opening at 01/01/2023	**0**	**2,944,450**	**0**
Purchases and new contracts	0	0	0
Expired instruments	0	0	0
(Partial) repayments	0	0	0
Changes to other levels	0	0	0
Changes from other levels	0	0	0
Other changes (including value changes)	0	753,000	0
Closing at 30/06/2023	**0**	**3,697,450**	**0**
Opening at 01/01/2024	**0**	**3,697,450**	**0**
Purchases and new contracts	0	0	0
Matured instruments	0	0	0
Repayments (partial)	0	0	0
Changes to other levels	0	0	0
Changes from other levels	0	0	0
Other changes (including value changes)	0	78,000	0
Closing at 30/06/2024	**0**	**3,775,450**	**0**

The table indicates that there is only a limited amount of level 3 fair values in the financial instruments. The total of the debt securities and equities valued at level 3 fair values is EUR 3,775,450 as of 30 June 2024 (compared to EUR 3,697,450 per 30 June 2023). The position with a level 3 fair value consists of shares from an infrastructure fund where the Company receives pricing or valuation from third parties.

Note on the credit risk in the fair value of derivatives

In line with market practices, a CVA (Credit Valuation Adjustment) and a DVA (Debit Valuation Adjustment) have been taken into account in establishing the fair value of derivatives. The combined impact of both elements amounts to EUR 0.1 million at 30 June 2024 as against EUR 7.9 million in 2023, with an income impact of EUR -7.8 million. The decrease is a result of tightening credit spreads on retail savings banks, which the Company uses as proxy for the own credit spread in the debit value adjustment.

Note 12: Other assets and other liabilities (Notes 21 & 24 in the annual statements 2023)

Other assets relate to prepaid expenses, assets in the context of lending transactions (mainly credit advances to notary accounts and to the external manager in connection with the Dutch loans), assets in the context of securities transactions (fees receivable for the sale of investment funds of external fund managers), assets in the context of payment transactions (transition accounts for debit and credit cards) and suspense accounts which contain amounts awaiting definitive allocation to specific bookkeeping accounts, like advances to agents and personnel and current accounts of affiliated companies. The increase by EUR 32.42 million in other assets mainly relates to the increase in other assets in the context of lending transactions (credit advances paid to notary) which are typically settled in the course of a couple of months.

Other liabilities relate to accrued expenses (for social charges, taxes), accounts payables, debts to agents and other group companies, and suspense accounts which contain primarily amounts that stay on these accounts for a few days only (until definitively allocated) and suspense accounts relating to trade payables and securitisations. Other liabilities have decreased by EUR 31.25 million due to a decrease of money in transit and amounts on current accounts between the non-consolidated subsidiaries of the Group.

Note 13: Equity attributable to the owners of the parent (Note 3 in the annual statements 2023)

The Company is the consolidating company and 99.99% of its shares are owned by Argenta Bank- en Verzekeringsgroep nv (the holding company of the Argenta Group).

The total equity as of 30 June 2024 is EUR 2,817,176,006 compared to EUR 2,730,103,435 as of 31 December 2023. The elements of the equity are further described in the text below.

Overview of equity	31/12/2023	30/06/2024
Paid up capital	1,009,963,900	1,009,963,900
Share premium	0	0
Accumulated fair value changes of debt securities measured at fair value through other comprehensive income	-25,326,114	-22,040,195
Accumulated fair value changes of equity instruments measured at fair value through other comprehensive income	-4,143,197	-5,070,912
Accumulated (re)insurance reserve	0	0
Accumulated actuarial gains or losses on defined benefit pension plans	-5,126,481	-5,126,481
Reserves	1,511,978,287	1,754,239,607
Profit or loss attributable to owners of the parent	242,261,320	84,835,474
Interim dividends	0	0
Minority interests	495,720	374,613
Total equity	**2,730,103,435**	**2,817,176,006**

Share capital

The fully paid-in capital, represented by 168,975 no par shares, is EUR 1,009,963,900.

Fair value changes of instruments measured at fair value through OCI

The accumulated fair value changes of debt securities at FVOCI amounted to EUR -22,040,195. The decrease is the result of the fair value movement of debt securities valued at fair value through OCI.

Accumulated actuarial gains or losses on defined benefit pension plans

The accumulated actuarial gains or losses on defined benefit pension plans are revaluated on annual basis, since no significant changes were enacted on the existing plans.

Reserves

The reserves position (EUR 1,754,239,607 as of 30 June 2024) increased due to the appropriation of the profit for the financial year 2023.

Profit or loss after tax for the current period

The consolidated result (excluding minority interests) for the period ending on 30 June 2024 amounted to EUR 84,835,474.

Notes to the condensed consolidated interim statement of profit or loss (in EUR)

Note 14: Net interest income (Note 28 in the annual statements of 2023)

The breakdown of interest income and charges by type of financial instrument generating an interest margin is presented in the table below:

	30/06/2023	30/06/2024
Interest income calculated using the effective interest method	**599,623,136**	**786,684,567**
Non-trading financial assets mandatorily at fair value through profit or loss	532,195	852,586
Financial assets at fair value through other comprehensive income	26,453,925	32,886,890
Financial assets at amortised cost - loans and advances	415,770,788	491,298,438
Financial assets at amortised cost - debt securities	59,183,169	80,905,196
Derivatives used for hedge accounting	97,344,218	180,402,095
Other assets	0	0
Interest income on liabilities	338,839	339,361
Interest expenses	**212,672,601**	**449,593,195**
Deposits from central banks and credit institutions	20,893,323	25,176,369
Deposits from other than central banks and credit institutions	88,422,032	300,005,083
Senior debt securities issued	63,044,751	82,560,377
Subordinated debt securities issued	0	0
Leasing liabilities	557,102	543,349
Derivatives used for hedge accounting	39,679,099	41,308,017
Other liabilities	0	0
Interest expenses on assets	76,294	0
Net interest income	**386,950,535**	**337,091,372**
of which interest-income on credit impaired financial assets	326,081	354,867

Interest income (excluding hedging)

Interest income on debt securities has further increased in 2024 by EUR 28.5 million (of which FVOCI EUR +6.4 million and in AC EUR +21.7 million, the remainder is the FVPL portfolio). Returns continue to improve (as from the second half of 2022) due to the refixing of floating rate instruments and new purchases at better yields which represents approximately EUR 27 million of the increase, the remaining increase is driven by portfolio evolution.

The interest income from loans and advances has increased with EUR 75.5 million. Interest income on consumer loans grew with EUR +2.3 million reflecting the growing outstanding loan portfolio. Mortgage loans increased with EUR +62.6 million, in line with growing mortgage portfolio (representing EUR 15 million of the increase), and with production at higher yields (representing EU 48 million). Interest income from term loans increased with EUR +3.9 million. Interest income on central banks reserves were up by EUR +5.4 million.

Interest expenses (excluding hedging)

Funding costs (excluding derivatives) increased as the interest costs on both non-retail funding and retail funding grew, following the higher interest cost and the renewed interest in term deposits (as from 2023). The interest cost of the RMBS bonds increased further (variable interest payment) and the more recent issues of Covered bonds as from 2023 and in 2024 bear a relatively higher interest as a result of the general increase in the interest rate curve. In addition the received cash collateral (for derivatives transactions) carry an interest expense of EUR 25.18 million. The interest cost on term accounts increased by EUR 145.5 million, which is largely related to the issue of the one-year term deposit offered in 2023 as alternative to Argenta clients for the one-year government bond (staatsbon). The interest cost on savings accounts increased by EUR 52.3 million.

Net interest hedging

There was a positive change in the net interest result of derivatives. As a result of higher Euribor interest rates the net interest cost on the derivatives was EUR 85.1 million lower (and the cost-of-carry of the payer swaps derivatives portfolio fell). In addition, in the first half of 2024 the hedging result was marginally negatively impacted by the evolution of the fair value of the time value of hedging swaptions for EUR -3.7 million.

Note 15: Net fee and commission income (Note 30 in the annual statements of 2023)

The net income from commissions and fees can be summarised as follows:

	30/06/2023	30/06/2024
Fee and commission income	**123,181,317**	**143,640,255**
Securities: issuances and transfer orders	6,887,553	8,067,211
Asset management, including central administrative services for collective investment	88,321,802	100,680,941
Customer resources distributed but not managed	8,660,135	8,688,132
Payment services	13,815,609	21,526,859
Other	5,496,218	4,677,112
Fee and commission expenses	**-97,970,480**	**-103,013,347**
Acquisition charges	-77,036,206	-79,575,011
Asset management	-4,310,805	-4,726,067
Custody	-945,706	-1,191,030
Payment services	-13,158,180	-14,915,144
Other	-2,519,584	-2,606,095
Net fee and commission income	**25,210,837**	**40,626,908**

Commission income on issuances and transfer orders relates to acquisition charges received from retail clients for funds and shares transactions and were up by EUR 1.2 million as production in 2023 was under pressure due to difficult market circumstances.

The asset management fees received (including administrative fees) continue to grow (EUR +12.4 million) as outstanding assets under management were higher compared to the first half of 2023. Commission income on customer resources distributed but not managed relates to the partner funds within the Argenta product offering.

Commission income on payment services grew by EUR 7.7 million primarily as a result of higher DMC/BC/Banksys/ATM fees for EUR 6.7 million (of which EUR 4.1 million non-recurring), and client fees for payment accounts for EUR 1.0 million. Commission expenses for payment services were up by EUR 1.7 million mainly due to higher expenses related to the credit card insurances for EUR 1.2 million.

The acquisition charges contain the commission costs paid to the Argenta tied agents ('branch managers') and make up the majority of commission expenses. Acquisition charges increased due to higher fee portfolio and production.

Note 16: Gains and losses on financial assets and liabilities not measured at fair value through profit or loss (Note 31 in the annual statements of 2023)

The result on sale of financial instruments amounted to EUR 144,923 in the first six months of 2024 (EUR -857,348 in the first six months of 2023). The reasons for sales in the amortized cost portfolio relate to an increase of credit risk or breach of an investment policy limit, or near maturity securities or sales that fall within the scope of infrequent and immaterial sales. During 2024 one position was sold (book value of EUR 18.5 million) for reduction of credit risk.

Note 17: Gains or losses from hedge accounting (Note 34 in the annual statements of 2023)

For derivatives that are part of the fair value hedge transactions undertaken to hedge the interest rate risk of a portfolio or individual securities, the relevant interest is recorded under net interest income.

Changes in the fair value of these derivatives and changes in fair value arising from the hedged risk of the hedged assets and liabilities are recognised in the item 'gains and losses from hedge accounting'.

	30/06/2023	30/06/2024
Macro fair value hedge		
Fair value changes of the hedged item	212,381,004	-235,974,676
Fair value changes of the derivatives used for hedge accounting	-220,064,752	228,281,486
Micro fair value hedge		
Fair value changes of the hedged item	4,508,578	-2,904,921
Fair value changes of the derivatives used for hedge accounting	-4,616,586	2,914,165
Hedging of the interest rate risk of individual debt securities issued		
Changes in the fair value of the hedged positions	-10,981,643	-10,457,623
Changes in the fair value of the hedging instruments	11,168,714	10,346,343
Gains or losses from hedge accounting	**-7,604,684**	**-7,795,226**

Gains and losses from hedge accounting stem from the difference between the changes in the market value of the hedged positions and the change in market value of the hedging instruments. The above contains the macro hedge (hedging of the interest rate risk of a portfolio) and the micro hedge (hedging of the interest rate risk of individual instruments).

Note 18: Net other operating income (Note 36 in the annual statements of 2023)

	30/06/2023	30/06/2024
Other operating income		
Cost-sharing group companies	22,211,934	35,512,430
Agent recuperations	5,616,795	7,422,477
Other	4,369,268	3,298,072
Operating expenses		
Cost-sharing group companies	-6,614,247	-7,881,018
Other	-457,903	-496,404
Total	**25,125,847**	**37,855,556**

The 'cost-sharing group companies' item refers to expenses recharged to and from Argenta Group entities not consolidated by the Company (in this case the overarching holding BVg and Aras). As in 2024 the cost sharing methodology and mechanism was updated the amounts recovered were up by EUR 12.0 million.

The 'other' under other operating income includes recoveries of administrative costs (loan granting, mailing expenses) from customers. The 'agent recuperations' relate to rental costs and IT infrastructure cost recuperations from agents.

Note 19: Administrative expenses (Note 37 in the annual statements of 2023)

Employee expenses consist of the following components:

	30/06/2023	30/06/2024
Wages and salaries	38,312,718	43,169,990
Social security charges	8,499,785	10,006,727
Pension expenses	4,032,137	4,667,795
Share-based payments	0	0
Other	2,644,995	2,434,456
Staff expenses	**53,489,635**	**60,278,967**

Staff expenses increased with EUR 6.8 million. The increase in employee expenses is mainly the result of inflationary pressure and increase in FTE (up by approximately 58 as compared to the first half of 2023). There are no 'share-based payments' at present.

General and administrative expenses can be summarised as follows:

	30/06/2023	30/06/2024
Marketing expenses	2,828,097	2,292,859
Professional fees - ICT	30,383,651	26,325,295
Professional fees (including legal and fiscal)	14,020,000	9,931,193
IT expenses	37,023,262	31,616,915
Rental expenses	1,454,472	3,329,926
Other taxes and bank levies	95,939,453	95,962,626
Servicing charges	11,255,819	11,070,552
Utilities	4,225,160	3,998,678
Supervisor	4,531,727	4,369,238
Postage	1,748,102	2,730,025
Interim labour	708,481	609,105
Other	12,901,885	13,509,539
Other administrative expenses	**217,020,109**	**205,745,951**

Other administrative expenses decreased with EUR 11.3 million.
Professional fees (including ICT, legal, tax- and general consulting expenses) decreased with EUR 8.1 million. IT run expenses decreased (EUR -5.4 million), expenditures to comply with various regulatory requirements (supervisor) and bank levies (other taxes and bank levies) increased (EUR +1.9 million). Bank levies remained on a similar level as compared to the first half of 2023, as the increase in other bank levies (as a result of the increase in the retail funding base) was fully compensated by the omission of the single resolution fund contribution in 2024.
The heading 'other' includes expenses for telephone, postage, office supplies, professional contributions and travel expenses.

Due to the application of IFRIC 21 (Levies), levies are recognised in full when levies are vested. The line 'other taxes and bank levies' includes the total for the year, whereas on a pro-rata basis EUR 48.7 million (before taxes) would have been recognised in the second half of 2024.

Note 20: Impairments (Note 38 in the annual statements of 2023)

There was a positive impact of EUR 0.94 million in the first half year of 2024, compared to EUR -8.8 million in the first half of 2023.

	30/06/2023	30/06/2024
Debt securities at fair value through other comprehensive income	1,173,373	932,165
Debt securities at amortised cost	-4,418,085	-1,223,805
Loans and advances at amortised cost	-5,581,922	1,227,380
Property, plant and equipment	0	0
Goodwill	0	0
Impairments	**-8,826,634**	**935,739**

Expected credit losses (ECL) for stage 1 and 2 impairments on the financial instruments are calculated on the basis of a scenario-weighted model that includes historical and forward-looking information. The ECL figure is calculated as the sum of the weighted credit losses in three macroeconomic scenarios. The Company uses one scenario and no discounting in calculating stage 3 impairments.

The ECL is calculated by applying the probability of a borrower defaulting to the expected exposure in the event of default, taking into account the expected loss in the event of default, discounted at the effective interest rate of the instrument and adjusted for the credit's survival chances.

For the calculation of ECL as per 30 June 2024 the following approach was applied:

- Updating the forecast of the main forward-looking indicators causing credit losses in the retail and non-retail portfolios. The loss expectations differ for each scenario and cover a soft landing, a hard landing and an external shock respectively.
- The soft landing scenario is based on the macroeconomic projections of the central banks (ECB, NBB and DNB) announced in June 2024. In the hard landing scenario it is assumed that inflation is more stubborn, keeping interest rates in restrictive territory until a deeper recession pulls growth in negative territory. In the external shock scenario a milder recession is expected in 2024. Both (hard and external shock) are internal scenario's. The assumptions are based on market research, historical analysis and our internal assessment of the outlook for the macroeconomic environment.

The table below includes the comparison of the predominant forward looking indicators for retail and non-retail under the soft landing, hard landing and external shock scenario as of 30 June 2024 compared to the end of 2023.

	31/12/2023					30/06/2024				
Soft landing	**2023E**	**2024E**	**2025E**	**2026E**	**2027E**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**
Retail										
Unemployment BE (%)	5.6	5.5	5.5	5.6	5.5	5.7	5.8	5.7	5.5	5.5
Unemployment NL (%)	3.6	4.0	4.2	3.8	3.8	3.8	4.0	4.0	3.8	3.8
House price index BE (%, YoY)	0.0	0.0	1.8	1.4	2.0	0.6	2.8	1.4	2.0	2.0
House price index NL (%,YoY)	-3.3	0.4	2.2	2.0	2.0	5.9	4.1	3.8	2.0	2.0
Non-retail										
GDP Eurozone (%,YoY)	0.6	0.8	1.5	1.5	1.4	0.9	1.4	1.6	1.4	1.3
Inflation Eurozone (%,YoY)	5.4	2.7	2.1	1.9	2.0	2.5	2.2	1.9	2.0	2.0
Unemployment Eurozone (%)	6.5	6.6	6.5	6.4	6.3	6.5	6.5	6.3	6.3	6.3

	31/12/2023					30/06/2024				
Hard landing	**2023E**	**2024E**	**2025E**	**2026E**	**2027E**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**
Retail										
Unemployment BE (%)	5.6	8.2	8.6	8.2	7.8	8.2	8.6	8.2	7.8	7.4
Unemployment NL (%)	3.6	6.0	6.4	6.0	5.6	6.0	6.4	6.0	5.6	5.2
House price index BE (%,YoY)	0.0	-5.0	1.3	1.6	2.0	-5.0	1.3	1.6	2.0	2.3
House price index NL (%,YoY)	-3.3	-10.0	1.3	1.6	2.0	-10.0	1.3	1.6	2.0	2.3
Non-retail										
GDP Eurozone (%,YoY)	0.6	-2.0	0.0	0.4	0.9	-2.0	0.0	0.4	0.9	1.3
Inflation Eurozone (%,YoY)	5.4	4.5	1.0	1.3	1.7	4.5	1.0	1.3	1.7	2.0
Unemployment Eurozone (%)	6.5	8.9	9.3	8.9	8.5	8.9	9.3	8.9	8.5	8.1

	31/12/2023					30/06/2024				
External shock	**2023E**	**2024E**	**2025E**	**2026E**	**2027E**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**
Retail										
Unemployment BE (%)	5.6	7.3	7.0	6.7	6.4	7.3	7.0	6.7	6.4	6.1
Unemployment NL (%)	3.6	5.4	5.1	4.8	4.5	5.4	5.1	4.8	4.5	4.2
House price index BE (%,YoY)	0.0	-2.0	2.3	2.3	2.3	-2.0	2.3	2.3	2.3	2.3
House price index NL (%,YoY)	-3.3	-4.0	2.3	2.3	2.3	-4.0	2.3	2.3	2.3	2.3
Non-retail										
GDP Eurozone (%,YoY)	0.6	-0.5	0.5	0.8	1.0	-0.5	0.5	0.8	1.0	1.3
Inflation Eurozone (%,YoY)	5.4	2.5	2.0	2.0	2.0	2.5	2.0	2.0	2.0	2.0
Unemployment Eurozone (%)	6.5	8.1	7.8	7.5	7.2	8.1	7.8	7.5	7.2	6.9

The net impairments for non-retail positions (debt securities and public and corporate loans under loans and advances at amortized cost) decreased slightly in the first half of 2024 to EUR 19.23 million from EUR 19.74 million at the start of the year, resulting in an overall impact of EUR -0.51 million in profit and loss. The net impact was mainly due to a decrease of EUR 6.50 million, because of model recalibration and PD updates, an increase of EUR 4.54 million because of further rating downgrade of a Scandinavian Real Estate counterparty that is facing liquidity stress. The remainder of the net impairments change relates to portfolio evolutions. There are currently no stage 3 impairments for non-retail positions.

The impact of net impairments on the income statement on retail positions for mortgage loans, consumer loans and current accounts for the first half of 2024 amounts to EUR -0.43 million.

For the Dutch mortgage portfolio, stage 1 and 2 impairments decreased by EUR 2.1 million. The main reason for this decline is the favourable evolution of HPI growth in the Netherlands and in the new macroeconomic scenarios (contribution of EUR 1.4 million).

With regard to the stage 3 impairments there is a status quo for Dutch mortgages for the first half of 2024 after more outflows from defaults in the first months of the year were compensated by more new defaults in June. A limited amount of loans in default was written off.

In the first half of 2024, stage 1 and 2 impairments in the Belgian mortgage portfolio decreased by EUR 0.9 million. The main reason for this decline is a positive effect of the indexation of property (collateral) (EUR +0.3 million).

The stage 3 impairments for the Belgian mortgage portfolio increased by EUR 0.4 million in the first half of 2024, as a result of:

- Inflow as a result of 'hard' UTP criteria (EUR -0.7 million), which include collective debt settlement and fraud indicators, and 'soft' UTP criteria (EUR -1.1 million);
- Reaching 90 days' arrears (backstop) (EUR -1.8 million);
- Defaults in connection with forbearance measures and pulltrough (EUR -1.4 million);

This is offset by an outflow of EUR +1.9 million due to curing or concluded loans and EUR +2.1 million due to repayments of loans still in default. In addition, EUR 1.3 million of loans in default were written off.

In the consumer loans portfolio, the stage 3 impairments increased by EUR 0.6 million and stages 1 and 2 impairments increased by EUR 0.1 million. The increase in the stage 3 impairments is mainly explained by the inflow of EUR 1.4 million in 90-day overdue loans, partly offset by EUR 0.5 million in write-offs of loans in default.

In the first half of 2024 EUR 0.3 million was written off for the current accounts (debit balances and overdrafts). The impairments in stage 3 increased by EUR 0.3 million in this portfolio.

In the first half of 2024 in total EUR +1.0 million in recoveries was received on files previously written off.

The combined impact of management overlays increases the stock of stage 1 and 2 impairments by EUR 9.9 million compared to an increase of EUR 11.8 million at the end of 2023. These overlays are consistent with those used in 2023 and consist of the following components:

- Increased LGD, as the ECL models have not yet been focused on the new definition of default. For the Belgian portfolio the impact is EUR 4.6 million, for the Dutch portfolio EUR 2.8 million (EUR 5.3 million when we also take into account the interaction with additional allocations to stage 2 below). Back tests performed in 2023 have shown that this increase is adequate and the relevant developments are processed in the ECL calculations according to the internal expectations;
- Additional allocation to stage 2 on account of sensitivity to high energy prices: for the Belgian portfolio the impact is EUR 0.2 million, for the Dutch portfolio the impact is EUR 0.6 million;
- Allocation to stage 2 of non-repaying loans with high Loan-To-Value (LTV), because of the uncertainty that the value of the property on maturity will be sufficient to repay the capital: impact EUR 1.4 million;
- Allocation to stage 2 of non-repaying loans with high LTI, because of uncertainty around long-term repayment capacity: impact EUR 1.0 million.

New ECL models for the Belgian and Dutch mortgage portfolio have been developed. These models are not yet implemented as the internal validation process is ongoing with closure date expected by end of October 2024. For the consumer loans the new ECL model has been validated and will be implemented by the end of the year.

The main sensitivity of the stage 1 and 2 impairments for the retail portfolios relates to the HPI. If house prices were to experience a downward shock of 10%, the stage 1 and 2 provisions for the Belgian mortgage portfolio would increase by EUR 1.1 million and for the Dutch mortgage portfolio by EUR 2.8 million.

The worst case scenario, that is 100% weighting on the hard landing scenario, would lead to an increase of the impairments by EUR 0.8 million for the Belgian mortgage portfolio and EUR 3.8 million for the Dutch mortgage portfolio as a result of a growing risk of the maturity date of non-amortising loans and a higher share of loans in stage 2. The full weighting on the external shock scenario and the soft landing scenario would lead to a total fall of EUR 0.2 million or EUR 2.3 million respectively.

The below table gives an overview of the gross carrying amounts per stage compared to the end of 2023.

	31/12/2023			30/06/2024		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Financial assets at amortised cost	**42,903,091,947**	**5,010,558,073**	**179,020,113**	**44,534,428,404**	**4,674,205,348**	**189,877,847**
Debt securities	7,016,036,309	90,248,021	0	7,355,305,891	87,062,927	0
Loans and advances	35,887,055,638	4,920,310,052	179,020,113	37,179,122,513	4,587,142,421	189,877,847
of which leasing receivables	40,441,728	0	0	36,466,317	0	0
Financial assets at fair value through other comprehensive income	**2,840,104,368**	**0**	**0**	**2,842,666,126**	**0**	**0**
Debt securities	2,840,104,368	0	0	2,842,666,126	0	0
Equity instruments						
Total financial assets	**45,743,196,315**	**5,010,558,073**	**179,020,113**	**47,377,094,530**	**4,674,205,348**	**189,877,847**
Loan commitments, financial guarantees and other commitments given	**2,422,063,746**	**81,597,664**	**0**	**3,843,671,649**	**71,548,244**	**0**
of which purchased credit-impaired financial assets	0	0	0	0	0	0

The mutation table below gives an overview of the stage 1, 2 and 3 impairments.

	01/01/2023	Origination and acquisition	De-recognition	Changes in credit risk (net)	Changes due to update in the institution's methodology for estimation (net) and in the macro-economic factors	Write-offs	Other	30/06/2023
Stage 1	**-11,692,607**	**-1,250,471**	**827,174**	**3,619,725**	**140**		**-2,831**	**-8,498,871**
Debt securities	-6,472,051	-267,132	205,378	3,624,001	0		-1	-2,909,804
Loans and advances	-5,220,556	-983,339	621,795	-4,276	140		-2,830	-5,589,066
Stage 2	**-16,279,521**	**0**	**2,590,236**	**-12,439,237**	**-40,876**		**-471,083**	**-26,640,480**
Debt securities	-1,621,119	0	0	-6,806,960	0		0	-8,428,079
Loans and advances	-14,658,401	0	2,590,236	-5,632,277	-40,876		-471,083	-18,212,401
Stage 3	**-25,131,645**	**0**	**3,013,429**	**-5,353,137**	**0**	**2,513,195**	**0**	**-24,958,157**
Debt securities	0	0	0	0	0	0	0	0
Loans and advances	-25,131,645	0	3,013,429	-5,353,137	0	2,513,195	0	-24,958,157
Provisions on loan commitments, financial guarantees and other commitments given	**-1,338,198**	**-1,004,616**	**1,199,861**	**-173,070**	**207**	**0**	**-46,671**	**-1,362,487**
Stage 1	-775,669	-1,004,616	941,446	124,953	0		-59,060	-772,947
Stage 2	-562,528	0	258,415	-298,023	207		12,389	-589,541
Stage 3	0	0	0	0	0	0	0	0
Total	**-54,441,970**	**-2,255,087**	**7,630,700**	**-14,345,718**	**-40,529**	**2,513,195**	**-520,586**	**-61,459,995**

	01/01/2024	Origination and acquisition	De-recognition	Changes in credit risk (net)	Changes due to update in the institution's methodology for estimation (net) and in the macro-economic factors	Write-offs	Other	30/06/2024
Stage 1	**-13,626,481**	**-1,569,918**	**973,082**	**5,530,961**	**-15**		**-240,470**	**-8,932,842**
Debt securities	-7,565,778	-613,066	190,955	3,734,024	0		0	-4,253,864
Loans and advances	-6,060,703	-956,852	782,128	1,796,936	-15		-240,470	-4,678,977
Stage 2	**-22,698,084**	**0**	**2,890,165**	**-3,678,020**	**-1,736**		**-444,665**	**-23,932,340**
Debt securities	-10,535,053	0	8,132	-3,611,686	0		0	-14,138,607
Loans and advances	-12,163,031	0	2,882,032	-66,334	-1,736		-444,665	-9,793,733
Stage 3	**-26,480,827**	**0**	**2,757,972**	**-6,280,999**	**0**	**2,138,875**	**0**	**-27,864,979**
Debt securities	0	0	0	0	0	0	0	0
Loans and advances	-26,480,827	0	2,757,972	-6,280,999	0	2,138,875	0	-27,864,979
Provisions on loan commitments, financial guarantees and other commitments given	**-1,036,440**	**-1,022,839**	**963,312**	**3,301**	**-50**	**0**	**-771,344**	**-1,864,061**
Stage 1	-703,066	-1,022,839	841,412	123,511	0		-756,237	-1,517,219
Stage 2	-333,374	0	121,900	-120,210	-50		-15,108	-346,841
Stage 3	0	0	0	0	0	0	0	0
Total	**-63,841,832**	**-2,592,757**	**7,584,531**	**-4,424,758**	**-1,801**	**2,138,875**	**-1,456,479**	**-62,594,222**

The table below gives an overview of the transfers between stages 1, 2 and 3.

30/06/2023	Transfers between stage 1 and stage 2		Transfers between stage 2 and stage 3		Transfers between stage 1 and stage 3	
	To stage 2 from stage 1	To stage 1 from stage 2	To stage 3 from stage 2	To stage 2 from stage 3	To stage 3 from stage 1	To stage 1 from stage 3
Financial assets at amortised cost	**2,726,203,475**	**940,805,394**	**29,721,629**	**15,682,777**	**5,911,999**	**419**
Debt securities	36,761,595	0	0	0	0	0
Loans and advances	2,689,441,880	940,805,394	29,721,629	15,682,777	5,911,999	419
of which leasing receivables	0	0	0	0	0	0
Financial assets at fair value through other comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**
Debt securities	0	0	0	0	0	0
Equity instruments						
Total financial assets	**2,726,203,475**	**940,805,394**	**29,721,629**	**15,682,777**	**5,911,999**	**419**
Loan commitments, financial guarantees and other commitments given	**77,464,351**	**9,144,323**	**0**	**0**	**0**	**0**

30/06/2024	Transfers between stage 1 and stage 2		Transfers between stage 2 and stage 3		Transfers between stage 1 and stage 3	
	To stage 2 from stage 1	To stage 1 from stage 2	To stage 3 from stage 2	To stage 2 from stage 3	To stage 3 from stage 1	To stage 1 from stage 3
Financial assets at amortised cost	**580,091,253**	**892,497,167**	**33,676,136**	**14,434,533**	**8,676,741**	**582**
Debt securities	0	0	0	0	0	0
Loans and advances	580,091,253	892,497,167	33,676,136	14,434,533	8,676,741	582
of which leasing receivables	0	0	0	0	0	0
Financial assets at fair value through other comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**
Debt securities	0	0	0	0	0	0
Equity instruments						
Total financial assets	**580,091,253**	**892,497,167**	**33,676,136**	**14,434,533**	**8,676,741**	**582**
Loan commitments, financial guarantees and other commitments given	**17,203,345**	**14,229,878**	**0**	**0**	**0**	**0**

The transfer to stage 2 of debt securities in the first half of 2023 relates to the Scandinavian Real Estate counterparty. The transfers in loans and advances relate to mortgage loans. In 2023 for mortgage loans, new HPI forecasts and macro-economic scenarios lead to a significant increase of loans transferring from stage 1 to stage 2 in the first half of 2023, mainly for the Dutch mortgage portfolio. At the end of 2023, this transfer was largely reversed by the update of macro-economic evolutions with primarily favourable evolution of the HPI in the second half of 2023. In 2024, the macro-economic situation has not lead to an exceptional increase in stage 2 transfers, with a return to more natural levels of stage transfers.

Note 21: Taxes (Note 20 and 39 in the annual statements of 2023)

The deferred tax assets and tax liabilities are shown in the table below:

	31/12/2023	30/06/2024
Deferred tax assets	13,968,849	8,141,478
Deferred tax liabilities	17,193,955	16,716,039

The decrease in deferred tax assets in 2024 relates to the use of deferred tax assets recorded on DRD (Dividends Received Reduction) for EUR -11.58 million, partly compensated by deferred tax assets recognized on the immediate and complete (in accordance with IFRIC 21 bank levies) recording of the bank levies in expense in comparison to an accrued basis for tax purposes (temporary difference that will be reversed at year-end) (EUR +5.4 million).

The details of current and deferred tax expenses are shown below:

	30/06/2023	30/06/2024
Current taxes		
Current tax expenses for the financial year	43,622,485	44,319,830
Current tax expenses for prior periods	0	0
Deferred taxes		
Deferred taxes for prior periods	0	0
Deferred taxes relating to accounting timing differences	1,796,343	4,260,168
Total taxes	**45,418,828**	**48,579,998**
Effective tax rate	33.34%	36.36%

As reflected in the table above, the effective tax rate was 36.36% for the first six months of 2024, compared to 33.34% for the first six months of 2023.

Part of the taxable basis is realized in the Netherlands and Luxembourg. In the Netherlands the tax rate is at 25.80%, in Luxemburg it is at 24.94% and in Belgium the tax rate is 25.00%. The result in the Netherlands is realised by the Company's branch office, whereby the Company provides financing to the branch office and carries out a number of activities (mainly in the areas of general strategy and risk management) for the branch office. The Company had a ruling for the allocation of the results to the branch office (remuneration for the central financing function and central functions) which expired on 31 December 2019. A new application was filed for a period of five years. The mechanism as in the filed application has been applied in preparing the balance sheet and results as from 2020.

The effective tax rate in the first half of 2024 stands at 36.36%, significantly above the theoretical tax rate of 25.0%, mainly due to the limitation on the fiscal deductibility of Belgian bank levies which stood at 80% in 2023 and was further increased to 100% in 2024.

On 22 December 2021 the European Commission published a directive to guarantee a global minimum level of taxation of multinational Groups and sizable domestic Groups in the Union (Pillar 2). The member states must then transpose the directive into their national law. The directive leaves a number of draft decisions in this regard to national lawmakers. The Belgian government has announced its plan to transpose the minimum tax into Belgian law. Today the Company has an effective tax rate higher than 15% in all the jurisdictions in which it is present. The Company also expects to fall under the safe harbour transitional measures provided.

Note on capital management (in EUR)

Note 22: Solvency and capital management (Note 6 in the annual statements of 2023)

Capital risk or solvency risk is the risk of available capital falling short of the capital required by the activities and size of the company and being unable to obtain the necessary additional capital at short notice and at a reasonable cost. To monitor this risk, systematic comparisons are made with the regulatory requirements and internal objectives.

Capital management

The goal of the Company's risk management is to achieve the best possible capital structure, while continuing to meet the statutory and internally set capital objectives. The Company has implemented adequate procedures and systems to guarantee its long-term capital adequacy, while taking into account all material risks.

The Company has traditionally pursued a policy of self-financing. To retain a level of capital that provides sufficient scope for growth and to be able to carry the financial and operational risks, the Company aims to meet the potential capital requirements by (a) retained earnings, (b) capital increases and (c) subordinated loans.

Regulations

The Company is subject to the CRR and CRD legislation. Information on Pillar 1 (minimum capital requirements) and Pillar 2 (SREP process, including details of interest rate, liquidity and concentration risk) is included in the fiscal year 2023 financial statements. The Pillar 3 disclosures for 2023 of the parent of the Company are published separately on the Company's website.

The Company uses the IRB method for the retail mortgage portfolios, and the 'corporates and institutions' portfolio, and the standard (STA) method for the remaining exposures.

Legal capital requirements

The Pillar I capital requirements impose a minimum solvency ratio of 4.5% for the Common Equity Tier 1 (CET1) ratio, 6% for the Tier 1 (T1) ratio, and 8% for the Total Capital (TC) ratio. The supervisors have the option to impose a number of additional buffers:

- A capital conservation buffer: an additional CET1 requirement of 2.50%;
- A countercyclical capital buffer: gives an additional CET1 requirement calculated as a weighted average of the requirement imposed for each country and the exposure to that country present in the Company. The Belgian regulator has currently set the percentage at 0.5% and will increase it to 1% on 1 October 2024, and the Dutch regulator has increased the percentage from 1% to 2% on 31 May 2024. The institution specific countercyclical capital buffer at consolidated Aspa level amounts to 1.24% as of 30 June 2024;
- A buffer for systemically important institutions: the Belgian regulator has designated the Company as an O-SII or other system-relevant institution', as a result of which the Company is subject to an additional CET1 requirement of 0.75%;
- On 1 May 2022 the NBB introduced a systemic risk buffer (SyRB), a macroprudential measure aimed at credit institutions with positions in the Belgian residential property market applying the internal rating approach (IRB). This sectoral systemic risk buffer for Belgian mortgage loans has been decreased from 9% to 6% from 1 April 2024. This requirement was 0.92% as of 30 June 2024 at consolidated Aspa level.

In the absence of additional Tier 1 capital and Tier 2 capital, this requirement of 1.50% and 2.00% respectively will be met via CET1.

In the framework of the SREP (Supervisory Review and Evaluation Process), the competent supervisor (in this case the ECB) can impose (Pillar 2 requirement) and recommend (Pillar 2 recommendation) higher minimum ratios as a result of assessing the robustness of the business model, the adequacy of risk governance and the adequacy of the capital and liquidity situation. The ECB has imposed a Pillar 2 requirement (P2Requirement) of 1.50% and a Pillar 2 recommendation (P2Guidance).

As part of the Bail-in settlement strategy (Bail-in ensures that the losses and recapitalisation costs of a failing credit institution where possible end up with the shareholders and subordinated and other creditors) from 1 January 2024 Argenta Spaarbank must meet the requirement of 19.47% of TREA and 7.78% of LRE (by means of fully subordinated liabilities). The targets are driven by a minimum imposed requirement of 8% of Total Liabilities and Own Funds.

Changes to capital requirements

Basel IV (CRR 3) proposes changes to the calculation of credit, market and operational risks. Standardised methods are more risk-sensitive and the use of internal models is limited, and the impact of internal models is less as a result of the introduction of a capital floor (which is the minimum RWA level for banks using internal models).

Uncertainty about the effect of these new rules remains however, as the new rules are not yet final (legislative process is under way). The measures are expected to come into force from 2025 and various important measures will be subject to a transitional period of five years. This means that the full impact of the measures will take more than eight years, which should give the Company time to prepare and adapt. The main impact is the introduction of the capital floor, as the credit risk is largely calculated using internal models. We only expect a limited impact on initial application on 1 January 2025 under the transitional measures. The capital floor is expected to be guiding from 2028.

The Company seeks to maintain a strong capital position in respect of its total risk exposure at all times.

Internal capital requirements

In the internal process of assessment of capital adequacy (ICAAP - Internal Capital Adequacy Assessment Process for the Company) all material risk factors are modelled. In this way, a more complete picture is obtained of the economic capital requirement. The ICAAP process aims to identify and quantify all material risks, so that the adequacy of the available capital can be assessed and the required capital can be allocated to the business and product lines.

Pillar 1 key figures (unaudited)

The table below gives an overview of the relevant figures and ratios for the Company. It also includes the internally established Risk Appetite Framework (RAF) targets that the management has set for the relevant ratios.

		31/12/2023	30/06/2024
Available capital			
1	Tier 1 core capital (CET1)	2,660,761,687	2,729,753,379
2	Tier 1 capital (T1)	2,660,761,687	2,729,753,379
3	Total capital (TC)	2,660,761,687	2,729,753,379
Risk-weighted items			
4	Total risk-weighted items	12,088,889,655	10,145,584,621
Solvency ratio's			
5	Common Equity Tier 1 core capital(%)	22.01%	26.91%
6	Tier 1 capital ratio (%)	22.01%	26.91%
7	Total Capital Ratio (%)	22.01%	26.91%
Additional CET1 buffer requirements			
8	Capital Conservation Buffer requirements (%)	2.50%	2.50%
9	Contracyclical capital buffer requirements (%)	0.44%	1.24%
9a	Systemic risk buffer (%)	1.14%	0.92%
10	O-SII (Other Systemically Important Institution) buffer requirements (%)	0.75%	0.75%
11	Combined buffer requirement (%)	4.83%	5.41%
11a	Overall capital requirements (%)	14.33%	14.91%
12	CET1 available after meeting the total SREP own funds requirements (%)	12.51%	17.41%

		31/12/2023	30/06/2024
Leverage ratio			
13	Leverage exposure	55,097,591,988	57,290,902,640
14	Leverage ratio (%) (row 2 / row 13)	4.83%	4.76%
Liquidity Coverage Ratio (LCR)			
15	Total high quality liquid assets	6,568,570,823	7,962,477,901
16	Total net cash outflow	3,004,654,956	3,286,097,606
17	LCR ratio (%)	218.61%	242.31%
Net Stable Funding Ratio (NSFR)			
18	Total available stable funding	47,774,598,558	50,320,160,331
19	Total required stable funding	34,150,070,260	34,565,384,204
20	NSFR ratio (%)	139.90%	145.58%
Minimum Requirement for Own Funds and Eligible Liabilities			
21	Eligible liabilities	2,111,145,756	2,120,974,762
22	Eligible liabilities subordinated to excluded liabilities	2,111,145,756	2,120,974,762
23	Minimum requirement for own funds and eligible liabilities LRE (%)	8.66%	8.47%
24	Minimum requirement for own funds and eligible liabilities subordinated LRE (%)	8.66%	8.47%
25	Minimum requirement for own funds and eligible liabilities TREA (%)	39.47%	47.81%
26	Minimum requirement for own funds and eligible liabilities subordinated TREA (%)	39.47%	47.81%

The Common Equity Tier 1 (CET1) ratio amounts to 26.91% as of 30 June 2024.

The increase of the CET1 ratio is the result of the increase of Tier 1 capital, with the appropriation of the half year result of 2024, in combination with the decrease of risk weighted items, with the application of the new IRB model for Dutch mortgages as of March 2024. Risk weighted assets for retail (consumer loans) and mortgages decreased with EUR -1,770 million as the standardized floor for Dutch mortgages could be released with the application of the Dutch IRB model.

At the end of 2023, the total available (subordinated) MREL figure was 8.66%. At 30 June 2024, the total available (subordinated) MREL figure is 8.47%. MREL expressed in relation to TREA (risk weighted items) increased to 47.8%, compared to 39.5% as of December 2023, as risk weighted items decreased.

Liquidity risk

The Company's liquidity risk appetite is monitored with the LCR and NSFR ratios. The LCR compares the liquidity buffer against a defined outflow of previously incoming funds over a 30-day period. The NSFR compares available liquidity against the liquidity required over a period of at least one year. Both ratios were comfortably above internal targets.

Note on subsequent events

Note 23: Post-balance sheet events (note 44 in the annual statements of 2023)
Important events after balance sheet date

No material events have occurred since the balance sheet date that require an adjustment of the Company's consolidated financial statements as of 30 June 2024.

Approval for publication

On 27 August 2024, the Board of Directors reviewed the interim financial statements and gave its approval for their publication.

Glossary

(F)IRB	Foundation of the Internal Ratings-Based approach
AC	Amortized Cost
ATM	Automated Teller Machine
ALCO	Assets and Liability Committee
CET1	Common Equity Tier 1
CFH	Cash Flow Hedge
CRD	Capital Requirements Directive
CRR	Capital Requirements Regulations
CSA	Credit Support Annex
CVA	Credit Value Adjustment
DCF	Discounted Cash Flow
DNB	De Nederlandsche Bank
DRD	Dividends Received Deduction
DTA	Deferred Tax Asset
DSTI	Debt service To Income
DVA	Debt Valuation Adjustment
ECB	European Central Bank
ECL	Expected Credit Losses
EMIR	European Market Infrastructure Regulation
EMTN	European Medium Term Note
FVOCI	Fair Value through Other Comprehensive Income
FY	Full Year
GRC-FR	Group Risk Committee – Financial Risk
HPI	House Price Index
HQLA	High Quality Liquid Assets
IASB	International Accounting Standards Board
ICAAP	Internal Capital Adequacy Assessment Process
ICT	Information and Communication Technology
ILAAP	Internal Liquidity Adequacy Assessment Process
IFRIC	IFRS Interpretations Committee
IFRS	International Financial Reporting Standards
IRB	Internal Rating Based
IRS	Interest Rate Swap
IT	Information Technology
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default

LRE	Leverage Ratio Exposure
LTI	Loan To Income
LTV	Loan To Value
MBS	Mortgage Backed Security
MFVPL	Mandatorily Fair Value through Profit and loss
MREL	Minimum Requirement for own funds and Eligible Liabilities
NBB	Nationale Bank van België
NHG	Nederlandse Hypotheek Garantie
NPV	Net Present Value
NSFR	Net Stable Funding Ratio
OCI	Other Comprehensive Income
OSII	Other Systemically Important Institution
RAF	Risk Appetite Framework
RMBS	Residential Mortgage Backed Security
RWA	Risk Weighted Assets
SPPI	Solely Payments of Principal and Interest
SPV	Special Purpose Vehicle
SREP	Supervisory Review and Evaluation Process
STA	Standardized
SyRB	Systemic Risk Buffer
T1	Tier 1
TC	Total Capital
TREA	Total Risk Exposure Amount

Statutory auditor's report to the board of directors of Argenta Spaarbank NV on the review of the condensed consolidated interim financial information as at 30 June 2024 and for the six-month period then ended

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Argenta Spaarbank NV as at 30 June 2024, the condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of the condensed consolidated interim financial information in accordance with IAS 34 "*Interim Financial Reporting*" as adopted by the European Union. Our responsibility is to express a conclusion on the condensed consolidated 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 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 consolidated interim financial information as at 30 June 2024 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34 "*Interim Financial Reporting*" as adopted by the European Union.

Zaventem, 28 August 2024

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Kenneth Vermeire (Authentication)

Digitally signed by Kenneth Vermeire (Authentication)
Date: 2024.08.28 10:44:16 +02'00'

Zetel - Siège:
Luchthaven Brussel Nationaal 1K
B-1930 Zaventem

KPMG Bedrijfsrevisoren - KPMG Réviseurs d'Entreprises BV/SRL
Ondernemingsnummer / Numéro d'entreprise 0419.122.548
BTW - TVA BE 0419.122.548
RPR Brussel - RPM Bruxelles
IBAN : BE 95 0018 4771 0358
BIC : GEBABEBB