



CRELAN SA/NV

(incorporated with limited liability in Belgium)

Euro 3,000,000,000

Euro Medium Term Note Programme

1. General Introduction

- 1.1 This supplement dated 5 September 2023 (the “**Supplement n°1**”) constitutes a supplement for the purposes of article 23 of Regulation (EU) 2017/1129, as amended from time to time (the “**Prospectus Regulation**”).
- 1.2 This Supplement n°1 is supplemental to, forms part of, and must be read in conjunction with the base prospectus dated 26 July 2023 (the “**Base Prospectus**”), prepared in connection with the EUR 3,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Crelan SA/NV, incorporated as a limited liability company (*société anonyme/naamloze vennootschap*) under the laws of Belgium, with its registered office at Sylvain Dupuislaan 251, 1070 Anderlecht, Belgium and registered with the Crossroads Bank for Enterprises under business identification number 0205.764.318 (RLE Brussels) (the “**Issuer**”).
- 1.3 Terms defined in the Base Prospectus or in any document incorporated by reference in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement n°1. In case of inconsistency between (a) statements in, or incorporated by reference into, this Supplement n°1 and (b) any other statement in, or incorporated by reference into, the Base Prospectus, this Supplement n°1 will prevail.
- 1.4 This Supplement n°1 has been approved by the FSMA on 5 September 2023, as competent authority under the Prospectus Regulation. This approval does not imply any appraisal of the appropriateness or the merits of any issue under the Programme, nor of the situation of the Issuer.
- 1.5 The Issuer accepts responsibility for the information contained in this Supplement n°1. To the best of the knowledge of the Issuer, the information contained in this Supplement n°1 is in accordance with the facts and does not omit anything likely to affect its import.
- 1.6 The Base Prospectus and this Supplement n°1 are available on the website of the Issuer at <https://www.crelan.be/nl/particulieren/investor-relations> and copies can be obtained free of charge at the offices of the Issuer.

2. Purpose of the Supplement n°1

2.1 This Supplement n°1 has been prepared for purposes of:

- (a) the incorporation by reference into the Base Prospectus of the Half-Year Report 2023 of the Group (the interim financial statements);
- (b) the disclosure of certain additional financial figures for the Group for the first half year of 2023 and of certain additional financial figures based on the management reporting of the Group, as well as the update of the section “*Description of the Issuer*” in this respect;
- (c) the update of the section “*Trend Information*”;
- (d) the update of the section “*Governance structure and administrative, management and supervisory bodies*”; and
- (e) adding additional information to the risk factor “*MREL requirement*”.

2.2 Save as disclosed in this Supplement n°1, there has been no other significant new factor, material mistake or material inaccuracy since the publication of the Base Prospectus.

3. Incorporation by Reference of Half-Year Report 2023

3.1 Documents incorporated by reference

The section “*Documents incorporated by reference*” (starting on page 67 of the Base Prospectus) is amended as follows:

- (a) the following text is added to the first paragraph as an additional item (iii):

“the unaudited, reviewed interim financial statements of the Group for the first half of 2023, including the report of the statutory auditor in respect thereof, which have been electronically published on the Issuer’s website at https://www.crelan.be/sites/default/files/documents/Halfjaarverslag%20Crelan%2030062023_ENG_Signed.pdf”.
- (b) the fourth paragraph is replaced by the following text:

“The documents incorporated by reference into this Base Prospectus have all been filed with the FSMA. Potential investors in the Notes should be aware that any website referred to in this document does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA. The documents incorporated by reference into this Base Prospectus are available in Dutch and French (except for the interim financial statements of the Group for the first half of 2023 which are only available in English). English translations are available for the documents in Dutch in French.”
- (c) after the subsection “*Consolidated Financial Statements of the Issuer as of and for the year ended 31 December 2021*”, an additional subsection is included as follows:

Unaudited, condensed consolidated financial statements of the Issuer for the first half-year 2023

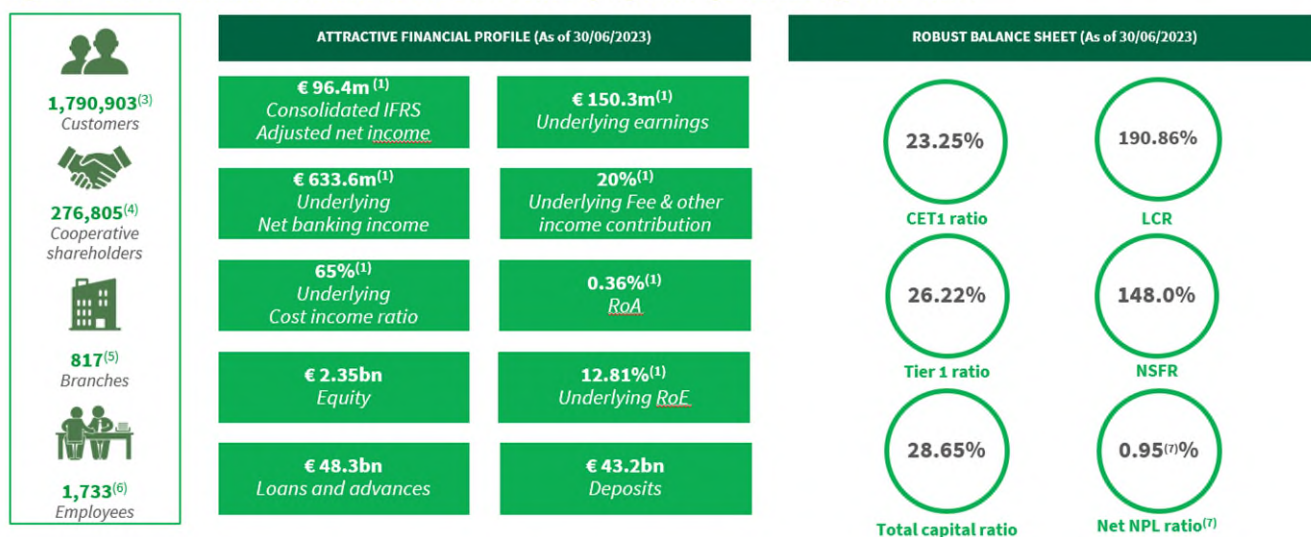
Management certification of interim financial statements	Page 3
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4. Update of the section “Description of the Issuer”

4.1 The section “*Description of the Issuer*” is updated as follows for purposes of the disclosure of (i) certain additional financial figures for the Group for the first half year of 2023 and (ii) certain other additional financial figures based on the management reporting in relation to the Group.

4.2 At the end of the section “*Key Facts and Figures of the Issuer and the Group*” starting on page 158 of the Base Prospectus, the following table is added:

Leading cooperative Belgian banking group serving 1.8m clients primarily through an exclusive⁽²⁾ network of independent agents – Excellent financial results H1 2023 with underlying earnings increasing to €150.3m.



Sources: Group H1 2023 Financial report (Reviewed by the auditor, except for the below)

(1) Alternative Performance Measure data (Crelan own computation)

(2) Agents are exclusive to the Issuer/ AXA Bank Belgium for the provision of banking services and acting as brokers of insurance products

(3) Including 759,187 Crelan customers, 173,515 Europabank customers and 852,201 AXA Bank Belgium customers, as of 30/06/2023

(4) Cooperative shareholders figures, as of 30/06/2023

(5) Including 445 Crelan branches operated by independent agents, 47 Europabank proprietary branches and 325 AXA Bank Belgium branches operated by independent agents, as of 30/06/2023

(6) Including 717 Crelan employees, 365 Europabank employees and 651 AXA Bank Belgium employees (excluding 2,799 independent agents and employees thereof), as of 30/06/2023

(7) Audited, include POCIs and Stage 3 loans net of provisions

Adjusted Net Income is an Alternative Performance Measure (see section 4.6) and is defined as (Group IFRS) Profit or (-) loss for the period less Bank levies not yet accrued.

Net Income Elements (NIE) is an Alternative Performance Measure (see section 4.6) and are described in a policy and are primarily related to impacts of merger and acquisitions (IFRS 3 and Integration expenses), the volatility derived from hedging activities (Fair Values and hedge accounting inefficiencies) and other small items with non-recurring characteristics.

Underlying Earnings is an Alternative Performance Measure (see section 4.6) and is defined as (Group IFRS) Profit or (-) loss for the period where Net Income Elements (NIE) are subtracted.

Underlying Net Banking Income is an Alternative Performance Measure (see section 4.6) and is defined as (Group IFRS) Net Banking Income where Net Income Elements (NIE) are subtracted and analytical shifts are performed.

Underlying Fees is an Alternative Performance Measure (see section 4.6) and is defined as (Group IFRS) Fees where Net Income Elements (NIE) are subtracted and analytical shifts are performed.

Underlying Other Income is an Alternative Performance Measure (see section 4.6) and is defined as (Group IFRS) Other Income where Net Income Elements (NIE) are subtracted and analytical shifts are performed.

Underlying Fee & other income contribution is an Alternative Performance Measure (see section 4.6) and is defined as (Underlying Fees + Underlying Other Income) / Underlying Net Banking Income.

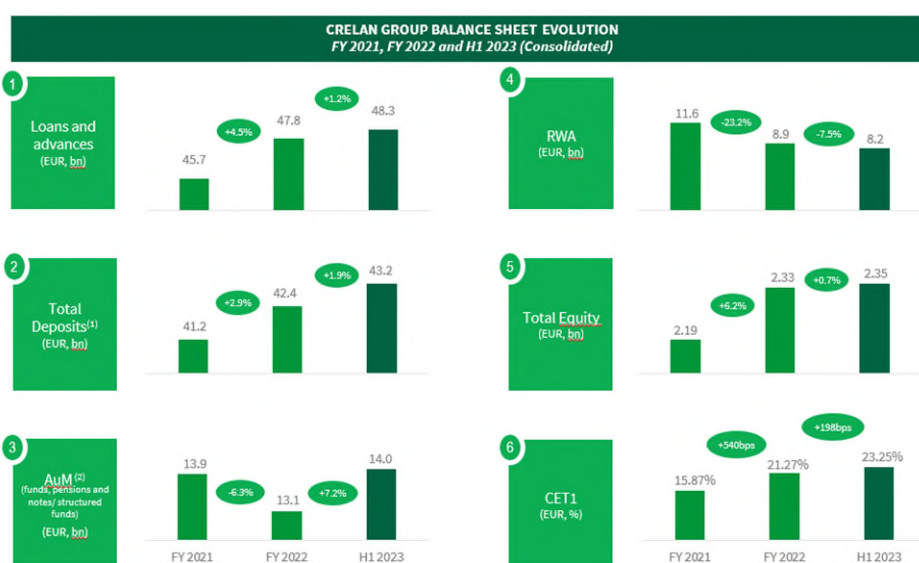
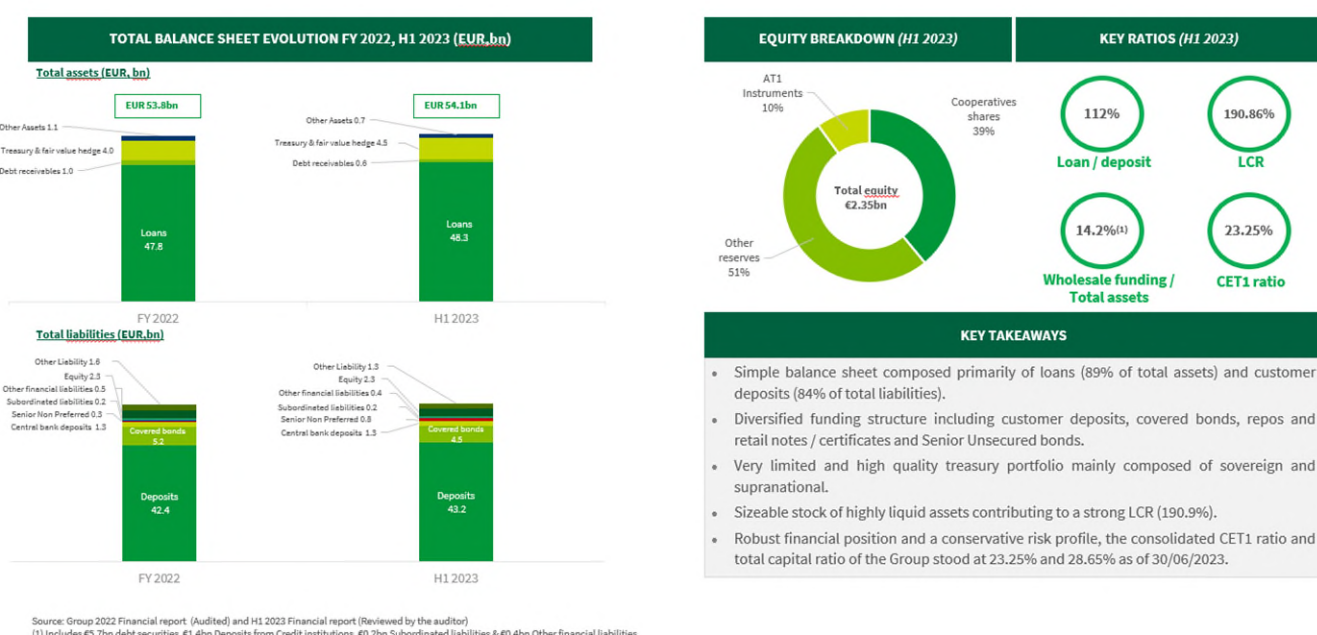
Underlying Cost Income Ratio is an Alternative Performance Measure (see section 4.6) and is defined as Underlying Operating expenses / Underlying Net Banking Income.

Underlying RoE is an Alternative Performance Measure (see section 4.6) and is defined as Underlying earnings * Time Period / Equity

RoA is an Alternative Performance Measure (see section 4.6) and is defined as (Group IFRS) (Adjusted Net Income)* Time Period / Total Assets

For the terms CET1 Ratio, Tier 1 Ratio, Total Capital Ratio, LCR (Liquidity Coverage Ratio), NSFR (Net Stable Funding Ratio), please refer to the glossary on p. 222 of the Base Prospectus.

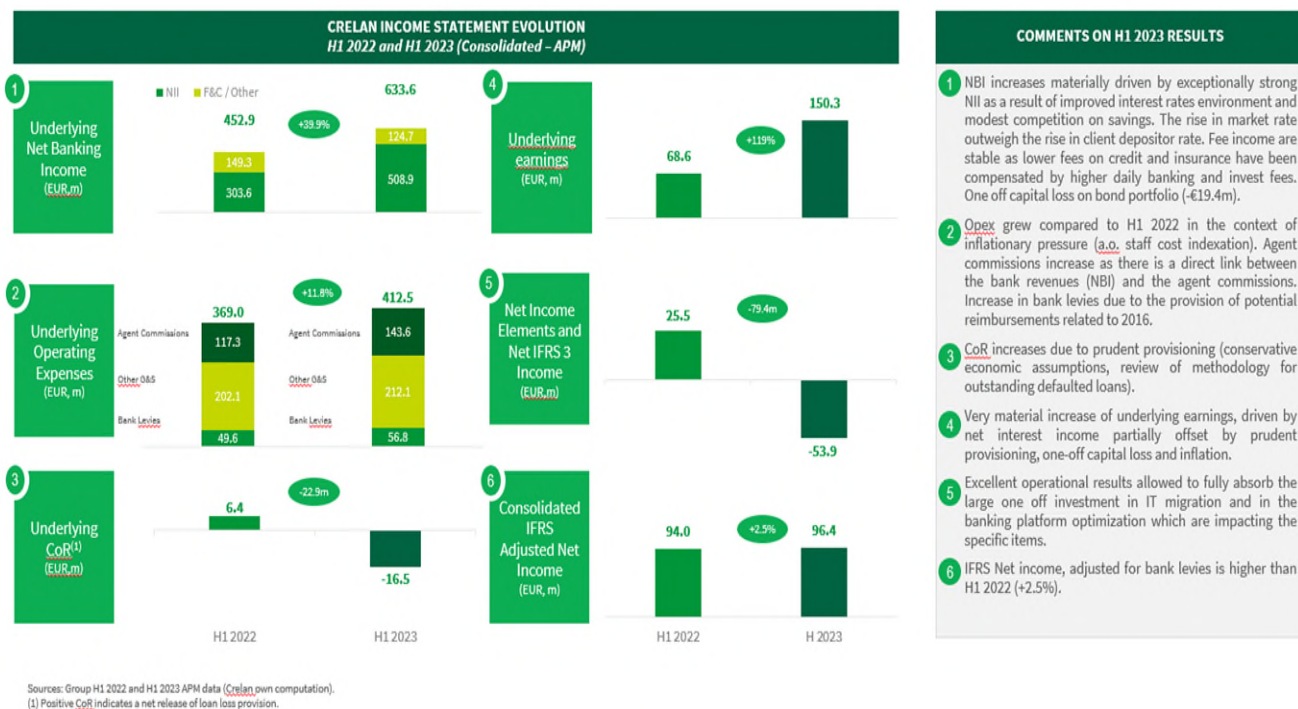
4.3 At the end of the section “Financial Performance” which starts on page 163 of the Base Prospectus, the following tables are added:



Source: Group Source: Group 2022 Financial report (Audited) and H1 2023 Financial report (Reviewed by the auditor)
⁽¹⁾ Excluding deposits from credit institutions
⁽²⁾ Company information

- ### COMMENTS ON H1 2023 RESULTS
- 1 Loan portfolio continue to increase in H1 2023 (+0.6bn) even in the context of a significant contraction in credit market.
 - 2 Client deposits continue to increase (+0.8bn in 1H 2023) with increase of term accounts volumes. The rise in market rate outweigh the rise in client depositor rate on saving accounts.
 - 3 Increase of AuM in 1H 2023 (€+0.9bn Vs 2022) driven by positive net inflow and positive impact of market valuation.
 - 4 Introduction by the NBB in 2022 of a sectoral systemic risk buffer requirement, which replaces the previously higher macro prudential credit risk IRB add-ons on RWA. Reduction of RWA in 1H 2023 thanks to corrections in the reporting of DTA/DTL between group's companies.
 - 5 Continued increase of equity thanks to robust organic capital generation in 2022. Stable equity in 1H 2023 as a seasonal effect (1H is impacted by bank levies and dividend payment).
 - 6 CET1 ratio increase as a result of the decrease of RWA in H1 2023, remaining comfortably high and well above regulatory minimums.

Business and financial performance (income statement)



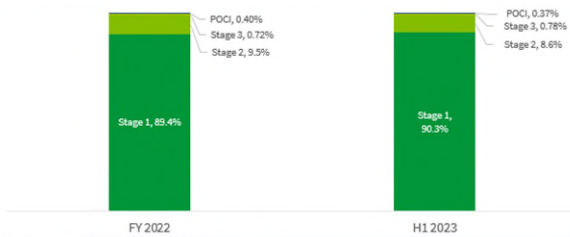
- COMMENTS ON H1 2023 RESULTS**
- 1 NBI increases materially driven by exceptionally strong NII as a result of improved interest rates environment and modest competition on savings. The rise in market rate outweigh the rise in client depositor rate. Fee income are stable as lower fees on credit and insurance have been compensated by higher daily banking and invest fees. One off capital loss on bond portfolio (-€19.4m).
 - 2 Opex grew compared to H1 2022 in the context of inflationary pressure (a.o. staff cost indexation). Agent commissions increase as there is a direct link between the bank revenues (NBI) and the agent commissions. Increase in bank levies due to the provision of potential reimbursements related to 2016.
 - 3 CoR increases due to prudent provisioning (conservative economic assumptions, review of methodology for outstanding defaulted loans).
 - 4 Very material increase of underlying earnings, driven by net interest income partially offset by prudent provisioning, one-off capital loss and inflation.
 - 5 Excellent operational results allowed to fully absorb the large one off investment in IT migration and in the banking platform optimization which are impacting the specific items.
 - 6 IFRS Net income, adjusted for bank levies is higher than H1 2022 (+2.5%).

Please refer to the definitions above.

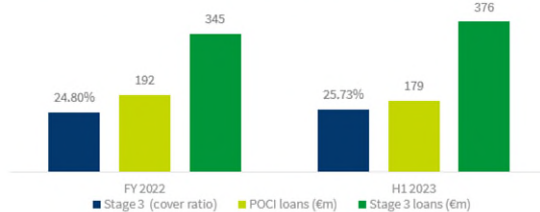
Underlying Operating expenses, is an Alternative Performance Measure (see section 4.6) and is defined as (Group IFRS) Operating expenses where Net Income Elements (NIE) are subtracted and analytical shifts are performed.

Underlying Allowances for loan loss provisions (CoR) is an Alternative Performance Measure (see section 4.6) and is defined as (Group IFRS) Allowances for loan loss provisions (CoR) where Net Income Elements (NIE) are subtracted and analytical shifts are performed (see section 4.6 below).

LOANS AND ADVANCES PORTFOLIO COMPOSITION BY IFRS 9 STAGE (FY 2022 and H1 2023 based on amount outstanding net on loan loss provision)

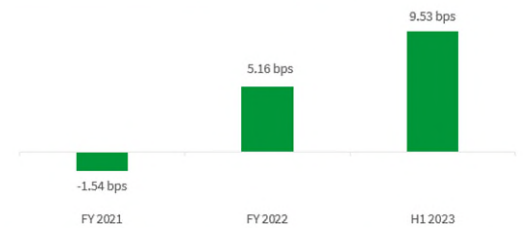


CRELAN STAGE 3 LOANS COVERAGE RATIO and Stage 3/POCI amount (FY 2022, H1 2023)



Source: Group 2022 Financial report (Audited) and H1 2023 Financial report (Reviewed by the auditor)
(1) Based on accounting figures, negative *CoR* indicates a net release of loan loss provision

COST OF RISK RATIO⁽¹⁾ (FY 2021, FY 2022, H1 2023)



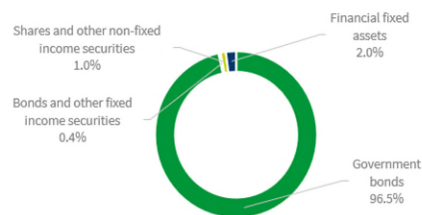
LOAN PORTFOLIO – KEY TAKEAWAYS

- The macroeconomic parameters used for estimation of provisions under IFRS 9 have been reviewed and are now more conservative. This leads to an extra overlay of €3.6m due to negative projected evolution of house prices. The total overlays amount to €27.2m (Crelan & AXA Bank) + €9m (Europabank).
- Crelan has increased the provision to 100% for doubtful loans in this status for 7 years or more (impact of €6.6m) in line with the prudential provisions which were already required.
- Stage 3 loans and POCI represented 1.14% of Crelan loan portfolios as at 30/06/2023.
- Stage 2 loans decrease from 9.5% to 8.6%.
- Prudent provisioning with a stage 3 coverage ratio of 25.73% as of 30/06/2023, increasing from 24.80% at the end of 2022.

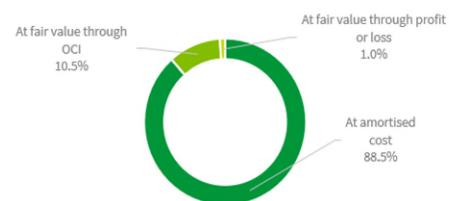
Purchased or originated credit-impaired financial asset (POCI) follows the definition of IFRS standard.

CRELAN GROUP INVESTMENT PORTFOLIO (€648m carrying value, H1 2023)

Investment portfolio by nature



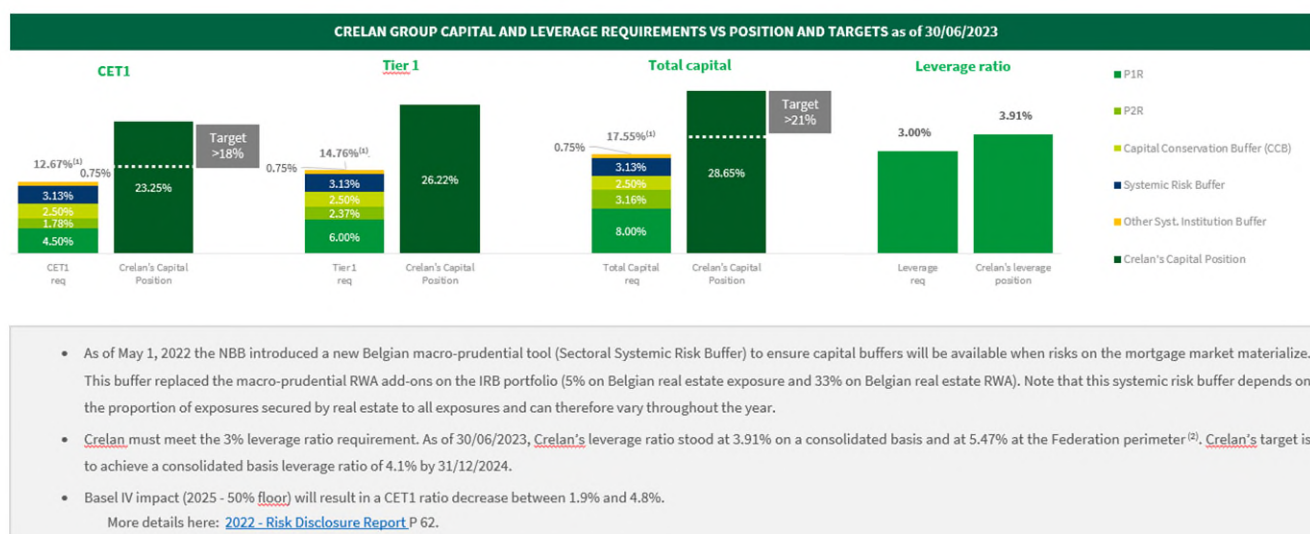
Investment portfolio by accounting category



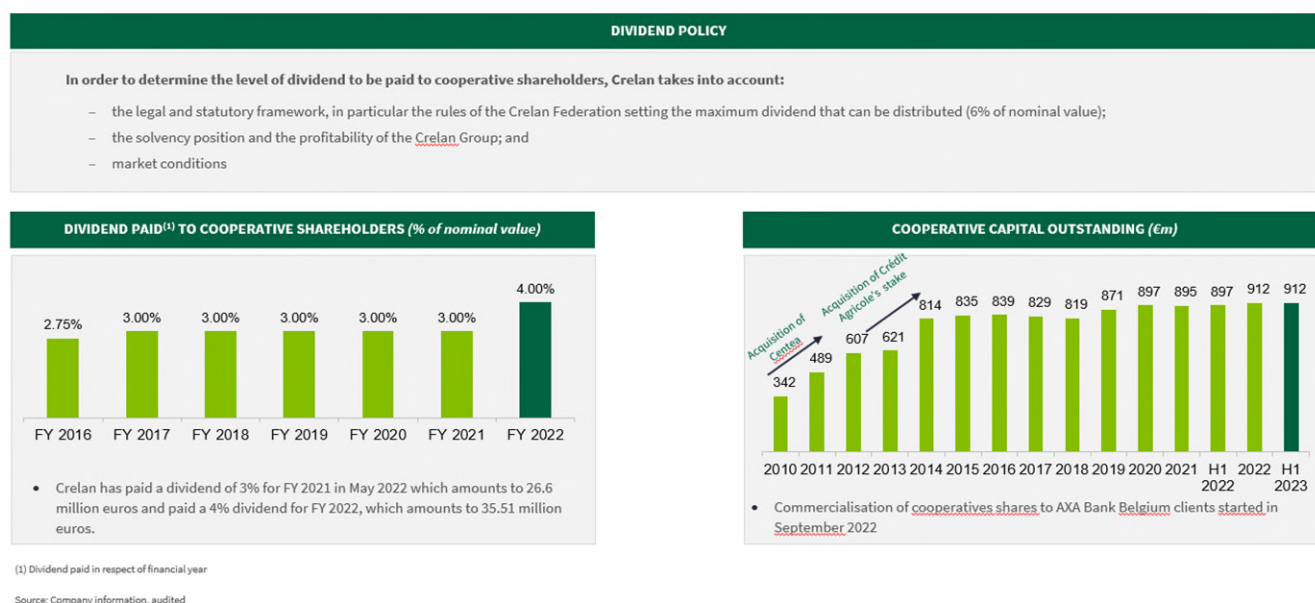
- The limited investment portfolio (€648m) is composed mainly of government bonds at amortized costs.
- The sale of part of the bond portfolio in H1 2023 generated a one-off capital loss of €19.4m.
- Crelan investment policy follows both a liquidity and credit spread strategy:
 - Analysis and management of the liquidity cost
 - Ensure the autonomy under stress
 - Trading activities are not authorized
- Willingness to invest in low risk "local" debt securities
- Investment scope is based on Norges Bank exclusion list

Source: Group H1 2023 Financial report (Reviewed by the auditor)

4.4 In the section “*Solvency and Liquidity*” on page 166 of the Base Prospectus, the following table is added:



4.5 Under the subsection “*cooperative capital at the level of CrelanCo*” in the section “*Solvency and Liquidity*” starting on page 166 of the Base Prospectus, the following table is added:



4.6 Management Reporting and explanation of certain Alternative Performance Measures

The following additional financial information is included based on the management reporting of the Group. This information is included at the end of the section “*Financial Performance*” (starting on page 163 of the Base Prospectus):

It should be noted that in this Supplement certain Alternative Performance Measures (APMs) are disclosed, which complete measures that are defined or specified in the applicable financial reporting framework.

APMs are disclosed when they compliment performance measures defined by IFRS. The basis for disclosed APMs are that they are used by management to evaluate the financial performance and in so believed to give analysts and other stakeholders valuable information. It should be noted that APMs are not audited figures, i.e. figures have not been reviewed and audited by the auditors of the Issuer and the Group.

The Group regularly uses alternative performance measures as a complement to performance measures based on generally accepted accounting standards. In this Supplement we have explained how these performance measures are calculated by the Issuer. However, because all companies do not calculate these identically, our presentation of these alternative performance measures may not be comparable to similarly titled measures of other companies.

Furthermore, while these performance measures are derived from the Group’s consolidated financial statements, they are not measures of our financial performance or liquidity under IFRS and, accordingly, should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with IFRS or as an alternative to cash flow as a measure of our liquidity.

The Management Reporting aims at giving an analytical view of the Issuer’s consolidated profit and loss statement and balance sheet to enable efficient decision-making processes and strong steering of the performance.

The Group’s management and board use various unaudited, unreviewed **Non-GAAP** (not required by regulatory reporting) measures in the computation of its Key Performance Indicators (KPI) that assess the Group’s performance. Management believes that the presentation of these metrics, of which the base is the management accounting P&L framework, provides useful and valuable information to stakeholders and investors regarding the Group’s financial performance. These measures may not be comparable to similarly titled measures reported by other companies.

The Management Reporting is supported by a **Management Accounting Policy**, process and tools, safeguarding tie-in with financial accounting and accuracy, as well as continuity.

Management Reporting supports the efficient steering of the Group by mainly:

- **Grouping** the P&L detailed analytical items in aggregates on which management can have an impact (i.e., all staff related costs regrouped, all items generating the net P&L impact linked to the credit position of the debtor, netting revenues, and cost on specific items), and make sense on content/underlying perspective;
- **Detailing** the net revenues by product, business lines or expenses per departments;
- **Isolating** the P&L items, part of the Net Income (‘Net Income elements’), that are not considered as part of the core operating results (‘Underlying Earnings’) to better steer the core/ recurring business of the Group, and to capture the economic impact and also

identify non meaningful Non-GAAP earnings volatility, and excluding business combination IFRS 3 impacts.

Thus, next to the FinRep regulatory periodic reporting, the performance of the Group is monitored with the support of a dedicated set of Management Reporting dashboards, built according to the Management Accounting Policy.

FinRep refers to the FINancial REPorting Standards (FINREP), i.e. the financial information regulatory periodic reporting required by the European Banking Authority in the European Economic Area and applied to all credit institutions that consolidate their financial reports based on IFRS.

Budget, forecasts and strategic financial plans are prepared and approved according to the Management Reporting P&L and associated KPIs.

Reconciliation with accounting

1. The Management Reporting **is reconciled** with the FinRep reporting at total bottom line level (net income).
2. The Management Reporting numbers included in each of the Management Reporting Profit & loss aggregates are built based on **a combination of financial accounting data and analytical enrichment**.

Analytical enrichments consist mainly in non-accounting sources like full detail of contracts characteristics, savings accounts per type, project details, and components of staff expenses.

The combination of accounting data and enrichments allows a split of financial accounting:

- per product details (Interest rate swaps per hedging strategy revenue by individual fund, interest expenses per different type of savings accounts);
- per type of expenses (linked or not to the integration process of AXA Bank Belgium, allocation based on the organisational structure, per project); and
- for the underlying commissions paid by type of commission (portfolio, production, other incentives).

Enrichments are reconciled with the accounting data by ensuring the financial accounting data enriched or replaced in the Management Reporting is still aligned with the initial data.

3. In this context, ‘accounting data’ consists of the detailed accounting numbers (General Ledger, subsystems), which in turn are the building blocks of the FinRep.
4. To ease understanding a two-step approach is used:
 - Main shift between aggregates FinRep and aggregates Management reporting (see below - Step 1: Map FINREP categories to Management categories)
 - A technical table explaining how the process is automated (see below – Step 2: add the analytical depth).

Management Reporting Framework

The Management Reporting Framework distinguishes two main Profit & Loss natures: Underlying Earnings and Net Income Elements. Together they add up to the Total Net Income (= FinRep net income).

Underlying Earnings (UE) cover the recurring Profit and Loss elements. In other words, the Net Income before including the identified Net Income Elements reported separately.

Net Income Elements (NIE) are described in a policy and are primarily related to impacts of mergers and acquisitions (IFRS 3 and Integration expenses), the volatility derived from hedging activities (Fair Values and hedge accounting inefficiencies) and other small items with non-recurring characteristics.

Management Reporting Framework explained

	Contents
Commercial margin	The interest revenues and interest expenses for all commercial products, corrected for their corresponding fund transfer price to ALM (–cost of hedges of interest rate, liquidity and optionality costs). This commercial margin does not include commissions and file costs part of the effective interest rates as defined according to IFR standards (EIR). Those two elements are reported respectively under 'underlying commissions paid to agents' and 'Fees'.
ALM (Asset Liability Management)	<p>Revenues and costs related to Interest rate Risk Management, Liquidity Management, Investment portfolio and Capital Management. ALM being the result of the asset liability management, which is primarily aimed at matching asset and liability interest rate duration, managing the liquidity and funding of the Group. It is equal to the difference between the cost of internal financing of credit (assets) and the internal return on savings (liabilities), plus revenues and expenses relative to asset liability management activities (Interest rate Risk Management, Liquidity Management). ALM revenues also cover the revenues on the Group's own bond portfolio, hedging structures (swaps, caps and swaptions decided by Asset/Liability Committee to manage interest rate gap) and also wholesale liabilities. As such thus the reported interest also includes the internal costs/revenues linked to the fund transfer pricing included in the commercial margin.</p> <p>ALM relates to all items with initial maturity of more than one year. ALM Net Income elements Items are reported under 'Net Income elements' as mentioned above.</p>
Treasury	Consists of Net interest revenues related to Treasury activities such as short funding and managing the Nostro accounts with other banks and authorities (NBB, ECB). Treasury relates to all items with initial maturity until one year. " Nostro accounts " refers to an account that a bank holds with other banks and financial institutions or authorities.
<u>Underlying Net interest income (NII)</u>	<p>Consists of the sum of</p> <ul style="list-style-type: none"> • <u>commercial margin</u> • <u>ALM</u> • <u>Treasury</u> <p>The main variances with FINrep NII consists thus of commissions and file costs which are part of the EIR under IFRS.</p>
Underlying Fees	Consists of the 'fee business' (Funds, Sicav and EMTN sales and portfolio fees, fees related to Insurance promotion agreements), fees paid by customers for Daily Banking services, File and additional credit fees, some costs recharged to bank agents).

	Amounts can be netted by combining revenues and dedicated expenses when it gives a better view on the activity but are in general presented growth, with costs under Administrative expenses.
Underlying Other income	Consists of the income generated by the structuring of EMTN, <u>Capital gains</u> and losses realized on the investment portfolio including gains or losses on the associated derivatives, <u>Forex results</u> in Treasury and ALM, Dividend income from non-consolidated participations/equity investments.
Underlying Net Banking income	Consists of the sum of Underlying Net Interest income, Underlying Fees and Underlying Other income.
Staff	All staff related expenses, including changes in staff expenses provisions and fringe benefits.
Underlying Operating expenses	All operating costs than Staff expenses and amortizations. Also include some items considered as ‘underlying commissions paid’ in FINRep.
Amortizations	Amortization of tangible and intangible assets (activated projects).
<u>Underlying Operating costs</u>	Sum of Staff, Underlying Operating expenses and Amortizations of intangible assets.
Underlying Bank Levies	Consist of the levies paid by the Group as a financial institution: Tax on Financial Institutions in Belgium, Contributions to the Deposit Guarantee Scheme, Contribution to the Single Resolution Fund. In Underlying Earnings only the prorata temporis of the Underlying Bank Levies is reported (for instance in Half Year Underlying Earnings, only 50% of the Underlying Bank Levies are reported). The difference between this prorata temporis and the One-shot amount recorded according to IFRIC 21 is reported under the line ‘Net Bank Levies not yet Amortized’. At year end the full bank levies are thus reported under “Underlying Bank levies”.
<u>Administrative expenses</u>	The sum of Staff, Underlying Operating expenses, Amortizations and Underlying Bank Levies.
Underlying commissions paid to agents	The P&L impact of the commissions to the bank agents: distribution commissions and the amortized commissions part of the EIR. To be noted that, on top of this P&L view there are two additional views used in the Management Reporting: the ‘cash’ view (this is the amount of commission effectively paid to the agents) and the ‘acquired commission’ view (which is the amount of commission the agent is entitled to receive in current or future years and is based on the current year production).
Underlying Allowances for loan loss provisions (Cost of Risk)	The Profit and Loss impact of the changes in Credit provisions, the impact of individual files and the recuperations related to already written-off files.
Other provisions	Provisions that cannot be linked to another specific line in Administrative expenses or Cost of Risk, i.e., legal provisions, network consolidation not related to Integration and migration.

Underlying Profit Before tax	Sum of (i) Underlying Net Banking Income, (ii) Administrative Expenses, (iii) Commission paid to agents, (iv) Underlying Allowances for loans loss provisions and (v) Other provisions.
Underlying Taxes	The sum of current and deferred taxes related to the above Underlying Earnings P&L Items.
Underlying Earnings	Sum of (i) Underlying Profit Before Tax and (ii) Underlying Taxes.
Integration & migration	<p>Consists of costs directly linked to Integration and Migration projects or to the AXA Bank Belgium acquisition process. Any cost that would have been incurred irrespective of the acquisition cannot be considered as integration costs.</p> <p>It thus consists mainly of acquisition costs, integration/migration projects, internal and external costs directly related to the migration projects, Network restructuring expenses and Staff restructuring plan.</p>
Balance Sheet Management & Fair Values	<p>This item aims at capturing the volatility implied by the accounting measurement of the elements below:</p> <ul style="list-style-type: none"> • Hedge accounting inefficiencies; • Fair value changes from the premium paid on optional hedging derivatives that are paid forward (where the amortization of these option premiums is reported in Underlying Earnings); • Credit/ Debit value adjustments (CVA/ DVA), i.e. specific adjustment to the measurement of respectively derivatives assets and liabilities to reflect the credit risk of the counterparty or own credit risk; and • Bid-ask spread.
Other Net Income Elements	Impairment and capital gains on non-core tangible assets, exceptional operations (i.e., Gains and losses relating to sales of business or portfolios).
Tax on Net Income Elements	The sum of current and deferred tax related to Net Income elements (analytical split of Corporate taxes).
Net Income Elements	Sum of (i) Integration & Migration, (ii) Balance Sheet Management & Fair Value, (iii) Other Net Income Elements and (iv) Tax on Net Income Elements.
Net IFRS3 impact	The amortization of the IFRS 3 balances resulting from Business combinations, post-closing price corrections, net of tax.
Net Income	Sum of the Net Income Elements and Net IFRS3 impact.
Underlying Net Bank Levies not yet amortized	According to IFRIC21, Underlying Bank Levies need to be booked one shot at the beginning of the year in January. Nevertheless, in order to give a pro rata view of the Underlying Earnings evolution, the amounts are accrued in Underlying earnings, and the difference with the total amount is in non-recurring elements. Throughout the year, this converges to zero at year end.
Net Income FINREP	FinRep official number. Equals Net Income at year end.

Half-year results 2023

Step 1: Map FinRep categories to Management categories.

30/06/2023
Step 1 : Map FinRep to Management categories.

Interest income
(Interest expense)
Fee and commission income
Dividend income
Gains or (-) losses on financial assets & liabilities not measured at fair value through profit or loss, net
Gains or (-) losses on financial assets and liabilities held for trading, net
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net
Gains or (-) losses from hedge accounting, net
Exchange differences [gain or (-) loss], net
Gains or (-) losses on derecognition of non financial assets other than held for sale, net
(Fee and commission Expenses)
(Other operating Expenses)
Other operating income
(Administrative Expenses)
(Cash contributions to resolution funds and deposit guarantee schemes)
(Depreciation)
Modification gains or (-) losses, net
(Provisions or (-) reversal of provisions)
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)
Negative goodwill recognised in profit or loss
(Tax Expenses or (-) income related to profit or loss from continuing operations)
Profit or (-) loss for the period

Financial Statements Reclassifications in FinRep

837.5	-0.1
-346.6	-
125.8	-
0.1	-
-17.6	-
-0.1	-
0.1	-
-0.6	-
3.7	-
3.4	-
-0.0	-
-118.8	-
-0.1	-
15.0	-
-299.3	-
-43.3	-
-8.5	-
0.0	0.1
-37.2	-
-23.0	-
-	-
-37.2	-
53.2	-0.0

FinRep

0010	837.4	A
0090	-346.6	A
0200	125.8	B
0160	0.1	C
0220	-17.6	C
0280	-0.1	C
0287	0.1	C
0290	-0.6	C
0300	3.7	C
0310	3.4	C
0330	-0.0	C
0210	-118.8	D
0350	-0.1	C
0340	15.0	C
0360	-299.3	D
0385	-43.3	D
0390	-8.5	D
0425	0.1	D
0430	-37.2	E
0460	-23.0	F
0580	-	G
0620	-37.2	H
	53.2	I

FinRep (Management categories)

A	Net interest income	490.9
B	Fees	125.8
C	Other income	3.9
D	Operating expenses	-469.6
E	Provisions	-37.2
F	Allowances for loan loss provisions (CoR)	-23.0
G	Negative Goodwill	-
H	Taxes	-37.2
I	Profit or (-) loss for the period	53.2

Half-year results 2023

Step 2: add the analytical depth:

FinRep (Management categories)	Analytical shifts within Underlying Earnings								Identifying Net Income elements							Management View	Alternative Performance Measure (APM)
		Realignments Provisions from/to Expenses (HR) and other expenses	Bank Levies reported separately	FV non Hedging	Fees (Recuperations and file costs)	Nil to Other income incl. FV non Hedging in Treasury	Commissions reallocated s reported separately (incl. Intragroup reshuffle)		Isolating IFRS 3	Isolating BSM NR	Isolating I&M NR	Isolating Other NR	Tax NR	Bank levies not yet accrued	Other		
Net interest income	490.9	-0.3	-1.7	0.0	0.0	-1.9	-5.3	27.7	-3.1	8.5	0.0	0.0	0.0	0.0	0.0	Underlying Net interest income	508.9
Fees	125.8	0.0	-0.1	0.0	0.0	15.4	0.1	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Underlying Fees	142.3
Other income	3.9	-5.5	-0.4	0.0	0.0	-10.1	5.4	1.2	-0.4	-11.9	0.2	0.0	0.0	0.0	0.0	Underlying Other income	-17.6
Net Banking income	620.5	-5.8	-2.1	0.0	0.0	3.4	0.1	30.1	-9.5	-3.4	0.2	0.0	0.0	0.0	0.0	Underlying Net Banking income	633.6
Operating costs	-307.7	0.0	-2.7	42.2	0.0	-3.7	-0.1	0.0	0.4	0.0	43.3	1.8	0.0	14.8	-0.4	Underlying Operating costs	-212.1
Bank Levies	-43.3	0.0	-7.0	-42.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	35.1	0.6	Underlying Bank Levies	-56.8
Commissions paid	-118.8	0.0	5.1	0.0	0.0	0.2	0.0	-30.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Underlying Commissions paid	-143.6
Operating expenses	-469.8	0.0	-4.6	0.0	0.0	-3.5	-0.1	-30.1	0.4	0.0	43.3	1.8	0.0	50.0	0.2	Underlying Operating expenses	-412.4
Allowances for loan loss provisions (CoR)	-23.0	5.8	0.8	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	Underlying Allowances for loan loss provisions (CoR)	-16.5
Provisions	-37.2	-0.1	7.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	30.9	-0.6	0.0	0.0	-0.1	Underlying Provisions	-0.1
Profit Before tax	90.4	0.0	1.2	0.0	0.0	0.0	0.0	0.0	-9.2	-3.4	74.4	1.1	0.1	50.0	0.1	Underlying Profit Before tax	204.6
Negative Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Underlying Negative Goodwill	-
Taxes	-37.2	0.0	-1.2	0.0	0.0	0.0	0.0	0.0	2.3	0.0	0.0	0.0	-18.2	0.0	0.0	Underlying Taxes	-54.3
Profit or (-) loss for the period	53.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-6.9	-3.4	74.4	1.1	-18.1	50.0	0.1	Underlying Earnings	150.3
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-74.4	-1.7	0.0	0.0	0.0	Integration & migration	-76.1
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.4	0.0	0.0	0.0	0.0	0.0	Balance Sheet Management & Fair Values	3.4
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.0	0.0	-0.1	Other Net Income Elements	0.5
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.4	0.0	0.0	Tax on Net Income Elements	11.4
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.4	-74.4	-1.1	11.4	0.0	-0.1	Net Income Elements	-60.8
	53.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-6.9	0.0	0.0	0.0	-6.7	50.0	0.0	Adjusted Net Income before IFRS3	89.5
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.9	0.0	0.0	0.0	0	0.0	0.0	Net IFRS3 income	6.9
	53.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-6.7	50.0	0.0	Adjusted Net Income	96.4
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.8	-50.0	0.0	Bank levies not yet accrued	-43.2
	53.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Net Income = Profit or (-) loss for the period	53.2

BSM: Balance sheet Management

FV = Fair Values

I&M: Integration & Migration

LLP (Allowances for) Loan losses Provisions

Half-Year 2022 results

Step 1: map FINREP categories to Management categories

30/06/2022
Step 1: Map FinRep to Management categories.

Interest income	
(Interest expense)	
Fee and commission income	
Dividend income	
Gains or (-) losses on financial assets & liabilities not measured at fair value through profit or loss, net	
Gains or (-) losses on financial assets and liabilities held for trading, net	
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	
Gains or (-) losses from hedge accounting, net	
Exchange differences [gain or (-) loss], net	
Gains or (-) losses on derecognition of non financial assets other than held for sale, net	
(Fee and commission Expenses)	
(Other operating Expenses)	
Other operating income	
(Administrative Expenses)	
(Cash contributions to resolution funds and deposit guarantee schemes)	
(Depreciation)	
Modification gains or (-) losses, net	
(Provisions or (-) reversal of provisions)	
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	
Negative goodwill recognised in profit or loss	
(Tax Expenses or (-) income related to profit or loss from continuing operations)	
Profit or (-) loss for the period	

Financial Statements	Reclassifications in FinRep
440.1	84.8
-143.4	-84.9
123.9	-
0.3	-
4.5	-
-32.6	-
-0.1	-
35.8	-
19.7	0.0
-3.7	-
-0.0	-
-92.6	-
-0.1	-
21.1	-
-253.7	-0.8
-46.9	-
-6.8	-
0.0	0.1
8.4	0.8
1.2	-
3.8	-
-22.9	-
55.9	-0.0

FinRep
0010 524.9 A
0090 -228.3 A
0200 123.9 B
0160 0.3 C
0220 4.5 C
0280 -32.6 C
0287 -0.1 C
0290 35.8 C
0300 19.7 C
0310 -3.7 C
0330 -0.0 C
0210 -92.6 D
0350 -0.1 C
0340 21.1 C
0360 -254.5 D
0385 -46.9 D
0390 -6.8 D
0425 0.1 D
0430 9.2 E
0460 1.2 F
0580 3.8 G
0620 -22.9 H
55.9 I

FinRep (Management categories)		
A	Net interest income	296.6
B	Fees	123.9
C	Other income	44.8
D	Operating expenses	-400.7
E	Provisions	9.2
F	Allowances for loan loss provisions (CoR)	1.2
G	Negative Goodwill	3.8
H	Taxes	-22.9
I	Profit or (-) loss for the period	55.9

Half-Year 2022 results

Step 2: add the analytical depth

FinRep (Management categories)		Analytical shifts within Underlying Earnings							Identifying Net Income elements						
		Realignments Provisions from/ to Expenses	Recoveries Written off files LLP	Bank Levies reported separately	FV non Hedging	Fees (Recuperations and file costs)	Nil to Other income incl. FV non Hedging in Treasury	Commissions reallocations reported separately (incl. intragroup reshuffle)	Isolating IFRS 3	Isolating BSM NR	Isolating I&M NR	Isolating Other NR	Tax NR	Bank levies not yet accrued	Other
Net interest income	296.6	-0.4	0.0	0.0	-2.1	-2.5	0.5	25.0	-13.0	-1.9	0.0	0.0	0.0	0.0	1.3
Fees	123.9	0.0	0.0	0.0	0.0	21.4	0.0	-1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.7
Other income	44.8	-5.5	-0.1	0.0	2.1	-15.6	-0.5	2.4	-2.0	-21.5	0.0	-0.4	0.0	0.0	0.6
Net Banking income	465.4	-5.8	-0.1	0.0	0.0	3.4	0.1	26.1	-15.0	-23.4	0.0	-0.4	0.0	0.0	2.6
Operating costs	-261.2	0.0	1.6	40.4	0.0	-3.6	0.0	0.0	0.4	0.0	7.8	0.4	0.0	13.9	-1.8
Bank Levies	-46.9	0.0	0.0	-40.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	37.6	0.1
Commissions paid	-92.6	0.0	0.5	0.0	0.0	0.2	0.0	-26.1	0.0	0.0	0.0	0.0	0.0	0.0	0.7
Operating expenses	-400.7	0.0	2.1	0.0	0.0	-3.4	0.0	-26.1	0.4	0.0	7.8	0.4	0.0	51.5	-1.0
Allowances for loan loss provisions (CoR)	1.2	6.0	-1.1	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.5
Provisions	9.2	-0.1	-0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.5	-2.8	0.0	0.0	-1.8
Profit Before tax	75.1	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-14.7	-23.4	5.3	-2.8	0.0	51.5	0.2
Negative Goodwill	3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3.8	0.0	0.0	0.0	0.0	0.0	0.0
Taxes	-22.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.7	0.0	0.0	0.0	-6.5	0.0	3.0
Profit or (-) loss for the period	55.9	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-14.7	-23.4	5.3	-2.8	-6.4	51.5	3.2
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-5.2	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	23.4	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.9	0.0	0.0	-1.2
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.0	0.0	0.0	-6.9	0.0	-2.3
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8	23.4	-5.2	2.9	-6.9	0.0	-3.5
	55.9	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-13.9	0.0	0.0	0.2	-13.4	51.5	-0.3
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.9	0.0	0.0	0.0	0	0.0	0.0
	55.9	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.2	-13.4	51.5	-0.3
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.4	-51.5	0.0
	55.9	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.2	0.0	0.0	-0.3

BSM: Balance sheet Management

FV = Fair Values

I&M: Integration & Migration

LLP (Allowances for) Loan losses Provisions

5. Update of the Section “Trend information”

- 5.1 The following paragraph is added in the section “Trend Information” on page 181 of the Base Prospectus:

“Since the acquisition of AXA Bank by Crelan in December 2021, the teams have been actively preparing the merger of the two banks. This process includes the migration and integration of data from AXA Bank's IT platform to that of Crelan, which will lead to the merger of the 2 banks.

In this context, a preparation and modernization of the Crelan IT platform is carried in order to be able to absorb and process the large volumes of data to come. In addition, the next few months will be marked by in-depth testing phases to secure the migration process. A first simulation was successfully carried out in the summer of 2023.

The project is progressing in line with the overall acquisition plan and is expected to provide a modern and qualitative platform to the Group's customers.

The emphasis on migration and integration does not take away from the fact that the Group continues to be attentive to innovation. One area of such innovation is the development and upcoming testing phase of a new mobile application. This was the first innovative project on which colleagues from Crelan and AXA Bank worked together.

The new application will soon undergo extensive testing and will then be deployed in the Crelan network. Once AXA Bank customer data has been transferred to the Crelan platform, AXA Bank customers will also be able to benefit from this new mobile application.

In parallel, during the first half of 2023, the Issuer drew up an action plan addressing a number of internal findings relating to controls against embargoes and sanctions, which is considered a top priority by the management. The Issuer confirms the ongoing implementation of the action plan in consultation with the regulator in order to be in full compliance with existing legislation and to fully meet the regulator's recommendations and expectations.”

- 5.2 The following paragraph replaces the last paragraph in the section “Trend Information” on page 181 of the Base Prospectus:

“The Issuer confirms that there has not been (a) any material change in the prospects of the Issuer since 31 December 2022 and (b) any significant change in the financial performance or financial position of the Group since 30 June 2023.”

6. **Update of the Section “*Governance structure and administrative, management and supervisory bodies*”**

The following paragraph is added at the end of the section “*Governance structure and administrative, management and supervisory bodies*” of the Base Prospectus starting on page 172:

Cooperative governance

The cooperative bank is a core pillar underpinning the strategic focus of the Group. In order to strengthen this cooperative strategy, it was decided to create a separate department “*Cooperative Bank Office*” as of 1 September 2023, headed by a Chief Cooperative Bank Officer. The Chief Cooperative Bank Officer will be responsible for the following areas: (i) Cooperator Engagement, (ii) People Engagement; (iii) Cooperative Governance and (iv) ESG Management.

The Chief Cooperative Bank Officer has been appointed to this position and the aim is to have a cross-functional approach, working with all areas of the Group and with the boards of CrelanCo and Crelan.

The Cooperator Engagement team will help develop and strengthen the cooperative value proposition and related communications. Working groups have already been set up to address this issue. The creation of a veritable cooperative community is another key element. The Crelan Foundation will also be given a more prominent role. With this initiative, the aim is also to strengthen the ties of the Group with the local and regional community and put its social commitment into practice.

Furthermore, the existing ESG project remains of paramount importance and, given its many links, will be integrated into the core of the Cooperative Bank Office. Existing projects and action plans will be continued and further developed, in particular green bond issuances, ESG risk management and ESG data management projects. Additionally, there will also be a strong focus on the work done on climate-related and environmental risk strategies, business strategy, governance, reporting and risk management frameworks in the context of more stringent and developing requirements of the financial supervisors with respect to governance, risk management and strategy with respect to ESG, including additional requirements imposed by the ECB.

In this respect, the new Cooperative Bank Office will carry out the strategic and operational plans to advance the identification and management of climate-related and environmental risks to address the specific requirements from the ECB and the Joint Supervisory Team.

7. Risk factor “MREL requirement”

The statement on page 15 of the Base Prospectus: *“The SRB has not yet officially communicated to the Issuer any MREL requirements. It is expected that the SRB will communicate an MREL requirement by the end of the summer of 2023. Until such communication, the MREL requirements applicable to the Issuer and the Group remain those notified by the NBB.”* is deemed removed and replaced by the following text:

“On 22 August 2023, the SRB communicated the following: the MREL requirements applicable to the Issuer at consolidated level have been set at 30.37% TREA (Total Risk Exposure Amount) and 7.66% LRE (Leverage Ratio Exposure), which must be met by 2 May 2026 at the latest.

Furthermore, the SRB has also set an interim target level to be met as of 30 June 2025. More specifically, as of 30 June 2025, the Issuer at consolidated level must meet interim target levels amounting to 30.37% of the requirement expressed as a percentage of TREA and 6.58% of the requirement expressed as a percentage of LRE.

The SRB MREL instruction additionally provides for a subordination requirement pursuant to which the Issuer at consolidated level must meet 30.37% TREA and 7.66% LRE through subordinated liabilities by no later than 2 May 2026. Equity used to meet the combined buffer requirement is not eligible to meet the subordinated requirement expressed in TREA.

“TREA” means the total risk exposure amount in accordance with point (a) of Article 45(2) of Directive 2014/59/EU, after adjustments due to Article 45a(2) and Article 92(3) of Regulation (EU) No 575/2013.

“LRE” means the leverage ratio exposure in accordance with point (b) of Article 45(2) of Directive 2014/59/EU, after adjustments due to Article 45a(2) and Article 429(4) and 429a of Regulation (EU) No 575/2013.

The MREL of the Crelan Group amounts to 35,54% TREA on 30/06/2023 (= 3.164 mio Eur of Own Funds and Eligible Liabilities / 8.903 mio Eur TREA).

The MREL of the Crelan Group amounts to 5,71% LRE on 30/06/2023 (= 3.164 mio Eur of Own Funds and Eligible Liabilities / 55.433 mio Eur LRE).