



Lisbon, 24 August 2023

Unaudited Earnings Release as of 30 June 2023

## ■ Grupo Crédito Agrícola performance in 1H23

### Main highlights

- Consolidated Net Income reached 174.1 million euros in 1H23, corresponding to a YoY increase of 109.7 million euros, essentially driven by the growth of Operating Income, leading to a Return on Equity of 16.3% in 1H23.
- Core Operating Income reached 456.0 million euros, representing YoY growth of 57.9% (+167.2 million euros).
- Net Interest Income grew by 180.1 million euros (+116.7% in comparison with 1H22) to 334.4 million euros in 1H23.
- Gross loans and advances to customers portfolio of 11,967 million euros, an increase of 67 million euros in comparison to March 2023, driving a YoY improvement in Crédito Agrícola's market share of 0.11 p.p. to 5.69%.
- Customer Deposits amounted to 19,787 million euros at the end of June 2023, which compares with 19.732 million euros in March 2023. Crédito Agrícola's market share stood at 8.03%, a YoY increase of 0.15 p.p..
- During 2H23, in May there was an upgrade on Caixa Central's rating by Moodys, to a Baseline Credit Assessment of Baa3, therefore moving to an investment grade rating.
- In July 2023, the second social, senior preferred debt issuance took place, in the amount of 200 million euros, complemented in August with a tap issuance in the amount of 50 million euros, enabling the Group to comply its binding target of the MREL TREA + CBR minimum requirement, which comes into force as of 1 January 2024, of 25.28%, with a margin of comfort.
- Extremely robust levels of solvency and liquidity. Grupo CA has the highest CET1 Ratio of the sector in Portugal, with 21.2% (including net income for the period), a leverage ratio of 9.2%, a liquidity coverage ratio (LCR ratio) of 632.1% and a net stable funding ratio (NSFR) of 166.0%, all above the recommended, and required, minimum thresholds.



## GRUPO CRÉDITO AGRÍCOLA RESULTS AND ACTIVITY (Unaudited)

Amounts in million euros, except for percentages

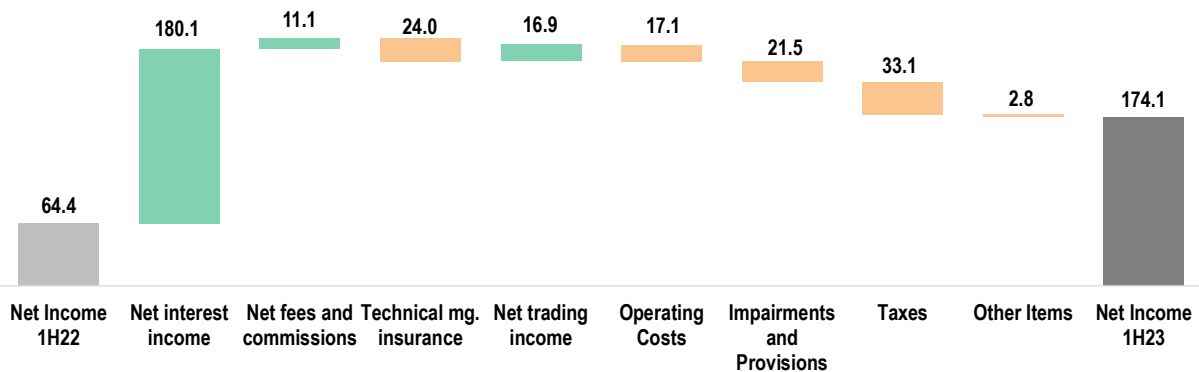
Consolidated indicators of Grupo CA <i>Income statement</i>	Dec.2022	Jun.2022	Jun.2023	Δ Abs.	Δ %
				Jun.2023 / Jun. 2022	Jun. 2023 / Jun. 2022
Net interest income	368.4	154.3	334.4	180.1	116.7%
Net fees and commissions	146.2	67.2	78.3	11.1	16.4%
Technical margin of insurance activity	144.5	67.3	43.3	-24.0	-35.7%
Core operating income	659.2	288.9	456.0	167.2	57.9%
Net trading income	-3.3	-6.4	10.6	16.9	n.a.
Other results	-3.9	-1.7	-1.2	0.4	-26.4%
Operating income	652.0	280.8	465.4	184.5	65.7%
Operating costs	-400.9	-190.0	-207.1	-17.1	9.0%
Impairment and provisions for the year	-57.4	-6.5	-28.0	-21.5	330.8%
Consolidated net income	144.3	64.4	174.1	109.7	170.2%

- Grupo Crédito Agrícola's **Consolidated Net Income** in 1H23 reached 174.1 million euros, corresponding to a **Return on Equity** of 16.3%, reflecting the positive performance of its main business units (banking, life and non-life insurance and asset management). The 170.2% change in Net Income was influenced by:
  - the significant increase of **Net Interest Income** by 116.7% to 334.4 million euros (+180.1 million euros in comparison with 1H22);
  - growth in **Net Fees and Commissions** of 16.4% to 78.3 million euros (+11.1 million euros YoY);
  - the improvement of 16.9 million euros in **Net Trading Income** to 10.6 million euros, which compares with a loss of 6.4 million euros in 1H22;
  - the negative impact of the 35.7% decline of the **Technical Margin of Insurance Activity**;
  - the reinforcement of **Impairments and Provisions**, which amounted to 28.0 million euros in 1H23 (+21.5 million euros vis a vis 1H22);
  - the increase of **Operating Costs** by 9.0% to 207.1 million euros (+17.1 million euros YoY);
  - and the greater amount paid in **Taxes**, which amounted to 54.6 million euros in 1H23, 154.1% higher than in 1H22 (+33.1 million euros).
- The contribution of the Group's **insurance companies** to consolidated Net Income in 1H23 amounted to 8.1 million euros, 5.2 million euros from CA Seguros and 2.8 million euros from CA Vida.



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Net Income Evolution 1H22-1H23 (millions of euros)



- The growth momentum of the CA Group's **customer base**<sup>1</sup> continued in 1H23, with net YoY growth of Corporate Customers of 2.1% and of 5.7% in Individual Customers.
- The increased usage and penetration of remote channels continues to be driven by the implementation of Grupo Crédito Agrícola's strategy of **digitalization and investment in its digital channels**. By the end of June 2023, the weight of customers with an active online subscription had increased by 1.8 p.p. YoY in Individual customers (42.8% penetration) and by 2.4% in Corporates (increasing penetration to 75.4%).
- **Net Interest Income Margin** was 2.80% in 1H23, which compares with 1.28% in 1H22. In the context of the evolution of Euribor interest rates, the average yield on interest earning assets in 1H23 increased to 2.94% (1.26% in 1H22), with the average rate on interest bearing liabilities growing to 0.14% (-0.02% in 1H22). The average yield on customer loans grew by 1.85 p.p. to 4.04% in 1H23, partially offset by increased customer deposit interest rates, which grew 0.06 p.p. to 0.09%, which is justified in part by (i) the weight of 50,5% of demand deposits (non-interest-bearing) in the total customer deposits (-0.4 p.p. compared to June 2022 and -0.1 p.p. compared to December 2022); and, (ii) an increase of 1.75 p.p. in the average rate of new time deposits recorded during the month of June 2023 when compared to the average rate booked during the month of June 2022 (according to the table below), which is explained by the rise in the remuneration of new time deposits recorded during 1H23 at CA Group.

Amounts in percentages

Interest rates evolution	1H2022	1H2023			Δ Abs. 1H2023 / 1H2022
		1Q2023	2Q2023	Total	
<b>Total Deposits</b>					
Market <sup>(1)</sup>	0,07%	0,39%	0,73%	0,56%	0,49 p.p.
Grupo Crédito Agrícola	0,03%	0,04%	0,07%	0,05%	0,02 p.p.

Source: BPStat and SICAM (banking business)

(1) BPStat does not report interest rate of deposits from Public Sector.

<sup>1</sup> First holder customers of any banking product, including moey!'s customers.



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Amounts in percentages

Interest rates monthly evolution	Jun.2022	Dez.2022	Mar.2023	Jun.2023	Δ Abs. Jun.2023 / Jun.2022
<b>Total New Deposits</b>					
Market <sup>(1)</sup>	0,07%	0,68%	1,41%	2,07%	2,00 p.p.
Grupo Crédito Agrícola	0,01%	0,01%	1,09%	1,75%	1,75 p.p.

Source: BPStat and SICAM (banking business)

(1) BPStat does not report interest rate of deposits from Public Sector.

As such, in absolute terms, **Net Interest Income** more than doubled to 334.4 million euros (+180.1 million euros in comparison with 1H22).

- **Net Fees and Commissions** contributed materially to the performance of Core Operating Income during the first semester, with growth of 16.4% (+11.1 million euros), mainly driven by credit, cards and account management commissions.
- The **technical margin of the insurance activity** showed a decline of 35.7% to 43.3 million euros (-24.0 million euros in comparison to June 2022), however 1H22 had benefitted from a non-recurring reversal of provisions related to interest rate commitments.
- **Core Operating Income** booked YoY growth of 57.9% in 1H23, representing an absolute increase of 167.2 million euros, to 456.0 million euros.
- In 1H23, the amount of **mandatory banking sector contributions** paid by Grupo Crédito Agrícola reached 10,1 million euros, a decrease of 6.7% (-0.7 million euros comparing to the previous year), namely Contribution from the Banking Sector, Additional Solidarity on the Banking Sector, Single Resolution Fund, National Resolution Fund, Supervision Fees and the Deposit Guarantee Fund.
- **Operating Costs** reached 207.1 million euros during 1H23, an increase of 9.0%, or 17.1 million euros, in comparison to 1H22. This increase was mainly explained by **Staff Expenses**, which booked an increase of 9.8% (+11.3 million euros), mostly due to the updates of the salary scale and the attribution of performance-related bonuses. **Other Operating Expenses** grew by 8.7%, or 5.1 million euros, related to increased activity, continued efforts of process digitalization and also in response to legal and regulatory requirements.
- The **Cost-to-Income ratio** registered a positive YoY evolution of 23.2 p.p. to 44.5%, representing an improvement in comparison to the 67.7% of 1H22, which considered the positive evolution of Operating Income. The **Core Cost-to-Income ratio** reached 45.4% in 1H23, an improvement of 20.4 p.p. vis a vis 65.8% in 1H22.
- During 1H23, **impairments and provisions** booked a net impairment of 28.0 million euros (+21.5 million euros in comparison to 1H22, when an amount of 6.5 million euros had been booked). As such, at the end of 1H23, the **cost of credit risk** stood at 0.30%, which represents a YoY increase of 0.27 p.p., in comparison to 0.04% in 1H22.



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Amounts in million euros, except for percentages

Breakdown of Grupo CA's Profit	Dec.2022	Jun.2022	Jun.2023	Δ Abs.	Δ %
				Jun.2023 / Jun. 2022	Jun. 2023 / Jun. 2022
Consolidated net income	144.3	64.4	174.1	109.7	170.2%
Net income from banking business	98.1	33.0	156.6	123.6	374.6%
Insurance Companies (CA Vida and CA Seguros)	58.7	25.5	8.1	-17.4	-68.4%
Real estate investment vehicles <sup>1</sup>	-8.5	-4.5	-6.1	-1.6	34.6%
Other <sup>2</sup>	-4.0	10.4	15.4	5.0	48.3%

(1) Real estate investment funds and CA Imóveis, Unip. Lda.

(2) CA SGPS, CA Gest, CA Serviços, CA Informática, CA Capital, CCCAM GI, CA S&P, Fenacam, FIM CA Institucionais, non-controlling interests, consolidation

## BALANCE SHEET OF GRUPO CRÉDITO AGRÍCOLA (Unaudited)

Amounts in million euros, except for percentages

Consolidated indicators of Grupo CA <i>Balance Sheet</i>	Dec. 2022	Jun. 2023	Δ Abs.	Δ %
			Jun.2023 / Dec.2022	Jun.2023 / Dec.2022
<b>Balance sheet</b>				
Total net assets	24,895	24,723	-172	-0.7%
Total loans and advances to customers (gross) <sup>1</sup>	11,982	11,967	-15	-0.1%
of which: Loans to companies and public administration (gross) <sup>1</sup>	6,881	6,933	53	0.8%
Total loans and advances to customers (net)	11,632	11,583	-50	-0.4%
Accumulated impairment and provisions	501	536	35	6.9%
Customer funds on the balance sheet	20,398	19,787	-611	-3.0%
Equity	2,042	2,228	187	9.1%

(1) Including customer debt instruments (commercial paper operations).

- At the end of 1H23, **Total Assets** of Grupo Crédito Agrícola stood at 24.723 billion euros, a reduction of 171.5 million euros in comparison to December 2022 as a result of the 264.2 million euros of decline in cash held at Central Banks, partially offset by the increase of financial assets at amortized cost (+151.7 million euros in comparison to FY22), namely in debt securities.
- Out of the Total Assets, 11.967 billion euros correspond to the **(gross) loans and advances to customers portfolio**, representing a marginal decline of 0.1% in comparison with December 2022, however growing 0.6% in comparison to March 2023. Grupo Crédito Agrícola's total market share in terms of gross loans granted to customers stood at 5.68%<sup>2</sup>. In the specific case of mortgage loans, there was a 41.0 million euros (-1.1%) reduction in comparison to December 2022, partly justified by 132.8 million euros of anticipated repayments (3.7% of total mortgage loans), which compares with an amount of 88.6 million euros in 1H22, and due to a reduction of 44,3% on new operations of mortgage loans during 1H23 comparing to 1H22, while the banking sector had an increase of 6,9% on new operations of mortgage loans during the same period.

Amounts in million euros, except for percentages

Gross Loans and Advances of Grupo CA	Dec. 2022	Jun. 2023	Δ Abs.	Δ %
			Jun.2023 / Dec.2022	Jun.2023 / Dec.2022
Loans to individuals	5,111	5,033	-78	-1.5%
Mortgage	3,596	3,555	-41	-1.1%
Consumer and other purposes	1,516	1,479	-37	-2.4%
Loans to companies and public administration <sup>1</sup>	6,881	6,933	53	0.8%
<b>Total gross loans and advances</b>	11,982	11,967	-15	-0.1%

(1) Including customer debt instruments (commercial paper operations).

<sup>2</sup> Including the public sector.



- At the end of 1H23, **customer deposits** amounted to approximately 19.787 billion euros, a 3.0% reduction in comparison to FY22, representing a variation of -611 million euros. However, in comparison to March 2023, an increase in the amount of 55 million euros, or 0.3%, was visible. Customer funds in **capitalization insurance and investment funds** commercialized by the Crédito Agrícola Group, increased to 2,068 million euros by 30 June 2023, a 2.5% increase in comparison to 31 December 2022.
- As of the same date:
  - 80% of customer deposits were covered by Deposit Guarantee Fund;
  - 78% of total deposits corresponded to individual customers and 22% to corporate customers;
  - the average amount per depositor was approximately 12,600 euros.
- In 1H23, with a reduction (-611 million euros) in customer deposits which was greater than the decline in net loans and advances to customers (-50 million euros) in the same period, the **loan to deposit ratio** increased, reaching 58.5% in June 2023, which compares with 57.0% in December 2022, remaining stable vis a vis the end of 1Q23.

## QUALITY OF THE GROUP'S LOAN PORTFOLIO

- The continued implementation of the strategy to improve the quality of Grupo Crédito Agrícola's credit portfolio, the **gross ratio of Non-Performing Loans (NPL)**, according to instruction 20/2019, was lower at 5.0% in June 2023, a favourable evolution in comparison to 6.1% at the end of June 2022, but an unfavourable evolution in comparison to 5.1% in December 2022 and to 5.0% in 1Q2023.
- **In absolute terms, the NPL portfolio increased** 44 million euros in comparison to the end of December 2022 to 629.9 million euros in June 2023 (+7.5% YTD). 75% of the increase in the NPL portfolio is due to the mortgage segment, where restructurings due to financial difficulties stand out.
- As of June 2023, the weight of exposures in Stage 3 has increased by 0.21 p.p. in comparison to December 2022, demonstrating the current economic backdrop and the high proportion of loans with variable interest rates. Additionally, the default exposure in the mortgage segment, which represented around 9% of the total default exposure in December 2022, increased to around 15% in June 2023.
- The **accumulated credit impairments** (loan loss reserves) with reference to the end of June 2023, amounted to 384.4 million euros, which equates to a level of NPL coverage by credit impairments of 61.0%.
- The **accumulated Non-Performing Loans impairments** with reference to the end of June 2023, amounted to 255.6 million euros, which equates to a level of NPL coverage by NPL impairments of 40.6% and **NPL coverage by NPL impairments and collateral (FINREP)**<sup>3</sup> of 139.0% (or a ratio of 88.6%, not considering

<sup>3</sup> Applying haircuts and recovery costs, limited by the exposure of each contract.

the exposure limit per contract). The **Texas ratio**, determined by the ratio between the NPL stock and the sum of the tangible common equity with the stock of impairments (loss reserves), reached 26.9% at the end of June 2023.

- The current economic backdrop, related to a rising inflation rate and the subsequent increase in interest rates by the central banks, is continuously monitored by Crédito Agrícola, with the aim of best supporting and serving Portuguese families. Within the framework of Decree-Law nr. 80-A/2022 from 25 November, as of 31 July 2023, from a universe of 11,585 contracts falling within the scope of the Article nr. 3 (significant worsening and significant effort rate<sup>4</sup>), 2,210 contracts (19.1% of the universe of contracts falling within the scope of the Article nr. 3) were subject to at least one contractual change, corresponding to a total exposure of 229.1 million euros (8.1% of the 2,838 million of euros from the mortgage loan portfolio falling within the scope of the Article nr. 3).
- At the end of 1H23, 72.5% of the mortgage loans portfolio showed LTV (Loan-to-Value) lower than 70%.
- At the end of 1H23, **real estate**, recovered as settlement of debts, held by the CA Group continued its downward trend, with a YoY decline of 7.6%, to 292.6 million euros (direct and indirect exposure).

Amounts in million euros, except for percentages

Quality of Grupo CA's Loan Portfolio	Dec. 2022	Jun. 2023	Δ	
			Abs. Jun.2023 / Dec.2022	% Jun.2023 / Dec.2022
Non-Performing Loans (NPL)	585.9	629.9	44.0	7.5%
Non-Performing Loans (NPL) ratio <sup>1</sup>	5.1%	5.4%	0.4 p.p.	
NPL coverage by credit impairments <sup>2</sup>	61.3%	61.0%	-0.3 p.p.	
NPL coverage by NPL impairments <sup>2</sup>	41.2%	40.6%	-0.6 p.p.	
NPL coverage by NPL impairments and collateral <sup>2</sup>	151.3%	139.0%	-12.3 p.p.	
NPL coverage by NPL impairments and collateral <sup>2 3</sup>	91.9%	88.6%	-3.3 p.p.	
Texas ratio <sup>4</sup>	27.3%	26.9%	-0.4 p.p.	
Restructured Credit Ratio	5.0%	4.8%	-0.1 p.p.	

(1) Ratio calculated pursuant to BdP Instruction 20/2019.

(2) Applying haircuts and recovery costs.

(3) Applying haircuts and recovery costs, limited by the exposure of the contract.

(4) Determined by the ratio: NPL/(Tangible common equity + Stock of impairments)

<sup>4</sup> Note: Article nr. 3 of Decree-Law 80/A refers to the significant worsening of the borrowers' effort rate when (i) the effort rate reaches 36% or (ii) was above 36% in the same period of the previous year and the effort rate or the reference interest rate in the contract increases, within the framework defined by this decree-law. The effort rate is calculated by the ratio between the monthly payment, calculated including all the borrowers' loans, and their monthly income. The income is calculated as the annual amount received by the borrowers, net of taxes and mandatory contributions to social security, according to the last income statement for tax purposes provided by the borrowers to the banking institutions, divided by 12 months or; in the case of borrowers who are self-employed, the average monthly income of the last 3 months, according to the elements provided to the banking institutions by the borrowers; or in the case of self-employed workers with seasonal or irregular income, the average monthly income calculated according to the information provided to the banking institutions by the borrower.





## GROUP SOLVENCY, LEVERAGE AND LIQUIDITY

- Complying with CRD IV/CRR rules, Grupo Crédito Agrícola has a level of solvency measured by the **common equity tier 1 (CET1)** and **total own funds ratios** of 21.2% (including net income for the period), a **leverage ratio** of 9.2%, a **liquidity coverage ratio (LCR ratio)** of 632.1% and a **net stable funding ratio (NSFR)** of 166.0%, all above the recommended, and required, minimum thresholds. Own funds showed, as of June 2023, an increase of 179.2 million euros in comparison to December 2022 (+9%), benefitting from net income generated during 1H23, in the amount of 172.8 million euros.
- As at 30 June 2023, Crédito Agrícola's total liquidity (liquidity buffer<sup>5</sup> plus the amount of deposits with the Bank of Portugal) amounted to approximately 7.49 billion euros, representing around 37.7% of total customer deposits.
- In July 2023, a second social senior preferred debt issuance, in the amount of 200 million euros, was completed, with a 4-year maturity and with an option for early redemption at the end of year 3. An annual coupon of 8.375% until the Call Date and remunerated at 3M Euribor plus a margin of 4.974% thereafter. Moody's Investor Services has assigned a "Ba1" rating to the issuance.
- In August 2023, this issuance was complemented through a tap issuance in the amount of 50 million euros, fungible with the existing issuance.
- These issuances, with a total amount of 250 million euros, will enable the Crédito Agrícola Group to comply its 25.28% binding target of the MREL TREA + CBR minimum requirement, coming into force as of 1 January 2024, with a margin of comfort.
- At the end of 1H23, Crédito Agrícola fulfilled its **MREL<sub>TREA</sub> + CBR** requirement currently in force, of 22.01% (including the O-SII requirement of 0.25%, in force since 1 June 2023), with a slack of 51 million euros, corresponding to a ratio of 22.52%, as well as a **MREL<sub>LRE</sub>** requirement of 5.92%, with a slack of 891 million euros, with a ratio of 9.78%.

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<sup>5</sup> Amount available for refinancing operations with the Eurosystem, considering market prices and haircuts in force at each moment.



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Amounts in million euros, except for percentages

Solvency of Grupo CA	Dec. 2022	Jun. 2023	Δ Abs.	Δ %
			Jun.2023 / Dec.2022	Jun.2023 / Dec.2022
<b>Total Own Funds</b>	1,950.2	2,129.4	179.2	9.2%
Common equity tier 1	1,950.2	2,129.4	179.2	9.2%
Tier 1	1,950.2	2,129.4	179.2	9.2%
Tier 2	0.0	0.0	0.0	n.a.
Exposure value <sup>(1)</sup>	24,463.7	23,566.1	-897.5	-3.7%
Risk weighted exposure amounts	9,797.9	10,020.8	222.9	2.3%
RWA Density	36.1%	43.4%	7.3 p.p.	
<b>Solvency ratios <sup>(2)</sup></b>				
Common equity tier 1 <sup>(3)</sup>	19.9%	21.2%	1.3 p.p.	
Total own funds <sup>(3)</sup>	19.9%	21.2%	1.3 p.p.	
Leverage ratio	7.6%	9.2%	1.6 p.p.	
Liquidity coverage ratio (LCR)	500.0%	632.1%	132.2 p.p.	
Net stable funding ratio (NSFR)	167.7%	166.0%	-1.7 p.p.	

(1) Includes on-balance-sheet and off-balance-sheet positions and derivatives, net of impairment.

(2) Fully implemented ratios. The ratios are calculated in accordance with the rules of Directive 2013/36/EU (CRD IV - Capital Requirements Directive) and Regulation (EU) 575/2013 (CRR - Capital Requirements Regulation).

(3) The ratio incorporates net income for the period.

Note: Information based on reported values.



## SUSTAINABILITY AND SOCIAL RESPONSIBILITY

- Crédito Agrícola is the sole bank operating in Portugal affiliated in the European cooperative banking sector (which includes some of the largest banks in the world). The Group is a reference in the Portuguese banking system, its capital held exclusively by national members. Consisting of a set of financial companies, namely both insurance companies, CA Vida and CA Seguros, the CA Group offers a universal scope of financial and protection products and services.
- Grupo Crédito Agrícola, through the implementation of a coordinated strategy among the 71 Caixas de Crédito Agrícola Mútuo, continues to be committed to the social and economic development of Portuguese regions, cities and villages and to contributing to the social and territorial cohesion of Portugal, through its proximity banking practices, embodied by the territorial capillarity of its 617 branches. Crédito Agrícola has 715 ATMs and 262 branches in localities where no other banking institutions are present, while also operating 1,105 ATMs and 522 branches adapted to people with restricted mobility, thus enhancing its role in territorial cohesion and financial inclusion.
- During 1H23, we highlight the following projects and initiatives:
  - Early in 2023, Crédito Agrícola published the Allocation and Impact Report of its inaugural, 300 million euros, social bond (issued in 2021), highlighting the 479 million euros of funding granted to projects / companies with social purposes within the Framework, between November 2021 and September 2022, enabling the funding of 2,179 micro companies and SMEs in regions considered to be underprivileged, as well as 50 non-profit organizations.
  - In March 2023, the CA Group held the 3<sup>rd</sup> edition of the competition “Dia CA Sempre Sustentável” (CA “Always Sustainable” Day), with the purpose of recognizing and rewarding the work of social economy entities which have undertaken projects which promote decarbonization, circular economy or the protection or restoration of natural ecosystems.
  - In May 2023, the first ESG Risk Rating assigned to the Group, by Sustainalytics, was announced, with Crédito Agrícola ranking favourably in the Portuguese banking sector with a rating of 20.0.
  - At the end of the first semester, the Group’s second Social Bond was issued, in the amount of 200 million euros, strengthening its commitment to funding social infrastructures and institutions and fostering employment and business in the less privileged areas of the country. This issuance was complemented with a further 50 million euros tap issuance successfully completed in August.
  - Throughout 1H23, Crédito Agrícola has bolstered its active participation in nation-wide forums discussing agendas for Sustainable Development, while also promoting the involvement of individuals with experience in relevant topics (such as sustainable finance, power communities, sustainable construction, youth activism, gender diversity, or human rights in the value chain) in the sharing of knowledge with the external and internal community, through the 6 Welectric Talks already broadcast.
  - Considerable focus has been placed on internal awareness and capacitation, of which we highlight the awareness programme for gender equality and a Sustainability training programme.



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## EXTERNAL RECOGNITION

- Early in 2023, **Crédito Agrícola** was voted by “**Escolha do Consumidor 2023**” (Consumer’s Choice 2023) as the **best bank** in the **Small and Medium-Sized Banks** category for the second year running, earning the preference of Portuguese consumers with a global grade of 82.79%, including an 82.99% score in customer satisfaction and 82.00% in recommendations. This award is presented by “ConsumerChoice, Centro de Avaliação do Consumidor” (Customer Evaluation Centre).<sup>6</sup>
- Crédito Agrícola, CA Seguros and CA Vida gained recognition as **Best Companies in the Customer Experience Index – BECX 2022**, in the **Banking, Non-Life and Life Insurance** categories, respectively, for the third time in the case of Crédito Agrícola, fifth consecutive year for CA Seguros and for the fifth time overall time for CA Vida. This recognition is awarded by “Best European Customer Experience”.<sup>6</sup>
- Caixa Central de Crédito Agrícola has a **Baseline Credit Assessment (BCA) rating of Ba1 from Moody's**. The BCA rating is complemented by the Baa3 / P-3 deposit rating, Counterparty Risk Rating (CRR) of Baa2/P-2, Counterparty Risk Assessment of Baa1(cr)/P-2(cr), all investment grade.

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<sup>6</sup> The awards are the exclusive responsibility of the entities mentioned.



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MAIN CONSOLIDATED INDICATORS OF GRUPO CRÉDITO AGRÍCOLA (Unaudited)

Amounts in million euros, except for percentages

Consolidated indicators of Grupo CA	Dec.2022	Jun.2022	Jun.2023	Δ	
				Abs. Jun.2023 / Jun. 2022	% Jun. 2023 / Jun. 2022
<b>Balance sheet</b>					
Total net assets	24,895	26,627	24,723	-1,904	-7.2%
Total loans and advances to customers (gross) <sup>1</sup>	11,982	11,867	11,967	100	0.8%
of which: Loans to companies and public administration (gross) <sup>1</sup>	6,881	6,762	6,933	172	2.5%
Total loans and advances to customers (net)	11,632	11,532	11,583	51	0.4%
Total customer funds	22,416	21,719	21,855	137	0.6%
Customer funds on the balance sheet	20,398	19,810	19,787	-22	-0.1%
Off-balance sheet funds	2,018	1,909	2,068	159	8.3%
Accumulated impairment and provisions	501	493	536	43	8.7%
of which: Accumulated impairment of credit	350	335	384	49	14.7%
Insurance contract technical provisions	782	776	816	40	5.2%
Equity	2,042	1,959	2,228	269	13.7%
<b>Results</b>					
Net interest income	368.4	154.3	334.4	180.1	116.7%
Technical margin of insurance activity	144.5	67.3	43.3	-24.0	-35.7%
Net fees and commissions	146.2	67.2	78.3	11.1	16.4%
Core operating income	659.2	288.9	456.0	167.2	57.9%
Net trading income	-3.3	-6.4	10.6	16.9	n.a.
Other results	-3.9	-1.7	-1.2	0.4	n.a.
Operating income	652.0	280.8	465.4	184.5	65.7%
Operating costs	-400.9	-190.0	-207.1	-17.1	9.0%
Impairment and provisions for the year	-57.4	-6.5	-28.0	-21.5	n.a.
Consolidated net income	144.3	64.4	174.1	109.7	170.2%
<b>Cost-to-income and return-on ratios</b>					
Cost-to-income ratio	61.5%	67.7%	44.5%	-23.2 p.p.	
Core cost-to-income ratio	60.8%	65.8%	45.4%	-20.4 p.p.	
Return on assets (ROA)	0.6%	0.5%	1.4%	0.9 p.p.	
Return on equity (ROE)	7.1%	6.5%	16.3%	9.8 p.p.	
<b>Capital and liquidity ratios</b>					
Common equity tier I <sup>2</sup> ratio	19.9%	19.4%	21.2%	1.8 p.p.	
Total own funds <sup>2</sup>	19.9%	19.4%	21.2%	1.8 p.p.	
Leverage ratio	7.6%	7.0%	9.2%	2.2 p.p.	
Loan to deposit Ratio <sup>3</sup>	57.0%	58.2%	58.5%	0.3 p.p.	
Liquidity coverage ratio (LCR)	500.0%	481.6%	632.1%	150.5 p.p.	
Net Stable Funding Ratio (NSFR)	167.7%	154.9%	166.0%	11.1 p.p.	
<b>Quality of assets ratios</b>					
NPL ratio <sup>4</sup>	5.1%	6.1%	5.4%	-0.7 p.p.	
NPL coverage by NPL impairments <sup>5</sup>	41.2%	36.1%	40.6%	4.5 p.p.	
NPL coverage by credit impairments <sup>5</sup>	61.3%	47.6%	61.0%	13.4 p.p.	0.0 p.p.
NPL coverage by NPL impairments and collateral <sup>5</sup>	151.3%	136.7%	139.0%	2.3 p.p.	
NPL coverage by NPL impairments and collateral <sup>5 6</sup>	91.9%	89.1%	88.6%	-0.5 p.p.	
Texas ratio <sup>7</sup>	27.3%	32.9%	26.9%	-6.0 p.p.	
Cost of risk <sup>8</sup>	0.45%	0.04%	0.30%	0.27 p.p.	
<b>Other Indicators</b>					
# of employees	4,110	4,108	4,065	-43	-1.0%
# of bank branches	617	619	617	-2	-0.3%
<b>Rating - Moody's (Last Rating Action - May 2023)</b>					
Outlook				Stable	
Counterparty Risk Rating (CRR)				Baa1/Prime-2	
Bank Deposits				Baa2/P2	
Baseline Credit Assessment (BCA)				baa3	
Adjusted Baseline Credit Assessment				baa3	
Counterparty Risk Assessment (CR)				Baa1(cr)/Prime-2(cr)	
Senior Unsecured Notes				Ba1	

(1) Including customer debt instruments (commercial paper operations).

(2) The ratio incorporates net income for the period.

(3) Ratio calculated pursuant to BdP Instruction 23/2012, determined by the ratio between net loans to customers and customers deposits.

(4) Ratio calculated pursuant to BdP Instruction 20/2019.

(5) Applying haircuts and recovery costs. (6) Coverage limited by the exposure of the contract.

(7) Determined by the ratio: NPL/(Tangible common equity + Stock of impairments)

(8) The numerator refers to the cost of the period; the denominator refers to the balance at the end of the period.

Note: Information based on reported values.



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## CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

In thousand euros

BALANCE SHEET	Dec. 2022	Mar. 2023	Jun. 2023	Δ Abs. Jun.2023 / Dec.2022	Δ % Jun.2023 / Dec.2022
Cash, cash balances at central banks and other demand deposits	1,356,383	822,614	1,092,195	-264,188	-19.5%
Financial assets held for trading	179,445	137,475	140,519	-38,925	-21.7%
Non-trading financial assets mandatorily at fair value through profit or loss	49,231	132,481	128,995	79,763	162.0%
Financial assets designated at fair value through profit or loss	3,755	0	0	-3,755	-100.0%
Financial assets at fair value through other comprehensive income	781,720	738,621	728,892	-52,828	-6.8%
Financial assets at amortised cost	20,631,058	20,703,037	20,782,773	151,716	0.7%
<i>Of which: Loans and advances - customers</i>	11,212,215	11,165,924	11,201,868	-10,347	-0.1%
Derivatives - Hedge accounting	885,429	837,636	834,739	-50,690	-5.7%
Investments in subsidiaries, joint ventures and associates	2,830	3,028	3,028	199	7.0%
Tangible assets	247,439	248,003	248,959	1,520	0.6%
Intangible assets	109,229	108,648	108,644	-586	-0.5%
Tax assets	83,848	78,828	75,816	-8,031	-9.6%
Non-current assets and disposal groups classified as held for sale	260,079	249,122	239,596	-20,483	-7.9%
Other assets	304,309	322,041	339,057	34,747	11.4%
<b>Total Assets</b>	<b>24,894,754</b>	<b>24,381,534</b>	<b>24,723,214</b>	<b>-171,541</b>	<b>-0.7%</b>
Financial liabilities held for trading	5,216	5,375	5,652	437	8.4%
Financial liabilities measured at amortised cost	20,804,720	20,096,796	20,334,552	-470,167	-2.3%
<i>Of which: Customer Deposits</i>	20,397,970	19,732,407	19,787,461	-610,509	-3.0%
Derivatives - Hedge accounting	27,415	32,868	47,243	19,827	72.3%
Provisions	823,463	867,016	847,727	24,264	2.9%
Tax liabilities	14,812	15,508	7,252	-7,560	-51.0%
Share capital repayable on demand	430	407	405	-26	-6.0%
Other liabilities	1,177,034	1,212,252	1,252,154	75,120	6.4%
<b>Total Liabilities</b>	<b>22,853,090</b>	<b>22,230,221</b>	<b>22,494,984</b>	<b>-358,106</b>	<b>-1.6%</b>
Equity	2,041,664	2,151,313	2,228,229	186,565	9.1%
<b>Total Equity + Liabilities</b>	<b>24,894,754</b>	<b>24,381,534</b>	<b>24,723,214</b>	<b>-171,541</b>	<b>-0.7%</b>



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In thousand euros

INCOME STATEMENT	Jun. 2022	Mar. 2023	Jun. 2023	Δ	
				Abs. Jun.2023 / Jun. 2022	% Jun. 2023 / Jun. 2022
Interest income	223,848	178,969	397,549	173,701	77.6%
Interest expenses	-69,518	-25,536	-63,107	-6,411	-9.2%
<b>Net Interest Income</b>	<b>154,331</b>	<b>153,433</b>	<b>334,442</b>	<b>180,112</b>	<b>116.7%</b>
Technical margin of insurance activity	67,287	22,269	43,274	-24,014	-35.7%
Net fees and commissions	67,232	38,795	78,289	11,057	16.4%
Net trading income	-6,351	6,452	10,595	16,946	n.a.
Other net operating income	-1,667	4,755	-1,227	-440	-26.4%
<b>Operating Income</b>	<b>280,832</b>	<b>225,704</b>	<b>465,373</b>	<b>184,541</b>	<b>65.7%</b>
Operating Costs	-190,017	-101,568	-207,097	17,079	9.0%
Staff expenses	-114,690	-62,682	-125,972	11,282	9.8%
Other operating costs	-58,306	-30,107	-63,362	5,056	8.7%
Depreciation	-17,021	-8,779	-17,762	742	4.4%
Gains/losses in modifications	538	590	235	-303	-56.3%
Provisions and impairments	-6,490	-2,827	-27,957	21,467	330.8%
Gains and losses in other assets (equity method and non-current assets held for sale)	1,160	868	-1,763	-2,923	n.a.
<b>Earnings before taxes</b>	<b>86,022</b>	<b>122,766</b>	<b>228,792</b>	<b>142,770</b>	<b>166.0%</b>
Taxes	-21,481	-26,849	-54,573	33,092	154.1%
Non-controlling interests	-129	-83	-148	20	15.2%
<b>Net Income</b>	<b>64,412</b>	<b>95,835</b>	<b>174,070</b>	<b>109,658</b>	<b>170.2%</b>

Additional Information:

[www.creditoagricola.pt/investor-relations-en](http://www.creditoagricola.pt/investor-relations-en)

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