ANNUAL REPORT **2025**

CREDENDO

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Message from the Chairman and the Chief Executive Officer

Credendo maintained support for businesses in 2025 with determination and resilience.

Despite complex geopolitical tensions throughout 2025, Credendo has once again supported its customers with determination, resilience and a clear sense of purpose.

Businesses faced a challenging global environment given the continuation of the Russia-Ukraine war; fragile ceasefires in Gaza; brewing tension between the USA, Israel and Iran as well as the impact of the US government's increased import tariffs. Regional conflict, protectionism, and the reconfiguration of global supply chains were just some of the hurdles facing our clients.

In such uncertain times, our mission remained more relevant than ever: supporting trade, investment and economic activity by helping companies manage political and commercial risks.

Yet, there were also signs that the global economy was more resilient than might have been expected, due to investment in technology and AI. Inflation in the Eurozone and beyond continued to decline and monetary policy eased during 2025.

Against this backdrop, Credendo played a stabilising role through supporting its clients manage their risks, while also helping them seize new opportunities that emerged in this uncertain, yet resilient, economy.

Indeed, to further help our clients win business we launched our new Export Finance Solutions service in 2025, designed to assist small and medium-sized businesses to secure international contracts through providing advice and helping them source suitable financing. Furthermore, our new entity known as Credendo – Trade Credit Insurance was officially launched in April 2025, in a move that further demonstrates our commitment to meeting the needs of our clients. The new entity is the result of the merger between Credendo – Short-Term Non-EU Risks and Credendo – Short-Term EU Risks and will act as a 'one-stop shop' for all short-term cover requirements.

Credendo's achievements are evident in our results for 2025. We supported more businesses and provided increased cover, with insured transactions rising by 11%, from EUR 81.7 billion in 2024 to EUR 90.7 billion in 2025. Gross written premiums after rebates amounted to EUR 421 million, compared with the exceptionally high level of EUR 481 million recorded in 2024, which had been driven by our long-term traditional business. Our continued strong performance reflects the trust placed in us by exporters, banks and other stakeholders.

Financially, 2025 was a solid year, even though the results normalised compared with the exceptional performance of 2024. It is also the first year we have published our annual report under new IFRS 17 requirements.

The insurance service result stood at EUR 76.8 million, compared with EUR 174.1 million in the previous year, while the net insurance and financial result reached EUR 163.7 million. Profit from continuing operations stood at EUR 122.0 million. These results were influenced by lower premium income compared with the exceptional previous year; IFRS 17 measurement effects; updated assumptions regarding claims settlement patterns, country risk deterioration, and higher housing bond claims reflecting broader market deterioration in the residential construction sector, particularly in France. Importantly, these elements do not point to a structural deterioration in underwriting quality.

Credendo's financial position remained very strong. The consolidated balance sheet total increased to EUR 4.02 billion at year-end 2025, compared with EUR 3.92 billion at the end of 2024. Total equity excluding non-controlling interests reached EUR 3.42 billion from EUR 3.30 billion last year. This robust balance sheet, combined with comfortable liquidity and strong solvency indicators, provides Credendo with the financial strength needed to support its clients and to withstand potential economic and geopolitical shocks.

We also continued to align our investment approach with our ESG objectives. In 2025, all asset managers achieved the minimum ESG score in the Zephyr investment fund, including the green energy solutions fund, which invests in the transition to clean energy. This reflects our conviction that financial solidity, responsible investment and long-term value creation must go hand in hand.

We extend our ESG goals to our client relationships as well, with our Credendo Green Package continuing to incentivise our customers to develop green projects by offering favourable terms. In addition, throughout 2025, clients were also able to benefit from improved terms for transactions deemed to have a positive societal impact as well. We also updated our policy on our transition from fossil fuels to clean energy in 2025 – which is now implemented across the entire Credendo group.

Looking ahead, uncertainty will remain a defining feature of the global environment. Geopolitical tensions, evolving trade policies, energy-market pressures, supply-chain disruptions and changing financing conditions will continue to affect companies engaged in international trade. Yet, Credendo will continue to operate from a position of strength. With a strong balance sheet, sound liquidity, high solvency and the backing of its public mission, Credendo is well placed to continue supporting Belgian and international trade in a disciplined, responsible and forward-looking manner.

On behalf of the Board of Directors and the Executive Committee, we would like to thank our clients, partners, shareholders and employees for their continued trust and commitment. The achievements of 2025 are the result of the expertise, professionalism and dedication of our teams. Together, we will continue to uphold Credendo's mission: enabling trade and investment, managing risk, and contributing to sustainable economic development in an increasingly uncertain world.

Vincent Reuter,
Chairman of the Board of Directors

Dirk Terweduwe,
Chief Executive Officer

Vincent Reuter, Chairman of the Board of Directors

Dirk Terweduwe, Chief Executive Officer

Presenting Credendo's current strategy: Credendo 2027

Credendo's Group CEO Dirk Terweduwe announced our current strategic plan – Credendo 2027 – at the beginning of 2025.

The plan builds on the success of the previous three-year strategy known as Rise – which concluded in 2024. It has the overriding ambition to ensure that Credendo maintains its **high level of excellence as Belgium's export credit agency** and proactively supports more trade.

At the heart of the strategy lies Credendo's commitment to stay a **relevant and modern** partner in an ever-changing world – and we will strive to further improve our product offerings and continue our modernisation efforts.

We aim to stay relevant through the use of the latest technology including API's and AI-based tools – which will provide **smoother, more automated processes** for our valued customers. All our business lines look to grow their market share, build new partnerships and maintain a high level of customer service.

Sustainability continues to be a priority for us. We annually calculate Credendo's operational carbon footprint and offset Scope 1 and Scope 2 emissions. We look to maintain our yearly 'good' Environmental, Social and Governance (ESG) scores across all business lines' customer portfolios.

We aim to achieve all this while at the same time ensuring we maintain **financial discipline** in how we grow.

We also want to be a **great place to work**. Our current strategy focuses on talent acquisition and retention as well as investing in learning opportunities.

Our key goals under Credendo 2027 are:

RISE 2021-2024 – A success story

Under the previous Rise strategy, Credendo aimed to 'grow and improve in a sustainable way' – and we made great strides forward in our sustainability strategy. We launched the Credendo Green Package for our ECA business in 2022, which incentivises green and social projects by offering improved financial terms. Our entire **investment portfolio is now ESG compliant**.

We also improved our customers' experience by offering a range of new products, reinforcing our sales teams and rolling out digitised marketing campaigns.

Rise also achieved **solid financial results** for Credendo. Our single-risk business' profitability hit a record high in 2024, and we saw consolidated growth in our ECA business and profitable business in our surety business.

We received a first S&P Global rating for both Credendo – Short-Term Non-EU Risks and Credendo – Short-Term EU Risks (now known as Credendo – Trade Credit Insurance) in 2022 – meaning that all of our multi-risk activities now benefit from an A or A- **rating**. The S&P Global outlook for Credendo – Guarantees & Speciality Risks improved in 2024, becoming 'positive' from 'stable', and all Credendo's excellent ratings were affirmed in the beginning of the reporting year. In July 2026, Credendo – Guarantees & Speciality Risks' rating was upgraded to 'A' with a stable outlook.

Our current strategy remains guided by the same long-term vision, core values and mission that lie at the heart of everything we do at Credendo.

VISION

We are the first-choice business partner to protect against the risks of trade and investments in the real economy and to facilitate the financing of such transactions.

MISSION

Our mission is to support trade relations. We provide customised solutions of insurance, reinsurance, guarantees, bonding and financing related to domestic and international trade transactions or investments abroad. We protect companies, banks and insurance undertakings against credit and political risks, and facilitate the financing of such transactions. We act in a responsible and forward-looking way.

We turn uncertainties into opportunities.

OUR VALUES

As an insurance provider we know about risk in different forms. Due diligence comes as standard, but we go further. Here's our approach.

Customer intimacy

Customer satisfaction is at the core of our values. We listen, we propose bespoke solutions, we are approachable, we explain our decisions and we deliver first-class service. Our people come up with smart solutions in response to specific business needs or complex risk environments.

You get bespoke solutions.

Respect

We show respect for our customers, our staff, our shareholders and all other stakeholders as well as for society and the environment. We act forcefully against any discrimination. We treat everyone fairly and honestly. We always try to do the right thing and apply high standards of ethical behaviour.

You can trust us.

Reliability

We aim for best-in-class expertise of our businesses and risks. We strive for operational efficiency that underpins customer intimacy. We have a long-term view on our activities – we look through the cycle and aim for sustainable financial results.

You can count on us.

Highlights of 2025

Credendo navigated widespread geopolitical instability in 2025 with the continuation of the Russia-Ukraine war, ongoing conflict in Gaza and the attack from the USA and Israel on Iran. Trump's presidency has also had reverberations around the world, not least with his decision to impose high tariffs on most of the USA's trading partners. Throughout this, we at Credendo have continued to deliver the most efficient service we can, while also widening our product range to support more green projects and help more small and medium-sized businesses access vital financing.

Global geopolitical tensions remained high in 2025 with the ongoing war between Ukraine and Russia as well as intensifying hostilities in the Middle East. Conflict in Gaza continued despite some fragile ceasefires in place during the year, while in June 2025, Israel and the USA attacked nuclear and military sites in Iran during a 12-day war.

This attack was merely a precursor of the large-scale military campaign on Iran, led by the USA and Israel since 28 February 2026, and the subsequent outbreak of war in the region. In response, Iran has conducted drone and missile strikes targeting US military bases, Israel and critical infrastructure, in particular energy infrastructure on Gulf states, whereas Israel has carried out strikes on Lebanon. Iran has effectively blocked off the Strait of Hormuz, preventing 20% of the world's gas and oil reaching the market and this will likely have significant repercussions on the global economy, including on energy prices and interest rates.

Risk management

Despite global political volatility, there have also been signs of economic and geopolitical resilience. We have seen a net positive trend in terms of our country risk ratings, although the first half of the year was more negative than the second half.

For short-term political risk, 17 upgrades were recorded in 2025 due to improved financial conditions in emerging markets compared to eight downgrades. For medium-to-long-term political risk, 11 countries were upgraded, dominated by Sub-Saharan African countries, and only three downgrades were recorded.

We continue to closely monitor countries' policies and debt levels to effectively manage our exposures and ensure we can swiftly react to changes in the economic and geopolitical environment.

China's movements in the South China Sea around Taiwan were also a cause for concern in 2025, given the potential impact on regional stability and the global balance of power. Japan even entered the dispute over Taiwan, with the country's prime minister Sanae Takaichi suggesting Japan could deploy its self-defence forces if China's intentions grew increasingly aggressive.

Last but not least, President Trump officially started his second term as leader of the USA at the start of 2025. His subsequent policies sent shockwaves through the global economy, including decisions to impose high tariffs on goods coming into the USA, leading to fears of an escalating global trade war. The president's foreign policy decisions have also placed pressure on the USA's traditional alliances with Europe and NATO.

New products and innovations

Against this backdrop of geopolitical instability, deciding where and how to export is becoming increasingly difficult – particularly for smaller and medium-sized businesses. The persistent global 'trade finance gap' means smaller exporters are struggling to access reasonably priced financing, which in turn has a detrimental impact on world trade.

With this in mind, we launched a new service in November 2025 – Credendo Export Finance Solutions – which supports exporters with a Belgian interest through an all-inclusive package to finance export contracts.

We offer Belgian companies customised advice on credit structuring, and if exporters cannot find suitable financing, we can step in with a direct financing solution such as forfaiting or Credendo Buyer Credit. We can cover up to 95% or 98% of the export contract. Such a service aims to eliminate the risk of non-payment and helps Belgian exporters gain a competitive advantage. To date, we have two companies in the process of closing deals within this new product and many others who are interested.

In addition, the extent of this global instability also led to a review of our defence policy in 2025. While state-backed export credit agencies (ECAs) have always traditionally supported the defence industry, we have decided to ramp up our support. Our updated policy ensures we can offer more flexibility around the structure of transactions, support Belgian defence companies in both Belgium and other European countries and be able to support domestic defence-related transactions if there is potential for export.

Another area of innovation is our significant investment in AI technology. We launched Project Alchemist in 2025 – a clear governance framework to ensure responsible, scalable and value driven adoption. Concrete progress was made through the rollout of Microsoft Copilot across the entire organisation and the development of a series of targeted AI use cases across for example sales and underwriting processes. The AI deliveries are resulting in tangible productivity gains and supporting better-informed decision-making.

Expanded Credendo Green Package focus

Throughout 2025, we continued to successfully support environmentally friendly projects under our Credendo Green Package.

The initiative, which was first launched in April 2022, incentivises our clients to develop 'green' projects by providing better financing terms such as a higher percentage of cover (98%), an extension to domestic transactions with export potential, higher Credendo participation in financial guarantees (up to 80%), an increase in funds for own financing of transactions with an increase in maximum amounts (up to EUR 15 million) and an extension of repayment terms (up to 10 years).

As of 2024, we have expanded the package to include social projects. Any development that has a positive societal impact such as hospital infrastructure or medical waste recycling and water management, projects related to education, affordable housing, critical infrastructure and food security could now potentially take advantage of improved financing terms.

This new policy will ensure that our portfolio of activities continues to be dominated by 'green' or ESG-related projects. Energy production mainly coming from renewables is currently the second largest in our client portfolio whereas oil and gas production has fallen to seven or eight.

We also remain committed to reporting on our sustainability efforts, despite new EU rulings introduced last year that have released us from our obligation to publish a Corporate Sustainability Reporting Directive (CSRD) report. We have been publishing our Corporate Social Responsibility report since 2012 and we decided to publish our own Sustainability report for 2024 – based on best practice under CSRD – in February this year.

Organisational chart

We officially completed the merger by absorption of Credendo – Short-Term EU Risks by Credendo – Short-Term Non-EU Risks to create a new entity known as Credendo – Trade Credit Insurance on 11 April 2025, with retroactive effect on 1 Januari 2025. The new entity aims to be a 'one-stop shop' for our clients and is better equipped to meet market needs. Previously, customers would have to go to different entities to obtain cover for Europe and cover for an emerging market.

To oversee the newly merged business line, we appointed Stefaan Van Boxstael as general manager for Credendo – Trade Credit Insurance – moving from his previous role as general manager for Credendo – Short Term Non-EU Risks.

Other staff changes include the appointment of Christoph Witte as new general manager of Credendo – Guarantees & Speciality Risks. He replaced Eckhard Horst in 2024, who held the position since 2012 and had overseen the formation of Credendo – Guarantees & Speciality Risks. Christoph Witte has wide-ranging experience within Credendo and most recently held the role of general manager of Credendo – Short-Term EU Risks.

We have also appointed Kerlijne Van Steen as a new member of the executive committee of Credendo – Guarantees & Speciality Risks. She was previously head of Single Risk and Surety for Credendo – Guarantees & Speciality Risks.

Furthermore, we have appointed Aneta Sulima as our new Chief Financial Officer (CFO), to take over from Christian Wienema who left the company in April this year.

Alongside our new offerings, the surety business line of Credendo – Guarantees & Speciality Risks has continued to strengthen. We have made significant investments in our surety business and are now able to offer surety in ten European countries. This is a unique position to be in, as providers typically only offer such products within one country. Demand for single-risk insurance is also growing – albeit in a competitive marketplace.

Following all the changes to the business, Credendo continues to maintain good credit ratings. At the start of 2026, S&P Global Ratings affirmed the 'AA' long-term and 'A-1+' short-term issuer credit ratings of parent company Credendo – Export Credit Agency and underlined its critical role in supporting Belgium's trade policy. However, after similar action on Belgium on 24 April 2026, S&P Global Ratings lowered the long-term issuer credit rating of Credendo – Export Credit Agency to 'AA-' on 30 April 2026. The outlook is stable.

The 'A' financial strength rating with a stable outlook for the newly formed Credendo – Trade Credit Insurance was confirmed. The 'A-' financial strength rating with a positive outlook for Credendo – Guarantees & Speciality Risks was upgraded to 'A' with a stable outlook on 7 July 2026.

Amid all the restructuring of our business lines, we have also managed to successfully transition to new IFRS 17 accounting standards used for insurance contracts, having finalised our accounts under the new standard for 2023, 2024 and 2025.

Our public profile

As a public institution we have a responsibility to keep the Belgian public – and the wider world – informed of our activities and provide useful information on global risks.

We are reaching a broader audience, with people worldwide attending our webinars. We ran a total of four webinars last year, covering the launch of our annual Global Risk Atlas, new dynamics amid global turbulence in Sub-Saharan Africa, our Export Barometer and global trade tensions.

Credendo continues to improve its website, and we engage in a wide range of social media to communicate our message to clients. Alongside our existing newsletter called World in Five, we have also extended our communications to brokers. We launched a broker-specific communications campaign in 2025 that provides information to our broker community via LinkedIn.

We have maintained our presence on the international stage, supporting the Belgian government on a number of missions, including an economic mission to India in March 2025 and to the west coast of the USA in October last year.

Internal organisation

Within our organisation, we are always striving to improve the quality of our employees' working life, providing them with useful tools to enable them to work more effectively, as well as looking after their well-being.

We pride ourselves on Credendo being a great place to work that nurtures our staff. We seek feedback and insight from our employees, conducting regular 'Great Place to Work' surveys, with our next survey due to take place in October and November this year. We also have a dedicated working group which is focused on improving the working life of our employees and conducts its own surveys on specific themes.

Our well-being initiative – Credendo Cares – offers a range of programmes and webinars to support mental and physical health, such as fitness classes, yoga lessons, tips for a healthy diet and annual flu vaccinations.

We also offer an Employee Assistance Programme, which offers confidential counselling to support employees with personal or professional issues. This is available for those working at our headquarters in Brussels and selected other locations.

Our efforts were rewarded in 2025, as we successfully secured our 'LEADING EMPLOYER' quality label for the third year in a row. The award is given in recognition that Credendo is one of the top 1% employers in Belgium. We were particularly commended for our high levels of employee satisfaction as well as inclusive language and transparently expressed company values.

Future strategy

Credendo launched its new three-year strategy at the start of 2025 – known as 'Credendo 2027'. This plan reaffirms our goal to remain a trusted partner for our customers in an ever-changing world.

We are determined to build upon the success of our previous strategic plan known as 'Rise' – with the aim of retaining our position as the fourth largest credit insurance group in Europe.

Credendo's group structure

Credendo is headed by parent company Credendo – Export Credit Agency and the group has two subsidiaries and sixteen branches, spread over twelve countries.

EXECUTIVE COMMITTEE CREDENDO – EXPORT CREDIT AGENCY

From left to right:

Nabil JIJAKLI,
Deputy Chief Executive Officer

Dirk TERWEDUWE,
Chief Executive Officer

Frank VANWINGH,
Deputy Chief Executive Officer

Beyond traditional credit insurance

At Credendo we provide direct access to a whole suite of credit insurance solutions in accordance with the needs of various types of insureds: from tailor-made risk cover to easier access to trade financing.

That is how we carry out our mission of providing customised insurance, reinsurance, guarantee, surety and financing solutions for domestic and international trade transactions or investments abroad. We protect companies, banks and insurance undertakings against credit risks and political risks, or we facilitate financing for such transactions.

Multi-risk solutions for whole turnover protection

We provide several multi-risk solutions to protect clients' whole turnover. The central product is Credendo Global Flex, a comprehensive policy designed for worldwide cover, but tailored to the client's specific needs. Credendo Global Flex is the result of the harmonisation of the whole turnover products previously offered by various Credendo entities, and is gradually replacing those former products. The multi-risk product offer further includes top-up policies to complement credit insurance cover provided by a client's first-line insurer. We also offer excess-of-loss solutions for companies wanting to retain full autonomy in their credit and debt management.

Single Risk solutions for large and complex transactions

Additionally, we offer a series of Single Risk solutions for larger and more complex transactions. These solutions provide tailor-made and non-cancellable coverage against a wide range of commercial and political risks. Our Single Risk insurance provides enhanced credit protection for single contracts or buyers and protects a client's permanent investments or mobile assets abroad. Credendo can also participate in international trade credit facilities (Unfunded Risk Participation) or in traditional trade finance instruments (mainly LCs) as well as in insurance syndicates.

Special products to support Belgian exports

Credendo – Export Credit Agency is the official Belgian export credit agency. Backed by the state, its mission is to promote international trade relations by providing trade credit insurance cover for transactions with a Belgian interest (supplier credit, buyer credit, cash transactions, etc.) as well as political risk insurance for Belgian investments abroad. Credendo – Export Credit Agency's offer further includes financial guarantees for bank loans to Belgian companies and an Export Funding Guarantee for refinancing investors. Financing solutions are also proposed to Belgian exporters in the form of the forfaiting and buyer credit solutions. With the recently launched Credendo Export Finance Solutions, Belgian exporters are offered advice and guidance to obtain the most suitable financing structure.

Surety to create new business opportunities

By means of a wide range of surety bonds and guarantees, we help our clients secure their performance and support their business development, both locally and internationally. Our surety offer includes contract surety bonds such as performance bonds, bid bonds and advance payment bonds, as well as legal surety bonds like customs and excise bonds, permit and licence bonds and environmental bonds.

Reinsurance solutions

We provide reinsurance solutions across the globe for insurers and banks offering credit and political risk insurance as well as surety bonds and guarantees. By participating in proportional or non-proportional reinsurance, we help mitigate risks and reduce volatility in our clients' portfolios.

	Belgian exporter		Foreign exporter	Financing		Belgian state guarantee	Tenor	
	SME	Large company		Bank	Credendo		<2 years	≥2 years
TRADE CREDIT INSURANCE								
MULTI-RISK INSURANCE								
Credendo Global Flex (whole turnover credit insurance)	x	x	x				x	
Top-up cover	x	x	x				x	
Excess-of-loss insurance	x	x	x				x	
SINGLE RISK INSURANCE								
Single Risk insurance for exports	x	x	x	x			x	x
Single Risk insurance for imports	x	x	x	x			x	x
Single Risk insurance for bank loans	x	x	x	x			x	x
PUBLIC CREDIT INSURANCE								
Supplier credit insurance	x	x				x		x
Buyer credit insurance		x		x		x		x
Cash transaction insurance	x	x				x	x	x
Import prefinancing insurance	x	x				x	x	x
Bank guarantee insurance	x	x		x		x	x	x
Contracting equipment insurance	x	x				x	x	x
FINANCING								
Forfaiting	x	x			x	x		x
Credendo Buyer Credit	x	x			x	x		x
SURETY								
Contract surety bonds	x	x	x				x	x
Legal surety bonds	x	x	x				x	x
INVESTMENT INSURANCE								
Single Risk insurance for investments abroad			x					x
Political risk insurance for Belgian investments abroad	x	x				x		x
FINANCIAL GUARANTEES								
Financial guarantees for bank loans	x	x		x		x	x	x
Export Funding Guarantee				x		x		x
RISK PARTICIPATION								
Participation in insurance syndicates			x	x		x	x	x
Unfunded Risk Participation				x		x	x	x
Participation in LC confirmations				x		x	x	x
REINSURANCE								
Inward reinsurance of credit, surety and political risk						x	x	x

Credendo strengthens support for exporters amid global uncertainty

Credendo is the world's second-oldest public credit insurer. Since it was founded in 1921 our company has grown to become the fourth largest European credit insurance group and to cover risks worldwide. Some of the key milestones in our history are presented below:

1921

The Belgian Ministry of Economic Affairs sets up the **Delcredere Committee** to guarantee Belgian export transactions.

1939

The Delcredere Committee is transformed into an autonomous public financial body with a state guarantee. It is renamed Nationale Delcrederedienst | Office national du Ducroire, known today as **Credendo – Export Credit Agency**[1], hereinafter referred to as Credendo.

1996

Credendo launches its **Market Window activity** to cover risks with a minor Belgian interest.

2004

Credendo develops towards a European group and transfers its short-term whole turnover activity to a newly-formed private limited liability company, **Credendo – Short-Term Non-EU Risks**. This company insures the political and commercial risks of current trade transactions.

Credendo acquires a 26% stake in **Credendo – Excess & Surety**, a Belgian private credit insurance company that specialises in excess-of-loss and top-up covers.

2005

Credendo launches **forfaiting products**, allowing it to buy exporters' accounts receivable due from their foreign buyers and provide funding.

2006

Credendo acquires a 50% stake in Austrian insurer **Credendo – Single Risk** and launches its **financial guarantee products** for bank loans.

2007

Credendo acquires a 33% stake in **Credendo – Short-Term EU Risks**, the market leader in short-term credit insurance in the Czech Republic.

2009

Credendo sets up the Russian joint venture **Protecta Trade Insurance** with Ingosstrakh. Protecta Trade Insurance specialises in covering credit risks related to domestic and international transactions on the Russian and CIS market[2].

2017

Credendo launches the **Credendo Buyer Credit**, mainly intended to grant export finance to SMEs.

After having adopted one common group name, Credendo, in 2013, each entity integrates Credendo into its name in 2017 to articulate their shared values, approach and strength more powerfully.

2021

Credendo celebrates its **centenary** and completes the process of merging Credendo – Excess & Surety and Credendo – Single Risk into its new entity **Credendo – Guarantees & Speciality Risks**. The new entity becomes a single gateway for specialised insurance solutions, combining three strategic business lines: excess-of-loss and top-up cover, single-risk insurance and surety bonds.

2022

Credendo launches the **Credendo Green Package** to support projects and companies with a positive social and environmental impact, and publishes its policy for the transition from fossil fuels to clean energy.

2025

Credendo merges Credendo – Short-Term EU Risks and Credendo – Short-Term Non-EU Risks to form **Credendo – Trade Credit Insurance**. This new entity is a one-stop shop solution to insure the political and commercial risks of current trade transactions within and outside Europe.

Credendo launches **Credendo Export Finance Solutions** to offer tailored advice, high-level structuring and comprehensive financing solutions to exporters, especially SMEs and midcaps.

"Credendo – Export Credit Agency works with the Belgian state guarantee for its own activities. Via its two subsidiaries it also heads a European credit insurance group present in twelve European countries."

1 The previous official name 'Nationale Delcrederedienst | Office National du Ducroire' was changed to 'Delcredere | Ducroire' by the Law of 18 April 2017 containing different provisions regarding the economy (B.S./M.B., 24 April 2017). 'Credendo' is the group's commercial name, and 'Credendo – Export Credit Agency' is the commercial name of 'Delcredere | Ducroire'. Today, mainly the commercial names are used.

2 Following the invasion of Ukraine by Russia, it was decided to exit the Russian market by selling our stake in Protecta Trade Insurance. This process is ongoing.

Strong risk management framework pays off in unsettled times

Careful selection of risks and conservative provisioning is key to Credendo's risk management strategy and has helped us weather current economic and geopolitical turbulence. Over the past year, our risk management process has been enhanced through the broader adoption of automated decision-making, strengthened governance frameworks and enhanced ICT security.

Effective risk identification and management is central to Credendo's business. It enables us to assess how best to support our clients in increasingly unsettled times, as well as manage our own risk exposures to preserve our long-term financial health.

We have a robust risk management framework in place, which supports and guides our decision-making and risk assessments. Underwriting risk is the most material risk for Credendo, where the premium should be sufficient to cover our expected losses and our expenses. The technical provisions should be sufficient to cover our insurance liabilities vis-à-vis our policyholders. Underwriting risk also captures catastrophic risk linked to extreme or exceptional events taking place in a specific sector or country.

We assess our underwriting risk via quantitative models, where risks – specifically country risk, sector risk and debtor risk – are measured and given a particular rating, with some additional risk appetite statements related to the measurement. For instance, if a country is classified as a political risk category 7, we would not be able to grant any cover of non-payment risk in that country.

These current risk assessment models have been in place for a few years, but we have worked to continually enhance and improve them while also regularly backtesting the models in accordance with our model risk management and validation framework.

Our approach to risk management has undergone significant testing over the past few years due to global turbulence, such as Russia's invasion of Ukraine and Ghana's external default in 2022 and its related ongoing restructuring. By maintaining a conservative provisioning approach, we ensure that there are adequate reserves to cover any potential losses within our current portfolio.

Senegal is another country that is on our watchlist given the deterioration of the country's public finances. While there has been no default to date, we have taken measures to limit our exposure by downgrading the country and making some provisions. However, the country does not represent a significant exposure for Credendo. No major country has defaulted in 2025.

During 2025 and beyond, we have been very aware of the impact of the re-election of President Donald Trump and its repercussions throughout the world. We closely monitored the impact of trade wars and foreign policy interventions on both the world economy and geopolitical landscape, as well as the effect of Trump's decision to cut development aid to low-income countries in Sub-Saharan Africa. We continue to see the weaponisation of the economy by many of the world's large players – and we will continue to monitor the situation closely and adjust our risk models accordingly.

MARKET AND OPERATIONAL RISKS

We also need to closely monitor market risks which are related to Credendo's financial investments and all the volatility around these investments. For instance, our equity investments will be affected by stock market trends while sharp interest rate increases will have an impact on bonds. We use quantitative risk models to monitor such risks.

Other risks include operational, reputational and strategic risks, which are far more complex and difficult to measure in a quantitative way. Hence, we take a more qualitative approach to these risks, conducting a qualitative risk survey where we ask all the departments within Credendo to identify the risks they are encountering in their day-to-day processes. We examine how these risks are assessed in terms of possible impact and frequency, and look at whether controls or risk mitigations are in place that could diminish the possible impact.

Operational risks include information and communication technology (ICT) risks, which are increasingly on our radar given the introduction of new EU regulations on digital resilience which aim to ensure all EU companies working in the financial sector adhere to standardised ICT security requirements.

Requirements include having comprehensive governance in place to manage risks as well as the effective management of risks related to the outsourcing of ICT to third-party providers. The legislation is in part an attempt to thwart the threat of cyber-attacks that have been rising since Russia's invasion of Ukraine in 2022.

We are pleased to say we are almost fully compliant with the EU's Digital Operational Resilience Act (DORA), which was approved in November 2022 and came into force in early 2025 – having carried out an extensive ICT improvement plan throughout the last year. We now have a comprehensive ICT risk management framework that is compliant with DORA and the ISO 27001 certification – the international standard for information security management systems.

We have also made significant investments in our people – providing mandatory training and e-learning platforms to increase awareness among our staff of cyber risks.

THE RISE OF AI

One of the biggest developments in our risk identification and management processes is the increased use of AI tools. We have successfully integrated AI models into our risk assessment models, and our level of automated decision-making substantially increased during 2025. We also reviewed our auto-decision ceiling – the cap on the amount up to which an AI model can decide on accepting risk on.

However, while AI has numerous benefits, we still need to build and maintain strong controls and governance around its usage. With that in mind, we have implemented dashboards for the monitoring of model performance of our debtor risk assessment models.

We closely monitor our risk assessment models to ensure that AI models do not accept risks we would not want to accept. Such close monitoring is needed to manage risks to our reputation and customer loyalty and confidence in us.

CLIMATE CHANGE RISKS

We continue to include climate change risks within our medium-to-long-term political risk assessment models and adhere to related EU regulations.

While the global political discourse has started to shift away from climate change and towards other pressing topics such as defence, we still see climate as a risk to monitor – particularly in the long term.

You only have to consider the impact of climate-related incidents last year, such as the devastating floods affecting South and Southeast Asia or the destruction following Hurricane Melissa in Jamaica, to see the potential impact of such risks.

We also consider climate risks when monitoring our financial investments and their exposure to climate change. However, all our investments are typically low risk and 'climate-friendly' as we work with asset managers that also need to comply with climate change regulation.

ON THE HORIZON

As we consider the future, we inevitably see the widening usage of AI. While we already use it for risk assessment, there is potential to apply it to improve other operational efficiencies. For instance, we are currently working on using AI to take non-structured information and structure it into useable data that can be inputted into a risk model. However, whatever the future brings, our focus will always be on strong governance, effective risk management and providing an excellent service for our clients.

Supporting resilience in a fragmented world

The start of Trump's second term shook global trade, the economy and the world order in 2025. Even though the impact of the US trade war was softer than feared, thanks to large concessions from partners and the lack of retaliation measures (except from China), the impact of unpredictable, transactional, protectionist, nationalist and coercive US policies will be felt in the years to come.
The end of the rules-based world trade and security order, the intended return to a world built around spheres of influence, and geoeconomic fragmentation will increase geopolitical and conflict risks. Uncertainty will remain stubbornly high, notably when it comes to supply chains, with the USA and China leading the weaponising of their economic and political power. In this 'new normal' world full of uncertainty, navigating through riskier waters with adequate risk assessment and market diversification will be crucial for companies.

RAPHAËL CECCHI,

Senior Country and Sector Risk Analyst at Credendo

"Uncertainty will remain stubbornly high, notably when it comes to supply chains, with the USA and China leading the weaponising of their economic and political power."

Geopolitical, economic and trade context and outlook

Beating most predictions, the first year of Trump's second term represented a big shock to US institutions and democracy, and to the world and its relationship with the USA. Trump and his MAGA movement's controversial policies are reshaping the USA and the world, accelerating ongoing trends such as the erosion of the US-led rules-based world order, an uncertain future for NATO and diversification of supply chains. It has also in several cases turned things upside down, including the cessation of nearly all USAID, erosion of US Treasuries as a haven asset, US military threat against NATO territory Greenland, coercive US trade policy against allies and explicit support to far-right parties in Europe. By announcing huge import tariffs against many countries with a surplus vis-à-vis the USA, the US trade war shook world trade and financial markets. The USA's attack against free global trade alongside sanctions, new trade rules and national security concerns surrounding supply chains are redefining trade architecture and making trade more costly. While many countries, including the EU and Japan, negotiated unfavourable trade deals to obtain partially reduced US tariffs, only China retaliated through its rare earths leverage, compelling the USA to suspend its trade war against China.

Besides, the USA definitively abandoned its soft power and export of democratic values, opting for the threat of military action to reach its geopolitical goals. Not only has Trump resurrected the Monroe doctrine to allow US hegemony in its sphere of influence on the American continent, he intends also to maintain US influence across other regions to defend its interests and ensure access to critical minerals. This radical sudden change of US policy paradoxically presents China as a more stable, reliable and open partner, and will encourage countries to reduce their long-term exposure to the USA at trade, as well as their economic and security level, accelerating geoeconomic fragmentation, friendshoring and use of multiple currencies (first the renminbi) in South-to-South trade and lending. As the year 2025 highlighted an accelerating weaponisation of the economy, particularly by the USA (via trade war and security alliances) and China (e.g. restrictions on rare earths), 'middle powers' such as the EU, India, Brazil, Türkiye and Canada, will aim for strategically reducing (over)dependence on both US and Chinese superpowers. That explains the conclusion of many bilateral free trade agreements following lengthy negotiations (e.g. India-UK, EU-Mercosur) in 2025 to diversify export markets and supply chains away from the USA. Still, US dominance in high-tech, economic, military and financial affairs (US dollar and large capital markets) will preserve its unique power for a very long time. Moreover, global protectionism further rose, particularly vis-à-vis China in reaction to flooding the market with low- to high-value products, endangering local industries worldwide. Hence, the EU, Brazil, Mexico, Thailand and Türkiye for instance, imposed trade restrictions against several Chinese products and further measures are expected.

Worryingly, US imperialism and the new chaotic world order are elevating conflict risks to their highest levels in decades as illustrated by multiple conflicts resuming (India-Pakistan, Israel-Iran, Thailand-Cambodia), breaking out (Pakistan-Afghanistan) or deteriorating (Sudan) in 2025. While the US-China rivalry is a central feature for economic and military global leadership, more conflicts are to be feared given the practical absence of world rules, the retreat of the world's police officer and higher tolerance for military actions.

Meanwhile, the war in Ukraine continued amid uncompromising talks between both sides, while the EU came to ensure the full financing of military supplies to Ukraine. The humanitarian crisis worsened in the protracted civil war in Sudan and in the Gaza strip. For the latter, a US-drafted peace plan was signed between Israel and Hamas in October, paving the way to a future end of the conflict. Still, given persisting fighting, mistrust between both sides and unresolved contentious issues, lasting peace looks very uncertain. That was before the Middle East fell into an unprecedented broader conflict as from 28 February 2026 when the USA and Israel massively struck Iran's military and industrial targets, eight months after having already struck Iran's military and nuclear capacities. Iran's retaliatory strikes on the Gulf's critical infrastructures, particularly energy, and de facto closure of the Strait of Hormuz led to a severe global energy shock. In Asia, conflict risks remained high with the worst armed episode in decades between India and Pakistan, while Taiwan saw unprecedented Chinese military drills amid perceived lower US deterrence and a nearing 2027 deadline for the Chinese army to be capable of successfully invading the island. More generally, weakened US alliances in Asia and China's assertiveness will boost an already rapid arms build-up in the region (also taking place in Europe and in the MENA (Middle East and North Africa) region), de facto increasing conflict risks, including in the South China Sea and North Korea.

In spite of US tariffs, substantial aid cuts (harming particularly Africa), rising trade restrictions and geopolitical risks, the global economy showed impressive resilience (growing by 3.4% while trade in volume jumped by 5.1%), supported by large export front-loading in anticipating of the implementation of huge US tariffs, much reduced US tariffs (albeit high in recent history), intensifying export market diversification and the AI boom. Moreover, the wave of Chinese exports, including those redirected from the USA to other regions, led to a record trade surplus for China.

Significantly eased financial conditions, via a weakened US dollar and cuts in Fed/ECB interest rates, lower inflation, booming stock markets and lower oil prices supported domestic demand and eased the external debt service burden among emerging and developing countries which benefited from improved market access. However, the outlook for 2026 looked more challenging for trade and financial stability amid the Iran war fallout and deteriorated fiscal positions. Public debt levels and general uncertainty are historically high, exposing the most vulnerable countries to potential sovereign debt defaults.

While the world's attention is occupied by national security considerations (e.g. a waned EU Green Agenda), pro-fossil fuel policies and efforts to hinder global climate change action demonstrate the focus on achieving solely short-term gains over mitigating long-term disasters and related costs.

As in past years, climate change intensified in 2025, sparing no region from extreme natural disasters such as major floods in Southeast Asia, the unprecedented Melissa hurricane in the Caribbean region, heatwaves in the Middle East, wildfires in California and in the Mediterranean, or the record melting of glaciers.

Therefore, climate risks will inevitably continue to increase country risks in the future as the livelihoods of millions of people worsen, exacerbating wealth inequalities, expanding social instability and violent protests and leading to the deterioration of public finances and debt sustainability.

Although renewables will continue to be implemented at great scale outside the USA, the AI boom will bring huge extra challenges, likely placing more pressure on the supply of fossil fuels, weighing on decarbonation efforts and intensifying water stress.

Evolution of Credendo's country risk classifications

GENERAL TREND FOR COUNTRY RISK RATINGS IN 2025

Against the odds, the net annual trend in country risk ratings was generally positive, certainly when it comes to political risk. However, there was a clear distinction between the first semester, which saw the slightly negative trend of 2024 continue on the back of the announced aggressive US trade war and global economic and financial uncertainty, and the second semester, which went into a firm positive trajectory. For the **short-term (ST) political risk**, which largely assesses the country's liquidity, 17 upgrades (including one small state) were recorded on the back of favourable financial conditions for emerging markets. At a regional level, Sub-Saharan Africa dominated with six upgrades, followed by the MENA region (four), Emerging Market Europe and CIS (Commonwealth of Independent States) countries (three), Latin America (two) and Asia (one). A total of eight downgrades – i.e. less than half of upgrades – were decided in two regions, five for Asia (including two small Pacific states) and three in Sub-Saharan Africa. The positive trend was even more pronounced for the **medium- to long-term (MLT) political risk**, confirming the 2024 trend. Indeed, eleven countries were upgraded, dominated again by Sub-Saharan Africa (six: Cabo Verde, Gambia, Mauritania, Namibia, Togo and Zambia) and followed by MENA and Emerging Market Europe and CIS countries (two each: Qatar and Saudi Arabia, Tajikistan and Türkiye). Latin America recorded one upgrade (Ecuador), Asia none. On the other side, only three downgrades were decided, all in Sub-Saharan Africa (Botswana, Gabon and Senegal).

The picture for the **business environment risk**, albeit also positive in total, was more balanced. Upgrades reached 37 notches (of which nine small countries) compared to 31 (of which fourteen small countries) for the downgrades, to a great extent thanks to Sub-Saharan Africa (eighteen notches including two small countries), followed by Asia (five including three pacific islands) and the EU (five). Three upgrades were decided for Emerging Market Europe and the CIS (including one small state), the MENA and Latin American regions. As for the downgrades, Asia dominated with eight countries (including four small Pacific states), ahead of Latin America (seven countries), Europe (seven countries of which four small territories), Sub-Saharan Africa (five countries of which Botswana and Seychelles by two notches). Only one downgrade was recorded for the MENA region and Emerging Market Europe and CIS countries.

ASIA

Asian countries had a very volatile and uncertain year, exposed to the abrupt threat of high tariffs on their key exports of goods from the USA, a major trade, economic and, for some, security partner. Asymmetric trade agreements offering large concessions to the USA in exchange for substantial US import tariff relief and many exemptions for high-tech products, helped to alleviate the negative trade impact.

Moreover, export front-loading, rapid shifts in regional supply chains towards more diversified and reliable partners and the global AI boom benefiting countries (e.g. Korea, Taiwan, Malaysia and Vietnam) with a successful electronics sector were other mitigating and supportive factors. Although GDP growth decelerated in the ASEAN (Association of Southeast Asian Nations), it stabilised for emerging

However, the US threat of high rates hitting 'transhipped goods' will be a looming risk for many countries integrated in supply chains and with a wide trade surplus with the USA. The great power competition will remain another major risk for most countries. Faced with a complex balancing stance between the USA and China, they will reduce their dependence on the USA in the long-term by continuing their quest for new trade and security agreements with more stable and less unpredictable partners, and in general deepen

further intraregional economic integration.

In 2025, several governments were also shaken by mass Gen Z-led protests, which reflected youth discontent about a broad range of factors (corruption, elite privileges, lack of job prospects, wealth inequalities) and spread across several countries in the region. Unrest was particularly severe in Nepal where the government fell, emulating Bangladesh's example of 2024.

The Chinese economy showed resilience in a challenging year characterised by an aggressive trade war with the USA (suspended for one year in November), increased geopolitical risks, a protracted real estate crisis, low consumer confidence and continued deflation. The fast expansion of manufactured exports – increasingly with a higher value added – especially to Southeast Asia, Europe and Africa, were a crucial driver of GDP growth (to 5%) in 2025 and will continue to be so this year. Besides, economic self-sufficiency and global high-tech dominance will remain two key priorities for Beijing.

The regional evolution of country risk classifications was stable (for MLT political risk) to negative. Downgrades exceeded upgrades for both the ST political risk and business environment risk. For the former, Indonesia, Vietnam and Taiwan's ratings lost one notch whereas only Timor Leste improved by one. For the latter, Indonesia and Vietnam were also downgraded, along with India and Nepal, while Malaysia and Pakistan were upgraded.

LATIN AMERICA

Trump's inauguration rapidly ushered in a new geopolitical reality for Latin America. After decades of relative neglect, the region moved back to the centre of US strategic attention. The USA envisages the whole western hemisphere being within its sphere of influence, setting the stage for a more muscular approach on the region's role in drug-trafficking (Mexico, Colombia), migration (Central America and the Caribbean), as well as strong Chinese ties (Peru, Panama, Venezuela, Cuba). At the same time, the new geopolitical shift also created opportunities. Central America's comparatively lower US tariffs allowed it to outperform Asian competitors in certain sectors, while US nearshoring and occasional US financial support provided tailwinds. Nevertheless, economic growth, though resilient against protectionist US policies, remained unspectacular. Sticky inflation gradually eased, allowing for interest cuts and adding breathing room for many economies.

The regional evolution of country risk classifications was positive. There were two upgrades for ST political risk classifications. Argentina and El Salvador were both upgraded to category 6/7 and 4/7 respectively amid rising liquidity and the agreement of vital new IMF programmes. For MLT political risk, Ecuador was upgraded to category 5/7. This reflected improved macroeconomic fundamentals, including decreasing solvency ratios compared to their 2020 peak, as well as continued commitment to orthodox economic policies, reinforced by the re-election of President Noboa.

Looking ahead, the region entered a busy electoral period that will determine how far to the right Latin America's political pendulum will swing, amid continued risks of US political interference, as seen in Honduras and Argentina. Fiscal consolidation remains crucial as many public debt levels are elevated. Fiscal consolidation can weigh further on economic growth and trigger unrest but without it, sovereign debt defaults loom. Climate change-induced natural disasters can also adversely affect economies producing large volumes of agri-goods for export, while many countries heavily rely on hydropower for their energy. Furthermore, Latin America, already the region with the highest homicide rates globally, continues to grapple with rising gang-related violence, which weighs on social stability and political violence risks. On the upside, the EU-Mercosur trade agreement, if ratified, and the global green transition offer opportunities.

JOLYN DEBUYSSCHER,
Country and Sector Risk Expert at Credendo

"Trump's inauguration rapidly ushered in a new geopolitical reality for Latin America. At the same time, the new geopolitical shift also created opportunities."

JONATHAN SCHOTTE,

Country and Sector Risk Analyst at Credendo

"Sub-Saharan Africa continued to face multiple overlapping conflicts and security crises."

LOUISE VAN CAUWENBERGH,

Country and Sector Risk Analyst at Credendo

"Despite the challenging environment, momentum for economic growth in Sub-Saharan Africa remained strong in 2025 at 4.5%."

SUB-SAHARAN AFRICA

Sub-Saharan Africa continued to face multiple overlapping conflicts and security crises. Jihadist violence in the Sahel reached critical levels with the fuel blockade of Bamako. Jihadist control over vast territories including Mali, Burkina Faso and Niger reflects the failure of Russian mercenaries to provide security support to these junta-led nations. The spread of jihadist activity towards West Africa's coastal nations like Benin, Côte d'Ivoire and Ghana has become an even larger concern. Sudan's crisis deepened amid continued atrocities by the Rapid Support Forces in Darfur, while neighbouring South Sudan experienced rising political tensions, heightening concerns about a return to conflict. In the Horn, tensions between Ethiopia and Eritrea intensified, and in the Great Lakes region violence persisted in eastern DRC, where M23/AFC advances in North and South Kivu fuelled renewed tensions with Rwanda. In Nigeria, violent attacks and a growing number of fatalities even drew intervention threats from US President Trump.

The shift towards more autocratic forms of government continued in 2025, depicted by several flawed or rigged elections, while military coups took place in Guinea-Bissau and Madagascar where military leaders seized power following Gen Z-led protests.

Despite the challenging environment, momentum for economic growth in the region remained strong in 2025 at 4.5%, underpinned by improved terms of trade and declining inflation. A new commodity boom is leading to geopolitical rivalry over critical minerals and could hold great potential when transformed beyond exploitative patterns. Therefore, complementary investments in local processing and value addition will become a major focus in many countries.

Just like in 2024, African exchange rates continued to stabilise, assisted by a weaker US dollar, which is also helping to cut debt service payments and ease inflation. Liquidity levels continued to recover, supported by regained access to Eurobond financing by some countries (Kenya, Côte d'Ivoire, Senegal, Gabon, Nigeria, Egypt, Benin and Angola) and favourable commodity price trends. In 2026, commodity exporters with diversified baskets are most likely to show the most resilience in terms of liquidity.

Sub-Saharan Africa's regional public debt stock remained stable in 2025, with no new defaults this year – marking the second year in the row of no defaults –, even though debt vulnerabilities remain high. Senegal is on the brink of default following the unfolding of a huge hidden debt scandal under the former government. Zambia and Ghana continued to advance their Common Framework restructuring processes, while Ethiopia's negotiations remained stalled. In the coming year, borrowing costs are expected to remain high and limited fiscal space will continue to constrain government options for dealing with unforeseen shocks. Unreliable US trade policies have accelerated the shift in African trade relations, while governments are obliged to look for alternative funding due to the global drop in foreign aid flows. A key point of focus will be to not replace aid dependency with a debt trap, knowing that at present, 21 low-income Sub-Saharan African countries are already at 'high risk of debt distress' or 'in debt distress' according to the IMF. Finally, the impact of climate shocks is causing supply shortages and raising food imports and inflationary pressure, while the humanitarian impact is leading to social unrest.

As in 2024, changes in political risk ratings in 2025 were dominated by upgrades. For the ST political risk, there were six upgrades (Burundi, Cabo Verde, Côte d'Ivoire, Kenya, Uganda and Zambia) and three downgrades (Botswana, Djibouti and Madagascar). Also, for the MLT political risk, six countries were upgraded (Cabo Verde, Gambia, Mauritania, Namibia, Togo and Zambia), while three were downgraded (Botswana, Gabon and Senegal). As for the business environment risk, the positive trend of 2024 was sustained in 2025, with ten upgrades and four downgrades.

MIDDLE EAST AND NORTH AFRICA (MENA)

The geopolitical situation in the Middle East was highly unstable in 2025, with elevated regional tensions and spikes in conflict intensity, particularly in the first part of the year. Key hotspots included the collapse of the January Gaza ceasefire in March, intensified Israeli military operations in Lebanon, and the 12-day conflict between Israel/the USA and Iran in June. Although subsequent ceasefires, notably between Iran and Israel in June and in Gaza in October, eased hostilities, the absence of steps for a durable stabilisation and progress in addressing underlying regional grievances kept tensions elevated throughout the year. On 28 February 2026, the long-feared confrontation between Israel/the USA and Iran materialised when the former's large-scale 'Operation Epic Fury' military campaign struck the Mollah regime – killing the supreme leader – and critical infrastructures. While regional escalation risks persisted and the war outcome was unpredictable, the Iran war is likely to have profound consequences on future regional security and economic developments.

Despite heightened regional tensions, GDP growth in the MENA region strengthened from 2.2% in 2024 to 3.6% in 2025. The recovery was supported by increased oil production under the OPEC+ agreement, macroeconomic stabilisation reforms (notably in Egypt and Jordan) and diversification efforts in oil-exporting countries. Growth accelerated across both oil-importing and oil-exporting countries. Nevertheless, structural challenges persisted: some oil-importing countries (Egypt, Tunisia, and Jordan) remained burdened by persistent

macroeconomic imbalances, while moderating oil prices increased fiscal and external pressures on oil exporters with weaker fundamentals (Algeria, Bahrain, and Iraq), unlike most GCC (Gulf Cooperation Council) countries (excluding Bahrain), which continued to benefit from sizable macroeconomic buffers. However, in the reporting year, the Iran war's related disruptions to oil and gas supplies sharply harmed the economic outlook of most countries, starting by Gulf oil exporters.

In this context, the trend in 2025 was broadly positive with several countries upgraded. For ST political risk, Iraq was upgraded from category 7/7 to category 6/7 amid easing domestic security risks. Similarly, Egypt was upgraded from category 6/7 to category 5/7, reflecting stabilising macroeconomic conditions, while Jordan and Oman were upgraded from 5/7 to 4/7 and from 3/7 to 2/7 respectively, amid resilient economic performance despite significant headwinds. For similar reasons, the business environment ratings of Egypt, Morocco, and Tunisia were upgraded. Algeria, however, was downgraded amid pressures stemming from a weak policy environment and declining energy prices. In 2026, the Iran war led to a wave of downgrades in GCC countries for both the ST political risk and business environment risk. Regarding the MLT classification, although Qatar was upgraded from 4/7 to 3/7 and Saudi Arabia from 3/7 to 2/7, both supported by the countries' large external assets, the Gulf war of 2026 darkened their MLT risk outlook.

EMERGING MARKET EUROPE AND CIS COUNTRIES

The generally positive year for the region translated into favourable risk rating developments with three upgrades for the ST political risk (Tajikistan, Uzbekistan and Türkiye) and two upgrades for the MLT political risk (Tajikistan from 7/7 to 6/7 and Türkiye from 5/7 to 4/7). Only the business environment risk saw one downgrade (Kazakhstan), yet less than the two recorded upgrades (Albania and Moldova). The upgrade for Türkiye's ST and MLT political risk ratings followed significant improvement in its external liquidity and access to financial markets – even though these remained volatile – thanks to the adoption of more orthodox monetary policies after President Erdoğan's re-election in May 2023. The implementation of these policies has gradually reduced macroeconomic imbalances, helping to narrow the current account deficit and steadily lower inflation, although it remained elevated.

The war in Ukraine continued to shape economic and political developments in the region, with Ukraine facing mounting pressure from Russian aggression while negotiations between Russia, Ukraine and the USA over a ceasefire yielded no breakthrough in 2025. In the South Caucasus, the security situation between Armenia and Azerbaijan improved following progress on a US-brokered peace agreement, although the deal has not yet been formally ratified. Central Asia attracted unusually high levels of attention from large and middle powers, drawn to the region's promising investment and trade prospects. Indeed, in a context of increasing geopolitical risks, supply chains diversification and the race for critical minerals, the region's political stability combined with its natural resource wealth and strategic geographic position looked particularly attractive. As a result, Central Asia was one of the fastest growing regions in 2025, driven by domestic demand, rising investments and trade (notably with Russia and via the 'Middle Corridor' linking China to Europe) in a year of heightened trade and economic connections among Central Asian states. Strong FDI commitments announced by the USA, EU, China and Gulf countries should support high GDP growth in the coming years.

ADVANCED EUROPE

The first half of 2025 was marked by significant economic uncertainty across Europe, largely stemming from the threat of US import tariffs following Trump's accession to office in January and fears of a trade war. In July, a deal capped most US tariffs on European exports at 15%, easing tensions but keeping high tariffs on steel and aluminium. While this brought some stability, businesses remained uncertain about the future US tariff policy. Other competitiveness issues resulting from higher energy prices in Europe than in the USA and China, and competition from increasing cheap Chinese exports volumes continued to weigh on the manufacturing sector, while political uncertainty reined into consumer confidence in countries like France. In spite of those challenges, real GDP growth remained resilient in the EU27, with a 1.6% growth year-on-year, supported by domestic demand. Our business environment risk ratings were downgraded for three countries and upgraded for four countries within the Advanced Europe region during the year.

Security risks, on the other hand, have continued to mount. Since Russia's full-scale invasion of Ukraine in February 2022, Europe has faced a sharp intensification of hybrid warfare tactics orchestrated by Moscow. These tactics include cyberattacks, disinformation campaigns, sabotage operations, arson, espionage and increasingly frequent and repeated airspace violations by drones and military aircrafts. Throughout 2025, several European countries reported rising signs of hybrid activities, including drone and fighter-jet intrusions and suspected sabotage incidents targeting critical infrastructure. As a result, the political violence risk ratings for all European Union countries, Switzerland and the United Kingdom were downgraded in December 2025.

PASCALINE DELLA FAILLE,

Country and Sector Risk Manager at Credendo

"In spite of significant economic uncertainty, real GDP growth remained resilient in the EU27, with a 1.6% growth year-on-year, supported by domestic demand."

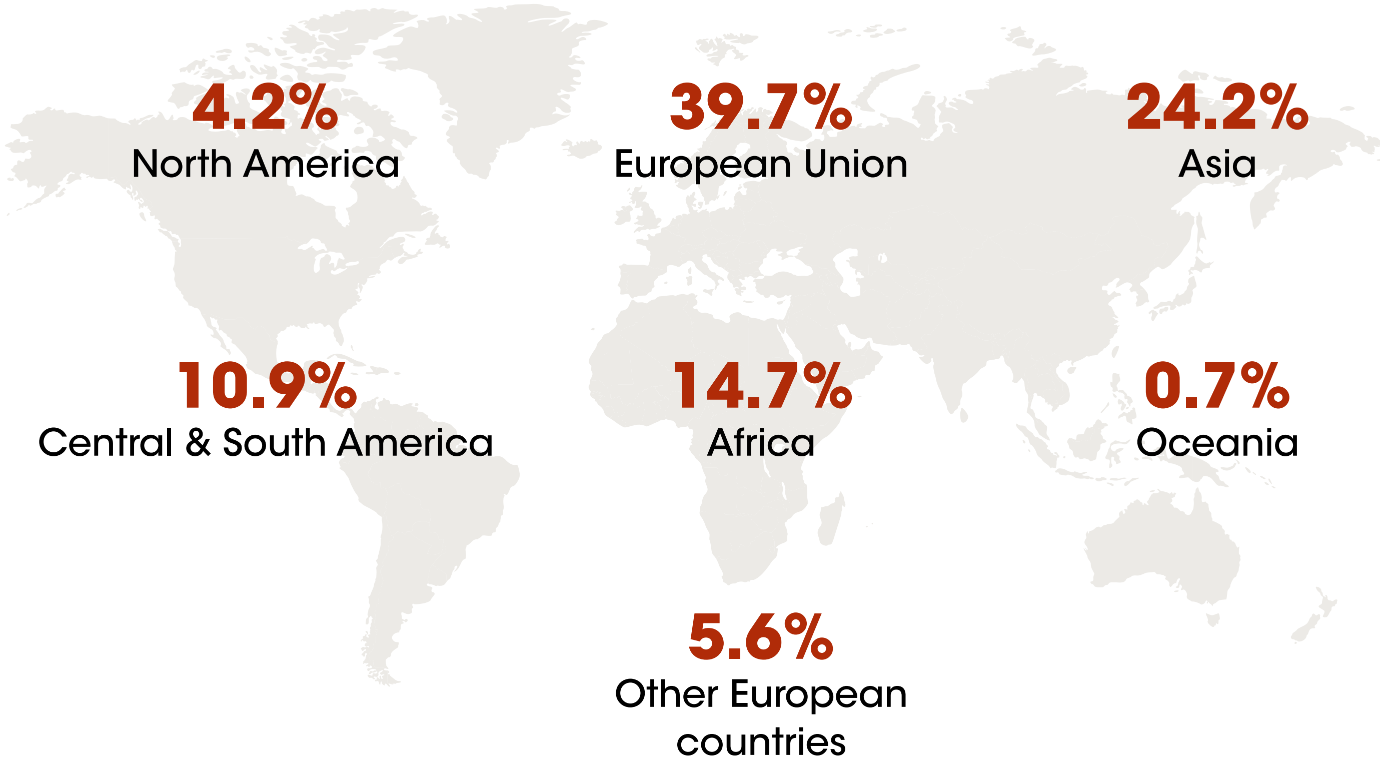
A European credit insurance group

Activities and results

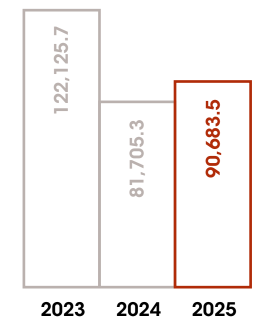
In million eur	2025	2024	2023
Value of transactions insured during the financial year [1]	90,683.5	81,705.3	122,125.7
Total potential exposure	86,879.4	85,276.2	83,550.5
Insurance revenue	438.3	454.0	442.6
Insurance service result	76.8	174.1	74.0
Net insurance and financial result	163.7	324.0	191.7
Total profit/(loss) of the year	122.0	266.0	130.3
Total comprehensive income	122.5	257.2	135.5
Total equity	3,424.9	3,302.1	3,045.2
Staff	536	532	546
RATIOS (IN %) ACCORDING TO IFRS 4			
Net loss ratio	45.4%	34.5%	26.4%
Net cost ratio	43.1%	46.9%	44.4%

(1) before cession to reinsurers

Geographical spread of risk exposure

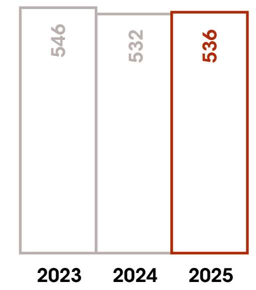


Value of transactions insured(1) (in million EUR)

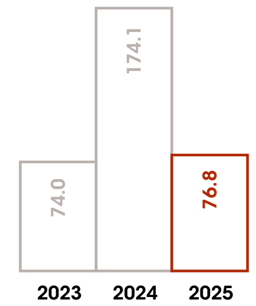


Insurance revenue (in million EUR)

Staff (in units)



Insurance service result (in million EUR)



Total potential exposure (in million EUR)

Corporate governance

Credendo consists of Credendo – Export Credit Agency and its subsidiaries. Its corporate governance structure is made up of different bodies: the Board of Directors, the Audit and Risk Committee, the Remuneration Committee and the Executive Committee.

Credendo – Export Credit Agency

Board of Directors

Vincent REUTER
Chairman

Wim VAN DEN BOSSCHE
Vice-Chairman

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Member, representative of the Minister for Economy

Renaat SCHROOTEN
Substitute member

Henk MAHIEU
Member, representative of the Minister of Finance

Ludivine HALBRECQ
Substitute member

Lucas DEGROOT
Member, representative of the Minister for Foreign Affairs

Jean-François KRENC
Substitute member

Jan DE PRETER
Member, representative of the Minister for Development Cooperation

Alexander VERSTRAETE
Substitute member

Pascal WALRAVE
Member, appointed on proposal by the Flemish regional government

Philippe NYS
Substitute member

Georges STIENLET
Member, representative of the Flemish regional government

Koen DE RIDDER*
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Olivier de WASSEIGE*
Substitute member

Pascale DELCOMMINETTE
Member, representative of the Walloon regional government

Hubert SIEMES
Substitute member

Pierre HARKAY
Member, appointed on proposal by the Government of the Brussels-Capital Region

Emiel NEYRINCK
Substitute member

Annelore ISAAC
Member, representative of the Government of the Brussels-Capital Region

Kim EVANGELISTA
Substitute member

Audit and Risk Committee

Henk MAHIEU
Chairman

Renaat SCHROOTEN
Member

Lucas DEGROOT
Member

Remuneration Committee

Wim VAN DEN BOSSCHE
Chairman

Vincent REUTER
Member

Georges STIENLET
Member

Executive Committee

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Chief Executive Officer and Chairman of the Executive Committee

Frank VANWINGH
Deputy Chief Executive Officer and Vice-Chairman of the Executive Committee

Nabil JIJAKLI
Deputy Chief Executive Officer and Member of the Executive Committee

Compliance Officer

Geert GOOSSENS

Chief Internal Auditor

Laurent MASSIN

Chief Financial Officer

Ronny MATTON

Chief Risk Officer

Hans SLOCK

Actuarial Officer

Jérôme LOKASSO

* Outgoing

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Executive Director

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Deputy General Manager

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Deputy General Manager

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Chairman

Cécile COUNE
Member

Els VERBRAECKEN
Member

Clients' success stories

A key partner in the global expansion of advanced medical technology

IBA

Belgium-headquartered IBA is a world market leader in particle accelerator technology that is mostly used in the diagnosis and treatment of cancer and other high-impact applications. The company's long-standing relationship with Credendo – Export Credit Agency has strengthened IBA's global presence and widened access to cutting-edge medical and sterilisation technology.

THOMAS PEVENAGE,

Head of Corporate Finance & Investments at IBA

"Credendo – Export Credit Agency has been a real enabler of market growth."

IBA is a Belgium-based company established in 1986 specialising in particle accelerator technology. This technology is mainly used in the diagnosis and treatment of cancer and other impactful applications.

IBA is structured around four main business units: proton therapy (an advanced form of radiation therapy against cancer), nuclear medicine, dosimetry, and industrial solutions for the sterilisation of medical consumables and the improved performance of materials.

Its flagship proton therapy solution is called 'Proteus®ONE', a compact single-room therapy system aiming to improve affordability for hospitals and widen the reach of this technology.

"The implementation of our first, multi-room solutions was often like building a whole new hospital facility. We are making the technology more widely available," said Thomas Pevenage, Head of Corporate Finance & Investments at IBA.

Proton therapy typically accounts for 55–60% of IBA's revenues, and the large majority of its activities are export-driven with its core markets in the USA, Europe and Asia. "Given the high level of exports, a partnership with a credit insurer such as Credendo – Export Credit Agency is instrumental," said Thomas Pevenage.

Credendo – Export Credit Agency's support for IBA started in the 1990s, and one of the transactions saw the insurer play a central role in helping the company secure its first proton therapy project in Boston, USA. "IBA's banks were not comfortable with taking on the full risk of the project on their own, so Credendo – Export Credit Agency accepted to risk-share on the bank guarantees required," he explained.

"A private insurer would not have done it at the time, but Credendo – Export Credit Agency stepped in, given its mission of public interest to support the Belgian economy," he explained. "Credendo – Export Credit Agency has been instrumental in setting up proton therapy in the USA, as this initial US project led to a subsequent project financing in Florida supported by Credendo – Export Credit Agency."

In the following decade, Credendo – Export Credit Agency has mainly provided cash transaction insurance for IBA's export activities, but more recently has started to provide different products.

The cash transaction insurance product has been particularly useful in China, where IBA is installing large multi-room proton therapy facilities for local hospitals. It is Credendo – Export Credit Agency's adaptable approach to transactions that Thomas Pevenage really values. "They really take the time to listen and understand the needs and specificities of projects – they know us and our business," he said.

IBA's business tends to revolve around long-term projects that need a committed long-term partner. "It can take up to three or four years to sell a contract, a further few years to install the system and then the therapy centre will be in operation for 20-plus years," Thomas Pevenage explained.

IBA is often dealing with new customers and new countries – with many regulatory hurdles to overcome, such as securing specific licences for the local import of medical devices as well gaining an understanding of the risk profile of new customers.

"Projects which might initially be introduced to Credendo – Export Credit Agency three years ago, may change in terms of the geopolitics and stability of that country," Thomas Pevenage said. "So it is important to have a partner that does not take the first opportunity to shut the door on its insurance cover."

"We need a partner that is quite agile and willing to understand that often there are things that affect the project structuring and timeline," he added.

Alongside cash transaction insurance, IBA is looking at increasing its use of Credendo – Export Credit Agency's direct financing 'buyer credit' tool to help its expansion into new geographies – for example for the sales of its radiopharmaceuticals production equipment and services.

IBA has installed and supports more than 350 of these particle accelerators around the world – helping medical departments produce radiopharmaceuticals used to detect and treat cancer and other diseases.

"Thanks to Credendo – Export Credit Agency's buyer credit tool, we are able to sell projects where we would not have sold otherwise – it has been a real enabler of market growth," he said.

"We try to not say 'no' to potential customers even if they are in specific countries that we might find challenging. We will involve partners to support us if we are not fully confident of handling it on our own," he said.

Looking to the future, Thomas Pevenage wants to see not only IBA's market share increase, but to see IBA drive the growth of the whole market for the benefit of more people around the world. "Proton therapy is an advanced form of therapy and an estimated 10 to 15% of radiation patients would benefit from it," he said.

PASCALE DEKOKER,

Senior Underwriter at Credendo

"IBA and Credendo – Export Credit Agency have a long-term relationship of more than 20 years. Credendo – Export Credit Agency was there at the beginning to support IBA's business development and Credendo – Export Credit Agency is still present today as a trusted partner."

Driving growth in waste-to-energy tech

VYNCKE

Vyncke is a pioneering Belgian company that builds energy plants that use waste products to produce clean energy. Credendo – Export Credit Agency and Credendo – Trade Credit Insurance have been instrumental in helping the family-owned firm grow globally – with Vyncke valuing the insurer's advice as well as its range of products to support the company to win and fulfil important deals.

ELKE TOYE,

Chief Financial Officer at Vyncke

"Both Credendo – Export Credit Agency and Credendo – Trade Credit Insurance are doing a great job supporting our changing business and working out how to modify policies to ensure there is cover for the most financially critical stages of a project."

Vyncke is a fourth-generation family company based in Belgium that engineers and builds industrial energy plants that convert biomass and industrial waste into clean energy. The company was founded in 1912 by Louis Vyncke and has significantly grown – with a presence in thirteen countries around the world. The company's consolidated turnover was EUR 211 million in 2025.

Vyncke produces energy in the form of steam, hot water, thermal oil and gas – with or without electrical power generation. The company is active in three areas: food and agriculture, wood and recovered fuels.

Within the food processing sector, Vyncke supports companies generating energy from by-products, such as cocoa shells, rice husks or sunflower hulls. For example, for Belgian chocolate producer Barry Callebaut's African manufacturing plant, Vyncke installed a facility that turns the cacao shell waste into hot steam, which can then be used to melt the cacao beans into cocoa butter.

Within the recovered fuels sector, Vyncke has explored using other forms of waste, such as urban wood and commercial waste, to generate clean energy.

"We really excel at finding a way to combust more challenging fuels," said Elke Toye, Chief Financial Officer at Vyncke. "Often, customers will come to us if they are working with a new type of fuel – asking us for support and technical expertise to find a solution," she explained.

"As a family-owned company, Vyncke's priority is to ensure business continuity and a successful transition of the company to the next generation," Elke Toye said. With this in mind, the company is careful with how it spreads its risks from a geographic perspective.

"We have had a huge increase in requests from customers in the European market and if we wished to, we could sell all our projects there, but we do not want to become too dependent on one region," she said.

"The risk challenge is a very crucial one when we select a project – which region is it in and what is the financial risk," she explained, adding that the company only takes on a set number of projects each year.

"Having Credendo – Export Credit Agency and Credendo – Trade Credit Insurance as partners has been instrumental in selecting projects and managing risks," Elke Toye said, noting the wealth of different products the insurer can offer.

The use of Credendo – Trade Credit Insurance's whole turnover-based credit insurance is particularly popular within the European market, whereas tools such as Credendo – Export Credit Agency's buyer credit insurance are often more common on projects in Africa and Latin America.

Credendo – Export Credit Agency and Credendo – Trade Credit Insurance's support for Vyncke dates back decades and has been essential to Vyncke's growth,

particularly when commercial banks had not been much interested in the company.

"We would not be the size we are today if Credendo – Export Credit Agency and Credendo – Trade Credit Insurance had not believed in Vyncke from day one," she said, noting how the company has gradually increased the size of its installations, with some projects now costing EUR 20 million or more.

"Credendo – Export Credit Agency has the ability to adapt its policies to Vyncke's specific project timelines," she added.

"Credendo – Export Credit Agency is doing a great job supporting our changing business and working out how to modify polices to ensure there is cover for all financially critical stages of a project," she said, explaining how there is often a big gap of up to a year and a half between a downpayment being made and the various permits being secured and a project starting.

"If your insurance only kicks in at the downpayment stage, you end up losing a year of coverage," she said. "That is where Credendo – Export Credit Agency makes the difference. They listen to the changes we go through as a company," she noted.

"Credendo – Export Credit Agency and Credendo – Trade Credit Insurance have been important partners even at the early presale stages of a project," Elke Toye remarked, noting how Credendo – Export Credit Agency and Credendo – Trade Credit Insurance's expertise can help Vyncke decide what customer requests are possible from a risk perspective.

In 2021, Credendo – Export Credit Agency worked with Vyncke on the design, engineering and supply of a wood residues-fired energy plant to support an MDF production line in Caçador, Brazil.

GERT DEGELIN,

Senior Underwriter at Credendo

"Vyncke is one of Belgium's underexposed export jewels and it is our pleasure to further facilitate Vyncke's projects with Credendo – Export Credit Agency and Credendo – Trade Credit Insurance's broad range of export insurance solutions."

Credendo – Export Credit Agency provided a tailor-made solution for its client by providing cover on an export credit granted by a German bank to Brazilian debtors to finance the delivery of capital goods for the new production line.

Given that Vyncke's participation in the wider project was relatively small and there was content being delivered from other countries, the deal had the potential to fall out the traditional remit of Credendo – Export Credit Agency.

"We had limited experience with a buyer credit, so it was a little out of our comfort zone – and that was where Credendo – Export Credit Agency stepped up and guided us through the process. It is the best success story in recent years," Elke Toye said.

"The experience we gained with the buyer credit structure was useful for similar transactions like our recent contract with Tableros Hispanos. This contract is related to an energy plant we will erect in the course of 2026 for their wooden panel production plant in Spain."

Both transactions also benefited from favourable insurance conditions thanks to the Credendo Green package.

Looking to the future, Elke Toye wants to see Credendo – Export Credit Agency and Credendo – Trade Credit Insurance become more proactive partners. "I would like Credendo – Export Credit Agency and Credendo – Trade Credit Insurance to be by our side to guide us and play a more active role in the presales phase – as that is where we need financial security," she explained.

The direct support of Credendo's recently established Export Finance Solutions team will be a great added value in this matter.

Supporting sustainable farming

INVIVO

InVivo is a Paris-based agricultural company supporting sustainable farming in France, as well as feeding the rest of the world through its exports of cereals and grains. Its partnership with Credendo – Guarantees & Speciality Risks has enabled the company to be agile enough to seize new market opportunities and maintain its business in conflict-affected regions.

InVivo is a French agricultural company first established in 2001 following the merger of two major national farming cooperatives. The company is structured around four business lines: agriculture, international grain trade, agri-food – which includes activities in wine production, wheat and malting – and retail.

It has significantly expanded its reach in recent years through its acquisition of the Soufflet Group – a French agri-food family company – in 2021, and the acquisition of United Malt Group by Malteries Soufflet in 2023, reinforcing its leading position.

The company recorded a turnover of EUR 11.4 billion in 2025. It employs around 14,826 people and has 163 member cooperatives. It has a presence in 35 countries.

The company has firmly positioned itself as the driving force in creating a more resilient and sustainable farming sector in France and supporting the global transition away from non-renewable energy sources.

Since 2020, InVivo has been given the status of a 'société à mission' – a term which refers to a legal framework introduced by the French government in 2019 and means the company's social, societal and environmental goals are now central to the company's overall purpose.

SÉGOLÈNE BOUVRAIN,

Head of Credit and Cash Group at InVivo

"The agri-food industry needs to be supported – that is a necessity."

InVivo's main goals include working towards zero pesticide residue, contributing to carbon neutrality, preserving and regenerating soils, restoring biodiversity and diversifying farmers' revenues.

While InVivo's first contact with Credendo – Guarantees & Speciality Risks was back in 2004/2005 with the placing of a single-risk policy, a regular business relationship did not begin until 2012 when InVivo required cover for its activities in South America and Africa.

"Credendo – Guarantees & Speciality Risks had strong expertise in these regions and provided real support in terms of guarantees, unlike other insurers," said Ségolène Bouvrain, Head of Credit and Cash Group at InVivo.

"Fourteen years later, we are still with Credendo – Guarantees & Speciality Risks with intermediate calls for tenders and Credendo – Guarantees & Speciality Risks has confirmed its participation in our insurance programme recently again. It is a long-lasting partnership," she explained, noting InVivo now uses Credendo – Guarantees & Speciality Risks' cover in Asia as well.

Over the last eight years, InVivo has been using Credendo – Guarantees & Speciality Risks' top-up product, which allows companies to cover amounts over the credit limit set by their first-line credit insurer. Broker AU Group played a key role in setting up this top-up programme.

Ségolène Bouvrain noted how this product has helped InVivo move quickly to win new business. "It is a fantastic tool. It has a certain cost, but it allows policyholders to be extremely agile in their day-to-day business, particularly in sectors where you have to respond to a tender in a very short time."

Given the ever-changing global commodity prices, market offers may only be available for a few hours. "The salesperson needs to know if they can go ahead, if they will have cover, and the top-up formula allows you to be completely autonomous in risk management, and that is exceptional," Ségolène Bouvrain said.

"Global fluctuations in cereal prices is one of the many risks InVivo must manage. Climate risks are another factor that influences prices," she added.

"The outbreak of the conflict in Ukraine demonstrated InVivo's ability to secure a constant volume of exports, despite strong rises in grain commodity prices on global markets."

Reflecting on Ukraine and other geopolitical crises, she said: "We are accustomed to the occurrence of these crises. We are more agile, more responsive in managing these crises and in the search for possible alternatives."

"Given the vital nature of the agri-food business to the survival of a population, InVivo can often operate in areas of instability as food exporters might be exempt from certain limitations," she added.

However, the company has faced some capacity issues on insurance cover with certain customers due to commodity price volatility. She gave an example: "A company might ship a boatload of wheat worth EUR 5 million one week – which then increases to EUR 7 million within just a few weeks or months."

"If the buyer has particularly long payment terms and you want to ship another boat of produce, you start to run out of insurance cover for that client," she noted. InVivo is managing these challenges by having several insurers on board and using products such as Credendo – Guarantees & Speciality Risks' top-up facility.

Alongside the flexibility of the top-up tool, Ségolène Bouvrain also valued Credendo – Guarantees & Speciality Risks' approach to risk, its local knowledge and contacts. "They are used to talking to local players and have a very good understanding of the way business is done in the country concerned," she said.

Looking to the company's future, single-risk insurance might become more important given the regularity of geo-political crises. "I have the impression that Single Risk is going to become more and more necessary, because we find ourselves in areas that are no longer necessarily insurable by traditional insurers," she said.

"That is where we need to look to insurers specialising in Single Risk, who will really rely on our knowledge of the counterparty," she added.

"Given the importance of bringing food to populations, InVivo will strive to export into difficult regions – with the appropriate cover. The agri-food industry needs to be supported – that is a necessity," she concluded.

ISABEL KERVYN,

Sales Director at Credendo

"Listening to InVivo's needs and finding tailor-made solutions is our goal and the key to an excellent relationship with the InVivo Group."

Supporting sustainability goals

LANTANIA

Lantania is a Madrid-based infrastructure group with expertise in building and managing major transportation, building, water and energy infrastructure facilities across Spain and around the world. It has placed sustainability at the heart of its growth strategy and is keen to further strengthen its partnership with Credendo – Guarantees & Speciality Risks to support bids for solar, sustainable transport and other energy-efficient projects.

Lantania is a Spanish construction group with expertise in developing and building major infrastructure projects, including transport networks, water treatment plants and energy generation and transmission projects.

The company has built more than 500 kilometres of road, 290 kilometres of track assembly and around 14,000 homes to date. Its energy division – and specifically its solar projects – is one of the company's fastest-growing areas. It has built and operated more than 800 MW in renewable energy plants over the last four years. Lantania is a specialist in industrial and wastewater treatment, with more than 900 plants in 30 countries. It has also built the Jubail 3A desalination plant in Saudi Arabia, one of the largest reverse osmosis seawater desalination plants in the world, and is currently building new desalination plants with a capacity of over 900,000 m³/day.

Lantania's growth has been partly built on acquisitions, having been initially established as a company in 2018 through the acquisition of construction, facilities and services business units of the Spanish firm Isolux Corsán and the subsequent acquisition of the construction, concessions and services business line of the Spanish firm Velasco Group in 2019.

By 2020, Lantania had made further acquisitions, including the water business of Spanish firm Soil. In 2022 it acquired the Warsaw-based Balzola Polska, a company specialising in railway and civil road works projects.

ANDRÉS ÁLVAREZ,

Chief Corporate Services Officer and CFO of Lantania

"The evolution of the value of our Group is based on the empowerment of talent and business diversification, with a focus on sustainable activities and productivity improvement."

The company employs more than 1,400 people and is present in Europe, North and Latin America and Africa. In 2025, it secured EUR 804 million-worth of contracts and had more than 1,200 pieces of equipment to support its construction projects.

Lantania began its relationship with Credendo – Guarantees & Speciality Risks in 2021, with the insurer initially focusing on private renewable projects and public contracts with various Spanish clients. Since then, Credendo – Guarantees & Speciality Risks has expanded its remit to cover more of the company's international projects, providing cover on performance and bid bonds.

Credendo – Guarantees & Speciality Risks has been an important partner supporting Lantania face the risks that threaten its ability to manage costs and complete infrastructure projects.

"One of the main difficulties we have to deal with is price increases. Our activity is very intensive in the consumption of raw materials such as cement, steel and bitumen, as well as energy, and the increase in their costs affects us directly," explained Andrés Álvarez, Chief Corporate Services Officer and CFO of Lantania.

He added that current international instability, including the conflict in Ukraine and Gaza, has further exacerbated price tensions: "Political stability is one of the aspects we have to keep in mind because of the risk that disruption of supply chains poses for us. Increased delivery times for materials can lead to delays and cancellations of works, with all the cost overruns that this can entail."

Lantania has managed to mitigate these risks through the diversification of its sectors of activity – something the company plans to continue to work on.

However, financial tools such as Credendo – Guarantees & Speciality Risks' surety product have been indispensable in managing risks in today's turbulent market, Andrés Álvarez said: "It is essential we use all the elements at our disposal to provide guarantee cover for our projects, especially in a socio-economic context such as the current one where there is great uncertainty."

Credendo – Guarantees & Speciality Risks' support has also helped Lantania achieve significant breakthroughs in its negotiations with certain customers. The insurer has worked with Lantania to convince a private client to accept surety bonding rather than the bank bonds that they wanted.

Andrés Álvarez praised Credendo – Guarantees & Speciality Risks' understanding of Lantania's business and its ability to provide solutions that reflect the specific needs of the company. "Their size, experience, reliability and, above all, the support they give us in our day-to-day business. The possibility they give us to offer us tailor-made solutions is something we value highly," he said.

Sustainability lies at the heart of Lantania's growth plans. Its 2022-26 strategic plan is centred around creating new businesses and taking advantage of the acquisition opportunities, focussing on the markets of integral water cycle management, sustainable transport and renewable energies.

With that in mind, Andrés Álvarez is interested in working with Credendo – Guarantees & Speciality Risks to meet its sustainability goals. "That may be one of the key drivers to develop our relationship further," he said.

One example of Lantania's commitment to sustainability is its role in leading efforts to find a way of producing green hydrogen.

Lantania announced in February 2024 that it is working alongside other companies and research bodies on the HYLIOS research project – an initiative that aims to transform wastewater treatment plants into facilities that are able to recycle their own resources. The project is focusing on a new technology known as photocatalysis, which produces hydrogen without using electricity.

Lantania's strategic vision has also set itself the target of a turnover of EUR 500 million and an EBITDA (earnings before interest, tax, depreciation and amortisation) of EUR 25 million by 2026.

"We believe that the evolution of the value of our Group is based on the empowerment of talent and business diversification, with a focus on sustainable activities and productivity improvement," Andrés Álvarez concluded.

JUAN BAUTISTA ROMÁN,

Surety Team Leader Spain at Credendo

"Working proactively on solutions for Lantania is the key to building trust and creating fruitful and long-lasting business relationships."

Various solutions support Bridgestone's drive to be number one

BRIDGESTONE

Bridgestone is one of the leading producers of premium tyres for customers around the world, providing tyres for passenger cars, trucks, aircraft and even construction and mining vehicles. With Credendo – Trade Credit Insurance's support and the use of its various solutions, Bridgestone has been able to cover the riskier portions of its Europe and Middle East portfolio. Having Credendo as a reliable partner, capable of finding solutions that work, will be instrumental in supporting Bridgestone's ambitions to become the number one global tyre provider.

RUI MARQUES DA SILVA,

Head of Credit at Bridgestone EMEA

"Having Credendo as a reliable partner, capable of finding solutions that work, will be instrumental in supporting Bridgestone's ambitions to become the number one global tyre provider."

The Bridgestone Group is one of the leading global providers of tyres, providing tyres for a wide range of needs – from cars, trucks and aircraft to construction and mining vehicles. It also provides a variety of rubber products, including shock-absorbing plates used in high-rise buildings to withstand earthquakes and the rubber used inside golf balls.

The company is present in more than 150 countries, employing around 115,716 people. It has 120 manufacturing sites and R&D facilities globally, as well as a network of around 10,000 retail shops around the world.

While first established in Japan in 1931, the European subsidiary of the company was not set up until the early 1990s. Currently, Bridgestone in Europe, Middle East and Africa (EMEA) is the regional strategic business unit of Bridgestone Corporation and is headquartered in Belgium. It employs more than 20,000 people and operates in around 40 countries across the region.

While Bridgestone holds significant global market share, it continues to compete with other global tyre providers for the top spot. However, with the centenary of the company's establishment approaching in 2031, Bridgestone's growth strategy has set the goal of becoming the number one global provider of tyres within five years.

Given such ambitions, it is important to have a trustworthy and reliable partner such as Credendo on board to help manage the company's risk exposure while it grows, said Rui Marques da Silva, Head of Credit at Bridgestone EMEA.

Bridgestone EMEA first started working with Credendo in 2023 via its Dubai office from where it manages its Middle Eastern operations. Given the regional volatility, finding an insurance partner was a priority for Bridgestone to help manage risks.

The company's first contract with Credendo was a ground-up policy that covered all risks within Bridgestone's Middle East portfolio. "We were looking for a full-bodied solution – not just part of the cake," Rui Marques da Silva said, noting numerous political and economic risks in the region – including the current Iran crisis – that require careful risk management.

In contrast, in the more mature European markets, Bridgestone only required Credendo cover for part of its portfolio. These were the debts that the company's primary insurer was unable to cover due to capacity constraints. In this instance, Credendo – Trade Credit Insurance stepped in with its layer policy to help tackle some of these capacity issues.

The layer policy allows Credendo to grant additional cover on top of an existing primary policy given by another insurance company. Credendo makes its own assessment on the debtor and decides what is the appropriate level of additional cover that can be granted to the customer.

"We were able to obtain 15–20% more coverage for our receivables on top of the original insured," Rui Marques da Silva explained. "This gives us peace of mind, allowing us to focus on our business knowing that our partner will be there in case something happens," he added.

Credendo's support was particularly useful in Italy, he said, where economic volatility, high frequency of late payments, numerous insolvencies coupled with lengthy legal proceedings can make it a challenging market to operate in. "We moved from coverage in the range of 45–50% before starting with Credendo. Now we have around 75% of total coverage on our portfolio."

Rui Marques da Silva said he values Credendo's ability to listen to the company's needs. "We appreciate Credendo having the ability to jump on the boat with us and find a solution. We have managed to reach a good balance between both our and Credendo's expectations."

Credendo's ability to find solutions to problems was further demonstrated when Bridgestone eventually decided it wanted to streamline the two separate Middle East Credendo policies, bringing them under the same and wider programme, called the umbrella structure.

"As a multinational we look for simplification and a single point of contact with a single programme. I made a request to Credendo asking to bring these two separate policies together," he said.

"It features what most multinationals like to have; one set of rules and underlying method, an invoicing flow and most of all a single point of contact that can give us an answer on the entire programme," he said.

Bridgestone also turned to Credendo again when working out how best to structure its South African business. Initially this policy was insured through the Brussels office, via a 'sales by another entity' construction, but this was only intended to be a temporary situation and a more permanent framework was needed.

A solution was found so that all the business of the South African entity is now directly insured under a local South African policy that flows via Credendo's local fronter.

"Credendo is always listening, looking to understand, and tries to find an option and works it out," said Rui Marques da Silva. "Credendo is always on top of things and follows up. If they commit with you to do something today or tomorrow – it actually happens. I really appreciate this," he added.

Pieterjan Rubens, Account Manager at Credendo – Trade Credit Insurance added: "You can feel that the people behind Bridgestone are really ambitious and that is what also motivates us to support the company's ambition in terms of credit risk and providing solutions for capacity shortage."

Looking to the future, Bridgestone will soon be setting ambitious targets in order to reach its goal of being the number one player in the global tyre business by 2031. Yet, pursuing growth will not be without its challenges given the highly competitive market, especially considering the increasing number of new players emerging from Asia.

"These new brands are becoming higher in their quality but lower in their price points – we will need to keep fighting for market share," Rui Marques da Silva said.

Having Credendo on board will be essential, said Rui Marques da Silva. "We will not change the way we do business – we still want to have a strong partner next to us to cover our business and with the capability of supporting us on our growth path."

PIETERJAN RUBENS,

Account Manager at Credendo

"You can feel that the people behind Bridgestone are really ambitious and that is what also motivates us to support the company's ambition in terms of credit risk and providing solutions for capacity shortage."

A committed partner in challenging times

SOUDAL

Belgium-based producer of adhesives and sealants Soudal has enjoyed strong turnover growth with ever-increasing sales around the globe. Credendo – Trade Credit Insurance cover has played an important role in supporting that growth. However, it was when times became challenging and Soudal's business was caught up in the Ukraine conflict that its long-term relationship with Credendo – Trade Credit Insurance was particularly valued.

GUNTER HUYBRECHTS,

Senior Credit Controller at Soudal

"The wealth of financial information Credendo brings to the table is greatly valued."

Belgium-based Soudal is the largest independent producer of sealants, adhesives and polyurethane (PU) foam for the construction industry and the do-it-yourself (DIY) market in Europe. The construction industry presents 58% of its business while DIY takes up 27% and industry makes up the remaining 15%.

The family-owned company was established in 1966 and its growth has been fuelled by a mixture of organic expansion as well as some key acquisitions. The firm currently employs more than 4,600 people with 32 production sites on five continents and sales across 140 countries. It reached a turnover of EUR 1.5 billion in 2025.

"Extensive investments in research and development combined with a long-term vision of innovation and adapting to local market requirements have formed the basis for the company's exceptional performance," said Gunter Huybrechts, Senior Credit Controller at Soudal.

The company's growth is mainly driven by exports – which is a strategy reflected in the words of the founder and chairman Vic Swerts. He said in a quote that has become well-known within the company: "There is more abroad than at home". Currently just 6% of the company's turnover is in Belgium, with the remaining 94% abroad.

"Credendo – Trade Credit Insurance's cover has been key in supporting this export focus," said Gunter Huybrechts, with the partnership with the insurance company dating back to 1993.

Gunter Huybrechts explained how Soudal's business model has been structured to be sufficiently diversified to weather economic downturns. "Problems in one country get compensated by growth in other regions," he said.

"Sector diversification helps too. If the economy is slowing down and the services of professional construction companies become too expensive, people will opt to go to DIY shops instead."

Reflecting on the benefits of working with Credendo – Trade Credit Insurance, he noted that the wealth of financial information the insurer brings to the table is greatly valued. "A main reason to work with Credendo – Trade Credit Insurance is their worldwide network and access to financial information," he said. This information can help Soudal decide what customers to work with and what problems there might be on the horizon. Another asset of a Credendo – Trade Credit Insurance policy is the confidence that it gives to banks and suppliers.

"Yet despite efforts to withstand economic bumps in the road, there are always unexpected challenges that are difficult for businesses to mitigate and for insurers to predict. In those circumstances, the support of a committed credit insurer has been invaluable," reflected Gunter Huybrechts.

The outbreak of the conflict between Ukraine and Russia four years ago proved to be a significant challenge for Soudal.

An important Ukrainian customer active in the furniture industry was not permitted to pay its overdue invoice due to a National Bank of Ukraine resolution. This problem was exacerbated by the customer being forced to shut down their business after their warehouse was destroyed during a bombing in Odessa.

With the impossibility of the customer paying the debt, Credendo – Trade Credit Insurance stepped in to fulfil the requirements of its insurance policy, paying 95% of the invoice.

"We were indemnified for this, and it was the first time we had to use the political risk policy," Gunter Huybrechts said, explaining how Credendo – Trade Credit Insurance requested the client's earlier payment history to ensure that the loss was a political risk as opposed to a specific cashflow problem with the client.

In calmer times, Soudal tends to liaise day-to-day with Credendo – Trade Credit Insurance via its online platform, which provides access to their accounts and the ability to contact Credendo – Trade Credit Insurance's team.

Gunter Huybrechts praised Credendo – Trade Credit Insurance's quick response times to queries and also explained that there is an element of mutual cooperation and exchange of information between Soudal and Credendo – Trade Credit Insurance when deciding on credit limits.

"Being close to the market at our side, we can give additional information to Credendo – Trade Credit Insurance, which helps give a face to our customer and helps provide some context around our request for a credit limit," he said. "That way our chances to grow are far bigger."

Looking forward to the future, Gunter Huybrechts hopes that with Credendo – Trade Credit Insurance's support, Soudal will be able to increase its market share.

"We believe that a large part of our growth will come from emerging economies," he said, noting Brazil and Nigeria as potential markets for growth. The company wants to continue its proven growth strategy which should result in a EUR 2 billion turnover by 2030.

"Sustainability is also something Soudal will continue to focus on as a priority," Gunter Huybrechts said. The largest proportion of Soudal's product portfolio is primarily used to improve the energy efficiency of homes and other buildings, which is beneficial for the environment. "We have installed so far 25,000 m² of solar panels on our roofs in Turnhout as well as our own wind turbine on site," Gunter Huybrechts said.

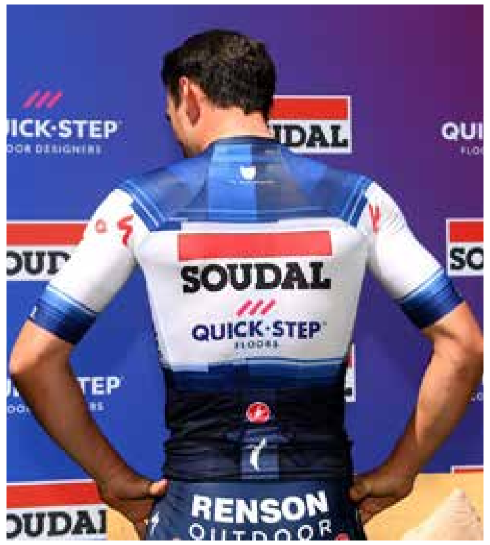
"We are working on reducing the plastics we use in our packaging and ensuring that we use as much available recycled plastics as possible. Unfortunately, many of our products cannot be put in cardboard but when we can – we will," he added.

Soudal is striving to improve the carbon footprint of its internal operations as well. Since 2024, all new company cars are fully electric cars. Half of the company's fleet is currently electric powered.

ZJEF HOOYBERGHS,

Account Manager at Credendo

"I appreciate the open and honest communication with the people of Soudal, which facilitates a fluent cooperation and mutual trust."



Management report on the 2025 consolidated financial statements

1. IFRS consolidation

In conformity with the provisions of the European regulation No. 1606/2002 of 19 July 2002 and the Belgian Royal Decree of 27 September 2009, and in conformity with the decision of the Board of Directors of 17 December 2013 to apply the IFRS standards to the consolidated accounts of Credendo – Export Credit Agency, we report on our consolidated activities over the financial year and the consolidated financial statements closed as at 31 December 2025.

These financial statements contain the consolidated results of Credendo – Export Credit Agency, the official Belgian export credit agency, and of its subsidiaries: Credendo – Trade Credit Insurance, Credendo – Guarantees & Speciality Risks, Immo Montoyer, Holding CIS and Associates integrated using the equity method (together Credendo).

We are pleased to present these consolidated financial statements of Credendo based on the International Financial Reporting Standards (IFRS) as applicable per 31 December 2025, and as adopted by the European Union.

The financial statements have been prepared under the historical-cost convention, except for assets and liabilities relating to insurance contracts, which are valued according to the methods required by IFRS 17, and for financial instruments measured at fair value (derivative instruments, financial instruments at fair value through profit or loss (FVTPL)) as required by IFRS 9. These financial statements are prepared on an accrual basis and based on the assumption that the entity is a going concern and will continue in operation in the foreseeable future.

2. Financials

During 2025, the geopolitical environment remained highly volatile, continuing to shape global trade, investment flows and risk perceptions. The war in Ukraine entered its fourth year with no prospect of a comprehensive peace settlement. While the intensity of hostilities fluctuated, the conflict continued to generate significant humanitarian, economic and geopolitical consequences. Sanctions regimes against Russia and Belarus remained largely in place, sustaining long-term fragmentation in global trade and financial systems.

Tensions in the Middle East persisted throughout 2025. Despite a ceasefire that formally entered into effect in October 2025, the situation between Israel and Hamas remains extremely fragile, with recurrent escalations contributing to regional instability.

More broadly, geopolitical fragmentation continued to deepen. Strategic competition between major economic blocs intensified, notably in relation to AI technology, critical raw materials, energy security and defence industries. Governments increasingly relied on industrial policies, export controls and investment screening mechanisms, contributing to a more fragmented and less predictable global operating environment for internationally active companies. In addition, policy uncertainty originating from the USA contributed to episodes of market and trade volatility during 2025. Shifts in US economic, trade and foreign policy priorities, as well as the use or threat of tariffs and sanctions, periodically affected global financial markets, supply chains and investor sentiment, reinforcing uncertainty for international trade.

In 2025, global economic growth remained remarkably resilient, supported by surging investments related to technology, including artificial intelligence. Advanced economies largely avoided recession, although growth rates stayed subdued due to still-restrictive financial conditions, weak productivity growth and lingering structural challenges. Inflation continued to decline compared to post-pandemic peaks, allowing several central banks to cautiously ease their monetary policy. Nevertheless, interest rates remained structurally higher than in the decade preceding 2020, and continued to weigh on highly leveraged countries, companies and sectors.

Emerging and developing economies showed a differentiated performance. Countries with sound external positions and diversified export bases proved more resilient, while economies with high external debt or strong dependence on imported energy remained vulnerable to financial tightening and geopolitical shocks. Currency volatility persisted in several regions, reflecting sensitivity to capital flows and geopolitical developments.

Financial markets in 2025 were characterised by intermittent volatility. While declining inflation and gradual monetary easing supported asset valuations, geopolitical events and uncertainty about the medium-term growth outlook periodically triggered market corrections. Credit conditions remained selective, with lenders maintaining a cautious stance towards sectors exposed to cyclical demand, high refinancing needs or structural disruption.

Despite this volatility in the financial markets in 2025, substantial unrealised capital gains were achieved in our investment portfolio – albeit at a slightly lower level compared to 2024. In alignment with our ESG strategy, all asset managers furthermore achieved the minimum ESG score in our Zephyr investment fund, including our 'green energy solutions' fund, which invests in the transition to clean energy.

International trade growth remained moderate, constrained by geopolitical fragmentation, protectionist measures and the reconfiguration of global supply chains. Against this backdrop, demand for export credit support remained robust, driven by elevated political and commercial risks, longer payment terms and increased financing needs for large-scale projects. Export credit agencies continued to play a stabilising role by facilitating access to financing, mitigating risks and supporting exporters operating in challenging environments.

Within this environment, Credendo was able to support more business, with its insured transactions increasing by 11% from EUR 81.7 billion last year to EUR 90.7 billion in 2025. However, last year's record was not broken, with gross written premiums after rebates of EUR 421.0 million compared to EUR 481.0 million in 2024. This is mainly due to exceptional high activity in the long-term traditional business in 2024.

Although premium volumes have moderated, Credendo continues to deliver solid operational and financial performance, ensuring the organisation's continued stability. The balance sheet remains robust, liquidity levels are comfortably adequate, and solvency indicators remain strong. Credendo is therefore well-positioned to navigate potential economic challenges and to sustain its long-term mission.

The 2025 Consolidated Statement of Financial Position reports a total balance of EUR 4,019.7 million. This compares to EUR 3,920.6 million at the end of 2024. The financial investment portfolio rose again from EUR 3,086.1 million in 2024 to EUR 3,136.6 million at the end of 2025 while cash and cash equivalents also increased further from EUR 446.1 million to EUR 502.2 million. Liabilities arising from insurance contracts went down by EUR 19.4 million to EUR 472.7 million and total equity excluding non-controlling interests climbed further to EUR 3,424.9 million.

In 2025, the insurance service result weakened considerably, falling from EUR 174.1 million in the previous year to EUR 76.8 million. Insurance revenue decreased with 3.5%, reaching EUR 438.3 million compared to EUR 454.0 million in 2024, primarily due to the strong performance of the long-term credit insurance segment in 2024. Concurrently, insurance expenses rose considerably from EUR 199.6 million in 2024 to EUR 322.6 million in 2025. The increase in insurance expenses compared to 2024 mainly reflects IFRS 17 measurement effects, in particular the impact of discounting on long-dated claim and recovery cash flows, as well as updated expectations on claims settlement patterns. Furthermore, ongoing IFRS 17 methodology stabilisation and refinement of expense allocation continue to influence

year-on-year comparability. These effects are inherent to the long-term nature of Credendo – Export Credit Agency contracts and do not reflect a structural deterioration of underwriting quality. In addition, insurance expenses were negatively impacted by higher housing bond claims, which are a manifestation of a broader, market-wide deterioration in the residential construction sector, particularly in France.

Financial income/(expenses) arising from insurance and reinsurance stayed stable with a financial expense of EUR 27.8 million compared to EUR 27.8 million in 2024. This result is driven by the discounting impacts of the changing claim payments and recoveries patterns from insurance contracts, both for liabilities for remaining coverage and liabilities for incurred claims.

The financial markets continued to thrive during 2025, which resulted in a total financial income of EUR 114.8 million, comparable to the financial income of EUR 177.7 million in 2024 albeit at a lower but still solid level. The net insurance and financial result declined from a profit of EUR 324.0 million in 2024 to a EUR 163.7 million profit in 2025.

Operating expenses (other than claims) and not allocated to fulfilment cashflows, fell by a third to EUR 26.3 million in 2025 versus EUR 38.4 million in 2024. The income tax expense diminished from EUR 18.1 million in 2024 to EUR 12.8 million in 2025. As a result, the profit of the year from continuing operations amounted to EUR 122.0 million, representing a significant decrease compared with EUR 266.0 million in 2024.

In 2025, the net remeasurement of post-employment benefits came at a profit of EUR 2.9 million (after accounting for deferred taxes) compared to the negative result of EUR 9.2 million in 2024, mainly caused by the small change in the actuarial assumption on the discount rate for the Belgian plans, going from 3.30% in 2024 to 3.50% in 2025.

The other comprehensive income in 2025 saw a small gain of EUR 0.2 million (net of deferred taxes), attributable to fair-value adjustments on available-for-sale financial assets. This gain was principally driven by Credendo – Short-Term EU Risks, whose bond portfolio was measured at fair value through other comprehensive income until the merger into Credendo – Trade Credit Insurance with retroactive effect to 1 January 2025 (2024: a net gain of EUR 1.0 million). During the second half of 2025, this bond portfolio was liquidated and reinvested in our Zephyr investment fund.

Exchange rate differences on translating foreign operations reduced further to a negative EUR 2.5 million in 2025 due to the Credendo – Trade Credit Insurance merger, coming from a negative difference of EUR 0.6 million the year before. The total other comprehensive income for the year 2025 amounted to a gain of EUR 0.6 million, a reversal from the EUR 8.8 million loss recorded in 2024. Altogether, this resulted in a total comprehensive income for the year amounting to EUR 122.6 million in profit for 2025, compared with a profit of EUR 257.2 million in the prior year.

In 2025, net cash generated from operating activities amounted to EUR 15.1 million, a sharp decrease from EUR 118.1 million in the previous year. Combined with EUR 41.0 million of cash generated by investing and financing activities in 2025 (compared to EUR 35.1 million net usage in 2024), this led to a rise in the cash and cash equivalents position for 2025 by EUR 56.1 million, versus an increase of EUR 83.0 million in 2024. With the Credendo – Trade Credit Insurance merger, all Credendo entities consolidated on a line-by-line basis use the euro as functional currency. Consequently, the exchange rate differences on cash and cash equivalents in 2025 was zero, compared to the exchange loss of EUR 1.9 million reported in 2024.

Finally, the Consolidated Statement of Changes in Equity explains the movements for each component of the total equity attributable to the owner of the parent – i.e. endowment, consolidated reserves and total other comprehensive income – and for the non-controlling interests in equity. In other words, this Consolidated Statement of Changes in Equity reconciles the financial position to the Income Statement and the Statement of Other Comprehensive Income.

The total 2025 consolidated audit fees of our statutory auditor KPMG Belgium amount to K EUR 939 (2024: K EUR 956) and there are no other audit fees (2024: none). The 2025 fees for our statutory auditor's network include audit fees of K EUR 35 (2024: K EUR 101). The non-audit fees for other missions external to the audit concern permissible tax-related services approved by the relevant audit committees and amount to K EUR 9 (2024: K EUR 7).

3. Risk management and Solvency II

Note 4 'Management of insurance and financial risk' of the consolidated financial statements summarises the insurance and financial risks to which Credendo is or could be exposed and the way it manages them.

The first part covers the exposure to and management of the **insurance risk** or underwriting risk with particulars on credit and investment insurance risk, surety contracts risk, inward reinsurance contracts, sensitivity analysis, change in assumptions, quantitative concentrations and claims development tables. Similarly, the second part on the **financial risk** specifies the market risks (interest rate, currency and equity price risk), the risks on counterparty default and liquidity and capital management. The last part includes the fair-value hierarchy of the financial instruments as well as the transition disclosures.

Credendo's capital management framework considers the interaction between the available and required capital on the one hand, and the risk profile and its expected and stressed evolution on the other.

Credendo entities relate risk tolerance to risk-based capital concepts relevant for different stakeholders. The Credendo subsidiaries subject to the EU-wide Solvency II insurance regulation have a general risk tolerance set

in terms of maintaining a comfortable buffer vis-à-vis the solvency capital requirements in the context of the **Solvency II framework**. Their actual Solvency II capital adequacy is disclosed in their Solvency & Financial Condition Reports and is above the regulatory capital requirement thresholds. All Credendo entities currently hold ratings from recognised international rating agencies.

The structure and quality of the own funds are managed to optimise the mix of available resources, considering that capital requirements are to be covered by own funds but also that different metrics are applied according to regulatory, rating agencies or shareholders' views. The own funds management aims to maximise available resources that provide full absorption of losses on a going-concern basis.

The capital planning strategy aligns the internal capital demand (based on projections of capital requirements taking account of the risk appetite and longer-term business strategy) and the internal capital supply (own funds) over the business planning period, identifying possible needs to raise additional resources. Medium-term capital planning and the projection of risk-based capital metrics should reduce volatility in the capital position and support the capital buffer, ensure access to capital in the future and increase capital efficiency. Optimising capital management includes assessing whether to retain or transfer risks, taking the projection of capital required into account.

4. Events occurring after the reporting period

After the reporting period, no events occurred that could have resulted in a material impact on the reported figures as of 31 December 2025. However, the large-scale military campaign launched by the USA and Israel against Iran at the end of February has continued to evolve and has resulted in instability in the Middle East, with serious consequences for energy markets, trade routes and supply chains worldwide. As at the reporting date, Credendo has no outstanding credit exposure to Iran.

While we continue to closely monitor these geopolitical developments, especially in the Middle East, it is at this stage too early to assess whether they may give rise to any indirect consequences for Credendo. With its very strong balance sheet, current liquidity, and high solvency, Credendo continues to meet the economic and geopolitical challenges ahead. Furthermore, parent company, Credendo – Export Credit Agency, operates under the guarantee of the Belgian state.

Consequently, the current crisis does not create significant uncertainty that could cast substantial doubt on Credendo's ability to continue its operations. The consolidated annual financial statements have therefore been prepared on a going-concern basis.

Credendo Consolidated Financial Statements 31 December 2025

Consolidated statement of financial position[1]

In thousands EUR	Note	31/12/2025	31/12/2024
ASSETS			
Intangible assets	5	126,378	127,262
Property, plant and equipment	6	21,646	21,422
Other financial assets	7	17,739	18,265
Financial investments	8	3,136,564	3,086,096
Deferred income tax assets	9	3,059	1,179
Insurance assets	10	8,626	14,821
Reinsurance assets	11	107,784	84,623
Loans and receivables including reinsurance receivables	12	81,847	99,996
Other assets	13	9,106	17,612
Current tax assets		4,723	3,242
Cash and cash equivalents	14	502,214	446,096
Total assets		**4,019,686**	**3,920,614**

In thousands EUR	Note	31/12/2025	31/12/2024
EQUITY AND LIABILITIES			
Equity			
Share capital	15	297,472	297,472
Consolidated reserves	16	3,123,810	3,001,622
Total other comprehensive income	16	3,600	3,025
Total equity excluding non-controlling interests		3,424,882	3,302,119
Non-controlling interests		-17	-14
Total equity		**3,424,865**	**3,302,105**
Liabilities			
Liabilities arising from insurance contracts	10	472,706	492,132
Liabilities arising from reinsurance contracts	11	2,196	2,341
Deferred income tax liabilities	9	12,685	5,744
Provisions for other liabilities and charges	17	202	18
Employee benefit liabilities	18	21,721	24,927
Payables	19	24,570	20,045
Other liabilities	20	54,770	66,060
Current tax liabilities		5,971	7,242
Total liabilities		**594,821**	**618,509**
Total equity and liabilities		**4,019,686**	**3,920,614**

1 The consolidated statement of financial position is presented in thousands of euros, rounded to the nearest thousand using a full stop as decimal separator and a comma as thousands separator.

Consolidated income statement[1]

In thousands EUR	Note	31/12/2025	31/12/2024
Insurance revenue	21	438,270	453,980
Insurance expenses	22	-322,624	-199,607
Net income/(expenses) from reinsurance contracts held		-38,863	-80,242
Insurance service result		**76,783**	**174,131**
Net finance income/(expenses) from reinsurance contracts	23	2,282	5,250
Net finance income/(expenses) from insurance contracts	24	-30,123	-33,046
Financial income/(expenses) arising from insurance and reinsurance		**-27,841**	**-27,796**
Other finance income		158,199	195,275
Other finance expense		-43,445	-17,605
Total financial income	**25**	**114,754**	**177,670**
Net insurance and financial result		**163,696**	**324,005**
Other operating income		806	7,510
Employee benefit expenses		-7,597	-9,853
Services and other goods		-1,069	-9,480
Depreciation and amortisation		-19,721	-15,336
Other operating expenses		1,287	-11,212
Operating expenses (other than claims)	**26**	**-26,294**	**-38,371**
Share of profit of associated and joint ventures accounted for using equity method		**-2,612**	**-1,575**
Profit/(loss) of the year before tax		**134,790**	**284,059**
Income tax credit/ (expense)	28	-12,817	-18,083
Profit/(loss) of the year		**121,973**	**265,976**
Profit/(loss) attributable to:			
Owners of the parent		121,976	265,979
Non-controlling interest		-3	-3
Total profit/(loss) of the year		**121,973**	**265,976**

1 The consolidated income statement is presented in thousands of euros, rounded to the nearest thousand using a full stop as decimal separator and a comma as thousands separator.

Consolidated statement of other comprehensive income[1]

In thousands EUR	Note	31/12/2025	31/12/2024
Profit/(loss) of the year		**121,973**	**265,976**
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements on post-employment benefits	18	3,349	-10,438
Deferred tax on remeasurements on post-employment benefits	9	-491	1,194
Subtotal of other comprehensive income that will not be reclassified to profit or loss		**2,858**	**-9,244**
Items that may be subsequently reclassified to profit or loss			
Change in value of fair value through OCI financial investments	8	193	1,128
Deferred taxes thereon	9	-	-92
		193	**1,036**
Exchange differences on translating foreign operations		-2,476	-597
Subtotal of other comprehensive income for the year that may be subsequently reclassified to profit or loss		**-2,283**	**439**
Total other comprehensive income for the year		**575**	**-8,805**
Total comprehensive income for the year		**122,548**	**257,171**
Attributable to:			
Owners of the parent		122,551	257,174
Non-controlling interest		-3	-3
Total comprehensive income for the year		**122,548**	**257,171**

1 The consolidated statement of other comprehensive income is presented in thousands of euros, rounded to the nearest thousand using a full stop as decimal separator and a comma as thousands separator.

Consolidated statement of changes in equity[1]

In thousands EUR	Note	Endowment	Consolidated reserves	Total other comprehensive income for the year	Total	Non-controlling interest in equity	Total equity
		Attributable to owners of the parent					
BALANCE AT 01/01/2025		**297,472**	**3,001,622**	**3,025**	**3,302,119**	**-14**	**3,302,105**
Profit/(loss) of the year		**-**	**121,976**	**-**	**121,976**	**-3**	**121,973**
Other comprehensive income:							
Remeasurements on post-employment benefits	9-18	-	-	2,858	2,858	-	2,858
Change in value of fair value through OCI financial investments		-	-	193	193	-	193
Exchange differences on translating foreign operations		-	-	-2,476	-2,476	-	-2,476
Total other comprehensive income for the year		**-**	**-**	**575**	**575**	**-**	**575**
Total comprehensive income for the year		**-**	**121,976**	**575**	**122,551**	**-3**	**122,548**
Other equity movements		**-**	**212**	**-**	**212**	**-**	**212**
Total equity movement for the year		**-**	**122,188**	**575**	**122,763**	**-3**	**122,760**
Balance at 31/12/2025		**297,472**	**3,123,810**	**3,600**	**3,424,882**	**-17**	**3,424,865**

In thousands EUR	Note	Endowment	Consolidated reserves	Total other comprehensive income for the year	Total	Non-controlling interest in equity	Total equity
		Attributable to owners of the parent					
BALANCE AT 01/01/2024		**297,472**	**2,735,885**	**11,830**	**3,045,187**	**-11**	**3,045,176**
Profit/(loss) of the year		**-**	**265,979**	**-**	**265,979**	**-3**	**265,976**
Other comprehensive income:							
Remeasurements on post-employment benefits	9-18	-	-	-9,244	-9,244	-	-9,244
Change in value of fair value through OCI financial investments		-	-	1,036	1,036	-	1,036
Exchange differences on translating foreign operations		-	-	-597	-597	-	-597
Total other comprehensive income for the year		**-**	**-**	**-8,805**	**-8,805**	**-**	**-8,805**
Total comprehensive income for the year		**-**	**265,979**	**-8,805**	**257,174**	**-3**	**257,171**
Other equity movements		**-**	**-242**	**-**	**-242**	**-**	**-242**
Total equity movement for the year		**-**	**265,737**	**-8,805**	**256,932**	**-3**	**256,929**
Balance at 31/12/2024		**297,472**	**3,001,622**	**3,025**	**3,302,119**	**-14**	**3,302,105**

1 The consolidated statement of changes in equity is presented in thousands of euros, rounded to the nearest thousand using a full stop as decimal separator and a comma as thousands separator.

Consolidated statement of cash flows[1]

in thousands EUR	Note	31/12/2025	31/12/2024
CASH FLOWS FROM OPERATING ACTIVITIES			
PROFIT/(LOSS) BEFORE INCOME TAX		**121,973**	**265,976**
Adjustments for:			
Depreciation and amortisation	26	19,721	15,336
Movement of provisions	17	185	-12
Write-offs on trade receivables	22	-5,054	16,330
Fair value gains/losses on financial assets at FVPL	27	-128,221	-118,974
Other fair value adjustments of financial investments	27	-1,347	-
Finance income (Net)		32,027	-26,748
Net of unrealised exchange rate differences		3,189	-2,642
Subtotal (profit + adjustments)		**42,473**	**149,266**
Changes in working capital assets and liabilities (excluding the effect of exchange differences on consolidation):			
Liabilities arising from insurance contracts		-16,901	-72,502
Employee benefits (excluding remeasurements through OCI)		143	1,351
Payables		4,525	-2,709
Other liabilities and provisions		-14,280	10,582
Reinsurance assets		-23,306	24,811
Changes in receivables		23,204	34,092
Changes in other financial assets		524	-15,886
Changes in other assets		8,506	2,771
Other equity movements		212	-242
Cash (used in)/generated from operations		**25,100**	**131,534**
Income tax paid		-10,023	-13,433
Net cash (used in)/generated by operating activities		**15,077**	**118,101**

1 The consolidated statement of cash flows is presented in thousands of euros, rounded to the nearest thousand using a full stop as decimal separator and a comma as thousands separator.

in thousands EUR	Note	31/12/2025	31/12/2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	6	-740	-1,034
Sale of property, plant and equipment	6	92	174
Purchase of intangible assets	5	-19,619	-17,530
Disposal of intangible assets	5	8,341	-
Purchase of financial investments	8	-235,116	-180,156
Proceeds from sale of financial investments	8	299,543	114,396
Finance income		1,905	3,142
Interests and dividends received on financial assets		16,204	29,014
Realised exchange gains/(losses) on financial assets		-28,337	18,248
Net cash (used in)/generated by investing activities		**42,273**	**-33,746**
CASH FLOWS FROM FINANCING ACTIVITIES			
Financial charges and interest costs paid		-1,232	-1,361
Net cash (used in)/generated by financing activities		**-1,232**	**-1,361**
CHANGES IN CASH AND CASH EQUIVALENTS			
Net (decrease)/increase in cash and cash equivalents		56,118	82,994
Cash and cash equivalents at the beginning of the year		446,096	365,031
Exchange gains/(losses) on cash and cash equivalents		-	-1,929
Cash and cash equivalents at the end of the year	14	**502,214**	**446,096**

Notes to the consolidated financial statements

1. General information

1.1. Introduction

Credendo – Export Credit Agency (commercial name of Delcredere | Ducroire) and its subsidiaries form Credendo.

Credendo – Export Credit Agency is the official Belgian export credit agency.

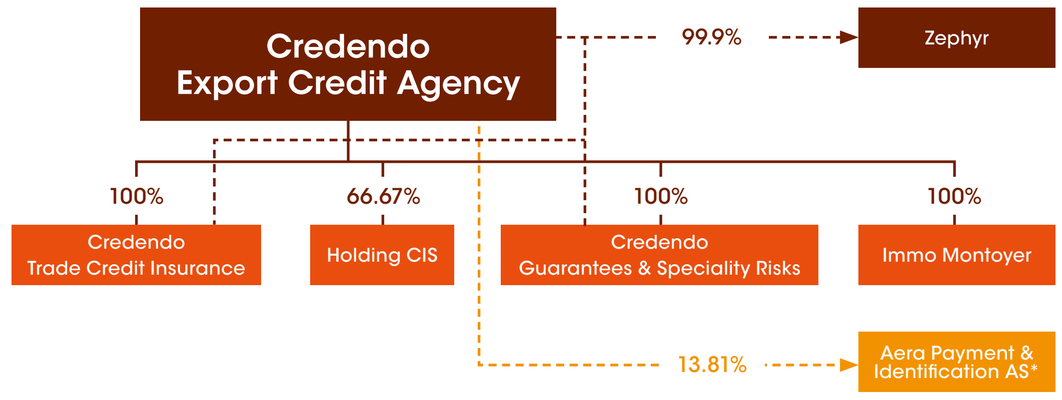
Credendo – Export Credit Agency insures companies and banks against non-payment and termination due to political and commercial risks relating to international commercial transactions, mainly regarding capital goods and industrial projects, as well as contracted works and services. For these risks, Credendo – Export Credit Agency can also work alongside banks through risk-sharing schemes. Credendo – Export Credit Agency also insures against political risks relating to foreign direct investments and directly finances commercial transactions of limited proportion.

The skills of Credendo – Export Credit Agency are complemented by those of its subsidiaries (together 'Credendo'): Credendo – Trade Credit Insurance and Credendo – Guarantees & Speciality Risks. The strategic merger between our two short-term trade credit entities, Credendo – Short-Term Non-EU Risks and Credendo – Short-Term EU Risks, into this new entity, Credendo – Trade Credit Insurance, was initiated at the beginning of 2024 and completed on 11 April 2025, with retroactive effect as from 1 January 2025. Immediately after the merger, and as from its legal effective date, the share capital of Credendo – Trade Credit Insurance has been reduced by an amount of EUR 10 million and thus reimbursed to its parent company.

In 2020, Credendo – Export Credit Agency acquired a 33% stake in Marjory SAS, an iPaaS provider specialised in multi-sided platforms such as marketplaces. Credendo – Export Credit Agency also financed Marjory SAS through secured debt. After Marjory's 2023 recapitalisation and despite initial expectations of growth and profitability as foreseen in its business plan and financial plan, Marjory's financial and operational performance did not meet these projections. With no third-party investors willing to invest, the Board of Directors of Credendo – Export Credit Agency approved the voluntary liquidation and dissolution of Marjory in December 2024, acknowledging the full write-down of its investment. The liquidation took effect on 30 December 2025.

In 2021, Credendo – Export Credit Agency acquired a 26.83% stake in Digiteal SA, a European fintech company specialising in invoice presentation, payments, and bank statements. In February 2024, Credendo – Export Credit Agency obtained a 15.43% stake in Aera, a Norwegian payment service provider, that took over Digiteal SA, resulting in Digiteal becoming a wholly owned and controlled subsidiary of Aera. Credendo – Export Credit Agency's stake was diluted to 13.81% in November 2024 due to non-participation in a subsequent funding round. In November 2025, another funding round for an amount of NOK 162 M (± EUR 13.9 M) took place in which Credendo – Export Credit Agency participated pari passu with the other Aera shareholders.

Credendo – Export Credit Agency is a government body with a state guarantee, incorporated and domiciled in Belgium. The address of its registered office is rue Montoyerstraat 3, 1000 Brussels. Credendo provides insurance cover for companies within Europe, while the risks covered encompass the whole world. The company operates in Belgium, Austria, the Czech Republic, France, Germany, Ireland, Italy, the Netherlands, Poland, Spain, Switzerland and the United Kingdom.



* Integrated using equity method

1.2. Economic and geopolitical context

During 2025, the geopolitical environment remained highly volatile, continuing to shape global trade, investment flows and risk perceptions. The war in Ukraine entered its fourth year with no prospect of a comprehensive peace settlement. While the intensity of hostilities fluctuated, the conflict continued to generate significant humanitarian, economic and geopolitical consequences. Sanctions regimes against Russia and Belarus remained largely in place, sustaining long-term fragmentation in global trade and financial systems. Tensions in the Middle East persisted throughout 2025. Despite episodic ceasefires, the situation between Israel and Hamas remained fragile, with recurrent escalations contributing to regional instability.

More broadly, geopolitical fragmentation continued to deepen. Strategic competition between major economic blocs intensified, notably in relation to AI technology, critical raw materials, energy security and defence industries. Governments increasingly relied on industrial policies, export controls and investment screening mechanisms, contributing to a more fragmented and less predictable global operating environment for internationally active companies. In addition, policy uncertainty originating from the USA contributed to episodes of market and trade volatility during 2025. Shifts in US economic, trade and foreign policy priorities, as well as the use or threat of tariffs and sanctions, periodically affected global financial markets, supply chains and investor sentiment, reinforcing uncertainty for international trade.

In 2025, global economic growth remained remarkably resilient, supported by surging investments related to technology, including artificial intelligence. Advanced economies largely avoided recession, although growth rates stayed subdued due to still-restrictive financial conditions, weak productivity growth and lingering structural challenges. Inflation continued to decline compared to post-pandemic peaks, allowing several central banks to cautiously ease their monetary policy. Nevertheless, interest rates remained structurally higher than in the decade preceding 2020, and continued to weigh on highly leveraged countries, companies and sectors.

Emerging and developing economies showed a differentiated performance. Countries with sound external positions and diversified export bases proved more resilient, while economies with high external debt or strong dependence on imported energy remained vulnerable to financial tightening and geopolitical shocks. Currency volatility persisted in several regions, reflecting sensitivity to capital flows and geopolitical developments.

Financial markets in 2025 were characterised by intermittent volatility. While declining inflation and gradual monetary easing supported asset valuations, geopolitical events and uncertainty about the medium-term growth outlook periodically triggered market corrections. Credit conditions remained selective, with lenders maintaining a cautious stance towards sectors exposed to cyclical demand, high refinancing needs or structural disruption.

Despite this volatility in the financial markets in 2025, substantial unrealised capital gains were achieved in our investment portfolio – albeit at a slightly lower level compared to 2024. In alignment with our ESG strategy, all asset managers furthermore achieved the minimum ESG score in our Zephyr investment fund, including our 'green energy solutions' fund, which invests in the transition to clean energy.

International trade growth remained moderate, constrained by geopolitical fragmentation, protectionist measures and the reconfiguration of global supply chains. Against this backdrop, demand for export credit support remained robust, driven by elevated political and commercial risks, longer payment terms and increased financing needs for large-scale projects. Export credit agencies continued to play a stabilising role by facilitating access to financing, mitigating risks and supporting exporters operating in challenging environments.

Within this environment, Credendo was able to support more business, with its insured transactions increasing by 11% from EUR 81.7 billion last year to EUR 90.7 billion in 2025. However, last year's record was not broken, with gross written premiums after rebates of EUR 421 million compared to EUR 481 million in 2024. This is mainly due to exceptionally high activity in the long-term traditional business in 2024.

Although premium volumes have moderated, Credendo – Export Credit Agency continues to deliver solid operational and financial performance, ensuring the organisation's continued stability. The balance sheet remains robust, liquidity levels are comfortably adequate, and solvency indicators remain strong. Credendo is therefore well-positioned to navigate potential economic challenges and to sustain its long-term mission.

2. Summary of material accounting policies

2.1. Basis of preparation of the consolidated financial statements

General principles

Credendo's consolidated financial statements for the year that ended on 31 December 2025 are prepared in accordance with the IFRS (International Financial Reporting Standards) as adopted by the European Union and that had been published at that date, namely the standards published by the IASB (International Accounting Standards Board) and the interpretations issued by the IFRIC (International Financial Reporting Interpretations Committee). Credendo applies a consistent, principles-based approach reflecting its specific risk profile spanning political risk, buyer insolvency and surety exposures across its entities Credendo – Export Credit Agency, Credendo – Trade Credit Insurance and Credendo – Guarantees & Speciality Risks.

These financial statements are presented in thousands of euros, rounded to the nearest thousand, unless otherwise stated.

Historical cost is applied except for insurance contract assets and liabilities, which are valued according to the methods required by IFRS 17 (note 2.13. 'Insurance contracts and reinsurance contracts'), and financial instruments measured at fair value (derivative instruments, financial instruments at fair value through profit or loss (FVTPL)) as required by IFRS 9 (note 2.7. 'Financial investments and other financial assets'). Credendo's accounting policies incorporate group-specific elections reflecting the endowment fund structure, long-term reinsurance programmes and differentiated product lines.

These financial statements are prepared on an accrual basis and based on the assumption that the entity is a going concern and will continue in operation in the foreseeable future.

The following **new amendments** are **mandatory** for the first time for the financial year beginning on 1 January 2025 and have been **endorsed by the European Union**:

> **Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability' (effective 1 January 2025)**. IAS 21 previously did not cover how to determine exchange rates in case there is long-term lack of exchangeability and the spot rate to be applied by the company is not observable. The narrow scope amendments add specific requirements on:

- determining when a currency is exchangeable into another and when it is not;
- determining the exchange rate to apply in case a currency is not exchangeable;
- additional disclosures to provide when a currency is not exchangeable.

Credendo assessed the amendment in the context of Aera Norway, the only non-EUR functional-currency entity. NOK remained freely convertible throughout 2025; therefore, no accounting impact arose.

The following amendments have been issued, but are not mandatory for the first time for the financial year beginning on 1 January 2025 and have been **endorsed** by the European Union:

> **Amendments to IFRS 9 and to IFRS 7: the Classification and Measurement of Financial Instruments (effective on 1 January 2026)**. On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

> **Amendments to IFRS 9 and to IFRS 7: Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (effective on 1 January 2026)**. On 18 December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- clarify the application of the 'own-use' requirements;
- permit hedge accounting if these contracts are used as hedging instruments; and
- to include new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

A full SPPI reassessment confirmed that Credendo now exclusively holds plain vanilla government bonds; no reclassification or disclosure impacts are expected. Credendo does not enter into PPAs or nature-dependent electricity contracts; therefore, the December 2024 amendments have no impact.

> **Annual improvements Volume 11 (effective 1 January 2026)**. The amended standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The following standards have been issued, but are **not mandatory** for the first time for the financial year beginning on 1 January 2025 and have **not been endorsed** by the European Union:

> **IFRS 18 Presentation and Disclosure in Financial Statements (effective on 1 January 2027)**. The IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS 18 will apply to reporting periods beginning on or after 1 January 2027 and also applies to comparative information. The changes in presentation and disclosure required by IFRS 18 might require system and process changes.

Initial assessments indicate moderate process changes for disclosure layering and operating profit definition, without structural impacts.

> **IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective on 1 January 2027)**. The International Accounting Standards Board (IASB) has issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 'Subsidiaries without Public Accountability: Disclosures' permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements.

> **IFRS for SMEs third edition**. The third edition of the IFRS for SMEs Accounting Standard reflects updates that now largely align it with IFRS Accounting Standards. Some areas of divergence remain – the International Accounting Standards Board (IASB) has notably opted to defer alignment with IFRS 16 Leases – but the updated SMEs Accounting Standard now broadly reflects:

- IFRS 3 Business Combinations;
- IFRS 10 Consolidated Financial Statements;
- IFRS 15 Revenue from Contracts with Customers; and
- other relevant changes made to the IFRS Accounting Standards since 2015.

> **IAS 21 The Effects of Changes in Foreign Exchange Rates**. There is currently no specific guidance for translating a company's financial statements from a non-hyperinflationary functional currency into a hyperinflationary presentation currency. This scenario arises when a company presents its financial statements in a hyperinflationary currency but has:

- a non-hyperinflationary functional currency; or
- a hyperinflationary functional currency and a foreign operation with a non-hyperinflationary functional currency.

To reduce diversity in practice and improve the usefulness of information for investors, the International Accounting Standards Board (IASB) has amended IAS 21 'The Effects of Changes in Foreign Exchange Rates' to clarify that:

- a company with a non-hyperinflationary functional currency uses the closing rate at the latest reporting date when translating all the financial statement amounts (including comparatives) into its presentation currency; and
- a company uses the closing rate at the latest reporting date when translating all amounts (except comparatives) of a foreign operation with a non-hyperinflationary functional currency and applies the general price index to restate the comparatives.

Credendo is currently assessing the impact of those standards and amendments that are effective from 2026 and beyond.

2.2. Consolidation

A. Subsidiaries

Subsidiaries are all entities (including structured entities) over which Credendo has control. Credendo controls an entity when Credendo is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to Credendo. They are deconsolidated from the date control ceases.

Intragroup transactions, balances, gains and losses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by Credendo.

The non-controlling interests in the net assets and net results of consolidated subsidiaries are presented separately in the consolidated statement of financial position, the consolidated income statement and the consolidated statement of other comprehensive income. After the acquisition date, the non-controlling interests include the amount calculated at the date of acquisition and the share of changes in equity since the date of acquisition attributable to non-controlling interests.

The consolidation boundary changed following the 2025 merger of Credendo – Short-Term EU Risks and Credendo – Short-Term Non-EU Risks into Credendo – Trade Credit Insurance. Controls and reporting frameworks were adjusted accordingly. Because both these entities were already fully-owned subsidiaries, the merger only had a minor impact on the consolidation.

B. Associates

Associates are all entities over which Credendo has significant influence but no control, generally through a shareholding of 20% to 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. Credendo's investments in associates include goodwill identified on acquisition. This is not currently applicable.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Credendo's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When Credendo's share of losses in an associate, equals or exceeds its interest in the associate, including any other unsecured receivables, Credendo does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

At each reporting date Credendo determines whether there is any objective evidence that the investment in the associate is impaired. If this is the case, Credendo calculates the amount of the impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of associates' in the income statement.

Profits and losses resulting from upstream and downstream transactions between Credendo and its associates are recognised in the Credendo financial statements only to the extent of unrelated investors' interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where possible to ensure consistency with the policies adopted by Credendo. Aera Norway remains Credendo's only associate. Its NOK functional currency is translated into EUR for consolidation. Even with a minority stake of 13.81%, Credendo – Export Credit Agency still holds significant influence over Aera Norway; therefore the investment continues to be accounted for under the equity method (Note 31.2. Associates).

2.3. Business combinations

Credendo applies the acquisition method to account for business combinations.

The consideration transferred for the acquisition of a subsidiary is measured at the aggregate of the fair values of the assets transferred, the liabilities incurred or assumed, and the equity interests issued by Credendo at the date of the acquisition.

The excess of the aggregate of the consideration transferred and the fair value of non-controlling interests over the net identifiable assets acquired and liabilities assumed is recorded as goodwill.

If the opposite is true, the difference is recognised in the income statement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair values at the acquisition date.

Acquisition costs are expensed as incurred.

Credendo recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquired entity's identifiable net assets.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value.

Where a business combination is achieved in stages, the acquisition-date carrying value of Credendo's previously held equity interest in the acquired entity is remeasured to fair value at the acquisition date (i.e. the date Credendo obtains control) and the resulting gain or loss, if any, is recognised in the profit or loss account.

2.4. Foreign-currency translation

A. Functional and presentation currency

Items included in the financial statements of each of the Credendo entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The functional currency of all subsidiaries of Credendo is the euro. The functional currency of its associate Aera is the Norwegian krone. After the merger of Credendo – Short-Term EU Risks with Credendo – Short-Term Non-EU Risks into Credendo – Trade Credit Insurance with retroactive effect to 1 January 2025, the Czech krone is no longer a Credendo functional currency.

The consolidated financial statements are presented in thousands of euros, which is Credendo – Export Credit Agency's functional and presentation currency.

B. Translation of transactions and balances

Foreign-currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transactions. Foreign-exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and/or qualifying net investment hedges.

Foreign-exchange gains and losses that relate to borrowings, cash and cash equivalents, financial investments and receivables/payables are presented in the income statement within 'Net financial income'. All other foreign-exchange gains and losses are presented in the income statement within the 'Financial income/(expenses) arising from insurance and reinsurance'.

Cash flows arising from transactions in a foreign currency are translated at the exchange rates at the dates of the cash flows (using average rates only when they approximate the actual rates). Cash flows of foreign subsidiaries are translated at the exchange rates at the dates of the cash flows. The effect of exchange-rate changes on cash and cash equivalents is presented separately from operating, investing and financing cash flows.

Changes in the fair value of monetary securities denominated in foreign currency classified as amortised cost (previously classified as available for sale under IAS 39) are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss; other changes in carrying amount are recognised in 'Other comprehensive income'.

Translation differences on financial assets and liabilities held at fair value through profit or loss are reported as part of the fair-value gain or loss. Translation differences on non-monetary financial investments such as equity instruments designated at fair value through other comprehensive income (FVOCI), are included in 'Other comprehensive income'.

The results and financial positions of all Credendo entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

> assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

> income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

> all resulting exchange differences are recognised in 'Other comprehensive income'.

2.5. Property, plant and equipment

All property, plant and equipment are carried at acquisition cost less any accumulated depreciation and less any accumulated impairment loss. Cost includes any directly attributable cost of bringing the asset to working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Credendo and the cost of the item can be measured reliably. All other repair and maintenance expenditures are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation is calculated using the straight-line method to allocate an item's cost to its residual values over its estimated useful life, as follows:

- Building – components:
  - Structure: 50 years
  - Building equipment: 20 years
  - Decoration: 10 years
- Office furniture: 10 years
- Computer hardware: 3 years
- Other equipment: 5 years
- Furnishing: 10 years
- Vehicles: 5 years
- Other tangible fixed assets: 5 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2.6. Intangible assets

A. Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over Credendo's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs), or groups of CGUs, expected to benefit from the synergies of the combination. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

B. Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by Credendo are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs, that are capitalised as part of the software product include the software-development employee costs and an appropriate portion of directly attributable overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are carried at acquisition cost less any accumulated amortisation and less any accumulated impairment loss and are amortised on a straight-line basis over their useful lives, which do not exceed five years for externally acquired software and ten years for internally generated software.

Computer software is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The capitalised development costs of the computer software not yet available for use are tested for impairment on an annual basis.

C. Concessions, patents and licences

Separately acquired concessions, patents and licences with an indefinite useful life are tested for impairment annually or whenever there is an indication of impairment. Each accounting period, a review is carried out to confirm whether or not events and circumstances still support the assumption of an indefinite useful life.

Separately acquired concessions, patents and licences that have a finite useful life are carried at cost less accumulated amortisation.

2.7. Financial investments and other financial assets (IFRS 9)

2.7.1 Financial investments

A. Classification and measurement

Credendo classifies its financial investments into the following categories: at fair value through profit or loss and at amortised cost (AC). The classification depends on the nature of the instrument, its SPPI-characteristics (solely payments of principal and interest), and the business model of the company holding it. Management determines the classification of its financial investments at initial recognition.

Debt versus equity

As a first step, an entity should consider whether an asset is an investment in an equity instrument or in a debt instrument. The result of this consideration will determine how the asset is to be categorised. In the case of derivatives, the remainder of the analysis is quite simple, as such instruments may only be recorded at Fair Value through Profit and Loss (FVTPL). In any other case, a number of further conditions must be assessed.

Business models

Secondly, Credendo – Export Credit Agency operates a strict hold-to-collect (HTC) model for its endowment-fund bond portfolio and other amortised-cost financial assets classified under IFRS 9. Credendo – Trade Credit Insurance and Credendo – Guarantees & Speciality Risks no longer maintain bond portfolios, following the strategic shift away from fixed income investments. Credendo's investment fund Zephyr, by contrast, is managed under a fair-value-through-profit-or-loss model, in line with its benchmark and volatility-targeting mandates.

SPPI test

For those debt instruments that belong to either of the two prescribed business models (amortised cost and FVOCI), the next step consists of the 'Solely Payments of Principal and Interests' test (SPPI test). This test verifies whether the cash flows derived from a debt instrument are consistent with features of a basic lending arrangement.

The criteria for this test are as follows:

- 'Principal' is defined as the fair value of the financial asset at initial recognition.
- 'Interest' consists of consideration for the time value of money, the credit risk associated with the principal amount outstanding, and other basic lending risks (e.g. liquidity risk) and costs (e.g. administrative costs) as well as a reasonable profit margin.

Note that this test is not relevant for those instruments that belong in the 'Other' category.

All Credendo – Export Credit Agency bonds meet the SPPI requirements given these are all plain vanilla government bonds. Funded solutions (forfaiting and buyer loans) also meet SPPI requirements, reflecting basic lending arrangements.

FVTPL option for SPPI-compliant debt instruments

For debt instruments that pass the SPPI test (and whose cash flows are thus consistent with features of a basic lending arrangement), there exists an optional (but irrevocable) fair value approach, as mentioned before, provided that doing so eliminates or significantly reduces accounting mismatch.

FVOCI option for equity instruments

Equity instruments (for which the SPPI test is not relevant) also possess an optional but irrevocable option to use FVOCI (no recycling) rather than FVTPL.

Note that in this case there is no recycling of amounts from OCI to profit or loss – for example, on sale of an equity investment – nor are there any impairment requirements.

Credendo has not applied the FVOCI option.

Finally, the sum of the steps above will determine the ultimate classification (amortised cost, FVTPL, FVOCI with recycling, FVOCI without recycling).

- The amortised cost approach is applied on the direct line bonds held by Credendo – Export Credit Agency and the financial products of Credendo – Export Credit Agency. These investments are booked at acquisition value, subsequent measurement considers the effective interest rate method and expected credit losses, and both elements go through profit or loss.
- The FVTPL approach is applied to the investments in equities held by Credendo – Export Credit Agency, Credendo – Trade Credit Insurance and Credendo – Guarantees & Speciality Risks, mainly through the Credendo Zephyr investment fund. The Zephyr structure is classified as a single FVTPL asset because Credendo evaluates performance entirely on net asset value and manages the mandates as one investment strategy. These investments are booked at acquisition value, subsequently measured at market value whereby latent capital gains or losses go through the profit or loss account.

B. Determination of fair value

For financial instruments traded in active markets, the determination of fair values of financial investments and financial liabilities is based on quoted market prices or dealer price quotations (i.e. a 'mark-to-market' approach to determine its fair value). This includes listed equity securities and quoted debt instruments on major exchanges (for example NYSE-Euronext) and broker quotes.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as inactive.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using input existing at the dates of the consolidated statement of financial position.

C. Impairment of financial investments – expected credit loss model

Credendo assesses on a forward-looking basis the expected credit loss (ECL) associated with its debt instrument assets carried at AC and FVOCI. Credendo recognises a loss allowance for such losses at each reporting date. The ECL modelling reflects Credendo's specific funded-solutions context. A 180-day credit-impaired threshold is applied due to the operational nature of delays in export finance. Significant increase in credit risk (SICR) identification uses Credendo's internal sovereign and buyer Probability-of-Default (PD) models, integrating forward-looking country-risk factors.

Note 4.2.2 provides more detail on how the ECL allowance is measured.

D. Investments in other investment funds: valuation

The investments in other investment funds, mainly the Zephyr investment fund, are classified as financial investments through profit or loss (FVTPL). These investments are valued based on the latest available fair value of such units for each investee fund, as determined by the asset manager of each investee fund. Credendo reviews the details of the reported information obtained from the asset managers and considers:

> the liquidity of the investee fund or its underlying investments;

> the value date of the net asset value provided;

> any restrictions on redemptions;

> fair-value basis of accounting.

If necessary, Credendo makes adjustments to the net asset value of the investee funds to obtain the best estimate of fair value.

2.7.2 Other financial assets

Other financial assets are initially valued at their fair value plus transaction costs, if applicable. Short-term loans and receivables are measured at nominal value if the effect of discounting is immaterial. Loans and receivables are subsequently measured at amortised cost.

2.7.3 Funded solutions

Aside from its financial investments, lease liabilities and other financial assets, Credendo has a range of products known as 'funded solutions', such as forfaiting and buyer loans. These are accounted for under IFRS 9 and measured at amortised cost. Significant increase in credit risk (SICR) thresholds and staging reflect alignment with Credendo's investment-grade definition (1.30% Probability-of-Default (PD) threshold). The 180-day threshold captures operational delays without overstating credit losses.

These instruments consist of:

> Forfaiting: a solution in case an exporter wants to grant a credit facility to its foreign buyer to allow it to pay for the equipment goods it bought from the exporter. For a credit facility of up to EUR 8 million and a tenor between 2 and 5 years, Credendo covers and pays the exporter after delivery of the equipment.

> Buyer credit: export credit for a foreign buyer located in a specific country, to pay for the delivery of capital goods by an exporter. In the framework of Credendo Export Finance Solutions (EFS), designed to help SMEs and midcap exporters win international contracts, the previous maximum amount of EUR 8 million increased to EUR 25 million.

2.7.4 Financial liabilities

Financial liabilities only include payables arising from leasing operations and are measured at amortised cost.

2.8. Derivative financial instruments

Credendo does not apply hedge accounting and thus currently makes no use of derivative financial instruments.

2.9. Impairment of non-financial assets

Intangible assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10. Offsetting financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is reported in the consolidated statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.11. Cash and cash equivalents

In the consolidated statement of cash flows, 'cash and cash equivalents' include cash at hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.12. Endowment and share capital

Credendo – Export Credit Agency received an endowment (capital) from the Belgian state several decades ago. This endowment is classified as equity since there is no obligation to transfer cash or other assets.

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

2.13. Insurance contracts and reinsurance contracts (IFRS 17)

Credendo issues the following types of insurance contracts:

> Credit insurance contracts: insurance of the risk related to termination and payment default of international and domestic trade transactions which are caused by political events or by debtor insolvency or debtor default. The product range covers turnover policies, single-risk policies (supplier credit, project cash transactions, unfair calling of guarantees, contracting equipment), excess-of-loss policies and captive policies. The foreign-exchange risk can be included.

> Investment insurance contracts: insurance contracts for foreign direct investments (FDI) whereby the investor or bank is insured against the infringement of property rights, the non-repatriation of invested funds and dividends or the non-payment of investment credits due to political and assimilated events.

> Financial guarantees and risk participations: guarantees for the benefit of a bank in the framework of three types of credit lines: bank guarantees, working capital (under export business) and investments and guarantees at the benefit of the bondholder.

> Surety(ship) contracts: also known as 'bonding contracts', these are contracts that provide compensation to the beneficiary of the contract if Credendo's bonding customer fails to perform a contractual obligation towards the beneficiary. Contractual bonds (advance payment bond, performance bond, etc.) guarantee the proper performance as well as the technical and financial abilities of the bonding customer in favour of a commercial partner. Credendo also issues legal bonds, e.g. in favour of the VAT or customs administration. Credit insurance, investment insurance, financial guarantees and surety business are commonly referred to as direct business activity. Part of the risk of these insurance activities – financial guarantees excluded – is ceded to reinsurers.

> Issued reinsurance contracts: contracts that reinsure similar risks as the direct business underwritten or issued by other insurance/surety companies.

> Funded solutions, such as forfaiting and buyer credit, are not accounted for as insurance contracts under IFRS 17. Please refer to note 2.7.3 for further details.

A. Definition of insurance contracts

Credendo issues insurance contracts and takes up the risks of the insured by insuring them. Insurance contracts are those contracts under which Credendo accepts a significant insurance risk – other than a financial risk – from a policyholder by agreeing to compensate the beneficiary on the occurrence of an uncertain event. As a general guideline, Credendo defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% higher than the benefits payable if the insured event did not occur.

As permitted by IFRS 17 para 7 (e), Credendo has elected to account for financial guarantee contracts as insurance contracts rather than financial instruments, on the basis that Credendo has previously explicitly asserted that it regards such contracts as insurance contracts and has used accounting applicable to insurance contracts.

None of the insurance contracts of Credendo contains a discretionary participation feature (DPF), nor embedded derivatives. Credendo does not hold any service contract falling within the scope of the IFRS 15 standard.

No contracts will be combined for the purposes of IFRS 17 applying paragraph 9, nor will components be separated from an insurance contract applying paragraphs 10 to 13 of IFRS 17.

B. Level of aggregation

In order to determine the IFRS 17 units of account, the contracts are firstly divided into portfolios, which comprise contracts that share similar risks and that are managed together. Usually, contracts that are in the same product line are expected to share similar risks and therefore fall in the same portfolio if they are managed together. Secondly, the portfolios are divided into a minimum of three profitability groups, which are (i) contracts that are onerous; (ii) contracts that are profitable with no significant chances of becoming onerous; or (iii) other contracts. Finally, contracts that are in the same group shall not be issued more than one year apart (i.e. contracts shall be grouped in at minimum annual cohorts).

Thus, portfolios reflect operational segmentation: Single Risk, comprehensive policy, XoL/Top Up/captive, guarantees and surety, and reinsurance.

This results in the following portfolios:

> Single-risk credit insurance and single-risk financial loss insurance policy
> Multi-risk credit insurance – comprehensive policy
> Multi-risk credit insurance – top-up and excess-of-loss (XoL) policies, and captive business
> Guarantees and risk participations
> Risk participation (L/C confirmations)
> Suretyship
> Reinsurance contracts issued:
  – Proportional reinsurance – treaty
  – Proportional reinsurance – facultative
  – Non-proportional reinsurance – treaty
  – Non-proportional reinsurance – facultative
> Reinsurance contracts held:
  – Proportional reinsurance – treaty
  – Proportional reinsurance – facultative
  – Non-proportional reinsurance – treaty
  – Non-proportional reinsurance – facultative
  – Retrocession

The contracts issued by different entities of Credendo are not included within the same portfolio. Some reinsurance contracts issued may be grouped with direct insurance contracts if they are managed together and share similar risks. Namely, the reinsurance contracts issued by Credendo – Guarantees & Speciality Risks will be grouped with Credendo – Guarantees & Speciality Risks' direct business contracts. Indeed, the conditions for grouping the contracts together are met for this entity.

For insurance contracts issued and reinsurance contracts issued, the portfolios will be divided into three groups which are:

> contracts that are profitable on initial recognition, with no significant chances of becoming onerous subsequently;
> contracts that are onerous on initial recognition;
> other profitable contracts.

For reinsurance contracts held, the portfolios will be divided into the three following groups:

> contracts on which there is a net cost on initial recognition that have no significant chances of becoming a net gain subsequently;
> contracts on which there is a net gain on initial recognition;
> other contracts.

The profitability assessment is made based on combined ratios. For contracts to which the premium allocation approach (PAA) applies, Credendo assumes that no contract is onerous on initial recognition, unless facts and circumstances indicate otherwise. Finally, the groups will not include contracts that are issued more than one year apart (representing the calendar year) for the determination of the annual cohorts.

Finally, the ultimate unit of account (UoA) is defined as follows:

> for contracts that include both intercompany and extracompany trading partners

  UoA = contract level x contractual percentage;

> for other contracts (i.e. with a single trading partner)

  UoA = legal entity x company code (branch) x portfolio x profitability group x cohort x currency x axis interco/extraco.

These units of account determine the level at which insurance and reinsurance contracts are initially recognised and measured, they are not subsequently reconsidered.

Credendo applies the building block approach (BBA) to long-tail portfolios, including suretyship, even when technically PAA-eligible. The premium allocation approach (PAA) is applied selectively to short-tail business where materially equivalent to BBA. The VFA (variable fee approach) is not applied to any of the contracts issued or held by Credendo. The detail of the measurement models applied per portfolio is disclosed in the following table:

Insurance contracts	Measurement model
Single-risk credit insurance and single-risk financial loss insurance policy	BBA
Multi-risk credit insurance - comprehensive policy	BBA / PAA
Multi-risk credit insurance - top-up and excess-of-loss (XoL) policies, and captive business	BBA
Guarantees and risk participations	BBA
Risk participation (L/C confirmations)	BBA / PAA
Suretyship	BBA
Reinsurance contracts issued	**Measurement model**
Proportional reinsurance - treaty	BBA
Proportional reinsurance - facultative	BBA
Non-proportional reinsurance - treaty	BBA
Non-proportional reinsurance - facultative	BBA
Reinsurance contracts held	**Measurement model**
Proportional reinsurance - treaty	BBA
Proportional reinsurance - facultative	BBA
Non-proportional reinsurance - treaty	BBA
Non-proportional reinsurance - facultative	BBA
Retrocession	BBA

C. Contract recognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

> the beginning of the coverage period;
> the date when the first payment from the policyholder is due or actually received, if there is no due date; and
> when Credendo determines that a group of contracts becomes onerous.

Typically, the beginning of the coverage period is marked by the contractual dates, when Credendo becomes a party to the obligation to provide for reinsurance cover, which is typically when the contract is signed. Technical reserves for reported claims correspond to the amounts advised by the assignors, except in some cases such as for comprehensive policies where the approval of the DI's (declarations of insurance) determine the beginning of the coverage period. The suretyship contract portfolios typically comprise repricing mechanisms, which have the consequence of cutting the contract boundary at each repricing date. When the repricing is made yearly, the groups of contracts become eligible for the PAA, although in practice Credendo always applies the BBA to suretyship contracts.

> Groups of reinsurance contracts held that cover the losses of separate insurance contracts on a proportionate basis are recognised at the later of:
  – the beginning of the coverage period of the group of contracts; or
  – the initial recognition of any underlying insurance contract.

D. Contract boundaries

For reinsurance contracts that are loss-occurring (incl. claim incurred), the contract boundary matches the actual duration of the contracts. That is because loss-occurring arrangements cover only claims that occur within the contractual period. At Credendo, most of the loss-occurring contracts (around 90%) have one-year terms. These contracts are therefore eligible for the PAA.

For reinsurance contracts that are risk attaching, the contract boundary is the sum of the risk-attaching period (usually one year) and the tenor period (which is variable depending on the contracts). These contracts are therefore longer than one year and are thus most likely not eligible for the PAA.

Most of the contracts within Credendo's reinsurance portfolio are risk attaching. The contract boundaries are therefore expected to be long and the BBA is the primary measurement approach.

Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups of contracts in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction.

E. Measurement

E.1 Initial measurement of the LRC (liability for remaining coverage) for groups of contracts to which the BBA applies

E.1.1 Future cash flows
On initial recognition, Credendo shall measure the insurance liability (or asset) of a group of contracts as the total of the present value of the future cash flows, the (non-financial) risk adjustment and the contractual service margin.

The estimates of future cash flows include all the cash inflows and outflows, within the boundary of the group of contracts, calculated as a probability-weighted average of the possible outcomes of the group. Cash flows that are outside the contract boundary shall not be included in the future cash flows as they relate to future insurance contracts. Cash flows within the boundary of an insurance contract are those that relate directly to the fulfilment of the contract. The fulfilment cash flows (FCF) comprise these future cash flows, adjusted for the time value of money (E.1.2 Discount rates) and the risk adjustment for non-financial risk (E.1.3).

The future cash flows are related to future services. Any cost or change in estimate that is linked with current or past services will be recognised directly in the income statement.

Only the cash flows that arise from reasonable and supportable information available without undue cost or effort shall be included in the estimations of the cash flows. The determination of the fulfilment cash flows may be done at a higher level than the groups of contracts, provided that Credendo can allocate the resulting future cash flows to the groups of contracts. The estimates used are current and explicit (which means that Credendo accounts for non-financial risk, cash flows, financial risk, and discount rates separately).

After analysis of the cash flows, Credendo determined that most expenses are considered as directly attributable to groups of insurance contracts with limited exceptions. General expenses that are attributable to a portfolio of (existing) insurance include – with relevance for the Credendo products:

> insurance acquisition cash flows attributable to the portfolio to which the contract belongs;

> claim handling costs (i.e. the costs the entity will incur in investigating, processing and resolving claims under existing insurance contracts;

> policy administration and maintenance costs, such as costs of premium billing and handling policy changes but also recurring commissions that are expected to be paid to intermediaries if a particular policyholder continues to pay the premiums within the boundary of the insurance contract;

> transaction-based taxes and levies that arise directly from existing insurance contracts, or that can be attributed to them on a reasonable and consistent basis;

> an allocation of fixed and variable overheads (such as the costs of accounting, human resources, information technology and support, building depreciation, rent, and maintenance and utilities) directly attributable to fulfilling insurance contracts.

Expenses that are not primarily computed at the IFRS 17 unit of account are allocated to the groups of contracts using allocation keys. The allocation keys are determined for Credendo – Export Credit Agency and Credendo – Guarantees & Speciality Risks as other entities only issue contracts that are included in one single portfolio. The weights for splitting costs allocated to cost centres and salary accounts over cost function and the various product portfolios are based on either full-time equivalents, time or premium allocation and/or salary weighting.

The expenses that are not attributable to a portfolio of existing insurance contracts are not included in insurance service expenses but in other expenses.

For contracts that are measured using the PAA, there will be no estimation of the fulfilment cash flows as such. Instead, the liability for remaining coverage (LRC) will be recognised as the premiums are received. Also, under the PAA and for contracts with a coverage period of no more than one year, the option of expensing the insurance acquisition cash flows as they are incurred is applied.

E.1.2 Discount rates
The estimates of future cash flows shall be adjusted to reflect the time value of money and financial risks related to those cash flows.

The discount rates used to reflect the time value of money of the fulfilment cash flows are computed using the bottom-up approach for all the groups of contracts. This is because Credendo does not have insurance contracts with cash flows that vary based on the returns on underlying items. The discount rates under this approach are the sum of a risk-free rate and a premium that reflects the liquidity characteristics of the group of contracts (otherwise referred to as '(il)liquidity premium'). The risk-free rate will be determined based on the EIOPA risk-free curves (if available), and the illiquidity premium will be based on rates available on the market.

Section 10.3. discloses the discount rates over time for each unit of account.

E.1.3 Risk adjustment for non-financial risk
The risk adjustment represents the risk arising from insurance contracts other than financial risk and is consequently referred to as the risk adjustment for non-financial risk. It is deemed to reflect the compensation that Credendo requires for bearing the uncertainty about the amount and timing of the cash flows. The risk adjustment shall be explicit and computed and disclosed separately from the other estimates.

The risk adjustment is computed using a value at risk (VaR) methodology at 75% calibrated separately for Credendo – Export Credit Agency, Credendo – Trade Credit Insurance and Credendo – Guarantees & Speciality Risks. Credendo decided to include the entire part of the changes relating to the risk adjustment in the insurance service result instead of disaggregating it between the insurance service result and finance income or expenses as permitted by IFRS 17.

E.1.4 Contractual service margin (CSM)
The CSM represents the unearned profit associated with a group of insurance contracts and, at initial recognition, is determined as the amount that ensures no gain is recognised on day one. This calculation takes into account:

> the initial recognition of the fulfilment cash flows;

> the derecognition at the date of initial recognition of any asset or liability previously recognised for insurance acquisition cash flows; and

> cash flows arising from the contracts in the group at that date.

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately with no CSM recognised on the balance sheet on initial recognition. For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as CSM.

E.2 Subsequent measurement of the LRC for groups of contracts to which the BBA applies

Subsequently, the carrying amount at the end of each reporting period of a group of contracts is measured as the sum of:

> the liability for remaining coverage, comprising:

  – the fulfilment cash flows related to future service allocated to the group of contracts at that date; and

  – the CSM of the group of contracts at that date;

> the liability for incurred claims (LIC), comprising the fulfilment cash flows related to past service allocated to the group of contracts at the reporting date; and

> fulfilment cash flows.

On subsequent measurement, the fulfilment cash flows are updated to reflect (changes in) current assumptions. The estimates made are updated at each reporting period. Changes related to current or past coverage are recognised in the P&L as insurance service result.

The future cash flows of the LRC are computed based on combined ratios.

The effect of time value of money and financial risk are recognised under either insurance finance income or expense. There is also an option to disaggregate those changes between P&L and OCI, which is not applied by Credendo. Changes related to future coverage adjust the CSM, until it reaches zero. The amounts for which the CSM would be below zero are directly recognised into P&L. The CSM is discounted at a discount rate determined at initial recognition and locked-in subsequently. This discount rate is used subsequently to accrete interest on the carrying amount of the CSM in each reporting period, measured using locked-in discount curves.

The contractual service margin is recognised in profit or loss at each reporting date based on the quantity of coverage provided during the period. The quantity of coverage should be determined based on the coverage units, which represent the quantity of benefits provided during the coverage period.

Credendo assessed that the quantity of benefits provided during a period, driving the release pattern of the coverage units, will be computed as the earned premium for the period by the total outstanding premium from the beginning of the period until the end of the boundary. When the premiums are linked to more than one period (i.e. more than one year), the earning pattern of the premiums, together with a risk amelioration or deterioration factor (if applicable), are used to allocate the premium to the current year.

E.3 Initial and subsequent measurement of the LIC (liability for incurred claims) for groups of contracts to which the BBA applies

The LIC is computed similarly as the LRC except that no CSM is computed anymore (as there is no profit to be recognised in the LIC context).

The LIC triangles are built per underwriting quarter or occurrence quarter (depending on the entity). The triangles are computed using chain-ladder and Bornhuetter-Ferguson methods with expert overlays for large political-risk events and surety defaults.

E.4 Initial and subsequent measurement of the LRC for groups of contracts to which the PAA applies

PAA – liability for remaining coverage (LRC)
In most cases, the PAA is applied for groups of contracts that have a coverage period of no more than one year and those for which the LRC obtained applying PAA does not materially differ from the LRC obtained applying BBA. Credendo determines that the LRC obtained under the two methods does not materially differ when the resulting difference in LRC is for each scenario no higher than 5% of the PAA LRC. Once it is determined that the PAA is applicable for a group of contracts, Credendo might still choose to apply the BBA for the group.

The PAA is applied for most of the groups of contracts that are included within the following portfolios:

> Multi-risk credit insurance – comprehensive policy

> Risk participation (L/C confirmations)

Under the PAA, the LRC is measured at initial recognition as the amount of premiums received less any acquisition cash flows paid (and not expensed) and any amounts arising from the derecognition of the prepaid acquisition cash flows asset.

There are two simplifications available under the PAA regarding the LRC, which are as follows:

> the possibility to recognise insurance acquisition cash flows directly into the P&L as they are incurred for groups of contracts with a coverage period of no more than one year. This option is applied by Credendo; and

> the possibility to not consider the time value of money for groups of contracts with a coverage period of no more than one year. This option is not applied by Credendo.

Under the PAA, the same approach to calculating the release pattern is applied as under the BBA.

E.5 Initial and subsequent measurement of the LIC for groups of contracts to which the PAA applies

PAA – liability for incurred claims (LIC)
The LIC computed applying PAA uses the same principle as the LIC computed using the BBA. However, there exists an additional simplification which is the possibility to not reflect the time value of money of the future cash flows if they are expected to be paid or received in no more than one year. This simplification is not applied by Credendo as a substantial part of the claims incurred is expected to be paid within more than one year.

2.14. Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except in case it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where Credendo's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction effects neither accounting, nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where Credendo – Export Credit Agency, not subject to corporate income tax in Belgium (statutory tax rate of 0%), controls the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The tax effects of carry forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to the fair-value remeasurement of available-for-sale investments, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the consolidated income statement together with the deferred gain or loss.

2.15. Employee benefits (IAS 19)

In accordance with IAS 19, Credendo applies the international accounting standard for employee benefits, ensuring that the recognition, measurement and disclosure of obligations and costs are consistent and transparent. The policies described below are implemented in line with these requirements.

A. Post-employment benefits:

Credendo operates various post-employment schemes, including both defined-benefit and defined-contribution pension plans and other post-employment benefits such as health care granted after completion of the employment.

Pension obligations
A defined-contribution plan is a pension plan under which Credendo pays fixed contributions into a separate entity. Credendo has theoretically no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined-benefit plan is a pension plan that is not a defined-contribution plan. Defined-benefit plans define an amount of pension benefit that an employee will receive on retirement, which is dependent on age, years of service and compensation. The schemes are funded through payments to insurance companies, determined by periodic actuarial calculations.

The liability recognised in the statement of financial position in respect of defined-benefit pension plans is the present value of the defined-benefit obligation at the end of the reporting period less the fair value of plan assets. The defined-benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined-benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses that arise from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur. These actuarial gains and losses are recognised outside the income statement and are presented in the statement of other comprehensive income.

Past-service costs, whether vested or unvested, are recognised immediately in the income statement.

Assumptions for Belgian defined-benefit plans were updated following changes under the Vandenbroucke law, including the 2025 guaranteed return. More information in note 18.2.1. Pension obligations.

Post-employment health benefit plan
Credendo also operates a post-employment health benefit plan in Belgium.

Credendo provides post-retirement healthcare benefits to its retirees. The entitlement to these benefits is conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined-benefit pension plans. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

B. Seniority bonuses

Credendo provides seniority bonuses rewarding employees for many years of service. The liability recognised in the statement of financial position is equal to the present value of the liabilities, less any fair value of plan assets. Calculations are made according to the projected unit credit method. The actuarial gains and losses are recognised in the income statement.

C. Termination benefits

Termination benefits are payable when employment is terminated by Credendo before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Credendo recognises termination benefits at the earlier of the following dates: when Credendo can no longer withdraw the offer of those benefits, or when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of the reporting period are discounted at their present value.

D. Bonus plans

Credendo recognises a liability and an expense for bonuses. Credendo recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.16. Provisions for restructuring costs and legal claims

Provisions for restructuring costs and legal claims are recognised when:

> Credendo has a present legal or constructive obligation because of past events;

> it is probable that an outflow of resources will be required to settle the obligation; and

> the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17. Revenue recognition

A. Insurance service result

Insurance revenue from direct business
As Credendo provides insurance contract services, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that Credendo expects to be entitled to in exchange for those services.

For contracts not measured under the PAA, insurance revenue comprises the following:

Amounts relating to the changes in the LRC

- claims and other directly attributable expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
  - amounts allocated to the loss component; and
  - amounts related to the risk adjustment for non-financial risk (see (b));
- changes in the risk adjustment for non-financial risk, excluding:
  - changes included in insurance finance income (expenses);
  - changes that relate to future coverage (which adjust the CSM); and
  - amounts allocated to the loss component;
- amounts of the CSM recognised for the services provided in the period;
- experience adjustments – arising from premiums received in the period other than those that relate to future service; and
- other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.

For groups of insurance contracts measured under the PAA, Credendo recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

Insurance services expenses
Insurance service expenses include the following:

- incurred claims and benefits, excluding investment components reduced by loss component allocations;
- other incurred directly attributable expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;
- insurance acquisition expenses;
- insurance acquisition cash flows amortisation;
- insurance acquisition cash flows assets impairment, net of reversals;
- changes that relate to past service – changes in the FCF relating to the LIC; and
- changes that relate to future service – changes in the FCF that result in onerous contract losses or reversals of those losses.

Insurance acquisition cash flow recovery is determined by allocating the portion of premiums related to the recovery of those cash flows based on the passage of time over the expected coverage of a group of contracts.

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue, as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of profit or loss.

Net income (expenses) from reinsurance contracts held
Credendo presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

- reinsurance expenses;
- for groups of reinsurance contracts measured under the PAA, broker fees are included within reinsurance expenses;
- incurred claims recovery, excluding investment components reduced by loss-recovery component allocations;
- other incurred directly attributable expenses;
- changes that relate to past service – changes in the FCF relating to incurred claims recovery;
- effect of changes in the risk of reinsurers' non-performance; and
- amounts relating to accounting for onerous groups of underlying insurance contracts issued:
  - income on initial recognition of onerous underlying contracts;
  - reinsurance contracts held under the BBA: reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held; and
  - reinsurance contracts held under the BBA: changes in the FCF of reinsurance contracts held from onerous underlying contracts.

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that Credendo expects to pay in exchange for those services. Additionally, for reinsurance contracts held measured under the PAA, broker fees are included in reinsurance expenses.

For contracts measured under the BBA, reinsurance expenses comprise the following amounts relating to the changes in the remaining coverage:

- claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period, excluding:
  - amounts allocated to the loss-recovery component;
  - repayments of investment components; and
  - amounts related to the risk adjustment for non-financial risk (see (b));
- changes in the risk adjustment for non-financial risk, excluding:
  - changes included in finance income (expenses) from reinsurance contracts held;
  - changes that relate to future coverage (which adjust the CSM); and
  - amounts allocated to the loss-recovery component;
- amounts of the CSM recognised for the services received in the period; and
- experience adjustments – arising from premiums paid in the period other than those that relate to future service.

For groups of reinsurance contracts held measured under the PAA, Credendo recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery.

Insurance finance income or expenses
Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- the effect of the time value of money and changes in the time value of money; and
- the effect of financial risk and changes in financial risk.

For contracts measured under the BBA, the main amounts within insurance finance income or expenses are:

- interest accreted on the FCF and the CSM; and
- the effect of changes in interest rates and other financial assumptions.

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

- interest accreted on the LIC; and
- the effect of changes in interest rates and other financial assumptions.

For the contracts measured under the BBA and the PAA, Credendo includes all insurance finance income or expenses for the period in profit or loss (that is, the profit or loss option, the 'PL option') is applied.

The groups of insurance contracts, including the CSM, that generate cash flows in a foreign currency are treated as monetary items. Applying IAS 21 – The Effects of Changes in Foreign Exchange Rates at the end of the reporting period, the carrying amount of the group of insurance contracts, including the CSM, is translated into the functional currency at the closing rate. Credendo has chosen to present the resulting foreign exchange differences within the line item 'Net finance income/(expenses) from insurance contracts'.

B. Net investment income

Net income on financial investments (included under 'Other finance income' in the income statement) comprises interest income on funds invested, dividend income, gains/losses on the disposal of FVTPL and FVOCI financial investments, increases/decreases in the fair value of financial investments at fair value through profit or loss that are recognised in the income statement and impairment losses recognised on financial investments.

Investment expenses (included under 'Finance expenses' in the income statement) comprise decreases in the fair value of financial investments at fair value through profit or loss, and impairment losses recognised on financial investments recognised in the income statement.

2.18. Interest income and expenses

Interest income and expenses for all interest-bearing financial instruments including financial instruments measured at fair value through profit or loss, are recognised within 'Finance income and expense' (note 25) in the income statement using the effective-interest rate method. When a receivable is impaired, Credendo reduces the carrying amount to its recoverable amount, which is the estimated future cash flow discounted at the original effective-interest rate of the instrument and continues unwinding the discount as interest income.

2.19. Dividend income

Dividend income is recognised when the right to receive payment is established which, in the case of quoted securities, is the ex-dividend date.

2.20. Leases

Credendo has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

> fixed payments (including in-substance fixed payments), less any lease incentives receivable;

> variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;

> amounts expected to be payable by Credendo under residual value guarantees;

> the exercise price of a purchase option if Credendo is reasonably certain to exercise that option; and

> payments of penalties for terminating the lease, if the lease term reflects Credendo exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in Credendo, the lessee's incremental borrowing rate is used.

To determine the incremental borrowing rate, Credendo:

> where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received;

> uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Credendo, which does not have recent third-party financing; and

> makes adjustments specific to the lease, e.g. term, country, currency and security.

Credendo is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If Credendo is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Extension and termination options are included in a number of property and equipment leases in different entities of Credendo. The majority of extension and termination options held are exercisable only by Credendo and not by the respective lessor.

2.21. Assets and liabilities held for sale and discontinued operations

Non-current assets (or disposals) are classified as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of the disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and that represents a separate major line of business or geographical area of operations, is part of a single coordination plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to a resale. The results of discontinued operations are presented separately in the statement of other comprehensive income.

3. Critical accounting estimates and judgements

Credendo makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas include SPPI conclusions, SICR criteria, PD calibration, ECL staging, Zephyr FVTPL classification, portfolio definition, allocation methodologies, risk-adjustment calibration, coverage-unit selection and expert judgement in LIC estimation. We refer to notes 2.7 Financial investments and other financial assets and 2.13 Insurance contracts and reinsurance contracts for specific critical accounting estimates and judgements.

3.1. Impairment losses on loans and receivables

Significant judgements in applying the expected credit loss model
The IFRS 9 standard stipulates that an entity shall recognise a loss allowance for expected credit losses (ECL) on a financial asset.

> At each reporting date, the entity shall measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

> If the credit risk on a financial instrument has not increased significantly since the initial recognition, the entity shall measure the loss allowance for that financial instrument at an amount equal to the expected credit losses over twelve months.

> A financial asset is considered to be 'credit impaired' as of 180 days overdue or a transfer to the claims department. Indeed, given the nature of the funded solutions that are always coming out of a commercial transaction, it is not unusual that a debtor restarts paying after more than 90 days overdue. In such cases, the overdue might be the result of a missing document, provisional acceptance, bank issues, etc.

Expected credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate (EIR).

The measurement of the ECL allowance for financial assets measured at AC and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (for example, the likelihood of customers defaulting and the resulting losses, interpretation of significant increase in credit risk etc.).

For more information, refer to note 4.2.2.

Assumptions and methodologies underpinning the 'Probability-of-Default' calculation
Expected credit loss is a function of the Probability-of-Default (PD) and loss-given-default (LGD).

> The LGD will be estimated globally on Credendo's past (credit insurance) experience and is currently averaging around 70%.

> The risk model currently in place computes a three-year local-currency based PD and is fed by the debtor's financials. This local currency PD is adapted with a country risk factor to derive a foreign currency PD and a related credit rating. This country risk factor captures not only the current state of the economy but also forward-looking data on GDP growth, public debt, external debts, debt service, inflation, current account balance etc. from a baseline or best-estimate scenario that is considered reflecting a probability-weighted scenario. These forward-looking indicators are provided by external sources. The outcome of the three-year model will be adjusted with factors based on the observed PD experience on S&P Global Ratings to obtain a 1-, 2-, 4- and 5-year PD to be used for estimating expected credit loss over the (remaining) lifetime of the instrument.

Assumptions and methodologies underpinning the determination of the credit stage
IFRS 9 does not specify the term 'significant', it gives, however, some indications and assumes for instance that in case of more than 30 days overdue of contractual payment there is a rebuttable presumption that the credit risk has increased significantly unless the entity has reasonable and supportable information to demonstrate that the credit risk has not increased significantly since initial recognition, even though the contractual payments are more than 30 days past due.

Credendo therefore set down the following rules to make the distinction between an insignificant increase in credit risk and a significant increase in credit risk (SICR):

> Every funded solutions contract with a three-year PD below 1.30% (equivalent to BBB- rating or investment grade) is considered low risk and will remain in stage one.

> An increase of 100% in the three-year PD vis-à-vis initial recognition will result in a significant increase in credit risk if the resulting PD is above 1.30%.

> An increase of the PD within the next three years above 15% (slightly better than B-) is automatically associated with significant risk increase.

- All funded solutions contracts for which the country risk rating moves to a particular elevated level will be considered as subject to a significant credit risk increase.
- Any overdue of less than 30 days will be considered as a simple (administrative) delay and therefore will not give rise to an increase in the PD.
- Any overdue in excess of 30 days is subject to close attention by the business and will lead to a significant increase of risk, and the PD will be increased accordingly.

Credit impaired instruments
A funded solutions financial asset (forfaiting/buyer loan) will be recognised as 'credit impaired' (stage 3) after 180 days of overdue or/and its transfer to the claims department. In all cases, the PD will be set to 100%. The loss-given-default (LGD) can differ according to specific cases but by default is aligned with the average of LGD parameter based on the experience of Credendo (currently 70%). Any financial asset that is credit impaired but for which cash flows return to normal (on schedule) during a period of six months will return to stage 2. Another six months of on-time payments will then push the asset back to stage 1.

3.2. Pension benefits

The present value of the pension obligations depends on several factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations. Credendo determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, Credendo considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions for pension obligations are based in part on current market conditions (see note 18.2 for assumptions used and a sensitivity analysis on these assumptions).

3.3. Income taxes

Credendo is subject to income taxes in Belgium, Austria, the Czech Republic, France, Germany, Ireland, Italy, the Netherlands, Poland, Slovakia (till end 2024), Spain, Switzerland and the United Kingdom. Significant judgement is required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain. Credendo recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Credendo is not in scope of pillar two due to turnover below EUR 750 million. Material judgement relates to the Czech exit (2024) and Aera Norway.

Deferred tax assets are only recognised for deductible temporary differences and losses carried forward if it is probable that future taxable profits will offset these losses and differences, and if tax losses remain available given their origin, their period of occurrence and their compliance with the legislation relating to their recovery. Credendo's ability to recover deferred tax assets is assessed through an analysis which is mainly based on business plans and the uncertainty surrounding economic conditions and uncertainties in the markets in which Credendo operates. Given the various uncertainties described above, a time horizon of three years is used by Credendo in its analysis. The underlying assumptions of this analysis are reviewed annually.

3.4. Financial investments

Credendo holds 99.9% of 4 compartments of Zephyr (fund Zephyr Target Volatility 1 and 2, Zephyr 'Protected Global Diversified World', which contains the three benchmark mandates under the umbrella of the dynamic risk overlay protection mechanism and a new compartment called 'Green Energy Solutions') and a line-by-line consolidation would be expected.

However, the investment portfolio in Zephyr has been classified as a financial asset at fair value through profit or loss (please see note 8), as if it were one single item. This is justified by the fact that the financial investments in Zephyr are managed as one group, and their performance is evaluated on a fair-value basis in accordance with a documented risk management and investment strategy. Credendo's management believes that presenting the entire Zephyr portfolio at FVTPL in one line item both in the income statement and on the balance sheet, provides better information to the readers of the financial statements regarding the performance and the financial position of the portfolio as a whole.

This is a judgement that management has taken on the basis that the entire portfolio is externalised and managed through an external agent. It follows from there, that information about the performance and the financial position of the Zephyr portfolio could have been obscured and lost, had the portfolio been presented into a line-by-line disaggregation of the individual items which Zephyr is made up of. Furthermore, we refer to notes 8 and 25 where the underlying details of the fund are provided at both financial position and income statement level to give the reader all the necessary information in line with IFRS requirements.

4. Management of insurance and financial risk

Credendo recognises the importance of effective risk management and internal control systems. In this regard, Credendo has in place a consistent group-wide risk management system that enables it to identify, measure, monitor, manage and report, on a continuous basis, the risks to which Credendo and its entities are or could be exposed. Risk management must allow for appropriate understanding of the nature and significance of the risks to which the group and its individual entities are exposed.

Credendo – Export Credit Agency's Board of Directors lays out the Credendo risk management strategy to implement a consistent group-wide risk management framework, applicable for the different entities that are part of Credendo. The relevant bodies of the entities organise their risk management framework in function of the key principles defined in this group risk management strategy, keeping in mind the applicable laws and prudential regulations. The group risk management strategy defines how the risk management framework within Credendo is structured and how it should operate in practice, in order to balance control, risk management and transparency, while supporting Credendo's success by ensuring efficient decision-making processes. It lays out the group risk management objective, key principles, general risk appetite and assignment of roles and responsibilities regarding the risk management framework in Credendo.

Credendo – Export Credit Agency's Board of Directors is responsible for risk management and internal control at Credendo level. Without affecting this responsibility in any way, it has delegated its authority to take decisions in this context to Credendo – Export Credit Agency's Executive Committee, which in turn has charged an independent Group Risk Management function with the responsibility of day-to-day group risk management. The Group Risk Management function is held within Credendo – Export Credit Agency's Risk Management department. Together with the actuarial function, the Group Risk Management function assists the subsidiaries' risk management functions in the effective implementation of the risk management system, and it assists entities, subject to Solvency II regulation, in their own risk and solvency assessment processes. By overseeing and steering the functioning of the risk management system within all entities, the Group Risk Management function ensures that the functioning of the risk management system within all subsidiaries is aligned with the group risk management strategy.

This section summarises the insurance and financial risks to which Credendo is exposed and the way it manages them.

4.1. Insurance risk

The insurance or underwriting risk is defined as the risk of loss or of adverse change in the value of insurance liabilities, resulting from inadequate pricing and provisioning assumptions due to internal or external factors, including sustainability risks. Apart from premium and reserve risk, i.e. the risk resulting from fluctuations in the timing, frequency and severity of insured events and in the timing and amount of claim settlements, Credendo's credit insurance and reinsurance activity may be exposed to a catastrophic risk resulting from significant uncertainty of pricing and provisioning assumptions related to extreme or exceptional events.

Underwriting guidelines have been established, identifying and controlling existing and potential risks of the products involved and managing the risk/premium relationship of the product. Proper procedures of risk identification and selection at the time of acceptance and underwriting of risks, including internal underwriting risk limits, are established and applied by all employees. This framework enables Credendo to clearly and diligently assign risk decisions and manage risks, both for the complete underwriting portfolio and for every product that is offered.

The underwriting process is strictly defined by underwriting guidelines and rules on delegation of authority. In order to achieve a high level of transparency and security, the authority to take decisions is dispersed throughout the entities, from individual underwriters to special committees that discuss, evaluate and underwrite risks. Small amounts will need fewer people of lower seniority, while important transactions will be evaluated by committees and people with higher seniority. To assign the tasks and the decision levels in a clear way, the delegation of authority in risk underwriting is clearly described and documented. The delegation of authority is the hierarchy management has put in place to assess and underwrite risks. This is different for every line of business. Exposure to a single counterparty – a debtor (group) or a country – is subject to appropriate risk limits and managed considering potential correlations and contagions. Policies and procedures to monitor, manage and control these concentration-risks are embedded in the risk management system, in line with the global policy on solvency and established limits.

Outward reinsurance or reinsurance held enables Credendo to mitigate the underwriting risk. Policies and procedures have been developed, enabling the prudent management of the use of reinsurance, including both the risks transferred (identifying the maximum net risk to be retained, appropriate to the established risk tolerance limits, and setting types of appropriate reinsurance arrangements) and the risks arising from reinsurance, namely counterparty risk. Proportional (especially quota-share) reinsurance lowers the estimated real exposure in retention while excess-of-loss and stop-loss programmes mitigate exceptional risks.

4.1.1 Credit and investment insurance risk

All Credendo entities insure non-payment risks attached to international and domestic sales of goods, pre-financing and delivery of services. Losses may arise from debtor insolvency or debtor defaults and/or political and assimilated ('force majeure') events. Policyholders are typically companies located in the larger Europe, while the risks covered encompass the whole world. These types of risks may be covered through different products, like single-risk policies, turnover policies, excess-of-loss products, captive schemes, forfaiting contracts and financial guarantees.

Other types of risk under the credit insurance cover offered by some entities, concern losses due to contract termination and illicit calling of guarantees. Other ancillary risks from current trade transactions that may be covered are the risk of infringement of property rights, like deliveries of equipment and goods for consignment or in the framework of processing contracts and loans for use. Infringement of property rights due to political and assimilated events is also one of the risks covered by the financial-loss insurance products of Credendo – Export Credit Agency and Credendo – Guarantees & Speciality Risks. These policies can be extended to include the risks of non-repatriation of invested funds and dividends or the non-payment of investment credits.

The above risks are managed through the underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The underwriting strategy attempts to ensure that the risks underwritten are well diversified in terms of type and amount of risk, industry and geography.

4.1.2 Surety contracts risk

Credendo – Guarantees & Speciality Risks is entitled to issue bonds on account of companies established in the European Union in favour of different (public or private) applicants. The bond is issued on account of the principal (a company) in order to guarantee the payment of a certain sum to the beneficiary in the event that the principal's contractual or legal obligations have not been met. There are two categories of bonds/guarantees issued by this Credendo entity:

- contractual/commercial bonds/guarantees: these bonds are issued within the framework of contracts between private companies (e.g. the beneficiaries can require that an advance payment bond or a performance bond be issued in their favour); and
- legal bonds/guarantees: the issue of these bonds is required and organised by legal or statutory provisions (e.g. custom bonds, transport bonds to cover the amount of the current transport licences, bonds in favour of the VAT administration, etc.).

Before granting a bond on account of a company, its financial situation is analysed, taking its experience and its reputation into account.

4.1.3 Inward reinsurance contracts

Some Credendo entities reinsure similar risks and bonds underwritten or issued by other insurance/surety companies. This inward reinsurance business or reinsurance issued takes place on a facultative and on a treaty basis and is subject to a similar risk management process as direct business.

4.1.4 Sensitivity analysis

4.1.4.1 Sensitivity interest rate risk (5%)

This sensitivity analysis shows how changes in market interest rates affect the valuation of insurance contracts and the related impact on profit or loss and equity. Interest rate risk stems from the risk of adverse movements in interest rates. Credendo's exposure to interest rate risk is primarily limited to bonds and, if discounted as in IFRS17 and Solvency II, technical provisions since Credendo has no borrowings. Given the nature of the insurance activity, the insurance liabilities themselves are not sensitive to the level of market interest rates as they are contractually non-interest bearing. A higher interest rate lowers the value of the bonds and, if applied, the discounted value of technical provisions.

At the end of the reporting period, a sensitivity analysis on the interest rate risk points to an increase of the net liability position of EUR 0.2 million (2024: a decrease of EUR 1.6 million) if these interest rates would appreciate by 5% vis-à-vis the EUR, ceteris paribus a 5% depreciation of the interest rates would lead to an increase of the net liability position of EUR 1.9 million (2024: EUR 1.4 million).

Pre-tax profit of contracts net of reinsurance for a 5% increase in interest rates would decrease by EUR 0.3 million and similarly decrease by EUR 1.8 million with a 5% decrease in interest rates (in 2024 respectively plus EUR 0.8 million and minus EUR 2.2 million with a 5% increase/decrease).

Sensitivity Interest rate risk 31/12/2025	Balance before changes		5% increase in interest rates Impact on:		5% decrease in interest rates Impact on:	
	Insurance contracts balance	Profit before income tax	Insurance contracts balance	Profit before income tax	Insurance contracts balance	Profit before income tax
Contracts gross of reinsurance	464,080	85,523	-812	762	819	-768
Contracts net of reinsurance	358,492	48,942	249	-300	1,901	-1,850

Sensitivity Interest rate risk 31/12/2024	Balance before changes		5% increase in interest rates Impact on:		5% decrease in interest rates Impact on:	
	Insurance contracts balance	Profit before income tax	Insurance contracts balance	Profit before income tax	Insurance contracts balance	Profit before income tax
Contracts gross of reinsurance	477,311	221,327	-1,528	1,583	1,538	-1,436
Contracts net of reinsurance	395,028	146,334	-1,618	754	1,354	-2,170

4.1.4.2 Sensitivity insurance risk BBA

The underwriting risk under the building block approach being the most important risk in Credendo's risk profile, the impact of standard sensitivity analyses is larger than for other risks. A 10% fall in the average premium level would lead to a decrease of pre-tax income net of reinsurance by EUR 5.6 million (2024: EUR 4.8 million). A 10% rise in expected claims expenses would lower the pre-tax income net of reinsurance by EUR 7.8 million (2024: EUR 5.4 million).

Sensitivity Insurance risk on liabilities for remaining coverage 31/12/2025	Balance before changes			Impact on:		
	FCF	CSM	Profit before income tax	FCF	CSM	Profit before income tax
Premium - 10% decrease						
Contracts gross of reinsurance	65,154	161,335	390,375	15,344	-11,142	-6,364
Contracts net of reinsurance	106,508	129,551	274,636	12,390	-7,715	-5,564
Expected claims - 10% increase						
Contracts gross of reinsurance	65,154	161,335	390,375	16,481	-10,858	-8,459
Contracts net of reinsurance	106,508	129,551	274,636	15,024	-9,150	-7,775
Insurance service expenses other - 10% increase						
Contracts gross of reinsurance	65,154	161,335	390,375	6,055	-4,063	-3,085
Contracts net of reinsurance	106,508	129,551	274,636	6,623	-3,589	-3,547

Sensitivity Insurance risk on liabilities for remaining coverage 31/12/2024	Balance before changes			Impact on:		
	FCF	CSM	Profit before income tax	FCF	CSM	Profit before income tax
Premium - 10% decrease						
Contracts gross of reinsurance	127,832	133,922	421,993	11,162	-8,006	-3,982
Contracts net of reinsurance	160,418	113,955	296,578	9,207	-6,722	-4,809
Expected claims - 10% increase						
Contracts gross of reinsurance	127,832	133,922	421,993	15,138	-10,225	-5,345
Contracts net of reinsurance	160,418	113,955	296,578	12,921	-9,426	-5,424
Insurance service expenses other - 10% increase						
Contracts gross of reinsurance	127,832	133,922	421,993	7,274	-6,377	-848
Contracts net of reinsurance	160,418	113,955	296,578	7,596	-6,892	-2,153

4.1.4.3 Sensitivity insurance risk PAA

The underwriting risk under the premium allocation approach is almost as important in Credendo's risk profile as that of those contracts under BBA, the impact of standard sensitivity analyses is equally larger than for other risks. A 10% increase in incurred losses would lead to a decrease of pre-tax income net of reinsurance by EUR 9.6 million (2024: EUR 8.3 million). A 10% rise in insurance service expenses would lower the pre-tax income net of reinsurance by EUR 2.4 million (2024: EUR 0.7 million).

Sensitivity Insurance risk 31/12/2025	Balance before changes		Impact on:	
	LIC	Profit before income tax	LIC	Profit before income tax
Incurred losses - 10% increase				
Contracts gross of reinsurance	237,591	-287,293	18,505	-17,653
Contracts net of reinsurance	122,433	-206,945	9,992	-9,607
Insurance service expenses other - 10% increase				
Contracts gross of reinsurance	237,591	-287,293	1,552	-1,573
Contracts net of reinsurance	122,433	-206,945	1,552	-2,361

Sensitivity Insurance risk 31/12/2024	Balance before changes		Impact on:	
	LIC	Profit before income tax	LIC	Profit before income tax
Incurred losses - 10% increase				
Contracts gross of reinsurance	215,556	-200,666	16,307	-15,236
Contracts net of reinsurance	120,656	-150,244	9,919	-8,269
Insurance service expenses other - 10% increase				
Contracts gross of reinsurance	215,556	-200,666	1,335	-1,309
Contracts net of reinsurance	120,656	-150,244	1,334	-731

4.1.4.4 Sensitivity currency risk

The sensitivity analysis on currency risk adopts a holistic approach, encompassing all foreign currencies across Credendo to ensure a comprehensive assessment of potential foreign exchange impacts on financial performance.

At the end of the reporting period, a sensitivity analysis on foreign currency positions points to an increase of the net liability position of EUR 2.1 million (2024: EUR 4.6 million) if these currencies would appreciate by 5% vis-à-vis the EUR, a 5% depreciation of the currencies would lead to a slight increase of the net liability position of EUR 0.1 million (2024: minus EUR 4.9 million).

Pre-tax profit of contracts net of reinsurance for both movements would respectively decrease for both movements by EUR 1.6 million / EUR 0.6 million (2024: minus EUR 5.5 million / plus EUR 4.1 million).

Though some movements might feel counterintuitive, they are caused by the cash inflows related to recoveries on the single-risk portfolios of Credendo – Export Credit Agency and Credendo – Guarantees & Speciality Risks.

Sensitivity Exchange rate risk	Balance before changes		5% increase in exchange rates Impact on:		5% decrease in exchange rates Impact on:	
31/12/2025	Insurance contracts balance	Profit before income tax	Insurance contracts balance	Profit before income tax	Insurance contracts balance	Profit before income tax
Contracts gross of reinsurance	464,080	85,523	265	207	-266	-207
Contracts net of reinsurance	358,492	48,942	2,064	-1,591	79	-551

Sensitivity Exchange rate risk	Balance before changes		5% increase in exchange rates Impact on:		5% decrease in exchange rates Impact on:	
31/12/2024	Insurance contracts balance	Profit before income tax	Insurance contracts balance	Profit before income tax	Insurance contracts balance	Profit before income tax
Contracts gross of reinsurance	477,311	221,327	5,054	-5,013	-5,098	5,215
Contracts net of reinsurance	395,028	146,334	4,637	-5,516	-4,947	4,145

4.1.5 Quantitative concentrations

Concentration of risk is closely monitored at Credendo and – given our type of business – mostly relevant by obligor country. Credendo's tool to manage the concentration by country is the Cover Policy, which defines maximum concentration caps on own risk retention for country risk, taking the political risk rating for countries into account.

The following table discloses the highest concentrations of total potential exposure to underwritten risks from all business lines by debtor country:

Total potential exposure (in million EUR) by Top 10 debtor countries

	31/12/2025			31/12/2024	
Country	Total potential exposure	%	Country	Total potential exposure	%
Italy	5,136	5.9%	Italy	4,705	5.5%
Germany	4,803	5.5%	Germany	4,262	5.0%
United States	3,284	3.8%	Poland	3,351	3.9%
Poland	3,167	3.7%	France	3,316	3.9%
Brazil	3,043	3.5%	United Arab Emirates	3,301	3.9%
France	3,039	3.5%	United States	2,971	3.5%
Spain	2,564	3.0%	Brazil	2,689	3.2%
Türkiye	2,442	2.8%	Czech Republic	2,435	2.9%
United Arab Emirates	2,409	2.8%	Spain	2,311	2.7%
Czech Republic	2,364	2.7%	China	2,288	2.7%
Other countries	54,629	62.9%	Other countries	53,649	62.9%
Total potential exposure	**86,879**	**100%**	**Total potential exposure**	**85,276**	**100%**

4.1.6 Claims development tables

In addition to scenario testing, the development of insurance liabilities provides a measure of Credendo's ability to estimate the ultimate value of claims. The following section presents the evolution of reported claims across underwriting years for all entities within Credendo. Two claims development tables are disclosed: one gross of reinsurance and the other net of reinsurance, in accordance with IFRS 17 requirements.

These tables provide insight into how the Credendo estimates of total claims outstanding have evolved over time, reflecting the inherent uncertainty in claims provisioning and the impact of reinsurance arrangements. In line with the IFRS 17 standard, Credendo does not disclose previously unpublished information about claims developments that occurred earlier than five years before the end of the first application of IFRS 17 in 2023.

Each table is structured by underwriting year, allowing for a transparent view of how initial estimates have been revised at successive year-ends. This longitudinal perspective supports the assessment of reserving adequacy and highlights potential over- or underestimations in ultimate claims liabilities.

The claims development data is consolidated across all Credendo entities and includes both short-term and medium-/long-term business segments.

By incorporating the risk adjustment and other relevant components (such as the discounting effects, etc.) into the ultimate at year-end 2024, it becomes possible to reconcile the result with the liability for incurred claims (LIC) as reported in the consolidated balance sheet.

Gross liability for incurred claims at 31/12/2025	Insurance contracts						
	Incurred claims (gross of reinsurance, undiscounted) (in million EUR)						
Underwriting years	2020	2021	2022	2023	2024	2025	Total
Estimate of ultimate claim costs incurred:							
At the end of underwriting year	67.7	38.3	81.9	94.4	65.5	82.5	
One year later	46.0	68.5	100.9	104.5	95.9		
Two years later	141.3	107.3	106.9	146.5			
Three years later	84.5	95.2	125.3				
Four years later	83.1	98.2					
Five years later	88.7						
Current estimate of cumulative claims	88.7	98.2	125.3	146.5	95.9	82.5	805.0
Other directly attributable expenses paid	1.3	1.0	1.8	1.5	1.4	1.5	10.7
Cumulated gross claim costs paid, up to date	81.7	68.7	73.9	122.7	46.9	10.2	548.3
Cumulative gross claims and other directly attributable expenses paid	90.0	99.2	127.1	148.1	97.3	84.0	815.8
Gross cumulative claims liabilities - underwriting years from 2020 to 2025	8.3	30.4	53.2	25.4	50.4	73.8	267.5
Gross cumulative claims liabilities - prior underwriting years							-51.1
Effect of discounting							-17.4
Effect of NCB							7.5
Effect of the risk adjustment							31.2
Gross liability for incurred claims included in the balance sheet at 31/12/2025							**237.6**

Net liability for incurred claims at 31/12/2025	Insurance contracts						
	Incurred claims (net of reinsurance, undiscounted) (in million EUR)						
Underwriting years	2020	2021	2022	2023	2024	2025	Total
Estimate of ultimate claim costs incurred:							
At the end of underwriting year	30.8	21.5	52.7	59.5	42.3	55.5	
One year later	23.7	43.6	68.9	64.8	65.7		
Two years later	121.0	79.1	69.0	101.4			
Three years later	61.7	65.4	82.1				
Four years later	59.3	65.1					
Five years later	73.2						
Current estimate of cumulative claims	73.2	65.1	82.1	101.4	65.7	55.5	534.7
Other directly attributable expenses paid	1.3	1.0	1.8	1.5	1.4	1.5	10.7
Cumulated net claim costs paid, up to date	62.5	47.8	51.9	91.1	29.8	6.3	386.7
Cumulative net claims and other directly attributable expenses paid	74.5	66.1	83.9	103.0	67.1	57.0	545.4
Net cumulative claims liabilities - underwriting years from 2020 to 2025	12.0	18.3	31.9	11.9	37.3	50.7	158.6
Net cumulative claims liabilities - prior underwriting years							-49.1
Effect of discounting							-10.3
Effect of NCB							4.0
Effect of the risk adjustment							19.1
Net liability for incurred claims included in the balance sheet at 31/12/2025							**122.4**

4.1.7 Change in assumptions

No assumption changes with material impact have occurred since 1 January 2025.

4.2. Financial risk

Credendo is exposed to a range of financial risks through its financial investments, reinsurance assets and insurance liabilities. The most important components of this financial risk are interest rate risk, equity price risk, foreign currency risk and credit risk.

Credendo entities' risk management framework also covers the unpredictability of financial markets and seeks to minimise potential adverse effects on their financial performance. The objective is to identify, quantify, manage and then monitor events or actions that could lead to financial losses.

Taking into account risk appetite, the administrative or supervisory board of the entity determines limits regarding asset allocation as reflected in the investment strategy. The investment strategy typically identifies the asset allocations across the main investment categories, possible allocation limits by counterparty, business sector, geography, type of instrument and currency, the return to be targeted and the nature of any outsourcing and requirements for the safekeeping of assets (custodial arrangements). The portfolios of financial investments are managed and monitored through regular dedicated meetings by management bodies, assisted by a specialised committee.

4.2.1 Market risk

4.2.1.1 Interest rate risk

The interest rate risk stems from the risk of adverse movements in interest rates. Credendo's exposure to the interest rate risk is primarily limited to fixed-income instruments and, if discounted, technical provisions due to the fact that Credendo has no borrowings. Given the nature of the insurance activity, the undiscounted insurance liabilities are not sensitive to the level of market interest rates as they are contractually non-interest bearing. A higher interest rate lowers ceteris paribus the value of bonds and, if applied, the discounted value of technical provisions. At the end of the reporting period, a sensitivity analysis on that part of the bond portfolio identified as or assumed to be at variable interest rate points to a negligible increase/decrease in pre-tax profit of maximum K EUR 368 (2024: K EUR 284) due to a change in financial income, if interest rates would have increased/decreased by 5% respectively.

	5% increase in interest rates Impact on			5% decrease in interest rates Impact on		
	Investment assets subject to interest rate risk	Profit or loss	Equity	Investment assets subject to interest rate risk	Profit or loss	Equity
31/12/2025						
Investment assets	190,372	368	258	190,372	-368	-258
31/12/2024						
Investment assets	158,649	284	199	158,649	-284	-199

4.2.1.2 Currency risk

The risk of losses resulting from changes in the level or in the volatility of currency exchange rates is defined as currency risk. The currency part of countries that are vulnerable to the rise of extreme weather events and natural disasters and, thus, to increased currency volatility is immaterial.

Credendo is active in the insurance of international trade transactions, meaning that it holds insurance liabilities and related assets in several currencies on its statement of financial position. This creates risks of losses due to adverse movements in these currencies. The most material foreign-currency positions for Credendo (re)insurance contract assets and liabilities are as follows:

Currency risk exposures	31/12/2025					
	CZK	EUR	PLN	USD	Other currencies	Total
Insurance contract assets	-	8,623	-	3	-	8,626
Reinsurance contract assets	8,354	90,918	-123	8,635	-	107,784
Insurance contract liabilities	30,557	380,502	12,869	46,788	1,991	472,706
Reinsurance contract liabilities	38	2,157	-	-	-	2,196
Total insurance contract balances	**22,241**	**283,118**	**12,992**	**38,150**	**1,991**	**358,492**

Currency risk exposures	31/12/2024					
	CZK	EUR	PLN	USD	Other currencies	Total
Insurance contract assets	-	14,821	-	-	-	14,821
Reinsurance contract assets	3,820	79,345	163	9,714	-8,419	84,623
Insurance contract liabilities	7,731	434,656	11,867	53,409	-15,531	492,132
Reinsurance contract liabilities	50	2,290	1	-	-	2,341
Total insurance contract balances	**3,961**	**342,780**	**11,705**	**43,695**	**-7,112**	**395,029**

The year-on-year movements in currency risk exposure are mainly explained by changes in insurance contract liabilities. The decrease in EUR exposure is largely driven by Credendo – Export Credit Agency, where the liability for incurred claims and liability for remaining coverage decreased compared with the opening position. Conversely, the increase in CZK exposure is mainly linked to Credendo – Trade Credit Insurance, particularly the 'multi-risk credit insurance - comprehensive policy' portfolio (PTF2), where insurance liabilities increased by approximately EUR 22 million. As a result, the overall currency exposure reflects the evolution of the underlying insurance liability positions by entity and portfolio.

The rates used for the translation of the most important foreign currencies in these financial statements are the following:

Most important currencies vis-à-vis EUR	CZK	PLN	USD
Exchange rate at the end of 2025	24.24	4.22	1.18
% fluctuation since the end of 2024	-4%	-1%	13%
Average 2025	24.69	4.24	1.13
Exchange rate at the end of 2024	25.19	4.28	1.04
% fluctuation since the end of 2023	2%	-1%	-6%
Average 2024	25.00	4.26	1.09

4.2.1.3 Equity price risk

Equity represents a significant percentage in the consolidated Credendo investment portfolio. Since equity is typically a higher-risk instrument that is more sensitive to volatility and possible large shocks, a safe investment strategy is pursued. The volatility risk is mitigated through the use of mixed target volatility funds and diversified hedging of risk positions. While a decent return is sought after, it is equally important to hold equity in secure assets. Furthermore, also geographically, the equity portfolio generally favours safer, more mature markets over risky markets.

At the end of the reporting period, a sensitivity analysis on funds invested in equity instruments (after look-through and including commodities and derivatives) demonstrates that if equity market prices had been 5% higher/lower, with all other variables held constant, pre-tax impact on P&L would have been EUR 39 million higher/lower (2024: EUR 34 million) respectively, due to the change in mark-to-market of equity.

4.2.2 Credit risk

Credit or counterparty default risk is defined as the risk of loss or of adverse change in the financial situation, resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which Credendo is exposed. Credit risk is typically assessed through ratings reflecting the creditworthiness of the counterparty. The credit risk exposure arises from financial transactions with security issuers, debtors, intermediaries, policyholders or reinsurers. Most notably, there is a significant credit risk when considering the investment portfolio and when considering the reinsurance recoverables. The receivables from the insurance activities mostly concern exposures to typically unrated counterparties, like policyholders and brokers, for which the overall credit risk is mitigated through the very diversification of the exposures.

The credit risk inherent in the investment portfolio mainly concerns the bonds, term deposits and monetary funds. Where such instruments are involved, the clear strategic decision is taken to favour highly rated counterparties. The majority of the bonds are government bonds and where corporate bonds are held, the counterparty is generally well-rated.

The following tables demonstrate the credit quality of the consolidated financial investments that are neither overdue nor impaired, except for the funded solutions. Mixed funds are classified on a look-through basis i.e. according to the category of the underlying financial investments. Therefore, amounts e.g. classified as equity instruments or cash (equivalents), are different from amounts in the balance sheet.

A total amount of EUR 978.6 million is classified as not rated. It refers to equity investments (EUR 782.7 million), to government bonds and debt instrument funds for which the average rating was not available (EUR 18.3 million) to cash held in non-rated banks (EUR 1.0 million) and finally EUR 98.4 million of funded solutions for which there is no external rating. The 2024 figures on government bonds and debt instrument funds were restated using the issuer rating where the bond rating was not available. Note that the carrying amounts of financial assets at reporting date are representative of the entity's exposure to credit risk during the period.

Cash and cash equivalents are defined in accordance with Credendo's accounting policy (see note 2.11) and include deposits with an original maturity of three months or less. As a result, short-term fixed-term deposits (i.e. with an original maturity below three months) are presented as cash and cash equivalents rather than within financial investments, while longer-term deposits remain included in fixed-term deposits. This presentation may create differences between the reported movements in cash and in fixed-term deposits, but these are purely classification effects and do not reflect any change in Credendo's underlying credit risk exposure, as all deposits are subject to the same conservative counterparty risk management approach.

Credit risk exposures	AAA	AA	A	BBB	<BBB	Non-rated	Total
FINANCIAL INVESTMENTS AND CASH (EQUIVALENTS) AT 31/12/2025							
Government bonds	**537,066**	**516,589**	**326,238**	**82,501**	**3,482**	**3,038**	**1,468,914**
Funds invested in debt/security instruments	**15,275**	**41,638**	**302,085**	**360,447**	**25,916**	**15,299**	**760,661**
Funds invested in equity instruments	**-**	**-**	**-**	**-**	**-**	**782,708**	**782,708**
Fixed-term deposits	**-**	**-**	**311,250**	**-**	**-**	**-**	**311,250**
Cash and cash equivalents	**1,000**	**-**	**313,723**	**-**	**-**	**523**	**315,246**
Funded solutions						**98,442**	**98,442**
12 months ECL						52,079	52,079
Lifetime ECL						17,418	17,418
Purchased or originated credit-impaired financial assets						28,945	28,945
Total	**553,341**	**552,280**	**1,230,479**	**404,193**	**18,305**	**978,623**	**3,737,220**

Credit risk exposures	AAA	AA	A	BBB	<BBB	Non-rated	Total
FINANCIAL INVESTMENTS AND CASH (EQUIVALENTS) AT 31/12/2024							
Government bonds	**487,727**	**813,230**	**97,007**	**60,577**	**1,104**	**319**	**1,459,965**
Funds invested in debt/security instruments	**13,086**	**34,237**	**274,794**	**385,799**	**24,036**	**11,689**	**743,640**
Funds invested in equity instruments	**-**	**-**	**-**	**-**	**-**	**682,711**	**682,711**
Fixed-term deposits	**-**	**-**	**149,752**	**-**	**-**	**-**	**149,752**
Cash and cash equivalents	**-**	**3,671**	**490,706**	**1,660**	**-**	**88**	**496,125**
Funded solutions						**129,082**	**129,082**
12 months ECL						77,037	77,037
Lifetime ECL						2,375	2,375
Purchased or originated credit-impaired financial assets						49,670	49,670
Total	**500,813**	**849,582**	**987,883**	**424,511**	**13,979**	**884,506**	**3,661,274**

Under IFRS 9's expected credit loss (ECL) model, our financial assets have been classified into three stages based on changes in credit risk:

- Stage 1 includes assets with no significant increase in credit risk since initial recognition. The ECL is recognised on a twelve-month basis, and interest income is calculated on the gross carrying amount.
- Stage 2 applies when credit risk has significantly increased. Here, lifetime ECL is recognised, but interest income remains based on the gross amount.
- Stage 3 covers assets that are credit impaired. Lifetime ECL is recognised, but interest income is calculated on the net carrying amount (i.e., after deducting the loss allowance).

Government bonds	Stage 1		Stage 2		Stage 3		Total ECL
	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance	
Balance at 01/01/2025	**299,209**	**42**	**-**	**-**	**-**	**-**	**42**
Transfers	-	-	-	-	-	-	-
Originated or purchased	-	-	-	-	-	-	-
Matured or sold	-	-	-	-	-	-	-
Remeasurements	2,470	-	-	-	-	-	-
Total impairment charge	**2,470**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31/12/2025	**301,679**	**42**	**-**	**-**	**-**	**-**	**42**

Government bonds	Stage 1		Stage 2		Stage 3		Total ECL
	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance	
Balance at 01/01/2024	**298,310**	**22**	**-**	**-**	**-**	**-**	**22**
Transfers	-	-	-	-	-	-	-
Originated or purchased	190,217	26	-	-	-	-	26
Matured or sold	-189,237	-7	-	-	-	-	-7
Remeasurements	-82	-	-	-	-	-	-
Total impairment charge	**898**	**20**	**-**	**-**	**-**	**-**	**20**
Balance at 31/12/2024	**299,209**	**42**	**-**	**-**	**-**	**-**	**42**

Loans	Stage 1		Stage 2		Stage 3		Total ECL
	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance	
Balance at 01/01/2025	**10**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers	-	-	-	-	-	-	-
Originated or purchased	-	-	-	-	-	-	-
Matured or sold	-	-	-	-	-	-	-
Remeasurements	-	-	-	-	-	-	-
Total impairment charge	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31/12/2025	**10**	**-**	**-**	**-**	**-**	**-**	**-**

Loans	Stage 1		Stage 2		Stage 3		Total ECL
	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance	
Balance at 01/01/2024	**10**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers	-	-	-	-	-	-	-
Originated or purchased	-	-	-	-	-	-	-
Matured or sold	-	-	-	-	-	-	-
Remeasurements	-	-	-	-	-	-	-
Total impairment charge	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31/12/2024	**10**	**-**	**-**	**-**	**-**	**-**	**-**

Funded solutions	Stage 1		Stage 2		Stage 3		Total ECL
	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance	
Balance at 01/01/2025	**77,037**	**418**	**2,375**	**147**	**49,670**	**44,203**	**44,769**
Transfers	-13,294	-41	29,409	6,064	-17,399	-16,163	-10,141
Originated or purchased	15,460	58	-	-	-	-	58
Matured or sold	-3,245	-7	-13,053	-5,469	-1,883	-1,865	-7,341
Remeasurements	-23,879	-74	-1,313	-345	-1,443	-554	-973
Total impairment charge	**-24,958**	**-64**	**15,043**	**249**	**-20,725**	**-18,581**	**-18,396**
Balance at 31/12/2025	**52,079**	**354**	**17,418**	**396**	**28,945**	**25,622**	**26,373**

Funded solutions	Stage 1		Stage 2		Stage 3		Total ECL
	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance	
Balance at 01/01/2024	**107,855**	**616**	**25,833**	**721**	**28,136**	**26,922**	**28,258**
Transfers	-1,193	-33	-21,685	-434	19,505	14,604	14,138
Originated or purchased	13,952	128	161	21	-	-	149
Matured or sold	-17,846	-62	-869	-58	-80	-30	-149
Remeasurements	-25,729	-230	-1,065	-104	2,109	2,707	2,373
Total impairment charge	**-30,818**	**-197**	**-23,458**	**-574**	**21,534**	**17,282**	**16,511**
Balance at 31/12/2024	**77,037**	**417**	**2,375**	**147**	**49,670**	**44,203**	**44,769**

The main impairment charge movements in funded solutions represent the period-to-date change in expected credit losses (ECL) recognised in profit or loss due to changes in credit risk, exposures, and forward-looking assumptions. The total EUR 18.4 million ECL charge consists of a EUR 13.5 million impact because of matured or written off contracts and a staging impact of EUR 4.9 million.

The distribution of financial investments by currency indicates that Credendo is primarily exposed to hard currencies, thereby mitigating risks associated with volatility and depreciation.

Credit risk exposures	EUR	USD	GBP	CHF	JPY	NOK	CZK	Other currencies	Total
Financial investments and cash (equivalents) at 31/12/2025									
Government bonds	1,307,238	88,839	6,290	24,808	36,177	23	-	5,538	1,468,914
Funds invested in debt/ security instruments	694,003	60,988	5,669	-	-	-	-	-	760,661
Funds invested in equity instruments	258,068	360,817	30,242	22,739	2,019	21,703	78	87,041	782,708
Fixed-term deposits	311,250	-	-	-	-	-	-	-	311,250
Cash and cash equivalents	205,692	60,178	26,702	1,927	75	1,134	6,771	12,767	315,246
Funded solutions	90,115	8,327	-	-	-	-	-	-	98,442
Total	**2,866,367**	**579,149**	**68,903**	**49,474**	**38,271**	**22,860**	**6,849**	**105,346**	**3,737,220**

Credit risk exposures	EUR	USD	GBP	CHF	JPY	NOK	CZK	Other currencies	Total
Financial investments and cash (equivalents) at 31/12/2024									
Government bonds	1,256,198	118,235	1,687	28,831	19,727	31,006	168	4,113	1,459,965
Funds invested in debt/ security instruments	676,330	59,984	7,099	28	-	-	27	173	743,641
Funds invested in equity instruments	234,666	300,419	20,713	18,939	48	1,493	21,829	84,604	682,710
Fixed-term deposits	133,506	-	-	-	16,245	-	-	-	149,752
Cash and cash equivalents	196,856	264,955	20,717	237	7,895	2	2,498	2,965	496,125
Funded solutions	116,399	12,644	39	-	-	-	-	-	129,082
Total	**2,613,955**	**756,237**	**50,255**	**48,035**	**43,915**	**32,500**	**24,522**	**91,855**	**3,661,274**

At the end of the reporting period, a sensitivity analysis on foreign currency positions points to an increase/decrease of the financial assets by EUR 43.5 million (2024: EUR 52.3 million) if these currencies would appreciate/depreciate by 5% vis-à-vis the EUR.

While reinsurance agreements help to mitigate and manage the insurance risks, there is a possibility that the reinsurer will not fulfil its obligations. This comes down to the reinsurer not compensating an incurred loss, because it is not able or willing to do so. Credendo carefully selects its reinsurers and sets an internal requirement for all reinsurers to be rated at least investment grade. Furthermore, a strict follow-up and regular review of the relations and the performance of the agreements enable Credendo to optimise these agreements beyond the pure rating requirement. The choice of counterparties varies little from year to year, indicating an overall satisfaction with both the relationships and the creditworthiness of these counterparties.

Counterparty risk exposures	AAA	AA	A	BBB	<BBB	Non-rated	Total
REINSURERS' SHARE OF INSURANCE LIABILITIES							
31/12/2025							
Reinsurance contract assets	-3,993	46,448	62,953	505	-	1,871	107,784
Reinsurance contract liabilities	-	247	1,427	422	-	100	2,196
Maximum credit risk exposure	**-3,993**	**46,201**	**61,526**	**83**	**-**	**1,771**	**105,588**
31/12/2024							
Reinsurance contract assets	86	26,694	53,379	921	-	3,543	84,623
Reinsurance contract liabilities	-	277	1,520	441	-	103	2,341
Maximum credit risk exposure	**86**	**26,417**	**51,859**	**480**	**-**	**3,440**	**82,282**

Non-rated reinsurers concern especially foreign government-related credit insurers. For our direct business, the credit risk is part of our underwriting risk (see section 4.1.4).

4.2.3 Liquidity risk

Liquidity risk is defined as the risk that funds are not available in order to settle financial obligations when they fall due. Credendo entities' principal cash outflow commitments are related to their insurance liabilities. Credendo's (non-)derivative financial liabilities are close to zero.

The insurance liabilities of most of Credendo's entities are mid-term and long-term liabilities especially. High fluctuations in claims payments may cause severe liquidity stresses. This means that, at all times, a solid balance between higher-yielding longer-term securities and keeping sufficient liquid funds to cover short-duration insurance liabilities must be struck. Resources to cover day-to-day cash requirements are, besides cash inflows from net written premiums and recoveries of paid claims, available cash and deposit holdings and highly liquid financial investments.

Policies and procedures for managing the liquidity risk have regard to the investment strategy, the global underwriting strategy and claims management. Liquidity risk management covers both operational liquidity or cash management and longer-term strategic liquidity needs. Considering available resources and existing untapped sources of funding, and the fact that Credendo has no borrowings or significant financial liabilities, the liquidity risk is assessed to be low.

The below tables indicate the maturities of the insurance contracts (for contracts measured under the BBA and PAA).

31/12/2025	Present value of the future cash flows						
Maturity analysis by years	1	2	3	4	5	>5	Total
Insurance contracts assets	3,458	223	-136	-	-609	5,690	8,626
Reinsurance contracts assets	2,909	982	-171	20,063	31,143	52,858	107,784
Insurance contracts liabilities	3,671	11,494	44,598	78,820	23,326	310,797	472,706
Reinsurance contracts liabilities	2,225	-	-29	-	-	-	2,196
Insurance contract balances (net)	**-471**	**10,289**	**44,876**	**58,757**	**-7,208**	**252,249**	**358,492**

31/12/2024	Present value of the future cash flows						
Maturity analysis by years	1	2	3	4	5	>5	Total
Insurance contracts assets	15,908	-23	966	-	-	-2,030	14,821
Reinsurance contracts assets	-2,080	15,120	16,836	9,621	24,489	20,637	84,623
Insurance contracts liabilities	34,989	19,167	27,967	59,578	31,300	319,131	492,132
Reinsurance contracts liabilities	2,375	-	-34	-	-	-	2,341
Insurance contract balances (net)	**23,536**	**4,070**	**10,131**	**49,957**	**6,811**	**300,524**	**395,029**

4.2.4 Capital management

The capital management framework considers the interaction between available and required capital on the one hand, and the risk profile and its expected and stressed evolution on the other.

Credendo entities relate risk tolerance to risk-based capital concepts, relevant for different stakeholders. The following capital concepts are used within Credendo:

> Solvency II Capital Requirement (SCR): the regulatory SCR corresponds to a value-at-risk (VaR) of the basic own funds subject to a confidence level of 99.5% to meet obligations to policyholders over the following twelve months.

> Rating capital: rating agencies also use risk-based capital models that indicate the VaR amount of own funds corresponding to varying confidence intervals commensurate with a target rating category.

> Economic capital: amount of own funds needed according to an internal model and a defined measure (value-at-risk, tail-value-at-risk, etc.) and confidence level.

> Regarding the external regulation, all Credendo entities met the minimum capital requirement thresholds in 2025 as imposed by their respective jurisdictions.

Credendo entities subject to the EU-wide Solvency II insurance regulation, that is all entities except parent company Credendo – Export Credit Agency, have a general risk tolerance set in terms of maintaining a comfortable buffer vis-à-vis the solvency capital requirements in the context of the Solvency II framework.

Indeed, at the end of 2025, the Solvency Capital Requirement (SCR) ratios for Credendo – Trade Credit Insurance and Credendo – Guarantees & Speciality Risks largely exceeded the 100% threshold, reaching 235% and 198% respectively. Detailed calculations can be found in each entity's Solvency and Financial Condition Report.

All Credendo entities currently hold ratings from S&P Global:

> Credendo – Short-term Non-EU Risks merged through absorption of Credendo – Short-Term EU Risks in April 2025. The newly merged entity was renamed Credendo – Trade Credit Insurance and its A rating with a stable outlook was affirmed in April 2025;

> Credendo – Guarantees & Speciality Risks was rated A- with a positive outlook since July 2024. In July 2026, this rating was upgraded to A with a stable outlook;

> Parent company Credendo – Export Credit Agency is rated AA- with a stable outlook in April 2026, in line with the sovereign rating of the Kingdom of Belgium.

The structure and quality of the own funds are managed so as to optimise the mix of available resources, considering that capital requirements are to be covered by own funds but also that different metrics are applied according to regulatory, rating agencies or shareholders' views. The own funds management aims to maximise available resources that provide full absorption of losses on a going-concern basis.

The capital planning strategy aligns the internal capital demand (based on projections of capital requirements taking account of the risk appetite and longer-term business strategy) and the internal capital supply (own funds) over the business planning period, identifying possible needs to raise additional resources. Medium-term capital planning and the projection of risk-based capital metrics should reduce volatility in the capital position and support the capital buffer, ensure access to capital in the future and increase capital efficiency. Optimising capital management includes assessing whether to retain or transfer risks, taking into account the projection of capital required.

4.3. Fair-value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

> quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

> input, other than quoted prices included in level 1, that is observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2);

> input for the asset or liability that is not based on observable market data (unobservable input) (level 3).

The following tables present Credendo's assets and liabilities measured at fair value at 31 December 2025 and 2024. Note that only the financial instruments measured at fair value are included in the tables below. As loans and receivables are not measured at fair value, they have not been included in the tables below.

31/12/2025 (in million EUR)	Level 1	Total
ASSETS		
Financial assets at fair value through profit or loss	**2,780**	**2,780**
Mixed and other funds	2,780	2,780
Fair value to OCI financial assets	**-**	**-**
Funds invested in debt instruments	-	-
Total assets	**2,780**	**2,780**

31/12/2024 (in million EUR)	Level 1	Total
Assets		
Financial assets at fair value through profit or loss	**2,598**	**2,598**
Mixed and other funds	2,598	2,598
Fair value to OCI financial assets	**19**	**19**
Funds invested in debt instruments	19	19
Total assets	**2,617**	**2,617**

The split by asset class has been changed, so that it represents the different categories of financial instruments as invested in by Credendo. A look-through of the investments in other investment funds is provided in note 8. 'Total value by measurement category remains unchanged'.

On 31 December 2025, all financial investments measured at fair value on a recurring basis are classified as level 1 (31 December 2024: 100%). Fair-value measurements classified as level 1 include exchange-traded prices of fixed maturities, equity securities and derivative contracts. Credendo has no investments that are measured at fair value and that are classified as level 2 or level 3.

For the accounting policies regarding the determination of the fair values of financial investments and financial liabilities, see note 2.7.1.

There have been no transfers between levels during the year.

There are no financial assets or financial liabilities that are subject to offsetting, enforceable master netting arrangements or similar agreements.

5. Intangible assets

Intangible assets	Note	Goodwill	Externally acquired software	Internally generated software development costs	Internally generated software in development	Concessions, patents and licences	Other	Total
At cost at 01/01/2025		**5,835**	**780**	**113,371**	**55,459**	**12,454**	**1,946**	**189,845**
Additions		-	-	2,329	16,912	36	342	19,619
Business combination		-	-	-3,538	-	-	-647	-4,185
Disposals		-	-1	-7,158	-1,176	-	-7	-8,342
Transfers		-	-	19,502	-19,502	-	-	-
At cost at 31/12/2025		**5,835**	**779**	**124,506**	**51,693**	**12,490**	**1,634**	**196,937**
Accumulated amortisation and impairments at 01/01/2025		**-5,560**	**-768**	**-42,708**	**-**	**-12,138**	**-1,409**	**-62,583**
Amortisation charge	26	-	-2	-9,343	-	-211	-45	-9,601
Amortisation on disposals		-	1	-	-	-	-	1
Business combination		-	-	1,506	-	-	118	1,624
Accumulated amortisation and impairments at 31/12/2025		**-5,560**	**-769**	**-50,545**	**-**	**-12,349**	**-1,336**	**-70,559**
Balance at 01/01/2025		**275**	**12**	**70,663**	**55,459**	**316**	**537**	**127,262**
Balance at 31/12/2025		**275**	**10**	**73,961**	**51,693**	**141**	**298**	**126,378**

Intangible assets	Note	Goodwill	Externally acquired software	Internally generated software development costs	Internally generated software in development	Concessions, patents and licences	Other	Total
At cost at 01/01/2024		**5,835**	**794**	**109,113**	**41,198**	**12,454**	**1,544**	**170,938**
Additions		-	-	1,877	15,647	-	6	17,530
Business combination		-	-	995	-	-	396	1,391
Disposals		-	-	-	-	-	-	-
Transfers		-	-	1,386	-1,386	-	-	-
Exchange differences		-	-14	-	-	-	-	-14
At cost at 31/12/2024		**5,835**	**780**	**113,371**	**55,459**	**12,454**	**1,946**	**189,845**
Accumulated amortisation and impairments at 01/01/2024		**-5,560**	**-780**	**-32,087**	**-**	**-11,922**	**-507**	**-50,856**
Amortisation charge	26	-	-2	-9,965	-	-216	-34	-10,217
Amortisation on disposals		-	-	-	-	-	-	-
Business combination		-	-	-656	-	-	-868	-1,524
Exchange differences		-	14	-	-	-	-	14
Accumulated amortisation and impairments at 31/12/2024		**-5,560**	**-768**	**-42,708**	**-**	**-12,138**	**-1,409**	**-62,583**
Balance at 01/01/2024		**275**	**14**	**77,026**	**41,198**	**532**	**1,037**	**120,082**
Balance at 31/12/2024		**275**	**12**	**70,663**	**55,459**	**316**	**537**	**127,262**

The total amortisation expense of K EUR 9,601 (2024: K EUR 10,217) has been charged in 'Depreciation and amortisation' in the income statement.

The total additions of 2025 amount to K EUR 19,619 (2024: K EUR 17,530) and are mainly related to the continuing IT investment projects.

Credendo's current and future intangible assets are not pledged nor restricted.

5.1. Impairment testing on intangible assets not yet ready for use

Policy
Intangible assets not yet ready for use are subject to annual impairment testing, which management monitors on an ongoing, continuous basis. As such, they are allocated to the smallest identifiable group of assets that independently generates cash inflows, which in this case is Credendo – Export Credit Agency.

These intangible assets mainly consist of software systems such as SAP4I (SAP for Insurance) and other SAP4I-related systems that have been assessed by management as viable projects with feasible outcome and for which sufficient budgets to bring the projects to fruition have been approved.

CGU
The valuation of CGUs (cash-generating units) is based on the assets and liabilities held by Credendo – Export Credit Agency, except for two separately treated elements excluded from this exercise:

1) investments in consolidated entities (not included in Credendo – Export Credit Agency's budget);

2) mandatory investment in Belgian government bonds or notes, that is equal to the endowment received from the Belgian state.

Method and assumptions
The value-in-use of the assets was estimated using a dividend discount model, which is comparable to the practice of competitors in similar markets, albeit tailored to Credendo's specific characteristics.

The basis for the test consists of management's business forecasts for the next five years, which are recent and thus take into account current market conditions. The management forecasts of the net finance income as at 31 December 2025 applied in the test, are as prudent as those applied as at 31 December 2024. Also included in the estimate is the value of the excess capital that Credendo – Export Credit Agency could potentially distribute to shareholders.

Estimating the WACC has resulted in a rate of 9.82%. This rate is applied based on the fact that Credendo – Export Credit Agency is a government agency under state guarantee with its primary mission of facilitating Belgian exports. Also, it is in line with the observable market information in the industry.

A long-term growth rate of 1.5% was applied. This rate is based on a prudent estimate of net profit growth in management's long-term budget as well as the benchmark of the market. Finally, the assumption was made that Credendo's tax regime will remain unchanged.

The key assumptions in the model, i.e. the long-term growth rate and the WACC, have been tested for sensitivity by applying multiple reasonable scenarios.

Increase in WACC
If the model's WACC is increased to 10.0%, the reduction in headroom does not result in the need to impair the intangible assets.

Decrease in permanent growth rate (g)
In case of a decrease in the g value, assumed in the model, to 0.65%, the resulting reduction in headroom does not lead to the need to impair the intangible assets.

5.2. Goodwill

Management reviews the business performance based on an entity level as this is how goodwill is monitored by management. The following is a summary of goodwill allocation for each entity:

31/12/2025	Opening	Impairment	Closing
Credendo – Guarantees & Speciality Risks	275		275
Total	**275**	**-**	**275**

31/12/2024	Opening	Impairment	Closing
Credendo – Guarantees & Speciality Risks	275		275
Total	**275**	**-**	**275**

During the fourth quarter of 2025, Credendo completed its annual impairment test for goodwill.

There was no impairment of goodwill required.

6. Property, plant and equipment

6.1. Property, plant and equipment owned by Credendo

Property, plant and equipment	Land and buildings	Plant, machinery and equipment	Office furniture, furnishing and vehicles	Operating equipment	Other	Total
At cost at 01/01/2025	**18,746**	**14,031**	**9,512**	**-**	**104**	**42,393**
Additions	-	564	174	-	2	740
Business combination	-	-	-	-	-69	-69
Disposals	-	-474	-187	-	-15	-676
At cost at 31/12/2025	**18,746**	**14,121**	**9,499**	**-**	**22**	**42,388**
Accumulated depreciation and impairments at 01/01/2025	**-3,233**	**-12,605**	**-8,950**	**-**	**-23**	**-24,811**
Depreciation charge	-152	-614	-341	-	-	-1,107
Depreciation on disposals	-	397	187	-	-	584
Business combination	-	-	-	-	16	16
Accumulated depreciation and impairments at 31/12/2025	**-3,385**	**-12,822**	**-9,104**	**-**	**-7**	**-25,318**
Balance at 01/01/2025	**15,513**	**1,426**	**562**	**-**	**81**	**17,582**
Balance at 31/12/2025	**15,361**	**1,299**	**395**	**-**	**15**	**17,070**

Property, plant and equipment	Land and buildings	Plant, machinery and equipment	Office furniture, furnishing and vehicles	Operating equipment	Other	Total
At cost at 01/01/2024	**18,746**	**13,603**	**9,533**	**-**	**136**	**42,018**
Additions	-	874	155	-	5	1,034
Business combination	-	-	-	-	-37	-37
Disposals	-	-434	-166	-	-	-600
Exchange differences	-	-12	-10	-	-	-22
At cost at 31/12/2024	**18,746**	**14,031**	**9,512**	**-**	**104**	**42,393**
Accumulated depreciation and impairments at 01/01/2024	**-3,080**	**-12,269**	**-8,890**	**-**	**-57**	**-24,296**
Depreciation charge	-153	-619	-222	-	-	-994
Depreciation on disposals	-	271	155	-	-	426
Business combination	-	-	-	-	34	34
Exchange differences	-	12	7	-	-	19
Accumulated depreciation and impairments at 31/12/2024	**-3,233**	**-12,605**	**-8,950**	**-**	**-23**	**-24,811**
Balance at 01/01/2024	**15,666**	**1,334**	**643**	**-**	**79**	**17,722**
Balance at 31/12/2024	**15,513**	**1,426**	**562**	**-**	**81**	**17,582**

The total depreciation expense of K EUR 1,107 (2024: K EUR 994) has been charged in 'Depreciation and amortisation' in the income statement.

The total additions of 2025 amount to K EUR 740 (2024: K EUR 1,034) and are mainly related to the acquisition of hardware and furniture (K EUR 420).

Credendo's current and future tangible assets are not pledged nor restricted.

6.2. Leased property, plant and equipment

6.2.1 Amounts recognised in the balance sheet

Following the first application of IFRS 16 on 1 January 2019, the right-of-use assets are included in the line 'Property, plant and equipment' in the balance sheet.

Right-of-use assets	31/12/2025	31/12/2024
Buildings	1,758	2,170
Vehicles	2,818	1,670
Total	**4,576**	**3,840**

Lease liabilities	31/12/2025	31/12/2024
Current	1,818	1,089
Non-current	2,899	2,900
Total	**4,717**	**3,989**

Disclosed in the table below are the contractual undiscounted cash flows related to lease contracts.

31/12/2025 Contractual maturities of lease liabilities	Less than 1 year	Between 1 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount of lease liabilities
Buildings	529	1,320	-	1,849	1,849
Vehicles	1,289	1,579	-	2,868	2,868
Lease liabilities	**1,818**	**2,899**	**-**	**4,717**	**4,717**

31/12/2024 Contractual maturities of lease liabilities	Less than 1 year	Between 1 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount of lease liabilities
Buildings	638	1,454	-	2,092	2,294
Vehicles	955	1,184	-	2,139	1,695
Lease liabilities	**1,593**	**2,638**	**-**	**4,231**	**3,989**

The table below shows the aging of the maturities:

	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
Lease liabilities								
31/12/2025	2,548	685	376	251	251	606	-	4,717
31/12/2024	1,844	701	393	221	221	609	-	3,989

6.2.2 Amounts recognised in the P&L

The statement of profit or loss shows the following amounts relating to leases:

Depreciation charge of right-of-use assets	Note	31/12/2025	31/12/2024
Buildings		-2,038	-2,447
Vehicles		-1,181	-990
Subtotal	**26**	**-3,219**	**-3,437**
Interest expense (incl. In finance cost)		480	524
Expense related to leases of low-value assets not shown as short-term leases		39	39

7. Other financial assets

The other financial assets can be detailed as follows:

in thousands EUR	31/12/2025	31/12/2024
Investments in companies in equity method	17,405	18,043
Loans to associates	10	10
Cash guarantees	323	212
Total other financial assets	**17,739**	**18,265**

As detailed in note 1.1. introduction, Credendo – Export Credit Agency currently holds a 13.81% stake in Aera Payment & Identification AS, which is now the parent company of Digiteal SA. Because Credendo – Export Credit Agency still holds significant influence over Aera, this investment meets the definition of an investment in an associate and is thus accounted for under the equity method. As of 31 December 2025, Aera Payment & Identification AS had a loss from continuing operations of K NOK 221,444 (K EUR 18,912) of which K NOK 30,584 (K EUR 2,612) are recorded as the loss of associated and joint ventures accounted for using the equity method in the financial statements of Credendo. Considering Credendo's pari-passu share in the October 2025 capital increase (K EUR 1,974) the value of the investment in Aera Payment & Identification AS as at 31 December 2025 is reduced to K EUR 17,405.

8. Financial investments

Credendo's financial investments are summarised by measurement category in the tables below:

Analysis by classes 2025	Fair value through other comprehensive income	Fair value through profit or loss	Amortised cost	Total
	Mandatory	Designated		
Government bonds[1]	**-**	**-**	**298,922**	**298,922**
Unquoted	-	-	298,922	298,922
Mixed and other Funds	**-**	**2,779,544**	**21,558**	**2,801,102**
Quoted	-	2,779,544	-	2,779,544
Unquoted	-	-	21,558	21,558
Fixed-term deposits	**-**	**-**	**36,540**	**36,540**
Total financial investments	**-**	**2,779,544**	**357,020**	**3,136,564**

(1) including local and regional authorities, and other related issuers

Analysis by classes 2024	Fair value through other comprehensive income	Fair value through profit or loss	Amortised cost	Total
	Mandatory	Designated		
Government bonds[(1)]	**-**	**-**	**298,922**	**298,922**
Unquoted	-	-	298,922	298,922
Funds invested in debt instruments	**19,291**	**-**	**-**	**19,291**
Quoted	19,291	-	-	19,291
Mixed and other Funds	**-**	**2,598,124**	**24,208**	**2,622,332**
Quoted	-	2,598,124	-	2,598,124
Unquoted	-	-	24,208	24,208
Fixed-term deposits	**-**	**-**	**145,551**	**145,551**
Total financial investments	**19,291**	**2,598,124**	**468,681**	**3,086,096**

(1) including local and regional authorities, and other related issuers

The split by asset class represents the different categories of financial instruments in which Credendo has invested. A look-through of the investments in other investment funds (Zephyr) is provided below. Total value by measurement category remains unchanged.

The maximum exposure to credit risk at the reporting date is the carrying value of the debt securities and term deposits.

There were no longer fair value through other comprehensive income financial investments at the 2025 reporting date. This is explained by the liquidation of these ex-Credendo – Short-Term EU Risks investments and for a large part reinvested into the Zephyr investment fund held by Credendo – Trade Credit Insurance.

At the reporting date no loans and receivables classified as financial investments have been impaired.

Equity and debt securities classified at fair value through profit or loss are designated in this category upon initial recognition.

There are no non-derivative financial assets held for trading.

Current/Non-current split	31/12/2025	31/12/2024
Current	335,419	362,474
Non-current	2,801,145	2,723,622
Total	**3,136,564**	**3,086,096**

8.1. Zephyr

The financial investments as per 31 December 2025 mainly include financial investments in an institutional fund, called Zephyr, for an amount of EUR 2.78 billion (2024: EUR 2.59 billion). These are classified as financial investments at fair value through profit or loss (see table below for more details per asset class). Credendo chose to designate the entire portfolio of these financial investments as a whole, instead of individual classification, as financial investments at fair value through profit or loss based on the fact that these relate to a group of financial assets that is managed, and their performance is evaluated on a fair-value basis, in accordance with a documented risk management and investment strategy.

Zephyr is a multi-asset investment fund with the following sub-funds and investment objectives and strategy:

> three mixed funds for a total amount of EUR 1.52 billion, managed by three different asset managers within a traditional balanced mandate on the basis of the following benchmark: 51.5% government bonds of OECD countries, 26.0% investment-grade corporate bonds, 12.5% equities, 6.0% commodities and 4.0% real estate;

> two mixed funds for a total amount of EUR 1.14 billion, managed by two different asset managers within specific mandates with as primary objective to optimise the return while maintaining ex ante and ex post a predefined measure of the risk budget;

> one fund that contains investments used for the dynamic risk overlay of EUR 0.03 billion, managed by one asset manager, when non-active, with a traditional balanced mandate on the basis of the above-mentioned benchmark, and when active, investing in securities to counter decreasing financial markets;

> one fund that contains investments of EUR 0.09 billion that support the energy transition as defined in SDG n° 7 of the UN, managed by one asset-manager, with as primary objective to support this transition while optimising the return.

The strategic asset allocation (SAA) for the entire investment portfolio is reviewed at least annually by the Boards of Directors, the Executive Committees and the Financial Asset Management Committees of the participating Credendo entities.

The investments within Zephyr represent the major part of the entire investment portfolio of the group. Most of the asset classes with a higher-risk profile are managed within Zephyr.

The Financial Asset Management Committees review the portfolio positioning related to Zephyr at least on a quarterly basis and review the entire portfolio positioning related to risk and performance at least on a quarterly basis by, amongst other things, verifying that asset classes remain within expected boundaries and by assessing the investment portfolio against the strategic asset allocation benchmark.

These financial investments are quoted and therefore classified as 'level 1' financial investments. The fair value of these financial investments is determined based on the following principles:

> the valuation of financial instruments and monetary market instruments that are traded on a regulated, regularly functioning and open market, is based on the last known price on such market. If such instrument is traded on more than one market, the valuation is based on the last known price on its principal trade market. If such price is not representative, the valuation is based on the likely realisation value;

> valuations that are expressed in another currency than the one of the concerned compartment are converted to EUR based on the last known exchange rate.

The financial investment portfolio in Zephyr as per 31 December 2025 can be detailed as follows:

Detail per asset class

Asset class	Market value	
	31/12/2025	31/12/2024
Corporate bonds	824,913	813,165
Government bonds	1,074,710	1,068,545
Equity	614,533	494,278
Cash and cash equivalents	95,501	87,419
Commodities	158,176	95,333
Real estate	11,688	28,963
Total	**2,779,522**	**2,587,702**

Detail per currency

Currency	Market value	
	31/12/2025	31/12/2024
EUR	2,268,600	2,114,710
USD	427,072	395,436
CHF	29,450	32,316
JPY	4,296	7,351
GBP	9,980	4,315
SEK	995	812
Other	39,129	32,762
Total	**2,779,522**	**2,587,702**

The financial risks related to the portfolio in Zephyr can be described as follows:

8.2. Market risk

Market risk is the risk that the value of the Zephyr investment fund will be adversely affected by movements in market variables such as interest rates, equity prices and currency exchange rates.

8.2.1. Interest rate risk

Interest rate risk is the risk that the value of an asset or a liability will change due to a movement in the absolute level of interest rates.

An excellent parameter to measure the interest sensitivity is the modified duration percentage. Modified duration within Zephyr at 31 December 2025 is 3.55 (31 December 2024: 3.24).

The bonds within Zephyr amount to EUR 1,898 million (2024: EUR 1,882 million). An increase (decrease) of 100 bps in interest rate at the reporting date would have decreased (increased) the market value of the bonds by EUR 67.4 million (2024: EUR 60.3 million). This analysis instrument assumes that all other variables, in particular foreign-currency rates remain constant.

The government bonds are protected by a dynamic risk overlay aiming at protecting these bonds against a drop in market value higher than 7% per year.

8.2.2. Variation in equity prices

Equity price risk in Zephyr is mitigated by holding a diversified and liquid portfolio of investment funds. The exposure to equity investments can at any time be reduced if a substantial risk is perceived in the financial markets. The volatility risk is mitigated through the use of mixed-target volatility funds with a limited risk budget.

The other mixed funds holding equity are protected by a dynamic risk overlay aiming at protecting these funds via a rolling-option overlay for a drop in market value against more than 15% per month.

8.2.3. Currency risk

The main assets in foreign currency within Zephyr are denominated in USD and amount to USD 502 million (EUR 427 million) at 31 December 2025 (31 December 2024: USD 441 million or EUR 395 million).

They mitigate the foreign-currency exchange risk of the insurance liabilities.

The asset managers within Zephyr monitor the exchange risk by hedging the risk if necessary.

8.3. Credit risk

The credit risk, i.e. the risk that a counterparty will be unable to pay amounts in full when due, is strictly managed within Zephyr.

Within the balanced mandates in Zephyr, only investment-grade securities are allowed. Government bonds on peripheral EU countries such as Italy, Spain, Portugal and Ireland are allowed, as long as they meet all other requirements.

Debt instruments within the target volatility mandates (with limited risk budget) are of high quality as well (minimum 90% investment grade).

8.4. Liquidity risk

The group is exposed to a liquidity risk if there is insufficient cash available to meet its financial obligations, when due, at a reasonable cost. Although substantial cash amounts are available outside Zephyr, funds included in Zephyr are all liquid with highly marketable underlying securities.

The movements in Credendo's financial investments are summarised in the table below by measurement category:

	Note	Fair value through other comprehensive income	Fair value through profit or loss	Amortised cost	Total
		Mandatory	Designated		
At 01/01/2024		**26,806**	**2,389,318**	**484,802**	**2,900,926**
Additions		125	130,000	50,031	180,156
Disposals		-8,282	-40,171	-65,943	-114,396
Net gains/(losses) transfer to equity	16.2	1,128	-	-	1,128
Conversion differences		-486	-	-209	-695
Net gains/(losses) through profit or loss		-	118,977	-	118,977
At 31/12/2024		**19,291**	**2,598,124**	**468,681**	**3,086,096**
Business combinations		-	-	-	-
Additions		-	52,447	182,669	235,116
Disposals		-19,008	-	-280,535	-299,543
Net gains/(losses) transfer to equity	16.2	193	-	-	193
Conversion differences		-476	-	-13,795	-14,271
Net gains/(losses) through profit or loss		-	128,973	-	128,973
At 31/12/2025		**-**	**2,779,544**	**357,020**	**3,136,564**

No collateral is held by Credendo against potential losses arising from impairments of fair value through other comprehensive income financial investments. A specific impairment provision will be provided against each of the individually impaired financial investments for the full amount of the impairment. In 2025, no impairment was booked (2024: no impairment).

During the period from 1 January 2025 to 31 December 2025, there have been no reclassifications of financial investments.

9. Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets against tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. The offset amounts are as follows:

Deferred tax assets and liabilities	31/12/2025	31/12/2024
Deferred tax assets to be recovered after more than 12 months	3,059	1,179
Deferred tax assets to be recovered within 12 months	-	-
Deferred tax assets	**3,059**	**1,179**
Deferred tax liabilities to be recovered after more than 12 months	-12,685	-5,744
Deferred tax liabilities to be recovered within 12 months	-	-
Deferred tax liabilities	**-12,685**	**-5,744**
Net deferred tax position	**-9,626**	**-4,565**

The amounts of deferred tax assets and liabilities before set-off are as follows:

Deferred tax assets and liabilities - set-off	31/12/2025	31/12/2024
Deferred tax assets before set-off	7,961	5,999
Set-off of deferred tax position	-4,902	-4,820
Deferred tax assets presented in the statement of financial position	**3,059**	**1,179**
Deferred tax liabilities before set-off	17,588	10,563
Set-off of deferred tax position	-4,902	-4,820
Deferred tax liabilities presented in the statement of financial position	**12,685**	**5,744**

The gross movement on the deferred income tax account is as follows:

Gross movements deferred taxes	Note	2025	2024
Balance at 01/01		**-4,565**	**-2,412**
Income statement (charge)/credit	28	-4,570	-3,272
Tax (charge)/credit relating to components of other comprehensive income	16.2	-491	1,121
Exchange differences		-	-3
Balance at 31/12		**-9,626**	**-4,565**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the set-off of balances within the same tax jurisdiction, is as follows:

Deferred tax assets	Tax losses	Provision for pensions and other employee benefit obligations	Liabilities arising from insurance contracts	Timing differences on property, plant and equipment	Financial investments	Other	Total
Balance at 01/01/2025	**798**	**4,737**	**-**	**465**	**-**	**-**	**5,999**
Charged/(credited) to the income statement	1,888	73	-	-	-	-	1,962
Charged/(credited) to other comprehensive income	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-
Balance at 31/12/2025	**2,686**	**4,810**	**-**	**465**	**-**	**-**	**7,961**

The deferred tax assets before set-off include an amount of K EUR 2,686 which relates to Credendo's tax losses carried forward. Management has concluded that the deferred assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

Deferred tax liabilities	Provision for pension and other employee benefit obligations	Financial investments	Liabilities arising from insurance contracts	Timing differences on property, plant and equipment	Timing differences on intangible assets	Other	Total
Balance at 01/01/2025	**3,192**	**5,492**	**942**	**104**	**720**	**113**	**10,563**
Charged/(credited) to the income statement	21	3,872	2,442	84	69	45	6,533
Charged/(credited) to other comprehensive income	491	-	-	-	-	-	491
Exchange differences	-	-	-	-	-	-	-
Balance at 31/12/2025	**3,705**	**9,364**	**3,384**	**189**	**789**	**158**	**17,588**

Deferred income tax liabilities have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of the subsidiaries. Such amounts are permanently reinvested.

10. Insurance assets and liabilities arising from insurance contracts

10.1. Contractual service margin (CSM)

The analysis of the remaining CSM at end of period, as it is expected to be recognised into revenue in the future, is provided in the following disclosure.

This new presentation is now reconcilable with the total remaining CSM presented in the measurement components disclosures (for both insurance and reinsurance). In the 2024 financial statements, the total CSM was presented before its revenue recognition for the current period. As such, the 2024 disclosure has been restated.

The CSM release pattern reflects the risk durations of the underwritten underlying contracts. The direct activity relates especially to shorter tenors, although Credendo – Export Credit Agency also underwrites longer tenors (in casu single risk; guarantees and risk participations). The pattern for the reinsurance contracts (held) reflects the one for the insurance liabilities ceded to the reinsurers. Reinsurance contracts (issued) are concentrated on the short term.

31/12/2025	Contractual service margin							
	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
INSURANCE CONTRACTS								
Single risk	32,104	7,409	-	6,181	5,763	18,905	9,104	79,467
Comprehensive policy	25	-	-	-	-	-	-	25
Top up and excess-of-loss	15,041	1,603	180	-	-	-	-	16,825
Guarantees and risk participations	1,758	4,777	4,039	-	1,932	4,089	11,344	27,940
Suretyship	-	157	86	46	31	14	-	334
Total Insurance contracts	**48,929**	**13,946**	**4,306**	**6,227**	**7,727**	**23,009**	**20,448**	**124,591**
REINSURANCE CONTRACTS (ISSUED)								
Proportional reinsurance – treaty	11,685	7,409	-	6,181	5,763	872	34	31,945
Proportional reinsurance – facultative	-	252	251	251	1,256	-	-	2,010
Non-proportional reinsurance – treaty	1,863	402	243	148	49	83	-	2,789
Non-proportional reinsurance – facultative	-	-	-	-	-	-	-	-
Total reinsurance contracts (issued)	**13,548**	**8,063**	**494**	**6,580**	**7,069**	**955**	**34**	**36,744**
REINSURANCE CONTRACTS (HELD)								
Proportional reinsurance – treaty	-5,528	-779	-	-800	-799	-3,419	-9,270	-20,595
Proportional reinsurance – facultative	-	-	-83	-7	221	481	-	612
Non-proportional reinsurance – treaty	-3,525	-528	-822	-	-1,281	-4,437	-1,208	-11,801
Non-proportional reinsurance – facultative	-	-	-	-	-	-	-	-
Total reinsurance contracts (held)	**-9,053**	**-1,307**	**-905**	**-807**	**-1,859**	**-7,375**	**-10,478**	**-31,784**

31/12/2024	Contractual service margin							
	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
INSURANCE CONTRACTS								
Single risk	13,463	8,159	7,507	7,159	6,808	25,153	11,846	80,094
Comprehensive policy	20	-	-	-	-	-	-	20
Top up and excess-of-loss	12,879	2,488	323	-	-	-	-	15,690
Guarantees and risk participations	5,854	2,578	2,230	1,834	1,244	2,383	791	16,913
Suretyship	5	-	-	-	-	-	-	5
Total insurance contracts	**32,220**	**13,224**	**10,061**	**8,993**	**8,051**	**27,536**	**12,637**	**112,722**
REINSURANCE CONTRACTS (ISSUED)								
Proportional reinsurance – treaty	9,206	1,831	1,769	3,154	996	2,020	5	18,980
Non-proportional reinsurance – treaty	1,871	-	210	84	33	23	-	2,221
Total reinsurance contracts (issued)	**11,077**	**1,831**	**1,978**	**3,238**	**1,029**	**2,043**	**5**	**21,202**
REINSURANCE CONTRACTS (HELD)								
Proportional reinsurance – treaty	-9,716	-1,035	-921	-923	-915	-3,947	-1,333	-18,791
Proportional reinsurance – facultative	-501	-162	-97	-92	-92	-184	-	-1,126
Non-proportional reinsurance – treaty	-51	-	-	-	-	-	-	-51
Total reinsurance contracts (held)	**-10,267**	**-1,197**	**-1,017**	**-1,015**	**-1,006**	**-4,131**	**-1,333**	**-19,968**

The recognition and measurement of reinsurance assets follow the recognition and measurement of the insurance liabilities that have been ceded to the reinsurer. For Credendo's accounting policies relating to the liabilities arising from insurance contracts, we refer to note 2.13 Insurance contracts and reinsurance contracts.

Amounts due from reinsurers in respect of claims already paid by Credendo on the contracts that are reinsured, are included in the receivables (note 12).

As a security against potential default by reinsurance counterparties, Credendo retains part of the premium that must be paid to the reinsurer on a deposit account. Each year, an interest of 80% of Euribor 3 months is paid on this deposit.

10.2.Balance sheet composition

Balance sheet composition	Current	Non-current	Total
31/12/2025			
Insurance contract assets	3,458	5,168	8,626
Insurance contract liabilities	41,403	431,303	472,706
Reinsurance contract assets	12,270	95,514	107,784
Reinsurance contract liabilities	2,225	-29	2,196

Balance sheet composition	Current	Non-current	Total
31/12/2024			
Insurance contract assets	15,909	-1,088	14,821
Insurance contract liabilities	60,431	431,701	492,132
Reinsurance contract assets	6,139	78,484	84,623
Reinsurance contract liabilities	-13	2,354	2,341

10.3. Discount rates

Currency	31/12/2025				
	1 year	5 years	10 years	15 years	20 years
CHF	0.00%	0.10%	0.20%	0.20%	0.30%
CZK	0.80%	0.90%	1.00%	1.00%	1.00%
EUR	0.50%	0.60%	0.70%	0.80%	0.80%
GBP	0.90%	0.90%	1.00%	1.10%	1.10%
HUF	0.00%	0.00%	0.00%	0.00%	0.00%
ILS	0.00%	0.00%	0.00%	0.00%	0.00%
PLN	0.80%	1.10%	1.30%	1.30%	1.20%
RON	1.50%	1.60%	1.60%	1.60%	1.50%
RUB	3.70%	3.30%	3.20%	3.20%	3.20%
UAH	0.00%	0.00%	0.00%	0.00%	0.00%
USD	0.80%	0.90%	0.90%	1.00%	1.10%

Currency	31/12/2024				
	1 year	5 years	10 years	15 years	20 years
CHF	0.01%	0.04%	0.09%	0.16%	0.22%
CZK	0.91%	0.88%	0.92%	0.94%	0.94%
EUR	0.55%	0.53%	0.56%	0.58%	0.56%
GBP	1.10%	0.99%	1.00%	1.04%	1.06%
HUF	0.00%	0.00%	0.00%	0.00%	0.00%
ILS	0.00%	0.00%	0.00%	0.00%	0.00%
PLN	1.22%	1.35%	1.41%	1.38%	1.31%
RON	1.63%	1.77%	1.77%	1.68%	1.56%
RUB	5.05%	3.77%	3.14%	2.97%	2.96%
UAH	4.64%	4.72%	3.80%	3.46%	3.27%
USD	1.03%	0.99%	1.00%	1.02%	1.01%

The discount rates presented in these tables correspond to the quarterly version of the curve provided by EIOPA.

10.4. LRC-LIC

The movement in the liability for remaining coverage (LRC) and liability for incurred claims (LIC) reflects the development of the underlying insurance portfolios, the expected profitability of future coverage, and consolidation-level adjustments required under IFRS 17. The following disclosure presents a reconciliation beginning-of-period to end-of-period, with underlying drivers including expected fulfilment cash flow effects for the period, premium cash flows, claims and expense cash flows, changes in actuarial volume assumptions, the roll-forward of the CSM, the release of the CSM, and changes in financial assumptions.

Overall, the 2025 evolution indicates that Credendo expects higher future profitability based on the current actuarial assumptions, while the decrease in the LRC is mainly driven by a reduction in insurance liabilities, particularly within the Credendo – Export Credit Agency business. This movement should be read together with the IFRS 17 measurement principles described in the accounting policies, under which the LRC represents fulfilment cash flows related to future service and the contractual service margin, while the LIC reflects fulfilment cash flows related to past service.

The decrease in the LRC from EUR 261.7 million to EUR 226.5 million is mainly explained by the decrease in liabilities at Credendo – Export Credit Agency, within the 'single-risk credit insurance' portfolio (PTF1), which decreased from EUR 219.8 million to EUR 188.8 million. The decrease reflects lower business volumes for portfolio PTF1 in 2025 compared with 2024, while the loss ratio assumptions remained broadly stable.

The lower business volume for Credendo – Export Credit Agency's 'single-risk' portfolio is evidenced by the fact that for the 2024 cohort, EUR 52.3 million of LRC present value of cash flows was recognised, compared with EUR 10.3 million for the 2025 cohort in the current reporting period. This is also reflected into cash flow movements for which premiums received are decreasing between 2024 and 2025. Credendo – Export Credit Agency alone experienced a decrease in premium received from EUR 290.8 million to EUR 207.7 million between 2024 and 2025.

The movements in 'insurance acquisition cash flows' and the related amortisation of insurance acquisition cash flows are linked. The movement in the acquisition cash flow base directly affected the amortisation amount. This is consistent with the IFRS 17 accounting policy, under which acquisition cash flow amortisation is recognised in insurance service expenses and is determined by allocating the acquisition cash flow recovery over the expected coverage period of the related group of contracts.

The evolution of insurance claims and insurance claims paid is primarily linked to the liability for incurred claims (LIC) for contracts measured under the building block approach (BBA), rather than contracts measured under the premium allocation approach (PAA). Compared to 2024, which experienced a material decrease in liability for incurred claims, in 2025 the LIC increased by EUR 22.1 million. However, the increase reflects opposite movements in LIC with on the one hand, an additional EUR 48.9 million in LIC for both Credendo – Trade Credit Insurance and Credendo – Guarantees & Speciality Risks, and on the other hand, a decrease of EUR 36.6 million for Credendo – Export Credit Agency.

The movements for both the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) are presented after intercompany eliminations, and after adjustments for payables and receivables.

Insurance contracts by remaining coverage and incurred claims	2025					
	Net liabilities or assets for remaining coverage excluding loss component	Loss component	Liabilities for incurred claims (not under PAA)	LIC for contracts under the PAA		Total
				PVFCF	RA	
Balance at 01/01: Assets	**614**	**-**	**14,207**	**-**	**-**	**14,821**
Balance at 01/01: Liabilities	**262,369**	**-**	**193,930**	**33,141**	**2,692**	**492,132**
Balance at 01/01	**261,755**	**-**	**179,723**	**33,141**	**2,692**	**477,311**
INCREASE (DECREASE) IN THE STATEMENT OF PROFIT OR LOSS AND OCI						
Insurance revenue						
All other contracts	-438,270	-	-	-	-	-438,270
Total	**-438,270**	**-**	**-**	**-**	**-**	**-438,270**
Insurance service expenses						
Incurred claims* and other incurred insurance service expenses	-	-	147,284	75,051	-2,330	220,005
Amortisation of insurance acquisition cash flows	21,238	-	-	-	-	21,238
Changes related to past service (changes in FCFs related to LIC)	-	-	46,187	30,540	4,654	81,381
Changes related to future service (losses on onerous groups and reversals of such losses)	-	-3,671	-	-	-	83,282
Total	**21,238**	**-3,671**	**193,471**	**105,591**	**2,324**	**322,624**
Insurance finance income or expense	12,442	-	12,934	5,172	-425	30,123
TOTAL INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI	**-404,590**	**-3,671**	**206,405**	**110,763**	**1,899**	**-85,523**
INCREASE (DECREASE) IN THE CASH FLOWS						
Premiums received	459,409	-	-	-	-	459,409
Insurance acquisition cash flows	-90,085	-	-	-	-	-90,085
Incurred claims paid and other insurance service expenses paid	-	-	-202,111	-94,921	-	-297,032
TOTAL INCREASE (DECREASE) IN THE CASH FLOWS	**369,324**	**-**	**-202,111**	**-94,921**	**-**	**72,292**
Balance at 31/12: Assets	**-2,758**	**-**	**11,366**	**20**	**-2**	**8,626**
Balance at 31/12: Liabilities	**223,731**	**-**	**195,383**	**49,003**	**4,589**	**472,706**
Balance at 31/12	**226,489**	**-**	**184,017**	**48,983**	**4,591**	**464,080**

* Excluding investment components

Insurance contracts by remaining coverage and incurred claims	2024					
	Net liabilities or assets for remaining coverage excluding loss component	Loss component	Liabilities for incurred claims (not under PAA)	LIC for contracts under the PAA		Total
				PVFCF	RA	
Balance at 01/01: Assets	**9**	**-**	**-**	**-**	**-**	**9**
Balance at 01/01: Liabilities	**213,133**	**-**	**298,260**	**31,843**	**2,004**	**545,241**
Balance at 01/01	**213,124**	**-**	**298,260**	**31,843**	**2,004**	**545,232**
INCREASE (DECREASE) IN THE STATEMENT OF PROFIT OR LOSS AND OCI						
Insurance revenue						
All other contracts	-453,980	-	-	-	-	-453,980
Total	**-453,980**	**-**	**-**	**-**	**-**	**-453,980**
Insurance service expenses						
Incurred claims* and other incurred insurance service expenses	-	-	169,830	50,095	-1,978	217,947
Amortisation of insurance acquisition cash flows	21,568	-	-	-	-	21,568
Changes related to past service (changes in FCFs related to LIC)	-	-	-60,570	22,599	2,623	-35,348
Changes related to future service (losses on onerous groups and reversals of such losses)	-	-4,560	-	-	-	-
Total	**21,568**	**-4,560**	**109,260**	**72,694**	**645**	**204,167**
Insurance finance income or expense	14,993	-	17,073	937	43	33,046
TOTAL INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI	**-417,419**	**-4,560**	**126,333**	**73,631**	**688**	**-216,767**
INCREASE (DECREASE) IN THE CASH FLOWS						
Premiums received	552,701	-	-	-	-	552,701
Insurance acquisition cash flows	-86,651	-	-	-	-	-86,651
Incurred claims paid and other insurance service expenses paid	-	-	-244,870	-72,333	-	-317,203
TOTAL INCREASE (DECREASE) IN THE CASH FLOWS	**466,050**	**-**	**-244,870**	**-72,333**	**-**	**148,847**
Balance at 31/12: Assets	**614**	**-**	**14,207**	**-**	**-**	**14,821**
Balance at 31/12: Liabilities	**262,369**	**-**	**193,930**	**33,141**	**2,692**	**492,132**
Balance at 31/12	**261,755**	**-**	**179,723**	**33,141**	**2,692**	**477,311**

* Excluding investment components

10.5. Insurance measurement components

The movements in the insurance measurement components are mainly explained by developments in contracts measured under the premium allocation approach (PAA) and by experience adjustments across entities, portfolios and cohorts. As these movements relate to PAA-measured contracts, they do not adjust the contractual service margin (CSM).

The main contributors to the liability position are Credendo – Export Credit Agency's 'single-risk credit insurance' portfolio (PTF1), and Credendo – Trade Credit Insurance's 'multi-risk credit insurance - comprehensive policy' portfolio (PTF2), with the movement primarily driven by the 2025 cohort and, to a lesser extent, prior underwriting cohorts. This reflects the development of recent business within the portfolio, partly offset by movements in older cohorts.

The asset position is mainly attributable to Credendo – Export Credit Agency's 'risk participation (L/C confirmations)' portfolio (PTF5B), where the 2025 cohort was recognised in a profitable position, while the contribution from earlier cohorts was no longer material.

Some presentation effects arise from the IFRS 17 aggregation and unit-of-account structure. A unit of account may be in a liability position while forming part of a portfolio that is presented overall in an asset position. This is seen on the CSM end of period for insurance contracts recognised under the fair value approach at transition, dating to before the year 2019. Such presentation effects may result in negative amounts in the disclosure but do not affect the underlying accounting entries.

Reconciliation of changes in insurance contracts by components	2025					
	Estimates of PV of future cash flows	RA for non-financial risk	CSM		Contracts to which PAA has been applied	Total
			Contracts under the FVA*	Contracts under the FRA**		
Balance at 01/01: Assets	**21,111**	**-1,801**	**-531**	**-3,958**	**-**	**14,821**
Balance at 01/01: Liabilities	**282,792**	**36,611**	**7,122**	**122,312**	**43,295**	**492,132**
Balance at 01/01	**261,681**	**38,412**	**7,652**	**126,271**	**43,295**	**477,311**
INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI						
Changes related to future services						
Changes in estimates that adjust the CSM	-40,030	690	-6,343	43,050	-	-2,633
Changes in estimates that do not adjust the CSM	-7,479	-632	-	-	-96,480	-104,591
Changes in estimates through effects of contracts initially recognised in the period	-69,211	7,782	-	66,085	-	4,656
Changes related to current services						-
Recognition of CSM in P&L to reflect transfer of services	-	-	-6,524	-74,562	-	-81,086
Change in RA for risk that does not relate to future or past services	-	-7,636	-	-	-	-7,636
Experience adjustments	-137,124	-11,437	-	4,596	138,306	-5,659
Changes related to past services (LIC)	29,907	16,279	-	-	35,195	81,381
Total	**-223,937**	**5,046**	**-12,867**	**39,169**	**77,021**	**-115,568**
Insurance finance income or expense	24,399	-110	-	1,110	4,724	30,123
TOTAL INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI	**-199,538**	**4,936**	**-12,867**	**40,279**	**81,745**	**-85,445**
INCREASE (DECREASE) IN THE CASH FLOWS						-
Premiums received	303,910	-	-	-	155,499	459,409
Insurance acquisition cash flows	-54,038	-	-	-	-36,046	-90,084
Incurred claims paid and other insurance service expenses paid	-108,056	-	-	-	-189,055	-297,111
TOTAL INCREASE (DECREASE) IN THE CASH FLOWS	**141,816**	**-**	**-**	**-**	**-69,602**	**72,214**
Balance at 31/12: Assets	**9,339**	**-1,955**	**-2,222**	**-**	**3,464**	**8,626**
Balance at 31/12: Liabilities	**213,298**	**41,393**	**-7,436**	**166,550**	**58,902**	**472,707**
Balance at 31/12	**203,959**	**43,348**	**-5,214**	**166,550**	**55,438**	**464,080**

* Fair value approach
** Full retrospective approach

Reconciliation of changes in insurance contracts by components	2024					
	Estimates of PV of future cash flows	RA for non-financial risk	CSM		Contracts to which PAA has been applied	Total
			Contracts under the FVA*	Contracts under the FRA**		
Balance at 01/01: Assets	**2,271**	**-**	**-426**	**-1,836**	**-**	**9**
Balance at 01/01: Liabilities	**374,517**	**44,544**	**16,203**	**69,848**	**40,129**	**545,241**
Balance at 01/01	**372,246**	**44,544**	**16,629**	**71,684**	**40,129**	**545,232**
INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI						
Changes related to future services						
Changes in estimates that adjust the CSM	-14,714	-801	-6,647	23,849	-	1,687
Changes in estimates that do not adjust the CSM	2,805	4,910	-	-	6,783	14,498
Changes in estimates through effects of contracts initially recognised in the period	-70,413	6,617	-	69,178	-	5,382
Changes related to current services						
Recognition of CSM in P&L to reflect transfer of services	-	-	-2,798	-46,175	-	-48,973
Change in RA for risk that does not relate to future or past services	-	-7,429	-	-	-	-7,429
Experience adjustments	-265,593	-	-	-	-131,985	-397,578
Changes related to past services (LIC)	121,289	-12,029	-	-	73,339	182,599
Total	**-226,626**	**-8,732**	**-9,445**	**46,852**	**-51,863**	**-249,814**
Insurance finance income or expense	21,263	2,600	469	7,734	980	33,046
TOTAL INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI	**-205,363**	**-6,132**	**-8,977**	**54,587**	**-50,883**	**-216,768**
INCREASE (DECREASE) IN THE CASH FLOWS						
Premiums received	402,385	-	-	-	150,316	552,701
Insurance acquisition cash flows	-62,717	-	-	-	-23,934	-86,651
Incurred claims paid and other insurance service expenses paid	-244,870	-	-	-	-72,333	-317,203
TOTAL INCREASE (DECREASE) IN THE CASH FLOWS	**94,798**	**-**	**-**	**-**	**54,049**	**148,847**
Balance at 31/12: Assets	**21,111**	**-1,801**	**-531**	**-3,958**	**-**	**14,821**
Balance at 31/12: Liabilities	**282,792**	**36,611**	**7,122**	**122,312**	**43,295**	**492,132**
Balance at 31/12	**261,681**	**38,412**	**7,652**	**126,271**	**43,295**	**477,311**

* Fair Value Approach
** Full Retrospective Approach

10.6. Initial recognition of contracts

Effect of contracts initially recognised in the period: Insurance contracts	31/12/2025		
	Profitable contracts issued	Onerous contracts issued	Total
Estimates of the present value of future cash outflows			
Insurance acquisition cash flows	-	-	-
Other cash flows	101,642	14,171	115,813
Estimates of present value of cash inflows	-175,070	-9,955	-185,025
Risk adjustment for non-financial risk	7,343	439	7,782
CSM	66,085	-	66,085
Total	**-**	**4,655**	**4,655**

Effect of contracts initially recognised in the period: Insurance contracts	31/12/2024		
	Profitable contracts issued	Onerous contracts issued	Total
Estimates of the present value of future cash outflows			
Insurance acquisition cash flows	-	-	-
Other cash flows	79,581	18,706	98,287
Estimates of present value of cash inflows	-152,015	-16,685	-168,700
Risk adjustment for non-financial risk	5,317	1,300	6,617
CSM	69,178	-	69,178
Total	**2,061**	**3,321**	**5,382**

10.7. Acquisition cash flows for insurance contracts

Acquisition cash flows for insurance contracts	2025	2024
Balance at 01/01: Assets	**13,978**	**3,431**
Balance at 01/01: Liabilities	**50,402**	**26,661**
Balance at 01/01	**36,425**	**23,230**
Derecognition of acquisition cash flows during the reporting period	-57,578	-796
Impairment losses and reversals	-15,340	-48
Recognition of acquisition cash flows during the reporting period	53,366	14,970
Financial effect on acquisition cash flows	-2,690	-931
Balance at 31/12: Assets	**2,095**	**13,978**
Balance at 31/12: Liabilities	**16,278**	**50,402**
Balance at 31/12	**14,183**	**36,425**

This disclosure focuses specifically on projected acquisition cash flows for insurance contracts and on the amounts recognised or derecognised during the reporting period. It should therefore be distinguished from the acquisition cash flow amounts presented elsewhere, which mainly reflect actual amounts paid in the period. The movements shown in this table arise from changes in projected acquisition cash flows and are included within broader volume-related movements in other IFRS 17 disclosures, which means that a direct reconciliation with those tables is not straightforward.

The decrease between 2024 and 2025 is mainly due to the lower projection ratio applied to Credendo – Export Credit Agency's inward reinsurance portfolio, decreasing from 45% in 2024 to 6% in 2025. Although additional acquisition cash flows were recognised on contracts initially recognised during 2025, this did not fully compensate for the decrease resulting from the lower projection ratio.

10.8. Pattern of projected cash flows for the acquisition costs

Pattern of projected cash flows for the acquisition costs	31/12/2025	31/12/2024
Balance at 31/12	**14,183**	**36,425**
Less than one year	8,053	20,682
One to two years	2,862	7,350
Three to four years	1,381	3,547
Four to five years	779	2,001
Five to ten years	942	2,419
More than ten years	166	426

11. Assets and liabilities from reinsurance contracts held

The movement in the assets and liabilities from reinsurance contracts held is primarily explained by the increase in the liability for incurred claims (LIC), which rose from EUR 94.9 million to EUR 115.1 million. This increase mainly reflects changes relating to past service and the related increase in fulfilment cash flows for incurred claims recoveries.

The movement is mainly attributable to Credendo – Guarantees & Speciality Risks, where the LIC increased from EUR 60.1 million to EUR 78.7 million. The increase is driven almost entirely by the 'reinsurance held proportional – treaty' portfolio (OR1C). The higher LIC in this portfolio reflects the increase in the underlying incurred claims position for the 2025 reporting period, with the reinsurance recoverable position evolving accordingly.

As a result, the overall movement in disclosures 11.1 and 11.2 reflects the direct link between the underlying incurred claims and the related expected recoveries under proportional reinsurance contracts held.

11.1. Reinsurance LRC – LIC

Reinsurance contracts by remaining coverage and incurred claims	2025			
	Net liabilities or assets for remaining coverage		Liabilities for incurred claims (not under PAA)	Total
	Excluding loss-recovery component	Loss recovery component		
Balance at 01/01: Assets	**-12,665**	**-**	**97,288**	**84,623**
Balance at 01/01: Liabilities	**-47**	**-**	**2,388**	**2,341**
Balance at 01/01	**-12,618**	**-**	**94,900**	**82,282**
NET INCOME (EXPENSES) FROM REINSURANCE CONTRACTS HELD				
Reinsurance expenses	-63,868	-	5,885	-57,983
Claims recovered	-51,922	-	-	-51,922
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	71,302	71,302
Reversals of a loss-recovery component other than changes in the FCF of reinsurance contract held	2,036	-	-	2,036
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-2,296	-	-	-2,296
Total	**-116,050**	**-**	**77,187**	**-38,863**
Effect of changes in the risk of reinsurers' non-performance	15	-	17	32
Reinsurance finance income or expense	2,453	-	-171	2,282
TOTAL INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI	**-113,582**	**-**	**77,033**	**-36,549**
INCREASE (DECREASE) IN THE CASH FLOWS				
Premiums paid net of ceding commissions and other directly attributable expenses paid	116,630	-	-	116,630
Recoveries from reinsurance	-	-	-56,775	-56,775
TOTAL INCREASE (DECREASE) IN THE CASH FLOWS	**116,630**	**-**	**-56,775**	**59,855**
Balance at 31/12: Assets	**-9,637**	**-**	**117,421**	**107,784**
Balance at 31/12: Liabilities	**-67**	**-**	**2,263**	**2,196**
Balance at 31/12	**-9,570**	**-**	**115,158**	**105,588**

Reinsurance contracts by remaining coverage and incurred claims	2024			
	Net liabilities or assets for remaining coverage		Liabilities for incurred claims (not under PAA)	Total
	Excluding loss-recovery component	Loss recovery component		
Balance at 01/01: Assets	**-10,670**	**-**	**120,851**	**110,181**
Balance at 01/01: Liabilities	**-19**	**-**	**3,106**	**3,087**
Balance at 01/01	**-10,651**	**-**	**117,745**	**107,094**
NET INCOME (EXPENSES) FROM REISURANCE CONTRACTS HELD				
Reinsurance expenses	-83,467	-	13,642	-69,825
Claims recovered	-44,313	-	-	-44,313
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	33,512	33,512
Reversals of a loss-recovery component other than changes in the FCF of reinsurance contract held	2,046	-	-	2,046
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-1,799	-	-	-1,799
Total	**-127,533**	**-**	**47,154**	**-80,379**
Effect of changes in the risk of reinsurers non-performance	16	-	121	137
Reinsurance finance income or expense	1,803	-	3,447	5,250
TOTAL INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI	**-125,714**	**-**	**50,722**	**-74,992**
INCREASE (DECREASE) IN THE CASH FLOWS				
Premiums paid net of ceding commissions and other directly attributable expenses paid	123,747	-	-	123,747
Recoveries from reinsurance	-	-	-73,567	-73,567
TOTAL INCREASE (DECREASE) IN THE CASH FLOWS	**123,747**	**-**	**-73,567**	**50,180**
Balance at 31/12: Assets	**-12,665**	**-**	**97,288**	**84,623**
Balance at 31/12: Liabilities	**-47**	**-**	**2,388**	**2,341**
Balance at 31/12	**-12,618**	**-**	**94,900**	**82,282**

11.2. Reinsurance measurement components

Reconciliation of changes in reinsurance contracts by components	2025				
	Estimates of PV of future cash flows	RA for non-financial risk	CSM		Total
			Contracts under the FVA*	Contracts under the FRA**	
Balance at 01/01: Assets	**55,990**	**8,713**	**-1,494**	**21,414**	**84,623**
Balance at 01/01: Liabilities	**2,455**	**-66**	**-3**	**-45**	**2,341**
Balance at 01/01	**53,535**	**8,779**	**-1,491**	**21,459**	**82,282**
INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI					
Changes related to future services					
Changes in estimates through effects of contracts initially recognised in the period	-44,992	2,675	-	42,251	-66
Changes in estimates that adjust the CSM	-8,601	142	5,131	3,329	1
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts	-2,098	-198	-	2,036	-260
Changes related to current services					
Recognition of CSM in P&L to reflect transfer of services	-	-	-	-42,510	-42,510
Change in RA for risk that does not relate to future or past services	-	-2,685	-	-	-2,685
Experience adjustments	-59,703	-4,942	-	-	-64,645
Changes related to past services (LIC)	63,581	7,721	-	-	71,302
Total	**-51,813**	**2,713**	**5,131**	**5,106**	**-38,863**
Effect of changes in the risk of non-performance by the issuer of reinsurance contracts held	28	4	-	-	32
Reinsurance finance income or expense	1,022	-319	190	1,389	2,282
TOTAL INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI	**1,050**	**-315**	**190**	**1,389**	**2,314**
INCREASE (DECREASE) IN THE CASH FLOWS					-
Premiums paid net of ceding commissions and other directly attributable expenses paid	116,630	-	-	-	116,630
Recoveries from reinsurance	-56,775	-	-	-	-56,775
TOTAL INCREASE (DECREASE) IN THE CASH FLOWS	**59,855**	**-**	**-**	**-**	**59,855**
Balance at 31/12: Assets	**64,968**	**11,099**	**3,830**	**27,887**	**107,784**
Balance at 31/12: Liabilities	**2,341**	**-78**	**-**	**-67**	**2,196**
Balance at 31/12	**62,627**	**11,177**	**3,830**	**27,954**	**105,588**

* Fair value approach
** Full restrospective approach

Reconciliation of changes in reinsurance contracts by components	2024				
	Estimates of PV of future cash flows	RA for non-financial risk	CSM		Total
			Contracts under the FVA*	Contracts under the FRA**	
Balance at 01/01: Assets	**67,551**	**8,560**	**6,660**	**27,410**	**110,181**
Balance at 01/01: Liabilities	**3,147**	**-41**	**-4**	**-15**	**3,087**
Balance at 01/01	**64,404**	**8,601**	**6,664**	**27,425**	**107,094**
INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI					
Changes related to future services					
Changes in estimates through effects of contracts initially recognised in the period	-43,186	2,198	-	40,988	-
Changes in estimates that adjust the CSM	2,540	-4,431	-4,423	1,919	-4,395
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts	-1,599	-200	145	1,901	247
Changes related to current services					
Recognition of CSM in P&L to reflect transfer of services	-	-	-4,141	-54,247	-58,388
Change in RA for risk that does not relate to future or past services	-	-2,292	-	-	-2,292
Experience adjustments	-49,063	-	-	-	-49,063
Changes related to past services (LIC)	29,071	4,441	-	-	33,512
Total	**-62,237**	**-284**	**-8,419**	**-9,439**	**-80,379**
Effect of changes in the risk of non-performance by the issuer of reinsurance contracts held	131	6	-	-	137
Reinsurance finance income or expense	1,057	456	265	3,472	5,250
TOTAL INCREASE (DECREASE) IN THE STATEMENT OF P&L AND OCI	**-61,049**	**178**	**-8,154**	**-5,967**	**-74,992**
INCREASE (DECREASE) IN THE CASH FLOWS					
Premiums paid net of ceding commissions and other directly attributable expenses paid	123,747	-	-	-	123,747
Recoveries from reinsurance	-73,567	-	-	-	-73,567
TOTAL INCREASE (DECREASE) IN THE CASH FLOWS	**50,180**	**-**	**-**	**-**	**50,180**
Balance at 31/12: Assets	**55,990**	**8,713**	**-1,494**	**21,414**	**84,623**
Balance at 31/12: Liabilities	**2,455**	**-66**	**-3**	**-45**	**2,341**
Balance at 31/12	**53,535**	**8,779**	**-1,491**	**21,459**	**82,282**

* Fair value approach
** Full restrospective approach

11.3. Reinsurance initial recognition

Effect of contracts initially recognised in the period: Reinsurance contracts	31/12/2025		
	Contracts originated in a net cost	Contracts originated in a net gain	Total
Estimates of the present value of future cash outflows	-82,123	-12,258	**-94,381**
Estimates of present value of cash inflows	50,567	-1,177	**49,390**
Risk adjustment for non-financial risk	2,651	24	**2,675**
CSM	28,905	13,411	**42,316**
Total	-	-	-

Effect of contracts initially recognised in the period: Reinsurance contracts	31/12/2024		
	Contracts originated in a net cost	Contracts originated in a net gain	Total
Estimates of the present value of future cash outflows	-140,238	-27,872	**-168,110**
Estimates of present value of cash inflows	81,459	279	**81,738**
Risk adjustment for non-financial risk	3,943	454	**4,397**
CSM	54,837	27,138	**81,975**
Total	-	-	**-**

For Credendo's accounting policies relating to the liabilities and assets arising from insurance and reinsurance contracts, we refer to note 2.13 Insurance contracts and reinsurance contracts.

Amounts due from reinsurers in respect of claims already paid by Credendo on the contracts that are reinsured, are included in the receivables (note 12).

As a security against potential default by reinsurance counterparties, Credendo retains part of the premium that has to be paid to the reinsurer on a deposit account. Each year, an interest of 80% of Euribor 3 months is paid on this deposit.

11.4. Acquisition cash flows for reinsurance contracts

Acquisition cash flows for reinsurance contracts	2025	2024
Balance at 01/01: Assets	**-1,770**	**-971**
Balance at 01/01: Liabilities	**-**	**-**
Balance at 01/01	**1,770**	**971**
Derecognition of acquisition cash flows during the reporting period	-1,420	1,273
Impairment losses and reversals	8	-7
Recognition of acquisition cash flows during the reporting period	590	-529
Financial effect on acquisition cash flows	-69	62
Balance at 31/12: Assets	**-879**	**-1,770**
Balance at 31/12: Liabilities	**-**	**-**
Balance at 31/12	**879**	**1,770**

11.5. Pattern of projected cash flows for the acquisition costs

Pattern of projected cash flows for the acquisition costs (reinsurance contracts)	31/12/2025	31/12/2024
Balance at 31/12	**-879**	**-1,770**
Less than one year	-384	-773
One to two years	-196	-395
Three to four years	-116	-234
Four to five years	-70	-141
Five to ten years	-96	-193
More than ten years	-17	-34

12. Loans and receivables including reinsurance receivables

The receivables are analysed by classes in the table below:

Analysis by classes	31/12/2025	31/12/2024
Receivables on insurance and reinsurance business		
Amounts owed by policyholders and direct insurance operations	-	617
Receivables arising out of reinsurance	2,328	2,065
Provision for expected credit losses	-26,373	-44,774
Receivables arising from funding operations	98,623	129,082
Total receivables related to insurance activity	**74,578**	**86,990**
Other receivables	7,269	13,006
Total other receivables	**7,269**	**13,006**
Total receivables	**81,847**	**99,996**

The outstanding receivables are substantially all current and consequently their fair value does not materially differ from their book value.
For certain reinsurance contracts (mostly Italian and Spanish business) an interest of 80% of the three-month Euribor rate, on average, is received by Credendo on retained deposits in the framework of its assumed reinsurance activity.

There is no concentration of credit risk with respect to loans and receivables, as Credendo has a large number of internationally dispersed debtors. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. Credendo does not hold any collateral as security.

The other classes within receivables do not contain impaired assets.

Movements in the provision for impairment on receivables mainly relate to impairments recognised on forfaiting operations and purchased claims within Credendo – Export Credit Agency, amounting to approximately EUR 24.0 million (2024: EUR 0.1 million restated).

These impairments reflect the write-off of exposures where no further recovery is expected, consistent with Credendo's policy to derecognise receivables once collection is deemed unlikely. The remaining movements in the period, including a net increase in the impairment allowance of K EUR 840 (2024: K EUR 544 restated), are recognised in 'Other operating expenses'.

At 31 December 2025, loans and receivables of K EUR 31,824 (2024: K EUR 42,514 restated) remain due but not impaired, primarily relating to indemnity receivables with no recent history of default.

Movements in the provision for expected credit losses on receivables	2025	2024
Balance at 01/01	**-44,774**	**-28,733**
Provisions for expected credit losses on receivables	-1,108	-2,767
Reversal of provisions for expected credit losses on receivables	1,948	3,311
Provisions for expected credit losses on outstanding claims	-6,478	-16,715
Reversal of provisions for expected credit losses on outstanding claims	24,039	112
Other movements	-	19
Balance at 31/12	**-26,373**	**-44,774**

Loans and receivables - 31/12/2025	Impaired and provided for	Due but not impaired	Not due	Total
Gross	26,373	31,824	50,023	108,220
Expected credit losses	-26,373	-	-	-26,373
Net	**-**	**31,824**	**50,023**	**81,847**

Loans and receivables - 31/12/2024	Impaired and provided for	Due but not impaired	Not due	Total
Gross	44,774	42,514	57,482	144,770
Expected credit losses	-44,774	-	-	-44,774
Net	**-**	**42,514**	**57,482**	**99,996**

At 31 December 2025, K EUR 26,373 (2024: K EUR 44,774) of total receivables related to insurance activity and other was impaired.

Ageing analysis - 31/12/2025	Less than 3 months	3 to 6 months	> 6 months	Total
Impaired and provided for	-15,197	-396	-10,780	-26,373
% of total	58%	2%	40%	100%
Total	**-15,197**	**-396**	**-10,780**	**-26,373**

Ageing analysis - 31/12/2024	Less than 3 months	3 to 6 months	> 6 months	Total
Impaired and provided for	-28,757	-882	-15,135	-44,774
% of total	64%	2%	34%	100%
Total	**-28,757**	**-882**	**-15,135**	**-44,774**

Ageing analysis - 31/12/2025	Less than 3 months	3 to 6 months	> 6 months	Total
Due but not impaired	3,266	1,059	27,499	31,824
% of total	10%	3%	87%	100%
Total	**3,266**	**1,059**	**27,499**	**31,824**

Ageing analysis - 31/12/2024	Less than 3 months	3 to 6 months	> 6 months	Total
Due but not impaired	9,184	2,168	31,162	42,514
% of total	22%	5%	73%	100%
Total	**9,184**	**2,168**	**31,162**	**42,514**

13. Other assets

The other assets can be detailed as follows:

Other assets	31/12/2025	31/12/2024
Deferred charges	404	856
Prepaid expenses	1,647	1,710
Accrued interests	1,829	1,829
Accrued revenue on insurance premiums	2,089	8,415
Other accrued income	3,137	4,802
Total other assets	**9,106**	**17,612**

14. Cash and cash equivalents

Cash and cash equivalents	31/12/2025	31/12/2024
Cash at bank and in hand	227,506	441,922
Short-term bank deposits	274,708	4,174
Cash and cash equivalents in the statement of financial position	**502,214**	**446,096**

The effective return including foreign-exchange effects on short-term bank deposits for 2025 amounted to -1.75% (2024: 7.38%). Calculated as interest plus forex on cash, compared to the average cash position, this effective interest rate turned negative in 2025 due to the impact of the USD exchange rate differences.

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

Cash and cash equivalents	31/12/2025	31/12/2024
Cash and cash equivalents	502,214	446,096
Bank overdrafts	-	-
Cash and cash equivalents in the statement of cash flows	**502,214**	**446,096**

15. Endowment

	Endowment	Total
At 01/01/2024	**297,472**	**297,472**
Change in endowment	-	-
At 31/12/2024	297,472	297,472
Change in endowment	-	-
At 31/12/2025	**297,472**	**297,472**

Credendo – Export Credit Agency has an endowment of EUR 297.5 million. This endowment (capital) is granted/contributed by the Belgian state in the form of financial assets. The amount of the endowment represents the fair value of the original financial assets that were granted/contributed by the Belgian state. After the original grant/contribution, these financial assets have been valued at amortised cost. At each maturity date, the financial assets representing the endowment have been replaced by other financial assets generating a market-conform interest rate.

As per 31 December 2025 the endowment is represented by one Belgian OLO bond with maturity in 2031 and by the OLO86 bond, Belgian's first green OLO bond issued under the 'green OLO framework'. This OLO86 comes to maturity in 2033 and replaces the Euro Medium-Term Note (EMTN) which came to maturity in 2024. These financial assets represent the capital of Credendo – Export Credit Agency and cannot be sold or liquidated without the approval of the Belgian state. The amount of the endowment has not been changed for several decades.

16. Consolidated reserves and other comprehensive income

16.1. Consolidated reserves

	2025			2024		
	Total	NCI	Share of Parent	Total	NCI	Share of Parent
Balance at 01/01	**3,001,607**	**-14**	**3,001,622**	**2,735,873**	**-11**	**2,735,885**
Profit/(loss) of the year	121,973	-3	121,976	265,976	-3	265,979
Other movements	212	-	212	-242	-	-242
Share in movements consolidated reserves	**122,185**	**-3**	**122,188**	**265,734**	**-3**	**265,737**
Balance at 31/12	**3,123,793**	**-17**	**3,123,810**	**3,001,607**	**-14**	**3,001,622**

16.2. Other comprehensive income

	Note	2025			2024		
		Total	NCI	Share of Parent	Total	NCI	Share of Parent
Items that will not be reclassified to profit or loss							
Remeasurements on post-employment benefits	18	3,349	-	3,349	-10,438	-	-10,438
Deferred tax on actuarial gains/(losses) on post-employment benefits	9	-491	-	-491	1,194	-	1,194
Subtotal of items that will not be reclassified to profit or loss		**2,858**	**-**	**2,858**	**-9,244**	**-**	**-9,244**
Items that may be subsequently reclassified to profit or loss							
Fair value changes on fair value to OCI financial assets	8	193	-	193	1,128	-	1,128
Deferred taxes thereon	9	-	-	-	-92	-	-92
Subtotal items from financial assets that may be subsequently reclassified to profit or loss		**193**	**-**	**193**	**1,036**	**-**	**1,036**
Exchange differences on translating foreign operations	27	-2,476	-	-2,476	-597	-	-597
Subtotal of items that may be subsequently reclassified to profit or loss		**-2,283**	**-**	**-2,283**	**439**	**-**	**439**
Total other comprehensive income for the year		**575**	**-**	**575**	**-8,805**	**-**	**-8,805**

The main 2025 variance reflected in the line 'Remeasurements on post-employment benefits' is due to the slight increase of the discount rate from 3.30% in 2024 to 3.50% in 2025.

17. Provisions for other liabilities and charges

Provisions for other liabilities and charges	Litigation	Other	Total
Balance at 01/01/2025	**18**	**-**	**18**
Charged/(credited) to the income statement:			
Additional provisions	266	-	266
Unused amounts reversed	-82	-	-82
Balance at 31/12/2025	**202**	**-**	**202**
Current	202	-	202
Non-current	-	-	-

Provisions for other liabilities and charges	Litigation	Other	Total
Balance at 01/01/2024	**30**	**-**	**30**
Charged/(credited) to the income statement:			
Additional provisions	-	-	-
Unused amounts reversed	-12	-	-12
Balance at 31/12/2024	**18**	**-**	**18**
Current	18	-	18
Non-current	-	-	-

A considerable increase was noticed at the end of 2025 based on a conservative assessment of the litigation risk related to third party service providers and staff movements. Most of these provisions were already reversed in the first quarter of 2026.

18. Employee benefit obligations

The table below outlines the amounts recognised as employee benefit obligations on the statement of financial position:

Employee benefit obligations	31/12/2025	31/12/2024
Short-term employee benefits	10,197	9,990
Post-employment benefits	11,080	14,480
Other long-term employee benefits	444	457
Total	**21,721**	**24,927**

18.1. Short-term employee benefits

Short-term employee benefits represent accruals for bonuses, social security charges and holiday pay.

18.2. Post-employment benefits

18.2.1 Pension obligations

Credendo operates defined-benefit pension plans in Belgium and defined-contribution plans in Austria and Switzerland.

The TOU (Technical Operating Unit) Credendo operates defined-benefit pension plans based on employee pensionable remuneration and length of service. The plans are final salary plans coming in addition to the Belgian legal pension. The benefits are determined by the plan rules and are defined as a retirement pension with the option to convert the pension into a retirement lump sum. These pension benefits are externally funded by means of an annual dotation at an insurance company. The covering plan assets are invested into insurance products providing minimum guaranteed interest rates.

Because of the Belgian legislation applicable to second pillar pension plans (the Law on Supplementary Pensions, commonly referred to as the 'Vandenbroucke law'), Belgian defined-contribution pension plans must be treated under IFRS as defined-benefit plans. This is because the law obliges employers to guarantee a minimum return on the contributions paid into such plans. Historically, the law imposed fixed minimum return guarantees of 3.25% on employer contributions and 3.75% on employee contributions, but this regime was replaced by a variable minimum return mechanism following an amendment adopted in December 2015. As from 1 January 2016, the guaranteed return is determined annually based on the average yield of the ten-year Belgian OLO, subject to a statutory floor of 1.75% and a ceiling of 3.75%. For 2025, the statutory minimum return is 2.50%, representing the first increase since 2016, when the rate had remained at 1.75%.

Because of this minimum guaranteed return for defined-contribution plans in Belgium, the employer is exposed to a financial risk: there is a legal obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employment service in the current and prior periods. Therefore, these plans are classified and accounted for as defined-benefit plans under IAS 19, except for one pension plan. The potential additional liabilities for this pension plan as at 31 December 2025 are, however, assessed as not significant. For your information, some key figures related to the plan are given below:

> employer contributions 2025 are K EUR 225 (2024: K EUR 204).

As from 1 October 2014, the TOU Credendo introduced a new defined-benefit plan for all new hires, with the option for current employees to remain in the old defined-benefit plan.

The TOU Credendo contributes to this new defined benefit plan a fixed percentage of the annual salary. The contributions are funded by the pension institution according to the plan rules and to the benefit payment to the employee.

Until 29 December 2018, Credendo – Guarantees & Speciality Risks operated defined-benefit pension plans based on employees' pensionable remuneration and length of service. One plan was a final salary plan coming in addition to the Austrian legal pension. The benefits are determined by the plan rules and are defined as a retirement pension with the option to convert the pension into a retirement lump sum. The other plan is a plan in which employees are entitled to a severance payment, the amount of which depends on monthly salary and years of service, and which is paid out upon resignation or at the retirement date.

As from 30 December 2018, Credendo – Guarantees & Speciality Risks introduced a new defined-contribution plan for all current and newly hired employees in Austria. As from 2019, Credendo – Guarantees & Speciality Risks contributes to this new defined-contribution plan a fixed percentage of the annual salary. The acquired entitlements from the former defined-benefit pension plan have been transferred to the new pension fund on 31 December 2018. In the new defined-contribution model, there is no minimum return on the contributions guaranteed by the employer.

Credendo – Guarantees & Speciality Risks holds special bonds or investment funds amounting to 50% of the value of the provision for defined-benefit plans. Since these assets are not held in a legally separate fund, these do not meet the criteria of plan assets under IAS 19 and are therefore not accounted for as plan assets but included under financial investments.

Credendo – Guarantees & Speciality Risks contributes to a defined-contribution plan in Switzerland for all its employees.

Credendo – Guarantees & Speciality Risks' employee benefit expense related to the defined-contribution plans amounted to K EUR 70 in 2025 (as compared to K EUR 89 in 2024).

The amounts for post-employment benefits recognised in the consolidated statement of financial position are determined as follows:

Defined benefit plan	31/12/2025	31/12/2024
Year ended 31/12		
Present value of funded obligations	-71,197	-71,150
Fair value of plan assets	65,993	63,094
Deficit/surplus of funded plans	**-5,204**	**-8,056**
Present value of unfunded obligations	-5,876	-6,424
Net asset/(liability) in the statement of financial position	**-11,080**	**-14,480**

The increase in the present value of unfunded obligations is due to the change in accounting for the post-employment health benefit plan (see note 18.2.2 for more details).

The movement in the defined-benefit obligation over the year is as follows:

Defined-benefit obligation - pension plan	2025	2024
Defined-benefit obligation at 01/01	**71,316**	**58,163**
Current service cost	4,068	3,093
Interest cost	2,340	1,799
Remeasurements :	-3,457	10,596
Remeasurements resulting from changes in financial assumptions	-1,207	8,018
Remeasurements resulting from experience gains/losses	-2,250	2,578
Administration expense	-83	-56
Taxes paid	-409	-304
Internal transfers	-21	-16
Benefits paid from plan	-2,557	-1,959
Defined-benefit obligation at 31/12	**71,197**	**71,316**

The weighted average duration of the defined-benefit obligation in Belgium is ten years.

The movement in the fair value of plan assets of the year is as follows:

Fair value of plan assets	2025	2024
Fair value of plan assets at 01/01	63,094	60,445
Interest income	2,148	1,916
Remeasurements: return on plan assets excluding interest income	-1,053	-285
Internal transfers	45	-84
Employer contributions	4,643	3,477
Administration expense	-83	-56
Taxes paid	-409	-304
Benefits paid from plan	-2,392	-2,015
Fair value of plan assets at 31/12	**65,993**	**63,094**

Plan assets are represented by the following instruments:

Plan assets	31/12/2025	31/12/2024
Equity instruments	5,801	5,775
Government and corporate bonds	47,011	44,442
Corporate loans	4,150	3,222
Real estate	7,996	8,626
Cash	18	57
Qualifying insurance policies	1,017	972
Total	**65,993**	**63,094**

Pension plan assets include three financing funds at insurance companies.

The amounts recognised in the income statement are as follows:

Income statement - pension plan	31/12/2025	31/12/2024
Current service cost	4,068	3,093
Net interest cost	192	-117
Expense recognised in income statement	**4,260**	**2,976**

The total cost of post-employment benefits of K EUR 4,260 (31 December 2024: K EUR 2,976) is included within employee benefit expenses in the income statement.

Remeasurements included in other comprehensive income are as follows:

Remeasurements other comprehensive income - pension plan	31/12/2025	31/12/2024
Remeasurements	3,457	-10,601
Remeasurements resulting from changes in financial assumptions	1,207	-8,021
Remeasurements resulting from experience gains/losses	2,250	-2,580
Return on plan assets excluding interest income	-966	-249
Total remeasurements included in OCI	**2,491**	**-10,850**

The significant actuarial assumptions used for Belgian post-employment benefits are as follows:

Actuarial assumptions - pension plan	31/12/2025	31/12/2024
Discount rate	3.50%	3.30%
Future inflation rate	2.00%	2.00%
Future salary increases (after age of 30)	2.50%	2.50%
Future salary increases (up to age of 30)	4.50%	4.50%
Mortality	MR-5/FR-5	MR-5/FR-5

The mortality rate of the employees follows the Belgian mortality table MR|FR with an age correction of -5 years.

The sensitivity of the defined-benefit obligation to changes in the weighted principal assumptions is as follows:

Sensitivity analysis	Impact on defined-benefit obligation	
	Change in assumption	Increase + / Decrease -
Year ended 31/12/2025		
Discount rate	-0.25%	+ 1.32%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. For calculating the sensitivity of defined-benefit obligations to significant actuarial assumptions, the same method (present value of the defined-benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as for calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Expected contributions to post-employment defined-benefit plans for the year ending 31 December 2026 are K EUR 2,824 (31 December 2025: K EUR 3,103).

18.2.2 Other post-employment obligations

Credendo operates a post-employment health benefit plan in Belgium. This plan is unfunded.

The movement in the other post-employment obligations over the year is as follows:

Defined benefit obligation - health plan	2025	2024
Defined benefit obligation at 01/01	**6,258**	**6,227**
Current service cost	378	373
Interest cost	230	191
Remeasurements	-858	-412
Remeasurements resulting from changes in financial assumptions	-1,081	-591
Remeasurements resulting from experience gains/losses	223	179
Benefits paid from plan	-132	-121
Defined benefit obligation at 31/12	**5,876**	**6,258**

The amounts recognised in the income statement are as follows:

Income statement - health plan	31/12/2025	31/12/2024
Current service cost	378	373
Net interest cost	230	192
Expense recognised in income statement	**608**	**565**

Remeasurements included in other comprehensive income are as follows:

Remeasurements other comprehensive income - health plan	31/12/2025	31/12/2024
Remeasurements		
Remeasurements resulting from changes in financial assumptions	1,081	591
Remeasurements resulting from experience gains/losses	-223	-179
Total remeasurements included in OCI	**858**	**412**

The significant actuarial assumptions used for other post-employment obligations are as follows:

Actuarial assumptions - health plan	31/12/2025	31/12/2024
Discount rate	4.30%	3.50%
Medical Increase trend	5.25%	5.25%
Mortality	MR-5/ FR-5	MR-5/ FR-5

Expected contributions to the post-employment health benefit plan for the year ending 31 December 2026 are K EUR 575.

18.3. Other long-term employee benefits

The other long-term employee benefits consist of the seniority bonuses. Credendo operates seniority bonus plans in Belgium, providing a loyalty bonus for employees in recognition of many years of service.

19. Payables

The payables are analysed in the table below:

Payables	31/12/2025	31/12/2024
Payables on insurance and reinsurance business		
Amounts due to policyholders	5,355	535
Payables arising out of reinsurance operations	19,215	19,510
Total payables	**24,570**	**20,045**

Payables	31/12/2025	31/12/2024
Current	20,567	16,433
Non–current	4,003	3,612
Total	**24,570**	**20,045**

Amounts due to policyholders and other parties related to the contract mainly concern payables to brokers.

Payables arising out of reinsurance operations relate to payables resulting from ceded claims and provisions as well as to deposits from reinsurers. These payables have a contractual profile payment within one year.

The outstanding payables are substantially all current and consequently their fair values are considered to approximate their carrying amounts.

20. Other liabilities

The other liabilities can be detailed as follows:

Other liabilities	31/12/2025	31/12/2024
Lease liabilities	4,717	3,989
Other debts	17,062	26,486
Accrued charges and deferred income	33,933	35,585
Total	**55,712**	**66,060**

Other liabilities differ from payables (note 19) as they arise from non-insurance-related activities.

The detail of lease liabilities is described in notes 2.20 and 6.2.

As per 31 December 2025, total other debts related to invoices to be received of K EUR 6,696 (31 December 2024: K EUR 7,735), debt towards the Belgian state of K EUR 153 (31 December 2024: K EUR 10,649) and other non-insurance-related supplier debts of K EUR 10,213 (31 December 2024: K EUR 8,102).

The total accrual of K EUR 33,932 as per 31 December 2025 relates to operating and administration expenses of K EUR 4,086 (31 December 2024: K EUR 7,257), accrued interests of K EUR 332 (31 December 2024: K EUR 1,003) and deferred interest income of K EUR 29,514 (31 December 2024: K EUR 27,325).

All other liabilities can be considered as current. The fair value therefore approximates the carrying amount.

21. Insurance revenue

Insurance revenue remained broadly stable in 2025, decreasing from EUR 453.9 million in 2024 to EUR 438.2 million. The decrease of EUR 15.7 million is mainly explained by lower revenue from single-risk and reinsurance contracts issued, partly offset by higher revenue from risk participation and a broadly stable contribution from guarantees and risk participations. Single risk decreased from EUR 122.8 million to EUR 109.5 million, while reinsurance contracts issued decreased from EUR 86.4 million to EUR 78.6 million. Risk participation increased from EUR 9.0 million to EUR 13.2 million and guarantees and risk participations increased slightly from EUR 19.7 million to EUR 21.2 million.

Credendo – Export Credit Agency represents approximately half of consolidated insurance revenue, contributing EUR 198.2 million. This consists of EUR 185.0 million from portfolios measured under the building block approach and EUR 13.2 million from portfolios measured under the premium allocation approach. The main components of Credendo – Export Credit Agency's revenue are the release of the present value of future cash flows, amounting to EUR 71.8 million, and experience adjustments of EUR 67.5 million. The experience adjustments are partly driven by premium adjustments on previous cohorts, while the 2025 cohort adjustments show a more normalised pattern.

For Credendo – Guarantees & Speciality Risks, a revenue of EUR 83.1 million is mainly driven by the release of cash flows, amounting to EUR 50.0 million. Overall, the insurance revenue development reflects the continued release of expected cash flows under IFRS 17, combined with portfolio-specific experience adjustments.

31/12/2025	Insurance revenue							
	Single risk	Comprehensive policy	Top up and excess-of-loss	Guarantees and risk participations	Risk participation (L/C confirmations)	Suretyship	Reinsurance contracts (issued)	Total
Contracts measured under the BBA								
Amounts relating to changes in liabilities for remaining coverage	109,515	15,490	47,674	21,294	-	27,346	78,655	299,974
Insurance service expenses incurred during the period	74,602	13,593	23,548	13,181	-	25,980	61,423	212,327
Change in risk adjustment for non-financial risk	2,533	170	1,097	193	-	1,017	2,505	7,515
Contractual service margin recognised in profit or loss	32,380	1,727	23,029	7,920	-	349	14,727	80,132
Portion of premiums that relate to recovery of acquisition cash flows	-	-	-	-	-	-	-	-
Total	**109,515**	**15,490**	**47,674**	**21,294**	**-**	**27,346**	**78,655**	**299,974**
Contracts measured under the PAA	**-**	**125,080**	**-**	**-**	**13,216**	**-**	**-**	**138,296**
Total insurance revenue	**109,515**	**140,570**	**47,674**	**21,294**	**13,216**	**27,346**	**78,655**	**438,270**

31/12/2024	Insurance revenue							
	Single risk	Comprehensive policy	Top up and excess-of-loss	Guarantees and risk participations	Risk participation (L/C confirmations)	Suretyship	Reinsurance contracts (issued)	Total
Contracts measured under the BBA								
Amounts relating to changes in liabilities for remaining coverage	122,819	18,246	47,981	19,783	-	26,733	86,433	321,995
Insurance service expenses incurred during the period	101,205	18,057	29,915	16,091	-	25,538	74,787	265,593
Change in risk adjustment for non-financial risk	3,728	42	1,117	311	-	1,035	1,196	7,429
Contractual service margin recognised in profit or loss	17,886	147	16,949	3,381	-	160	10,450	48,973
Portion of premiums that relate to recovery of acquisition cash flows	-	-	-	-	-	-	-	-
Total	**122,819**	**18,246**	**47,981**	**19,783**	**-**	**26,733**	**86,433**	**321,995**
Contracts measured under the PAA	**-**	**122,981**	**-**	**-**	**9,004**	**-**	**-**	**131,985**
Total insurance revenue	**122,819**	**141,227**	**47,981**	**19,783**	**9,004**	**26,733**	**86,433**	**453,980**

22. Insurance expenses

Insurance expenses increased from EUR 199.6 million in 2024 to EUR 322.6 million in 2025. The increase of EUR 123.0 million is mainly driven by higher expenses in single risk, suretyship and risk participation L/C, partly offset by lower expenses relating to reinsurance contracts issued. single risk increased by EUR 81.5 million, suretyship by EUR 43.9 million and risk participation L/C by EUR 23.8 million, while reinsurance contracts Issued decreased by EUR 27.2 million.

The main driver of the increase is Credendo – Export Credit Agency, which accounts for EUR 94.3 million of the total movement. The increase is mainly explained by higher PAA expenses for its 'risk participation (L/C confirmations)' portfolio (PTF5B), changes related to the LIC for the 'single-risk credit insurance' portfolio (PTF1), and higher actual versus expected adjustments for claims and expenses. These effects were partly offset by lower acquisition costs, mainly due to the decrease in acquisition costs for Credendo – Export Credit Agency 'reinsurance issued: proportional – treaty' portfolio (PTFIR1).

For Credendo – Guarantees & Speciality Risks, the increase is mainly driven by higher LIC-related movements, particularly in its 'suretyship – individual' portfolio (PTF6C), partly offset by lower actual versus expected claims and expense adjustments. For Credendo – Trade Credit Insurance, the movement is mainly explained by higher LIC-related expenses and a moderate increase in PAA expenses for its 'multi-risk credit insurance - comprehensive policy' portfolio (PTF2), partly offset by lower actual versus expected adjustments.

Overall, the 2025 increase in insurance expenses primarily reflects higher LIC-related movements and claims experience effects across the main entities, partly mitigated by lower acquisition costs and lower expenses for reinsurance contracts issued.

31/12/2025	Insurance expenses							
	Single risk	Comprehensive policy	Top up and excess-of-loss	Guarantees and risk participations	Risk participation (L/C confirmations)	Suretyship	Reinsurance contracts (issued)	Total
Contracts measured under the BBA	65,203	4,841	10,222	17,732	-	78,602	13,968	190,568
Contracts measured under the PAA*	-	106,659	-	-	25,397	-	-	132,056
Total insurance expenses	**65,203**	**111,500**	**10,222**	**17,732**	**25,397**	**78,602**	**13,968**	**322,624**

* Premium allocation approach

31/12/2024	Insurance expenses							
	Single risk	Comprehensive policy	Top up and excess-of-loss	Guarantees and risk participations	Risk participation (L/C confirmations)	Suretyship	Reinsurance contracts (issued)	Total
Contracts measured under the BBA	-16,379	6,112	18,971	20,150	-	34,705	41,120	104,679
Contracts measured under the PAA*	-	93,250	-	-	1,678	-	-	94,928
Total insurance expenses	**-16,379**	**99,362**	**18,971**	**20,150**	**1,678**	**34,705**	**41,120**	**199,607**

* Premium allocation approach

23. Net finance income/(expenses) from reinsurance contracts

Net finance income/(expenses) from reinsurance contracts	31/12/2025	31/12/2024
Insurance finance income/(expense)		
Interest expenses	672	4,805
FX differences	2,801	445
Economical changes	-1,191	-
Total	**2,282**	**5,250**

See comment in the next section.

24. Net finance income/(expenses) from insurance contracts

Net finance income/(expenses) from insurance contracts	31/12/2025	31/12/2024
Insurance finance income/(expense)		
Interest expenses	-13,769	-32,401
FX differences	1,205	-5,102
Economical changes	-17,559	4,457
Total	**-30,123**	**-33,046**

Financial income/(expenses) arising from both insurance and reinsurance stayed stable with a financial expense of EUR 30.1 million in 2025, similar to the financial expense of EUR 33.0 million in 2024. This is mainly due to offsetting effects between interest rates and FX rates movements between 2024 and 2025, and the discounting impacts of the changing claim payments and recoveries patterns from insurance contracts.

The most significant impact came from USD exposures, where both foreign-exchange movements and changes in the underlying risk-free curve affected the measurement of discounted insurance contract cash flows. Market volatility during the year impacted both accruals and discounting effects.

Interest expenses decreased from EUR 32.4 million in 2024 to EUR 13.8 million in 2025, mainly due to movements in EUR, USD and GBP yield curves. In USD and GBP, short-term rates decreased while long-term rates increased, resulting in a lower economic change related to the volume effect.

The foreign-exchange component was mainly driven by movements in INR and USD. The INR decreased by 15.1%, mainly due to monetary-policy developments, while the USD decreased by 11.5%, driven by tariff-related market movements. These movements affected the translation and measurement of foreign-currency-denominated insurance contract cash flows.

Overall, the 2025 movement reflects the combined effect of discount-rate changes, the passage of time on discounted insurance contract balances and foreign-exchange movements under IFRS 17.

25. Finance income and expense

31/12/2025	AC	FVOCI	FVPL	Total
		Mandatory	Designated	
Net gain or losses on:				
FVPL financial assets	-	-	128,924	128,924
AC financial assets	-31,525	-	-	-31,525
FVOCI financial assets	-	5,699	-	5,699
Total interest revenue/expense on:				
AC financial assets	12,691	-	-	12,691
Fees income or expenses on:				
Financial assets not measured at FVPL	-	-1,036	-	-1,036
Total interest revenue and investment income				
Amounts recognised in profit or loss	**-18,834**	**-**	**128,924**	**110,090**
Amounts recognised in OCI	**-**	**4,664**	**-**	**4,664**
Total interest revenue and investment income	**-18,834**	**4,664**	**128,924**	**114,754**

31/12/2024	AC	FVOCI	FVPL	Total
		Mandatory	Designated	
Net gain or losses on:				
FVPL financial assets	-	-	122,159	122,159
AC financial assets	20,989	-	-	20,989
FVOCI financial assets	-	5,086	-	5,086
Total interest revenue/expense on:				
AC financial assets	30,201	-	-	30,201
Fees income or expenses on:				
Financial assets not measured at FVPL	-	-765	-	-765
Total interest revenue and investment income				
Amounts recognised in profit or loss	51,190	-	122,159	173,349
Amounts recognised in OCI	-	4,321	-	4,321
Total interest revenue and investment income	**51,190**	**4,321**	**122,159**	**177,670**

Since 2014, most financial investments of Credendo – Export Credit Agency have been held through an institutional fund, called Zephyr, that is accounted for as financial asset with fair-value changes through profit or loss (FVTPL), based on the fact that these investments concern a group of financial assets that is managed and the performance of which is evaluated on a fair-value basis, in accordance with a documented risk management and investment strategy. Changes in the fair value of the Zephyr financial investments are therefore immediately recognised as gains or losses in the income statement.

The positive changes reflected in the income from these Zephyr financial assets at FVTPL of EUR 128.9 million compared to the 2024 gains of EUR 122.2 million are the result of the continued excellent performance of the financial markets starting from the second quarter and getting stronger by the end of 2025. This total amount contains the latent capital gains booked on the balance sheet for EUR 129.0 million and the realised capital gains, as well as several realised and unrealised forex elements. With total interest revenue including foreign exchange gains/losses, on financial assets at amortised cost (AC) of minus EUR 18.8 million, this negative change is in stark contrast with last year's positive result and completely due to the foreign exchange losses of EUR 31.5 million mainly caused by the weak USD.

26. Net operating expenses (other than claims)

Other operating income and expense	31/12/2025			31/12/2024		
	Expenses not allocated to FCF	Expenses allocated to FCF	Total expenses	Expenses not allocated to FCF	Expenses allocated to FCF	Total expenses
Commissions from reinsurers	-	45,485	45,485	-	42,175	42,175
Investigation costs recharged	-	5,166	5,166	-	5,430	5,430
Interest received on claims	-	49	49	-	111	111
Other recoveries	806	2,433	3,239	7,510	-3,636	3,874
Other operating income	**806**	**53,133**	**53,939**	**7,510**	**44,080**	**51,590**
Wages, salaries and other benefits	-5,386	-44,546	-49,932	-7,287	-41,798	-49,085
Social security charges	-1,574	-10,969	-12,543	-2,077	-10,004	-12,081
Pension costs - defined-contibution plans	-2	-223	-225	-1	-203	-204
Pension costs - defined-benefit plans	-570	-3,381	-3,951	-428	-2,497	-2,925
Health plan	-65	-410	-475	-60	-384	-444
Employee benefits expenses	**-7,597**	**-59,529**	**-67,126**	**-9,853**	**-54,886**	**-64,739**
Broker fees	-	-37,201	-37,201	-	-34,374	-34,374
Commissions to inward reinsurance	-	-26,687	-26,687	-	-26,517	-26,517
Administration costs	-1,069	-36,842	-37,911	-9,480	-28,181	-37,661
Other operating costs	-	-	-	-	-	-
Services and other goods	**-1,069**	**-100,730**	**-101,799**	**-9,480**	**-89,072**	**-98,552**
Amortisation intangible assets	-15,497	-	-15,497	-10,919	-	-10,919
Depreciation PPE (right-of-use assets included)	-4,224	-102	-4,326	-4,417	-14	-4,431
Depreciation and amortisation	**-19,721**	**-102**	**-19,823**	**-15,336**	**-14**	**-15,350**
General expenses and acquisition costs	-3,746	-2,065	-5,811	-1,296	-5,296	-6,592
Investigation costs	-14	-3,940	-3,954	-12	-3,944	-3,956
Write-offs on trade receivables	20,000	593	20,593	-1,806	-2,114	-3,920
Final losses on trade debtors	-14,946	-1,341	-16,287	-524	-505	-1,029
Other expenses	-7	-216	-223	-7,574	-1,871	-9,445
Other operating expenses	**1,287**	**-6,969**	**-5,682**	**-11,212**	**-13,730**	**-24,942**
Total expenses	**-26,294**	**-114,197**	**-140,491**	**-38,371**	**-113,622**	**-151,993**

The number of employees (in FTE) as per 31 December 2025 amounted to 506.2 (31 December 2024: 494.7).

The positive balance of other operating expenses in 2025 is mainly explained by the reversal of impairments previously recognised on forfaiting operations within Credendo – Export Credit Agency. Although other operating expenses are generally allocated to the IFRS 17 fulfilment cash flows where they are directly attributable to insurance activities, this reversal relates to funded solutions accounted for under IFRS 9 and is therefore presented outside the IFRS 17 fulfilment cash flows. As the reversal of forfaiting impairment, approximately EUR 24.0 million, exceeds the remaining other operating expenses, including the write-offs and final losses on forfaiting operations, the net amount of other operating expenses is positive for 2025.

The total 2025 consolidated audit fees of our statutory auditor KPMG Belgium amount to K EUR 939 (2024: K EUR 956) and no other audit fees (2024: none). The 2025 fees for our statutory auditor's network include audit fees of K EUR 35 (2024: K EUR 101). The non-audit fees for other missions external to the audit concern permissible tax related services approved by the relevant audit committees and amount to K EUR 9 (2024: K EUR 7).

27. Net foreign-exchange gains and losses

Net foreign-exchange gains and losses	Note	31/12/2025	31/12/2024
Net exchange gains/(losses) recognised in profit or loss		**-35,528**	**15,555**
Net exchange gains/(losses) from operating activities		-4,003	-5,434
Net exchange gains/(losses) from investing activities		-31,525	20,989
Net exchange gains/(losses) through other comprehensive income		**-2,476**	**-597**
Net exchange gains/(losses) through other comprehensive income	16.2	-	-
Exchange differences on translating foreign operations	16.2	-2,476	-597
Total		**-38,004**	**14,958**

Total net exchange losses recognised in the income statement amount to K EUR 35,528 (31 December 2024: gains of K EUR 15,555).

The volatility in exchange differences (gains on investing activities/losses on operating activities) is mainly due to the fluctuations in the USD during the year.

Exchange differences related to the translation of foreign operations are recognised in other comprehensive income and amount to minus K EUR 2,476 (31 December 2024: - K EUR 597).

28. Income tax expense

Income tax expense	31/12/2025	31/12/2024
Current taxes on income for the reporting period	-13,853	-11,617
Current taxes referring to previous periods	-1,771	-3,226
Total current tax	**-15,624**	**-14,843**
Deferred tax expense	2,807	-3,240
Total deferred tax	**2,807**	**-3,240**
Income tax (expense)/credit	**-12,817**	**-18,083**

Tax on Credendo's profit before tax differs from the theoretical amount, that would arise using the domestic tax rate (tax rate applicable to profits of Credendo – Export Credit Agency: 0%) as follows:

Tax rate	31/12/2025	31/12/2024
Profit before income taxes	**134,790**	**284,059**
Domestic tax rate	0.00%	0.00%
Income tax (expense)/credit calculated at domestic tax rate		
Effects of:		
Tax rate effect	-8,340	-10,221
Disallowed expenses	-5,488	-5,366
Prior year adjustment	-1,771	-2,496
Other	2,782	-
Income tax (expense)/credit for the year	**-12,817**	**-18,083**

Tax weighted average applicable 2025 tax rate amounts to 9.5% excluding discontinued operations (31 December 2024: 7.1%). This results from the fact that the key source of profit is Credendo – Export Credit Agency, which is taxed at a 0% rate.

29. Contingencies

Credendo, like all other insurers, is subject to litigation in the normal course of its business. Credendo does not believe that such type of litigation will have a material effect on its profit or loss and financial condition.

30. Related-party transactions

The ultimate parent of Credendo – Export Credit Agency is the Belgian state.

The following transactions have been carried out with related parties.

30.1. Key management compensation

Key management includes members of the Board of Directors as well as the members of the Executive Committee and senior non-executive management of all Credendo entities. Compensation paid or payable to key management for employee services is shown below:

	31/12/2025	31/12/2024
Salaries and other short-term employee benefits	9,865	8,722
Post-employment benefits	1,806	1,923
Leasing company car	514	272
Total	**12,185**	**10,917**

30.2. Year-end balances for related-party transactions

	31/12/2025	31/12/2024
Investments in companies in equity method and loans to associates	**17,415**	**18,053**
Loans and receivables incl. reinsurance receivables	826	3,378
Total receivables	**826**	**3,378**
Payables	153	10,650
Total payables	**153**	**10,650**

Receivables from related parties arise from receivables on the Belgian state. The payables to related parties arise from payables to the Belgian state. The payables bear no interest. These year-end balances result from the cession to the state account which is managed and administered by Credendo – Export Credit Agency.

There are no other receivables and payables from and to related parties in 2025.

We also refer to note 15 relating to the endowment that is granted to Credendo – Export Credit Agency by the Belgian state for an amount of K EUR 297,472.

31. List of consolidated companies

The subsidiaries of Credendo – Export Credit Agency and Credendo's percentage of ordinary share capital are presented below.

31.1. Subsidiaries

	31/12/2025		31/12/2024		Country of incorporation
	% of interest	% of control	% of interest	% of control	
Credendo – Trade Credit Insurance	100%	100%	100%	100%	Belgium
Credendo – Short-Term EU Risks	0%	0%	100%	100%	Czech Republic
Credendo – Guarantees & Speciality Risks	100%	100%	100%	100%	Belgium
Holding CIS	66.67%	66.67%	66.67%	66.67%	Belgium
Immo Montoyer	100%	100%	100%	100%	Belgium

Total non-controlling interests as per 31 December 2025 amount to K EUR -3 and only relate to the 33.33% participation held by JSC InWest-Policy, having its registered office at 41 Lesnaya Street, 127994 Moscow, Russian Federation, in Holding CIS. Holding CIS holds a 100% participation in Protecta Trade Insurance. Since February 2022, there is very little exposure to Russian risks left in the continued operations of Credendo. To this date, no material losses have been registered in Russia, Ukraine, or Belarus. Protecta Trade Insurance, previously Credendo – Ingosstrakh Credit Insurance, was deconsolidated in line with the IFRS 10 and IFRS 5 standards as from 2023 onwards.

As total non-controlling interests are not material to the consolidated financial statements of Credendo, no further detailed information on the subsidiaries with non-controlling interests is disclosed. There are no statutory, contractual or regulatory restrictions on Credendo's ability to access or use the assets and settle the liabilities of the group.

31.2. Associates

In 2021, Credendo – Export Credit Agency acquired a 26.83% stake in Digiteal SA, a European fintech company active in invoice presentation, payments and bank statements. In February 2024, following Credendo – Export Credit Agency's full acquisition of Digiteal SA, Aera Payment & Identification AS (a Norwegian payment service provider) took over Digiteal SA which resulted in Digiteal becoming a wholly owned and controlled subsidiary of Aera and in Credendo – Export Credit Agency being attributed a 15.43% stake in Aera. In November 2024, Credendo – Export Credit Agency did not participate in a subsequent funding round. As a result, Credendo – Export Credit Agency held a diluted stake of 13.81% in Aera.

In October 2025, Aera structured an additional funding round for an amount of NOK 162 million (± EUR 13.9 million) through the issuance of new shares. The share issuance was underwritten pari passu by all shareholders in Aera, with Credendo – Export Credit Agency maintaining its stake in Aera at 13.81% early November 2025. With Credendo – Export Credit Agency still holding significant influence over Aera, the investment continues to be accounted for under the equity method.

Despite the decrease in the interest held by Credendo – Export Credit Agency, the investment in Aera still meets the definition of an investment in an associate as Credendo – Export Credit Agency still holds significant influence over Aera. The investment therefore continues to be accounted for under the equity method. At 31 December 2025, Aera AS shows a balance total of K NOK 395,167 (K EUR 39,670), a total equity of K NOK 297,718 (K EUR 28,438) and a total loss after taxes of K NOK 221,444 (K EUR 18,912).

	31/12/2025		31/12/2024		Country of incorporation
	% of interest	% of control	% of interest	% of control	
Aera AS	13.81%	13.81%	13.81%	13.81%	Belgium

32. Events occurring after the reporting period

After the reporting period, no events occurred that could have resulted in a material impact on the reported figures as of 31 December 2025. However, the large-scale military campaign launched by the USA and Israel against Iran at the end of February 2026 has continued to evolve and has resulted in instability in the Middle East, with serious consequences for energy markets, trade routes and supply chains worldwide. As at the reporting date, Credendo has no outstanding credit exposure to Iran.

While we continue to closely monitor these geopolitical developments, especially in the Middle East, it is at this stage too early to assess whether they may give rise to any indirect consequences for Credendo. With its very strong balance sheet, current liquidity, and high solvency, Credendo continues to meet the economic and geopolitical challenges ahead. Furthermore, the parent company, Credendo – Export Credit Agency, operates under a Belgian state guarantee.

Consequently, the current crisis does not create significant uncertainty that could cast substantial doubt on its ability to continue its operations. The consolidated annual financial statements have therefore been prepared on a going-concern basis.

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