Sella

PRESS RELEASE

Sella Group: positive results at 30 June 2024 growth in revenues, deposits, lending and customers

Intermediation margin increases to €527 million (+5.4% compared to June 2023). Further expansion of lending (+4.4%), global deposits exceed €60 billion thanks to the contribution of net deposits (+3.7 billion). Over 115,000 new customers in one year

PROFITABILITY

- **Consolidated Group total net profit:** €81.4 million
- **ROE (annualized):** 11.3%

ECONOMIC PERFORMANCE & EFFICIENCY

- **Intermediation margin:** €527 million (+5.4% compared to June 2023)
- **Interest margin**: €282 million (+5.6% compared to June 2023)
- **Net revenue from services:** €211.6 million (+1.7% compared to June 2023)
- **Operating costs:** €371.5 million (+13.3% compared to June 2023)
- **Cost to Income ratio:** 69.7% (it was 65.3% at June 2023)
- **Cost to Income ratio normalized:** 67.4% (it was 66.2% at June 2023)

LIABILITIES & ASSETS

- **Global deposits:** €61.2 billion (+16.7% compared to June 2023)
- **Global net deposits:** +€3.7 billion (+€2.6 billion at June 2023)
- **Total lending:** €11.4 billion (+4.4% compared to June 2023)
- **New disbursements in installments:** €1.6 billion (€1.6 billion at June 2023)

CAPITAL SOLIDITY 30/06/2024 (30/06/2023)

Ratios	Sella Group	Banca Sella	Banca Patrimoni Sella & C.
CET 1 Ratio	13.02% (13.41%)	19.31% (19.12%)	15.25% (13.06%)
Total Capital Ratio	15.39% (15.24%)	22.17% (21.49%)	15.25% (13.06%)

LIQUIDITY & ASSET QUALITY

- **LCR:** 195.2% (it was 197.8% at June 2023)
- **NSFR:** 140.5% (it was 127.7% at June 2023)
- **L/D ratio:** 60.8% (it was 65.5% at June 2023)
- **Gross NPL ratio:** 3.0% (it was 3.3% at June 2023)
- **Net NPL ratio:** 1.6% (it was 1.9% at June 2023)
- **NPL coverage:** 48.2% (it was 44.0% at June 2023)
- **Bad loans coverage:** 63.9% (it was 62.8% at June 2023)
- **Cost of credit (annualized):** 40 bps (it was 35 bps at June 2023)
- **Texas Ratio:** 22.1% (it was 24.7% at June 2023)

PEOPLE & INVESTMENTS

- **Customers:** 1.4 million (+115,000 compared to June 2023)
- **Customers (incl. Hype):** 3.1 million (+187,000 compared to June 2023)
- **Team Sella:** around 6,500 people (+394 compared to June 2023)
- **Investments (excl. real estate):** €53.2 million (it was 50 million at June 2023)

IMPACT & SUSTAINABILITY

- Increase in assets under management which meet impact-driven criteria
- Support to customers by offering products and services with ESG characteristics
- Production of energy from renewable sources (€20m investment in the 3year period)
- Support to charitable and research projects

Please refer to the **'Explanatory and Methodological Notes'** section at the end of the document for clarifications on the components of economic items, equity aggregates and financial metrics used, as well as the main definitions of terms used in this press release.

MEDIA RELATIONS – SELLA – TEL. +39 015 3501030

Sella

In the first half of 2024, the Sella Group effectively continued to pursue its path of growth and development, achieving positive results in all business sectors.

The start of the year was characterized by the launch of the new "Make an Impact" Strategic Plan that, in addition to reaching sustainable economic and business objectives oriented toward customer satisfaction, aims to achieve measurable impact targets so that the Group can be acknowledged for its ability to generate a positive impact. The plan follows on from the previous "OneSella 2021-2023" Plan that guided the Group through a transformation path of size, capital and economic growth.

Consistent with the good results posted in the previous year, in the first half of 2024 the Group recorded a positive net profit result (€81.4 million with a 11.3% ROE). Steady growth in lending (+4.4% compared to June 2023), attesting to its ability to lend effectively while maintaining a cautious approach, even in a tight market environment in which interest rate levels are curbing demand. Also increasing are deposits mainly thanks to the substantial net inflows of global deposits (+€3.7 billion since the start of the year). Intermediation margin is improving (+5.4% compared to June 2023) at €527 million and is well distributed across each revenue line and the various business sectors.

Especially noteworthy is the result in terms of growth of the customer base, +115,000 compared to June 2023 (187,000 including Hype, held in a 50-50 joint venture with illimity) attesting to the effectiveness of the industrial strategy adopted based on customer centricity, and the breadth, quality and innovative nature of the offering. The total number of customers is 1.4 million (3.1 million taking Hype into account).

As part of the development strategy, the Group is closely monitoring the evolution of the macroeconomic environment, which is still characterized by the tight monetary policy and risks to the sector from international unrest, inflationary pressure and possible emerging risks related to climate change. To address these uncertainties and the reduction in systemic liquidity, the Group has also taken steps to increase liquidity reserves gradually, as evidenced by very robust LCR and NSFR indicators. In response to risks that may affect the quality of the lending portfolio, the Group constantly monitors and revises the risk models to better detect signs of worsening in the general economic environment. In addition to that, the traditional capital solidity continues to be the main pillar of the strategy, and this is also reflected in the ratios that are significantly higher than the minimum regulatory requirements.

The Group is therefore moving forward on its path of cautious evolution, directing its investments to support growth in size terms (+394 new hires in Team Sella in the last 12 months), especially focusing on strengthening local presence and diversification, also from a geographical perspective, of revenue sources. Also continuing is the internationalization effort in the highly innovative Open Finance sector with the aim of exploiting the competitive advantage gained and generating new forms of revenue and major synergies for traditional ones.

This context includes the deals, both of which are subject to approval by the relevant Supervisory Authorities and take effect in January 2025, carried out by Fabrick for the acquisition of finAPI, among the leading German operators in Open Finance solutions, and by

Sella

Banca Patrimoni Sella & C. with the agreement for the merger by acquisition of Banca Galileo, a bank that offers Private and Corporate customers traditional banking services and specialized consulting.

The economic and financial performance of the Group

The consolidated results at 30 June 2024, approved today by the Board of Directors of the Parent Company Banca Sella Holding, show a **consolidated Group net profit** of €81.4 million, in line with the €81.1 million at June 2023 without taking into account the capital gain resulting from the strategic partnership with the Sesa Group equal to €20 million gross booked in March 2023. The result for the period, excluding corporate events, is thus positive by 0.4%.

From an industrial standpoint, the increase in the operating result would be even more significant considering that the results at 30 June 2023 included higher interests from inflation-linked securities, a different contribution to the resolution funds resulting from the accrual bases of the quotas paid in (€6.6 million to the SRF, a contribution booked in March 2023 and not due in the current financial year, compared with €16.3 million as the quota to the DGS, this year requested in June instead of December by the Interbank Deposit Protection Fund), and were not impacted by the refunds paid by the Group to the customers following the IT disruption which occurred in April or by the higher costs resulting from the renewal of the National Collective Bargaining Agreement for the Banking Sector.

With regard to the economic performance, the **intermediation margin** exceeded the €500 million threshold in the first half of the year, standing at €527 million (+5.4% compared to June 2023), supported by all revenue lines.
Interest margin continued to grow, reaching €282 million (+5.6%), benefiting from the favorable trends in the commercial spread and the increase in average loan.
Net revenues from services rose to €211.6 million (+1.7%), mainly due to the excellent performance of investment services and, in general, to the good fees performance recorded by all business sectors.
Net profit from financial activities is positive by €33.4 million compared to €25.1 million at June 2023.

All Group business sectors contributed to the good results of the first half of 2024, thus testifying to the excellent level of diversification and development achieved by the individual businesses, which was reflected in the **intermediation margin** that continue to be well balanced and distributed.

Investment services generated revenues equal to €99.3 million (+8.2% compared to June 2023) supported by the good performance of trading and placement activities as well as increased collection volumes from qualified funding. In the area of **payment systems**, total transacted volumes related to acquiring (POS and e-commerce) and issuing services were up 12.2%, with an intermediation margin of €52.1 million (+0.9%). The contribution relating to the development of **open finance** platforms, open payments and the offering of technology services to third parties generated revenues of €27.1 million (+12%), pointing in particular to an excellent performance of in-store (POS and cash-in) and platform products. **Finance** closed the semester with margins equal to €52.8 million, in line with the €53.4 million recorded at June 2023. **Corporate investment banking** recorded the best six-month period since its inception, both in terms of number of deals closed (17) and margins (€6 million, +5.4%).

Sella

In the first half of 2024 **operating costs** showed a 13.3% increase compared to June 2023, standing at €371.5 million, still in line with management development forecasts. This figure mainly reflects the growth in Team Sella's headcount (that reached 6,500 staff, +394 compared to June 2023), which is necessary to match the Group's size and geographical expansion, but also the impact of the renewal of the National Collective Bargaining Agreement for the Banking Sector, effective as of 1 July 2023.
Other administrative expenses also recorded an increase and were impacted by the aforementioned different contribution to the resolution funds, resulting from the bringing forward from December to June 2024 of the quota paid in to DGS of €16.3 million, which was recorded in December in the previous financial year, as well as inherent costs for the execution of the FinAPI and Banca Galileo corporate deals.
Depreciation and amortization also grew as a direct effect of the ongoing investments made in recent years to support the growth strategy set out in the industrial plans.
Investments in the first half of the year amounted to €53.2 million (they had been approximately €50 million in the first half of 2023) not including the real estate component.
Cost to Income stood at 69.7% (it was 65.3% in June 2023) up 440 bps, while the ratio stood at 67.4% (it was 66.2% on a like-for-like perimeter in June 2023) excluding the different contribution to the resolution funds and the effects of lower revenues generated due to the refunds paid to customers following the IT disruption which occurred in April, as well as the expenses incurred for the FinAPI and Banca Galileo projects.

Operating result, also normalized in terms of the effects outlined above, amounted to €168.5 million (€155.5 million book value), broadly in line with the value for the previous year of €169.8 million (€172.4 million book value at June 2023).

With regard to the evolution of deposits and lending, the first half of 2024 recorded an overall growth of **global deposits** that, for the first time in the Group's history, exceeded €60 billion (exactly €61.2 billion at market value), up 16.7% compared to June 2023 and 8.4% compared to the end of 2023.
Contributing to this result was the sound performance of **global net deposits**, positive by €3.7 billion, marking a substantial increase over the already excellent result achieved in June 2023 (amounting to €2.6 billion) together with a positive market price performance of €1.0 billion.
The stock of **qualified funding** at market value reached €26 billion, thanks to positive net flows of 1.7 billion euros in the first half of the year, of which €1 billion related to **assets under management**, a remarkably significant performance in view of the strong attractiveness of government bonds, which were the focus of numerous placements during the period.
Direct deposits net of repos reached €18.3 billion, with a remarkable increase over the value at June 2023 (+11.5%) and basically stable compared to the value at the beginning of the year (+1.1%), showing the effectiveness of the commercial development actions undertaken by the Group, and despite the transformation of direct deposits into indirect ones that has characterized market dynamics over the past year, with account holders turning to yield opportunities in the fixed-income securities segment.

Similarly to deposits, **commercial lending** also showed a further increase, reaching €11.4 billion, growing steadily both compared to June 2023 (+4.4%) and the end of last year (+2.9%) and despite the general market context still characterized by interest rates hampering loan demand. This trend becomes even more relevant when considering the Group's traditionally prudent standards in terms of loan disbursement policies. The amount of new disbursements in the first half of the year amounted to €1.6 billion, in line with the figures for the first six months of 2023.

Lending quality remained solid with **adjustments** amounting to €22.8 million, slightly higher compared to the same period last year and representing a **cost of credit risk** equal to 40 bps (it was 35 bps), lower than management forecasts and which also includes consumer credit activities the Group is engaged in.
At 30 June 2024, the percentage of **coverage of non-performing loans** stood at 48.2%, up from June of the previous year (at 44.0%) and in line with the end of the previous year (at 48.8%). A similar trend for the percentage of **coverage of bad loans**, which stood at 63.9% (compared to 62.8% in June 2023 and 64.8% at the end of 2023).
The **net NPL Ratio** was 1.6% (it was 1.9% in June 2023 and 1.6% at the end of 2023) and the **gross NPL Ratio** was at 3% (it was 3.3% in June 2023 and 3.0% at the end of 2023). The **Texas Ratio** is at 22.1% (it was 24.7% in June 2023 and 22.7% at the end of 2023).

The traditional capital solidity has been confirmed, and it is well above the required standards: the **CET1 Ratio** is 13.02%, the **TIER 1 Ratio** is 13.27%, and the **Total Capital Ratio** is 15.39% (they were 13.41%, 13.66%, and 15.24% respectively in June 2023). The liquidity ratios are also significantly above the minimum required thresholds: LCR at 195.2% and NSFR at 140.5% (they were 197.8% and 127.7% in June 2023. The minimum required threshold for both is 100%).

Some of the items described were impacted by the IT disruption that occurred last April related to an update of the operating system on a number of servers and not referring to cybersecurity issues. The unusual nature of the disruption affected the recovery time, impacting several online services and debit card transactions, while the network of branches and banking operations continued to function smoothly. The Group, paid compensation for direct damages to its customers and third-party companies connected to its systems, and decided independently to refund the fees for the services not rendered, thus earning their appreciation. The first class of actions was accounted for as operating charges relating to operational risks and therefore under operating costs, and the second as a direct write-down of related revenue items.

Sustainability

In the first half of 2024, the Group further pursued its commitment to sustainability and generating a positive impact. Brokered assets in funding, lending, and investments that meet sustainable and impact-oriented criteria grew further. The Group also supported customers by expanding its range of ESG products and services, such as Sella SGR's new fund, which when identifying and selecting investment instruments evaluates the commitment of issuers to fostering a concrete and measurable transition towards a low-carbon economy. The Group has launched a project to increase the production of electricity from renewable sources through the implementation of the Group's own plants (there are already 21 active ones) reaching a total production capacity of 17 MW, equal to the Group's yearly consumption, through an investment of about 20 million euros over the three-year period.
Charitable initiatives also continued with donations to support various associations both in Italy and abroad, and the collaboration with the Umberto Veronesi Foundation was renewed through Sella SGR's iCare investment fund to support the financing of an integrated research and treatment system for lung cancer and an international platform dedicated to acute myeloid leukemia in children. Since its inception in 2020, the fund has allocated more than €1 million

to 7 specific projects for the treatment and prevention of cancer. To facilitate and foster the growth of women's entrepreneurship, dpixel - a venture business in the Fabrick ecosystem - has launched the DonNa project with the objective of supporting aspiring women entrepreneurs to create their own businesses through a comprehensive program that includes training, as well as project incubation and acceleration.

The performance of the Group's main companies

Banca Sella's results

Banca Sella closed the first half of 2024 reporting positive results, with ROE at 17.6% (it was 20.9% in June 2023) and a net profit of €84.8 million. The net profit was 4.7% lower than the €89.0 million in June 2023, but the comparison would be positive (+3.8%) if the effects of the bringing forward of the contribution to the resolution funds deriving from the different accrual bases of the quotas paid in compared to the previous year were excluded (€3 million to SRF accounted for in the first half of 2023, a contribution not due in the current financial year, compared to €14.2 million to DGS in 2024, a quota required in June instead of December by the Interbank Deposit Protection Fund). The traditional solidity of capital was further strengthened, with CET1 at 19.31% and Total Capital Ratio at 22.17% (they were 19.12% and 21.49% respectively in June 2023).

Liquidity ratios were also very positive, standing well above the required thresholds: the LCR was 255.84%, while the NSFR was 154.16% (they were 225.0% and 146.20% in June 2023. For both, the minimum required thresholds are 100%). Lending quality ratios remained at excellent levels and the cost of credit risk stood at 16 bps (it was 29 bps at June 2023 and 26 bps at the end of 2023). The net NPL Ratio is down to 1.4% (it was 1.8% in June 2023 and 1.5% at the end of 2023) and the gross NPL Ratio to 2.6% (it was 2.9% in June 2023 and 2.7% at the end of 2023). The Texas Ratio improved to 22.2% (it was 27.1% in June 2023 and 23.7% at the end of 2023).

Global deposits at market value stood at €37.3 billion, up 11.7% compared to June 2023 and 5.5% compared to the end of last year. Global net deposits in the semester were positive at €1.5 billion, driven by the growth of indirect deposits. Lending to support household and corporate activities reached €9.6 billion in the first half of the year, up 3.2% compared to June 2023 and 2.1% since the start of the year. In the first semester the number of customers increased by 2.8%.

Growth in intermediation margin (+5.8% compared to June 2023 to €338.6 million) thanks to an increase in interest margin (+11.5% to €212.3 million), while net service revenues were slightly down (-2.4% to €121.5 million) due to the refunds paid by the Bank to customers following the IT disruption which occurred in April.

Operating costs are up 14.8% compared to June 2023, mainly due to the increase in the workforce and in investments carried out by the Bank, as well as the effects of the renewal of the National Collective Bargaining Agreement for the Banking Sector and the different contribution to the resolution funds.
Cost to Income stood at 59.9% (it was 55.3 % in June 2023). The indicator would come in at 56.6% excluding the effects of the higher contribution to the resolution funds due to the different accrual bases between the two financial years of the quotas paid in.

As part of its growth strategy, Banca Sella has further strengthened its advisory-based service model specifically targeted to entrepreneurs and businesses, further developing the services, offering and integrated expertise in advanced wealth management, investment and corporate banking, with the usual diversification of revenues. In the retail and commercial banking sector, the network of branches has been improved in order to offer customers an ever more personalized relationship from a completely omnichannel perspective. Banca Sella continues to promote innovative products and services to respond to the specific needs of businesses and citizens in an increasingly complete and effective manner to foster the digitization of payments and collections, with a focus on sustainability and a positive impact on the communities in which it operates.

Banca Patrimoni Sella & C.

Banca Patrimoni Sella & C., specializing in the management and administration of assets of private and institutional clients, closed the first half of 2024 with a net profit of €13.4 million, slightly down from the €14.7 million of June 2023. Assets under management stood at €25.1 billion, up 23.9% compared to June 2023 and 12.8% compared to the end of last year. Total net deposits amounted to €2.2 billion, while the progressive qualified net funding share reached €1.1 billion, benefiting from customers' interest in asset management formats. The results were affected both by the good performance of commission fees, as a result of the bank's further growth in size, and by the contribution of net interest income and profits from operations on the proprietary trading portfolio. The CET1 and Total Capital Ratio were both 15.25 % (they were both 13.06% in June 2023).
In the first half of the year, Banca Patrimoni Sella & C. signed an agreement for the merger by incorporation of Banca Galileo, a bank that offers Private and Corporate customers traditional banking services and specialized consulting. The deal, approved by the Boards of Directors of the two banks, will enable Banca Patrimoni Sella & C. to develop further. The closing is expected in early 2025, following authorization by the Bank of Italy and approval of the merger by the Boards of the two companies.

Among Banca Patrimoni Sella & C.'s subsidiaries, Sella SGR, the Group's asset management company, closed the first half of 2024 with net profit of €1.3 million, up 17% from the same period last year, and assets under management totaling €4.7 billion (up 16% from 30 June 2023). Sella Fiduciaria, a company that provides trust and family office services, closed the first semester of 2024 with assets under management amounting to €1.8 billion, representing an increase of 9.5% compared to June 2023. A total of 687 fiduciary mandates were managed and 18 trusts administered.

Fabrick and the fintech ecosystem

Sella Group's development and growth in Open Finance continues through the activity of the specialist company Fabrick and its subsidiaries (Codd&Date, dpixel, Fabrick Solutions Spain, and Judopay), which closed the first half of 2024 with total net revenues of €30.1 million, up 18.8% from the previous year. The number of customers also increased - the connected counterparties in the first semester of 2023 totaled 538 (+48% compared to June 2023), generating a significant increase in API calls to over 961 million per month.

At the start of the year, Fabrick announced the merger by incorporation with Axerve, a company specializing in the acceptance of payments across physical and digital channels, which became effective on 1st April 2024. By 30 June, the payment business had reached 119,000 customers (up 11% from the same period of the previous year) and had generated a POS and e-commerce transaction value of €13.2 billion (up 11%).
In May 2024, the acquisition of finAPI, one of Germany's leading Open Finance solutions providers, was also announced, subject to the approval of the German and Italian supervisory authorities.
The Fintech District community, within the scope of which open innovation projects are developed, counted 295 fintech associates at the end of June. In addition, there are 31 corporates with whom collaborations have been established over the years.

Biella, 9 August 2024

Sella

Explanatory and Methodological Notes

Overall Group consolidated net income - this refers to the profit for the financial year pertaining to the Holding Company (Banca Sella Holding) and minority interests present in a number of Group companies, also with aim of strategic development of business activities, generated on its own behalf and by its wholly consolidated subsidiaries (Banca Sella S.p.A., Banca Patrimoni Sella & C. S.p.A., Fabrick S.p.A. being the main ones plus others - a full list of the shareholdings can be found on page 46 of the Consolidated Financial Statement and Report 2023) excluding intergroup elisions and adjustments

Annualized ROE - ratio between net income for the financial year, calculated by annualizing the current year's final statement excluding nonrecurring events and adding the impact of nonrecurring events already posted in the period, and the sum of Reserves, Share Premium Accounts, Capital, Minority Interest (+/-) and the Minority Interest component in the Balance Sheet Liabilities.

LCR - short-term liquidity indicator calculated as the ratio between the stock of high quality liquid assets (HQLA), consisting of cash or easily marketable assets and total net cash outflows over a 30-day period. This ratio must be kept at a level of at least 100% on an ongoing basis.

NSFR - liquidity indicator on a longer-term basis, defined as the ratio between the amount of stable funding available and the amount of stable funding required. This ratio must be kept at a level of at least 100% on an ongoing basis.

Gross NPE ratio - calculated as the ratio between gross non-performing loans to customers and gross cash loans granted to customers excluding repos.

Net NPE ratio - calculated as the ratio between net non-performing loans to customers and net cash loans granted to customers excluding repos.

L/D ratio - loan to deposit ratio i.e., the ratio between cash loans net of reverse repos and direct deposits.

C/I ratio - ratio between operating costs, after deducting the IRAP tax on personnel costs, net of losses related to operating risks, and intermediation margin.

Normalized C/I ratio: ratio between operating costs, after deducting the IRAP tax on personnel costs, losses related to operational risks, higher contribution to resolution funds due to different accrual bases across the years being compared, and expenses related to corporate events in the numerator, and intermediation margin including the share of revenues not earned as a result of refunds paid by the Group to customers following the IT disruption which occurred in April in the denominator.

Customers (including Hype) - this represents the total of the customers of all Sella Group wholly consolidated companies and the customers of Hype, the Group's challenger bank in a 50/50 joint venture with illimity, consolidated using the equity method.

Team Sella - this refers to all the people who collaborate with the Sella Group. In addition to staff with an employment relationship (both permanent and fixed-term) including employees of Hype held in a 50/50 joint venture with illimity, it also includes associates with different types of work relationship with the Group presenting characteristics of stability and long duration. For example, (1) financial advisors and agents licensed to offer services off-site, (2) financial brokers (insurance, financial and loan brokers) and any of their collaborators, and (3) persons with other forms of collaboration, stable and long-lasting, who provide a significant contribution to the Group.

Open Finance - Group business lines including Fabrick, Fabrick Solutions Spain, Codd&Date, Alternative Payments, and dPixel, companies that offer innovative solutions and advanced financial services to financial institutions, businesses, and fintechs, thus promoting openness and the creation of interactions with the banking sector, thereby fostering the so-called **open banking** phenomenon. These companies develop solutions that facilitate the access of external financial and non-financial players to their **open finance** and **core banking**

platforms, orchestrating data, services and payments, and promoting **embedded finance** solutions that directly integrate financial services into non-financial platforms and applications.

Strategic partnership with the Sesa Group - industrial agreement with the Sesa Group entered into with the aim of strengthening the presence on the Italian market in the field of software solutions, Business Process Outsourcing (BPO) and application services for the Financial Services industry. The deal led to the establishment of two new companies in February/March 2023: the company Nivola, controlled by the Sella Group through Centrico (51%), and the company BDY, controlled by the Sesa Group through Base Digitale Group (51%) to which a business unit was transferred. The deal generated a gross capital gain of €20 million.

Deposit Guarantee Scheme (DGS) - a fund guaranteeing deposits established within the Banking Union and managed by Eurozone's Single Supervisory Mechanism.

Single Resolution Fund (SRF) - resolution fund established by the ECB and managed by Eurozone's Single Supervisory Mechanism under the European Single Resolution Mechanism.

CCNL for the Banking Industry - Italian National Collective Bargaining Agreement for the banking industry signed on 26/11/2023 which became effective on 01/07/2023.

Texas Ratio - ratio between non-performing loans and net tangible capital (i.e., capital net of intangible assets) added to adjustments to the value of receivables allocated to cover losses on receivables.

Cost of risk - ratio between total credit risk adjustments/reversals in reclassified profit and loss statement and cash loans net of repos at the end of the period.

Global deposits - sum of direct deposits and indirect deposits net of repos.

Qualified funding - total of deposits under advisory contracts and including asset management products, administered securities and direct deposits products.

Direct commercial deposits - total of time and sight deposits and excluding direct deposits from credit institutions.

Global net deposits - variation in the stock of funding, net of market price performance.

Sella

CONSOLIDATED ACCOUNTING DATA OF THE BANKING GROUP AS OF JUNE 30, 2024 CIVIL PERIMETER - PARENT COMPANY BANCA SELLA HOLDING

CONSOLIDATED SUMMARY DATA

Amounts in thousand of €

DATI PATRIMONIALI	30/06/2024	30/06/2023	31/12/2023	Changes 06/2024 vs 06/2023		Changes 06/2024 vs 12/2023	
				assolute	%	assolute	%
Total assets	22.693.467,9	21.380.979,5	21.831.766,2	1.312.488,5	6,1%	861.701,8	3,9%
Financial assets (1)	5.659.307,4	5.605.049,2	4.938.177,4	54.258,2	1,0%	721.129,9	14,6%
Cash loans, exclusive of repurchase agreements receivable	11.359.572,5	10.879.325,4	11.036.531,2	480.247,1	4,4%	323.041,3	2,9%
repurchase agreements receivables	630.587,7	617.840,4	119.603,0	12.747,2	2,1%	510.984,7	427,2%
Total cash loans (2)	11.990.160,2	11.497.165,9	11.156.134,2	492.994,3	4,3%	834.026,0	7,5%
Equity investments	78.589,7	101.868,4	83.372,9	(23.278,6)	-22,9%	(4.783,1)	-5,7%
Tangible and intangible fixed assets	736.371,9	670.819,6	712.178,2	65.552,4	9,8%	24.193,7	3,4%
Direct deposits, exclusive of repurchase agreements payable	18.295.553,0	16.409.930,6	18.093.849,4	1.885.622,5	11,5%	201.703,6	1,1%
repurchase agreements payable	*455.403,8*	*267.436,8*	*42.699,1*	*187.967,0*	70,3%	*412.704,7*	966,5%
Total direct deposits (3)	18.670.532,3	16.606.842,5	18.061.416,8	2.063.689,8	12,4%	609.115,5	3,4%
Direct deposits from credit institutions	12.098,5	14.753,1	45.113,6	(2.654,6)	-18,0%	(33.015,1)	-73,2%
Indirect deposits from credit institutions	42.939.769,2	36.079.548,1	38.373.390,3	6.860.221,1	19,0%	4.566.378,9	11,9%
Global deposits valued at market prices (4)	61.622.400,0	52.701.143,7	56.479.920,7	8.921.256,3	16,9%	5.142.479,3	9,1%
Global deposits valued at market prices exclusive of repurchase agreements payable (4)	61.166.996,2	52.433.706,9	56.437.221,6	8.733.289,3	16,7%	4.729.774,6	8,4%
Net assets	1.646.717,6	1.529.541,8	1.578.554,1	117.175,8	7,7%	68.163,5	4,3%
Common Equity Tier 1 (CET 1)	1.265.762,5	1.173.044,1	1.212.100,1	92.718,4	7,9%	53.662,4	4,4%
Additional Tier 1 capital (AT 1)	23.848,9	21.367,7	22.489,0	2.481,2	11,6%	1.359,9	6,0%
Tier 2 (T2)	206.322,7	138.577,4	168.810,7	67.745,3	48,9%	37.512,0	22,2%
Total own funds	1.495.934,0	1.332.989,2	1.403.399,8	162.944,8	12,2%	92.534,2	6,6%

(1) *“Derived from the sum of items 20. Financial assets measured at fair value through profit or loss (excluding the component of financing classified in financial assets mandatorily measured at fair value), 30. Financial assets measured at fair value through other comprehensive income, and 40. Financial assets measured at amortized cost (for the debt securities component only), of the Active Balance Sheet;”*

(2) *“Derived from item 40. Financial assets measured at amortized cost - Loans to customers of the Active Balance Sheet excluding debt securities; the item also includes the component of financing classified in financial assets mandatorily measured at fair value; The significant growth of the active repurchase agreements is linked to the market making activity of the Parent Company, the active repurchase agreements are, almost entirely, traded with the Central Counterparty Clearing House.”*

(3) *“Derived from the sum of items 10. Financial liabilities measured at amortized cost - Deposits from customers and 10. Financial liabilities measured at amortized cost - Debt securities in circulation of the Passive Balance Sheet; the direct collection is net of liabilities for right of use;”*

(4) *“The aggregate, valued at market prices, includes securities and funds under administration and the component related to insurance collection.*

Sella

CONSOLIDATED ECONOMIC DATA

Amounts in thousand of €

RECLASSIFIED ECONOMIC DATA (5)	30/06/2024	30/06/2023	CHANGES absolute	CHANGES %
Net interest income	281.998,7	267.023,6	14.975,1	5,6%
Net revenues from services (6)	211.617,4	208.099,4	3.518,0	1,7%
Of witch fee income	343.573,7	315.081,9	28.491,8	9,0%
Of witch fee expenses	(118.432,1)	(101.891,0)	(16.541,1)	16,2%
Net revenues from trading (7)	33.356,4	25.077,1	8.279,4	33,0%
Net banking income	526.972,5	500.200,1	26.772,5	5,4%
Operating expenses net of recovery of stamp duties and other taxes (8)	(371.481,7)	(327.793,9)	(43.687,8)	13,3%
Operating profit (loss)	155.490,8	172.406,2	(16.915,4)	-9,8%
Net value adjustments for credit risk (9)	(22.805,2)	(19.213,9)	(3.591,3)	18,7%
Other income statement items (10)	(51.295,2)	(52.325,9)	1.030,7	-2,0%
Profit (loss) for the period	81.390,4	100.866,3	(19.475,9)	-19,3%

(5) *"Items from the Reclassified Income Statement; for details on the reclassifications, please refer to the chapter on Income Data."*

(6) *"Derived from the sum of items 40. Active Commissions and 50. Passive Commissions of the Reclassified Income Statement and from reclassified variable income and expenses."*

(7) *"Derived from the sum of items 80. Net result of trading activity, 90. Net result of hedging activity, 100. Gains (losses) from disposal or repurchase of Financial assets measured at fair value through other comprehensive income and 110. Net result of other financial assets and liabilities measured at fv with impact on ce of the Reclassified Income Statement."*

(8) *"Derived from the sum of items 190. Administrative Expenses, 210. Net adjustments/recoveries on tangible assets, 220. Net adjustments/recoveries on intangible assets and 230. Other operating income/expenses of the Reclassified Income Statement, net of reclassified variable income and expenses."*

(9) *"Derived from the sum of items 130. Net adjustments/recoveries for credit risk related to financial assets measured at amortized cost, 140. Gains/losses from contractual changes without cancellations, 100. Gains (losses) from disposal or repurchase of financial assets measured at amortized cost (only for the component related to the transfer of credits) and 200. Net provisions to funds for risks and charges (only for the component related to credit risk) of the Reclassified Income Statement."*

(10) *"Derived from the sum of items 130. Net adjustments/recoveries for credit risk related to financial assets measured at fair value through other comprehensive income, 200. Net provisions to funds for risks and charges, (excluding the component related to credit risk), 250. Gains (losses) from participations, 260, 270, 280 Gains (losses) from goodwill, investments and valuations of tangible and intangible assets and 300. Income taxes of the current operating year of the Reclassified Income Statement."*

Sella

CONSOLIDATED RECLASSIFIED INCOME STATEMENT

Figures in thousands of €

ITEM	30/06/2024	30/06/2023	Change absolute	Change %
10. Interest receivable and similar income	404.043,1	331.580,8	72.462,3	21,9%
20. Interest payable and similar expenses	(128.037,4)	(71.477,0)	(56.560,4)	79,1%
70. Dividends and similar income	5.993,0	6.919,8	(926,8)	-13,4%
NET INTEREST INCOME AND DIVIDENDS	281.998,7	267.023,6	14.975,1	5,6%
40. Fee income	343.573,7	315.081,9	28.491,8	9,0%
Other operating income - recovery of expenses and other services (11)	31.255,4	32.200,0	(944,6)	-2,9%
50. Fee expenses	(118.432,1)	(101.891,0)	(16.541,1)	16,2%
Variable administrative expenses (11)	(44.779,6)	(37.291,5)	(7.488,1)	20,1%
NET REVENUES FROM SERVICES	**211.617,4**	**208.099,4**	3.518,0	**1,7%**
80. Net gains/(losses) on trading activities	25.436,9	20.009,0	5.427,9	27,1%
90. Net gains/(losses) on hedging activities	90,1	(502,8)	592,9	-117,9%
100. Income (losses) from sale or repurchase of:				
a) Financial assets measured at amortised cost	208,4	571,9	(363,5)	-63,6%
b) Financial assets measured at fair value through other comprehensive income	111,1	199,4	(88,3)	-44,3%
c) Financial liabilities	(128,3)	-	(128,3)	-
110. Net gains/(losses) on other financial assets and liabilities measured at fair value through profit and loss	7.638,2	4.799,6	2.838,7	59,1%
NET REVENUES FROM TRADING	**33.356,4**	**25.077,1**	8.279,4	**33,0%**
NET BANKING INCOME	526.972,5	500.200,1	26.772,5	5,4%
190. Administrative Expenses:				
a) personnel expenses	(214.022,8)	(194.930,0)	(19.092,8)	9,8%
IRAP on net personnel and seconded personnel expenses (11)	(346,2)	(311,6)	(34,6)	11,1%
Total personnel and IRAP expenses	**(214.369,1)**	**(195.241,6)**	(19.127,5)	**9,8%**
b) Other administrative expenses (other variable expenses deducted)	(154.305,2)	(127.699,9)	(26.605,3)	20,8%
Recovery of stamp duty and other taxes (11)	45.766,2	37.393,0	8.373,2	22,4%
Total administrative expenses and recovery of taxes	**(108.539,1)**	**(90.307,0)**	(18.232,1)	**20,2%**
210. Net value adjustments on tangible assets	(22.439,7)	(19.839,3)	(2.600,4)	13,1%
220. Net value adjustments on intangible assets	(24.635,6)	(21.330,1)	(3.305,6)	15,5%
230. Other operating expenses/income (after deducting “Recovery of stamp duty and other taxes” and recovery of expenses and other services)	(1.498,3)	(1.076,0)	(422,3)	39,2%
Operating expenses	**(371.481,7)**	**(327.793,9)**	(43.687,8)	**13,3%**
OPERATING PROFIT (LOSS)	155.490,8	172.406,2	(16.915,4)	-9,8%

Sella

VOCI	30/06/2024	30/06/2023	Var. assoluta	Change %
130. Net value adjustments for credit risk relative to Financial assets measured at amortised cost	(20.423,1)	(17.267,4)	(3.155,8)	18,3%
100. Income (losses) from sale or repurchase of Financial assets measured at amortised cost	(3.520,3)	(2.535,9)	(984,4)	38,8%
140. Profit/loss from contractual changes without write-offs	(270,7)	(74,8)	(195,9)	261,9%
200. Net allocations to provisions for risks and charges about credit risk	1.409,0	664,2	744,8	112,1%
Total Net value adjustments for credit risk	(22.805,2)	(19.213,9)	(3.591,3)	18,7%
130. Net value adjustments for credit risk relative to *debt securities and due from banks*	717,5	(8,3)	725,9	-8694,0%
130. Net value adjustments for credit risk relative to *Financial assets measured at fair value through other comprehensive income*	(61,0)	(54,4)	(6,6)	12,2%
200. Net allocations to provisions for risks and charges	(2.576,7)	(3.117,8)	541,0	-17,4%
250. Income/(losses) from equity investments	(1.991,2)	(16.756,9)	14.765,8	-88,1%
Profit (loss) from goodwill, investments and measurements of tangible and intangible assets	245,9	3,1	242,9	7916,5%
PROFIT FROM CONTINUING OPERATIONS BEFORE NON-RECURRING EFFECTS	129.020,2	133.257,9	(4.237,7)	-3,2%
Reclassifications from non-recurring effects (11)				
230. Other operating income	-	20.000,0	(20.000,0)	-100,0%
PROFIT FROM CONTINUING OPERATIONS BEFORE TAXES	129.020,2	153.257,9	(24.237,7)	-15,8%
300. Income taxes for the period on continuing operations (after deducting "IRAP on net personnel and seconded personnel expenses")	(47.629,7)	(52.391,6)	4.761,8	-9,1%
PROFIT FROM CONTINUING OPERATIONS NET OF TAXES	81.390,4	100.866,3	(19.475,9)	-19,3%
PROFIT (LOSS) FOR THE YEAR	81.390,4	100.866,3	(19.475,9)	-19,3%
340. PROFIT (LOSS) FOR THE PERIOD PERTAINING TO MINORITY INTERESTS	19.118,3	24.687,8	(5.569,5)	-22,6%
350. PROFIT/(LOSS) FOR THE PERIOD PERTAINING TO PARENT COMPANY	62.272,1	76.178,5	(13.906,4)	-18,3%

(11) The items concerned have been reclassified based on presentation criteria more suitable to represent the content of the items according to principles of management homogeneity.

PROFIT (LOSS) FOR THE YEAR BEFORE CORPORATE EVENT CAPITAL GAIN PARTNERSHIP WITH GRUPPO SESA.	81.390,4	81.106,3	284,4	0,4%

OPERATING EXPENSES NORMALIZED	(358.443)	(330.445)	(27.999)	8,5%
OPERATING PROFIT NORMALIZED	168.529	169.755	(1.226)	-0,7%

The operating costs, normalized for 1) higher contribution to resolution funds, resulting from the anticipation from December to June 2024 of the portion allocated to the DGS for 16.3 million euros and recognized in December in the previous year (in March 2023, instead, the contribution of 6.6 million euros to the SRF, not due in 2024, was recorded) 2) losses related to operational risks, including amounts recognized as compensation to third-party companies connected to the group systems for the IT service disruption in April 3) preparatory costs for the realization of the corporate transactions of FinApi and Banca Galileo, show an increase of 8.5%. Consequently, when normalized for the same phenomena, there is a substantial stability in the operating result compared to the first half of 2023.

PERFORMANCE ALTERNATIVE INDICATORS

PROFITABILITY RATIOS (%)	30/06/2024	30/06/2023	31/12/2023
R.O.E. (return on equity) (12)	11,3%	14,2%	10,8%
R.O.E. (return on equity) before corporate events	11,3%	12,8%	9,5%
R.O.A. (return on assets) (13)	0,8%	0,9%	0,7%
R.O.A. (return on assets) before corporate events	0,8%	0,8%	0,6%
Net interest income (14) / Net banking income (14)	53,5%	53,4%	52,6%
Net income from services (14) / Net banking income (14)	40,2%	41,6%	42,8%
Net income from trading (14) / Net banking income (14)	6,3%	5,0%	4,6%
Cost to income (15)	69,7%	65,3%	68,0%
Cost to income normalized for European funds on a semi-annual accrual basis and normalized for lower margins due to IT service disruptions (15)	67,4%	66,2%	68,0%
EQUITY AND LIQUIDITY RATIOS (%)	**30/06/2024**	**30/06/2023**	**31/12/2023**
Cash loans (16) / Direct deposits	60,8%	65,5%	61,0%
Cash loans / Total assets	50,1%	50,9%	50,6%
Direct deposits / Total assets	82,3%	77,7%	82,9%
Leverage ratio (17)	5,46%	5,40%	5,43%
Liquidity Coverage Ratio (LCR) (18)	195,19%	197,80%	230,83%
Net Stable Funding Ratio (NSFR) (19)	140,55%	127,70%	142,90%
CREDIT RISK RATIOS (%)	**30/06/2024**	**30/06/2023**	**31/12/2023**
Net non-performing loans / Cash loans - (net non-performing loans ratio)	1,6%	1,9%	1,6%
Gross non-performing loans / Cash loans - (gross non-performing loans ratio)	3,0%	3,3%	3,0%
Gross non-performing loans / total gross loans (Non Performing Loans ratio EBA) (20)	2,3%	2,6%	2,3%
Net bad loans / Cash loans	0,4%	0,4%	0,5%
Gross bad loans / Gross Cash loans	1,2%	1,2%	1,3%
Net loans provisions (21) / Cash loans - (Cost of credit %) (22)	0,40%	0,35%	0,39%
Non-performing loans coverage ratio	48,2%	44,0%	48,8%
Coverage rate for bad loans	63,9%	62,8%	64,8%
Texas ratio (23)	22,1%	24,7%	22,7%
SOLVENCY RATIOS (%)	**30/06/2024**	**30/06/2023**	**31/12/2023**
CET1 ratio	13,02%	13,41%	13,36%
Tier 1 ratio	13,27%	13,66%	13,61%
Total capital ratio	15,39%	15,24%	15,47%

(12) *"Ratio between 'Profit (loss) for the year', calculated by annualizing the actual results of the current year without non-recurring events and adding the impact of non-recurring events already recorded in the period, and the sum of items 150. Reserves, 160. Share premium, 170. Capital 190. Equity attributable to non-controlling interests (+/-) and the component of third-party profit of the Passive Balance Sheet."*

(13) *"Ratio between 'Profit (loss) for the year' calculated as in note 12 and 'Total assets'."*

(14) *"As indicated in the Reclassified Income Statement."*

(15) *"Ratio between operating costs, deducting the regional tax on productive activities (IRAP) on personnel costs and net of losses related to operational risks, and the intermediation margin. The normalized cost to income ratio is also presented, excluding the effects of lower revenues resulting from refunds granted to customers following the IT service disruption in April, the different timing of resolution fund allocations, and expenses for certain important projects."*

(16) *"Loans are all net of active repurchase agreements."*

(17) *"The Leverage ratio is calculated as the ratio between the Supervisory Capital (Tier 1) and the Total risk-weighted assets (Total exposure) of the Group, taking into account specific treatments for Derivatives and Repurchase Agreements as required by the reference regulations, minimum limit 3%."*

(18) *LCR: minimum limit 100%."*

(19) *NSFR: minimum limit 100%."*

(20) *"The 'Gross Non Performing Loans ratio' is calculated as the ratio between gross impaired loans to customers and gross cash loans to customers. The 'EBA Non Performing Loans ratio', an indicator recently introduced by the European and National Supervisory Authorities, is calculated as the ratio between gross impaired loans to customers and the Total gross loans, where the denominator includes, in addition to loans to customers, loans to credit intermediaries and Central Banks."*

(21) *"Corresponds to the 'Total adjustments/recoveries of value for credit risk' of the Reclassified Income Statement."*

(22) *"Annualized indicator."*
(23) *"Ratio between gross impaired assets and tangible net equity intended as the sum of net equity and value adjustments on impaired assets, net of intangible assets (item 90. Tangible assets of the active balance sheet)."*

CONSOLIDATED BALANCE SHEET ASSETS

€/units

	Assets	30/06/2024	31/12/2023
10.	Cash and cash equivalents	2.817.480.135	3.526.247.717
20.	Financial assets measured at fair value through profit and loss	1.706.703.866	1.073.280.545
	a) Financial assets held for trading	993.311.725	348.615.599
	c) Other financial assets necessarily measured at fair value	713.392.141	724.664.946
30.	Financial assets measured at fair value through other comprehensive income	922.795.390	879.033.039
40.	Financial assets measured at amortised cost	15.198.320.096	14.317.802.076
	a) Due from banks	592.015.230	592.879.524
	b) Due from customers	14.606.304.866	13.724.922.552
50.	Hedging derivatives	7.515.026	6.337.054
60.	Value adjustment of financial assets subject to macro hedging (+/-)	4.546.237	10.790.392
70.	Equity investments	78.589.740	83.372.851
90.	Tangible assets	474.756.483	466.233.015
100.	Intangible assets	261.615.458	245.945.214
	of which:		
	- goodwill	70.870.443	71.113.637
110.	Tax assets	172.353.028	224.861.199
	a) current	46.346.445	81.187.888
	b) deferred	126.006.583	143.673.311
120.	Non-current assets and asset groups held for sale	114.394	674.394
130.	Other assets	1.048.678.083	997.188.670
	Total assets	22.693.467.936	21.831.766.166

Sella

CONSOLIDATED BALANCE SHEET LIABILITIES

€/units

	Liabilities and shareholders' equity	30/06/2024	31/12/2023
10.	Financial liabilities measured at amortised cost	19.543.635.505	19.240.312.702
	a) Due to banks	792.678.675	1.103.764.158
	b) Due to customers	17.915.503.863	17.320.137.859
	c) Securities in issue	835.452.967	816.410.685
20.	Financial liabilities held for trading	653.795.831	122.458.697
40.	Hedging derivatives	11.356.216	16.553.545
60.	Tax liabilities	58.441.315	91.232.477
	a) current	42.243.918	75.426.458
	b) deferred	16.197.397	15.806.019
80.	Other liabilities	647.760.666	642.796.504
90.	Provision for severance indemnities	29.078.888	30.194.767
100.	Provisions for risks and charges	102.681.891	109.663.391
	a) commitments and guarantees given	5.191.712	5.709.735
	b) quiescence and similar obligations	10.000	10.000
	c) other provisions for risks and charges	97.480.179	103.943.656
120.	Valuation reserves	52.719.299	46.862.759
150.	Reserves	1.026.275.066	932.518.814
160.	Share premiums	105.550.912	105.550.912
170.	Capital	107.311.312	107.311.312
190.	Equity pertaining to third parties (+/-)	292.588.899	278.816.710
200.	Profit (Loss) for the year (+/-)	62.272.136	107.493.576
	Total liabilities and shareholders' equity	22.693.467.936	21.831.766.166

Banca Sella

BANCA SELLA – ACCOUNTING STATEMENTS AS OF JUNE 30, 2024

EQUITY IN SUMMARY DATA

Figures in thousands of €

BALANCE SHEET DATA	30/06/2024	30/06/2023	31/12/2023	Changes 06/2024 vs 06/2023		Changes 06/2024 vs 12/2023	
				absolute	%	absolute	%
Total assets	17.235.192,5	16.618.968,4	17.609.453,6	616.224,0	3,7%	(374.261,1)	-2,1%
Financial assets (1)	2.525.183,1	2.697.491,6	2.489.261,0	(172.308,5)	-6,4%	35.922,2	1,4%
Total Cash loans (2)	9.614.826,0	9.312.957,2	9.415.799,6	301.868,8	3,2%	199.026,3	2,1%
Sureties issued	285.701,5	282.670,0	293.702,3	3.031,5	1,1%	(8.000,8)	-2,7%
Equity investments	190.390,9	187.782,6	187.330,9	2.608,2	1,4%	3.060,0	1,6%
Tangible and intangible fixed assets	206.479,0	169.975,5	183.442,9	36.503,5	21,5%	23.036,1	12,6%
Direct deposits, excluding repurchase agreements payable	14.737.834,9	13.539.481,2	14.998.633,6	1.198.353,6	8,9%	(260.798,7)	-1,7%
repurchase agreements payable	*1.132,7*	*4.769,3*	*3.126,6*	(3.636,7)	-76,3%	(1.993,9)	-63,8%
Total direct deposits (3)	14.664.815,7	13.484.018,0	14.939.236,3	1.180.797,7	8,8%	(274.420,6)	-1,8%
Direct deposits from credit institutions	2.529,8	3.467,4	5.087,8	(937,6)	-27,0%	(2.558,0)	-50,3%
Indirect deposits valued at market prices	22.648.930,1	19.924.126,4	20.438.337,7	2.724.803,7	13,7%	2.210.592,4	10,8%
Global deposits valued at market prices (4)	37.316.275,6	33.411.611,8	35.382.661,8	3.904.663,8	11,7%	1.933.613,8	5,5%
Shareholders' equity	1.074.533,1	960.558,7	1.031.393,8	113.974,4	11,9%	43.139,3	4,2%
Common Equity Tier 1 (CET1)	977.326,2	848.714,2	911.930,1	128.612,0	15,2%	65.396,1	7,2%
Tier 2 Capital (T2)	144.800,0	105.000,0	119.200,0	39.800,0	37,9%	25.600,0	21,5%
Total own funds	1.122.126,2	953.714,2	1.031.130,1	168.412,0	17,7%	90.996,1	8,8%

(1) Derived from the sum of item 20 excluding the component of financing classified in financial assets mandatorily measured at fair value, item 30 and item 40 only debt securities, of the Active Balance Sheet.
(2) Derived from item 40 b) of the Active Balance Sheet excluding debt securities, the item also includes the component of financing classified in financial assets mandatorily measured at fair value.
(3) Derived from the sum of items 10 b) and 10 c) of the Passive Balance Sheet net of debts for right-of-use.
(4) The aggregate, valued at market prices, includes securities and funds under administration and the component related to insurance collection.

Banca
Sella

ECONOMIC SUMMARY DATA

Figures in thousands of €

RECLASSIFIED ECONOMIC DATA (5)	30/06/2024	30/06/2023	Changes	
			absolute	%
Net interest income	212.255,8	190.351,6	21.904,2	11,5%
Net revenues from services (6)	121.463,6	124.478,0	(3.014,4)	-2,4%
Of witch Fee income	226.747,6	215.658,2	11.089,4	5,1%
Of witch Fee expenses	(70.624,2)	(60.635,1)	(9.989,1)	16,5%
Net revenues from trading (7)	4.845,8	5.047,9	(202,1)	-4,0%
Net banking income	338.565,2	319.877,4	18.687,8	5,8%
Operating expenses net of recovery of stamp duties and other taxes (8)	(204.197,9)	(177.826,6)	(26.371,3)	14,8%
Operating profit (loss)	134.367,3	142.050,8	(7.683,5)	-5,4%
Net value adjustments for credit risk (9)	(7.739,3)	(13.398,6)	5.659,3	-42,2%
Other income statement items	345,9	1.753,2	(1.407,4)	-80,3%
Income taxes	(42.192,8)	(41.439,5)	(753,3)	1,8%
Profit (Loss) for the period	84.781,2	88.965,9	(4.184,7)	-4,7%

(5) Items from the reclassified Income Statement;
(6) The aggregate represents the sum of the following items of the Reclassified Income Statement: net commissions and other variable income and expenses reclassified;
(7) The aggregate represents the sum of the following items of the Reclassified Income Statement: item 80 Net result of trading activity, 90 Net result of hedging activity, 100 Profit (loss from disposal and repurchase of financial assets measured at amortized cost and financial assets measured at fv with impact on overall profitability and 110 Net result of other financial assets and liabilities measured at fv with impact on income statement;
(8) Derived from the sum of the following items: 160, 180, 190, and 200 of the Reclassified Income Statement;
(9) Derived from the sum of the following items: 130 a), 140, and 170 Net provisions to funds for risks and charges related to credit risk and only the component related to the transfer of credits of item 100 a) of the Reclassified Income Statement.

Banca Sella

RECLASSIFIED INCOME STATEMENT

Figures in thousands of €

ITEMS	30/06/2024	30/06/2023	Change absolute	Change %
10. Interest receivable and similar income	294.119,4	226.636,9	67.482,6	29,8%
20. Interest payable and similar expenses	(85.167,5)	(40.829,9)	(44.337,5)	108,6%
70. Dividends and similar income	3.303,8	4.544,6	(1.240,8)	-27,3%
NET INTEREST INCOME AND DIVIDENDS	212.255,8	190.351,6	21.904,2	11,5%
40. Fee income	226.747,6	215.658,2	11.089,5	5,1%
50. Fee expenses	(70.624,2)	(60.635,1)	(9.989,1)	16,5%
Other operating income - recovery of expenses and other services (10)	7.287,4	4.361,3	2.926,1	67,1%
Variable administrative expenses (10)	(41.947,2)	(34.906,4)	(7.040,9)	20,2%
Net revenues from services	**121.463,6**	**124.478,0**	**(3.014,4)**	**-2,4%**
80. Net gains/(losses) on trading activities	3.434,5	2.766,6	667,9	24,1%
90. Net gains/(losses) on hedging activities	76,1	(505,5)	581,6	-115,1%
100. Income (losses) from sale or repurchase of:				
a) Financial assets measured at amortized cost	76,3	471,2	(394,9)	-83,8%
b) Financial assets measured at fair value through other comprehensive income	131,6	194,7	(63,1)	-32,4%
110. Net gains/(losses) on other financial assets and liabilities measured at fair value through profit and loss	1.127,3	2.120,9	(993,6)	-46,9%
Net revenues from trading	**4.845,8**	**5.047,9**	**(202,1)**	**-4,0%**
NET BANKING INCOME	338.565,2	319.877,4	18.687,8	5,8%
160. Administrative expenses				
a) personnel expenses	(101.683,3)	(95.128,4)	(6.554,9)	6,9%
IRAP on net personnel and seconded personnel expenses (10)	(93,7)	(86,8)	(7,0)	8,0%
Total personnel and IRAP expenses	**(101.777,0)**	**(95.215,2)**	**(6.561,8)**	**6,9%**
b) Other administrative expenses (other variable expenses deducted)	(106.899,0)	(81.370,9)	(25.528,1)	31,4%
Recovery of stamp duty and other taxes (10)	25.284,2	20.832,8	4.451,5	21,4%
Total administrative expenses and recovery of taxes	**(81.614,8)**	**(60.538,2)**	**(21.076,6)**	**34,8%**
180. Writedowns on tangible fixed assets	(13.255,1)	(11.062,4)	(2.192,8)	19,8%
190. Writedowns on intangible fixed assets	(6.059,5)	(10.778,3)	4.718,7	-43,8%
200. Other operating expenses/income (after deducting "Recovery of stamp duty and other taxes")	(1.491,4)	(232,7)	(1.258,8)	541,1%
Operating expenses	**(204.197,9)**	**(177.826,6)**	**(26.371,2)**	**14,8%**
OPERATING PROFIT (LOSS)	134.367,3	142.050,8	(7.683,5)	-5,4%

ITEMS	30/06/2024	30/06/2023	Change absolute	Change %
130. Net value adjustments for credit risk relative to Financial assets measured at amortised cost	(8.241,5)	(12.087,7)	3.846,2	-31,8%
100. Income (losses) from sale or repurchase of Financial assets measured at amortized cost	383,6	(1.613,9)	1.997,5	-123,8%
140. Profit/loss from contractual changes without write-offs	(221,1)	(67,0)	(154,2)	230,1%
170. Net provisions for risks and charges about credit risk	339,7	370,0	(30,3)	-8,2%
Total net value adjustments for credit risk	(7.739,3)	(13.398,6)	5.659,3	-42,2%
130. Net value adjustments for credit risk relative to debt securities and due from banks	715,3	(105,3)	820,5	-779,3%
170. Net allocations to provisions for risks and charges	(348,4)	(1.346,5)	998,1	-74,1%
130. Net value adjustments for credit risk relative to Financial assets measured at fair value through other comprehensive income	(5,1)	5,2	(10,3)	-198,0%
220. profit (loss) from equity investments	-	2.611,2	(2.611,2)	-100,0%
Gains (losses) from goodwill, investments, and evaluations of tangible and intangible assets	(15,9)	588,7	(604,5)	-102,7%
PROFIT FROM CONTINUING OPERATIONS BEFORE NON-RECURRING EFFECTS	126.973,9	130.405,5	(3.431,6)	-2,6%
270. Income taxes for the period on continuing operations (after deducting "IRAP on net personnel and seconded personnel expenses")	(42.192,8)	(41.439,5)	(753,2)	1,8%
PROFIT FROM CONTINUING OPERATIONS NET OF TAXES	84.781,2	88.965,9	(4.184,8)	-4,7%
PROFIT (LOSS) FOR THE YEAR	84.781,2	88.965,9	(4.184,8)	-4,7%

(10) *The items affected were reclassified base on more appropriate recognition criteria to represent the content of the items based on principles of management homogeneity. For a better presentation of the data, some reclassified items have been revised in the calculation method, consequently the comparison period has also been adjusted.*

Banca
Sella

PERFORMANCE INDICATORS

Figures expressed as %

PROFITABILITY RATIOS (%)	30/06/2024	30/06/2023	31/12/2023
R.O.E. (return on equity) (11)	17,6%	20,9%	18,4%
R.O.A. (return on assets) (12)	1,0%	1,1%	0,9%
Net interest income (13) / Net banking income (13)	62,7%	59,5%	60,9%
Net income from services (13) / Net banking income (13)	35,9%	38,9%	38,9%
Net income from trading (13) / Net banking income (13)	1,4%	1,6%	0,2%
Cost to income (14)	59,9%	55,3%	58,2%
EQUITY AND LIQUIDITY RATIOS (%)	**30/06/2024**	**30/06/2023**	**31/12/2023**
Cash loans / Direct deposits	65,2%	68,8%	62,8%
Cash loans / Total assets	55,8%	56,0%	53,5%
Direct deposits / Total assets	85,5%	81,5%	85,2%
Leverage ratio (15)	8,33%	7,45%	7,93%
Liquidity Coverage Ratio (LCR) (16)	255,84%	225,00%	275,31%
Net stable funding ratio (NSFR) (17)	154,16%	146,20%	161,19%
CREDIT RISK RATIOS (%)	**30/06/2024**	**30/06/2023**	**31/12/2023**
Net non-performing loans / Cash loans - (net non-performing loans ratio)	1,4%	1,8%	1,5%
Gross non-performing loans / Cash loans - (gross non-performing loans ratio)	2,6%	2,9%	2,7%
Gross non-performing loans / total gross loans (Non Performing Loans ratio EBA) (18)	1,9%	2,2%	1,9%
Net bad loans / Cash loans	0,4%	0,5%	0,5%
Gross bad loans / Gross Cash loans	1,0%	1,1%	1,2%
Net loan loss provisions (19) / Cash Loans - (Cost of credit %) (20)	0,16%	0,29%	0,26%
Non-performing loans coverage ratio	45,3%	41,4%	46,2%
Coverage rate for bad loans	57,9%	58,1%	60,6%
Texas ratio (21)	22,2%	27,1%	23,7%
SOLVENCY RATIOS (%)	**30/06/2024**	**30/06/2023**	**31/12/2023**
CET1 ratio	19,31%	19,12%	19,27%
Tier 1 ratio	19,31%	19,12%	19,27%
Total capital ratio	22,17%	21,49%	21,78%

(11) Ratio between 'Operating Profit' and the sum of items 140, 150, 160 of the Passive Balance Sheet.
(12) Ratio between 'Profit (loss) for the year' and 'Total assets'.
(13) As per the Reclassified Income Statement.
(14) Ratio between operating costs, deducting IRAP on personnel costs and net of losses related to operational risks, and brokerage margin."
(15) The Leverage Ratio is calculated as the ratio between Supervisory Capital (Tier 1) and Total risk-weighted assets (Total exposure), taking into account specific treatments for Derivatives and PCT as required by the reference regulation.
(16) LCR (Liquidity Coverage Ratio): minimum limit 100%.
(17) NSFR (Net Stable Funding Ratio): minimum limit of 100%.
(18) The 'Gross Non Performing Loans ratio' is calculated as the ratio between gross impaired loans to customers and gross cash loans to customers. The 'EBA Non Performing Loans ratio', a recently introduced indicator by European and National Supervisory Authorities, is calculated as the ratio between gross impaired loans to customers and the Total gross loans, where the denominator includes, in addition to loans to customers, loans to credit intermediaries and Central Banks.
(19) Derived from the sum of the following items: 130 a), 140, only the component related to the transfer of credits of item 100 a) and only the component related to credit risk of item 170 of the Reclassified Income Statement.
(20) Annualized indicator.
(21) Ratio between gross impaired assets and tangible net equity intended as the sum of net equity and value adjustments on impaired assets, net of intangible assets (item 90 of the active balance sheet).

Banca Sella

BALANCE SHEET ASSETS

€/units

	Assets	30-06-2024	31-12-2023
10.	Cash and cash equivalents	3.678.544.952	4.344.857.809
20.	Financial assets measured at fair value through profit and loss	193.774.328	180.277.177
	a) financial assets held for trading	15.903.062	16.791.210
	c) other financial assets necessarily measured at fair value	177.871.266	163.485.967
30.	Financial assets measured at fair value through other comprehensive income	639.610.435	599.958.523
40.	Financial assets measured at amortised cost	11.496.478.268	11.301.243.401
	a) Due from banks	356.692.147	342.692.555
	b) Due from customers	11.139.786.121	10.958.550.846
50.	Hedging derivatives	7.469.715	6.321.903
60.	Value adjustment of financial assets subject to macro hedging (+/-)	4.390.351	10.494.169
70.	Equity investments	190.390.875	187.330.875
80.	Tangible assets	146.264.891	128.277.520
90.	Intangible assets	60.214.112	55.165.408
	of which:		
	- goodwill	11.370.566	11.370.566
100.	Tax assets	86.472.701	114.026.151
	a) current	23.497.570	39.376.001
	b) deferred	62.975.131	74.650.150
120.	Other assets	731.581.864	681.500.651
	Total assets	17.235.192.492	17.609.453.587

BALANCE SHEET LIABILITIES

€/units

	Liabilities and shareholders' equity	30-06-2024	31-12-2023
10.	Financial liabilities measured at amortised cost	15.581.517.186	16.031.204.109
	a) Due to banks	842.549.684	1.029.443.929
	b) Due to customers	14.287.469.080	14.577.332.140
	c) Securities in issue	451.498.422	424.428.040
20.	Financial liabilities held for trading	9.705.763	12.407.960
40.	Hedging derivatives	11.220.652	16.306.258
60.	Tax liabilities	35.846.350	58.247.008
	a) current	30.532.737	53.388.900
	b) deferred	5.313.613	4.858.108
80.	Other liabilities	460.839.876	394.347.978
90.	Provision for severance indemnities	15.589.988	16.951.340
100.	Provisions for risks and charges	45.939.592	48.595.184
	a) commitments and guarantees given	4.700.003	5.039.711
	c) other provisions for risks and charges	41.239.589	43.555.473
110.	Valuation reserves	25.597.250	20.971.256
140.	Reserves	263.836.122	152.776.945
150.	Share premiums	366.090.483	366.090.483
160.	Capital	334.228.084	334.228.084
180.	Profit (Loss) for the year (+/-)	84.781.146	157.326.982
	Total liabilities and shareholders' equity	17.235.192.492	17.609.453.587