

CONSOLIDATED ACCOUNTING DATA OF THE BANKING GROUP AS OF SEPTEMBER 30, 2023 CIVIL PERIMETER - PARENT COMPANY BANCA SELLA HOLDING

CONSOLIDATED BALANCE SHEET ASSETS

(amounts in euro)

ASSETS	30/09/2023	31/12/2022
10. Cash and cash equivalents	2.259.729.057	2.360.725.964
20. Financial assets measured at fair value through profit and loss	1.666.528.728	1.068.180.104
a) Financial assets held for trading	965.970.617	386.117.827
c) Other financial assets necessarily measured at fair value	700.558.111	682.062.277
30. Financial assets measured at fair value through other comprehensive income	961.838.125	784.436.765
40. Financial assets measured at amortised cost	15.150.849.689	14.376.539.425
a) Due from banks	668.513.647	554.939.472
b) Due from customers	14.482.336.042	13.821.599.953
50. Hedging derivatives	11.628.406	10.285.743
60. Value adjustment of financial assets subject to macro hedging (+/-)	(2.080.390)	2.884.553
70. Equity investments	95.951.212	101.084.260
90. Tangible assets	458.347.092	382.243.362
100. Intangible assets	236.397.904	203.644.824
of which:		
- goodwill	73.277.149	66.353.310
110. Tax assets	187.467.898	219.427.776
a) current	38.718.844	45.603.144
b) deferred	148.749.054	173.824.632
120. Non-current assets and asset groups held for sale	586.094	586.094
130. Other assets	875.870.475	825.485.858
Total assets	21.903.114.290	20.335.524.728

CONSOLIDATED BALANCE SHEET LIABILITIES

(amounts in euro)

LIABILITIES AND SHAREHOLDERS' EQUITY		30/09/2023	31/12/2022
10.	Financial liabilities measured at amortised cost	18.731.982.635	18.094.188.508
	a) Due to banks	1.463.977.265	1.385.146.832
	b) Due to customers	16.457.913.231	16.523.984.127
	c) Securities in issue	810.092.139	185.057.549
20.	Financial liabilities held for trading	809.807.544	136.986.429
40.	Hedging derivatives	9.162.101	13.711.827
60.	Tax liabilities	77.683.610	77.066.358
	a) current	62.713.708	61.477.537
	b) deferred	14.969.902	15.588.821
80.	Other liabilities	587.314.867	477.883.679
90.	Provision for severance indemnities	28.206.090	30.137.933
100.	Provisions for risks and charges	91.809.635	97.931.371
	a) commitments and guarantees given	5.883.080	6.353.832
	b) quiescence and similar obligations	10.000	10.000
	c) other provisions for risks and charges	85.916.555	91.567.539
120.	Valuation reserves	44.771.193	50.238.699
150.	Reserves	931.878.180	817.740.589
160.	Share premiums	105.550.912	105.550.912
170.	Capital	107.311.312	107.311.312
190.	Equity pertaining to third parties (+/-)	272.541.737	234.834.427
200.	Profit (Loss) for the year (+/-)	105.094.474	91.942.684
Total liabilities and shareholders' equity		21.903.114.290	20.335.524.728

CONSOLIDATED RECLASSIFIED INCOME STATEMENT

(figures in thousands of euro)

ITEMS	30/09/2023	30/09/2022	Change	%
10. Interest receivable and similar income	512.569,6	279.684,0	232.885,6	83,3%
20. Interest payable and similar expenses	(123.493,5)	(38.488,4)	(85.005,1)	220,9%
70. Dividends and similar income	7.643,3	6.230,6	1.412,7	22,7%
NET INTEREST INCOME AND DIVIDENDS	396.719,3	247.426,2	149.293,2	60,3%
40. Fee income	481.753,7	423.023,4	58.730,3	13,9%
Other operating income - recovery of expenses and other services (1)	48.770,1	43.970,4	4.799,7	10,9%
50. Fee expenses	(158.958,7)	(128.725,4)	(30.233,3)	23,5%
Variable administrative expenses (1)	(60.531,0)	(47.781,1)	(12.749,9)	26,7%
NET REVENUES FROM SERVICES	311.034,1	290.487,4	20.546,8	7,1%
80. Net gains/(losses) on trading activities	31.825,2	56.974,0	(25.148,8)	-44,1%
90. Net gains/(losses) on hedging activities	(283,8)	309,4	(593,2)	-191,7%
100. Income (losses) from sale or repurchase of:				
a) Financial assets measured at amortised cost	(1.334,8)	18.203,6	(19.538,4)	-107,3%
b) Financial assets measured at fair value through other comprehensive income	199,6	359,1	(159,5)	-44,4%
c) Financial liabilities	(10,2)	-	(10,2)	-
110. Net gains/(losses) on other financial assets and liabilities measured at fair value through profit and loss	8.608,8	6.565,1	2.043,8	31,1%
NET REVENUES FROM TRADING	39.004,9	82.411,2	(43.406,3)	-52,7%
NET BANKING INCOME	746.758,3	620.324,7	126.433,7	20,4%
190. Administrative Expenses:				
a) personnel expenses	(296.147,2)	(262.927,6)	(33.219,6)	12,6%
IRAP on net personnel and seconded personnel expenses (1)	(475,9)	(384,7)	(91,2)	23,7%
Total personnel and IRAP expenses	(296.623,1)	(263.312,3)	(33.310,8)	12,7%
b) Other administrative expenses (other variable expenses deducted)	(188.970,2)	(166.358,7)	(22.611,5)	13,6%
Recovery of stamp duty and other taxes (1)	56.221,5	49.264,6	6.956,9	14,1%
Total administrative expenses and recovery of taxes	(132.748,7)	(117.094,1)	(15.654,6)	13,4%
210. Net value adjustments on tangible assets	(30.488,7)	(27.425,7)	(3.063,0)	11,2%
220. Net value adjustments on intangible assets	(32.779,2)	(29.607,1)	(3.172,0)	10,7%
230. Other operating expenses/income (after deducting "Recovery of stamp duty and other taxes" and recovery of expenses and other services)	(2.462,8)	(4.779,8)	2.317,0	-48,5%
Operating expenses	(495.102,5)	(442.219,1)	(52.883,4)	12,0%
OPERATING PROFIT (LOSS)	251.655,8	178.105,6	73.550,2	41,3%

130. Net value adjustments for credit risk relative to Financial assets measured at amortised cost	(20.598,7)	(17.947,9)	(2.650,8)	14,8%
100. Income (losses) from sale or repurchase of Financial assets measured at amortised cost	(4.406,5)	(3.435,6)	(970,8)	28,3%
140. Profit/loss from contractual changes without write-offs	(32,7)	(286,5)	253,9	-100,0%
200. Net allocations to provisions for risks and charges about credit risk	(888,7)	121,3	(1.010,0)	-832,4%
Total Net value adjustments for credit risk	(25.926,4)	(21.548,7)	(4.377,7)	20,3%
130. Net value adjustments for credit risk relative to <i>Financial assets measured at fair value through other comprehensive income</i>	(82,0)	(45,0)	(37,0)	82,3%
200. Net allocations to provisions for risks and charges	(3.205,9)	2.331,3	(5.537,2)	-237,5%
250. Income/(losses) from equity investments	(23.873,7)	(295,8)	(23.577,9)	7970,5%
Profit (loss) from goodwill, investments and measurements of tangible and intangible assets	(74,2)	(65,6)	(8,7)	13,2%
PROFIT FROM CONTINUING OPERATIONS BEFORE NON-RECURRING EFFECTS	198.493,6	158.481,9	40.011,7	25,2%
Reclassifications from non-recurring effects ⁽¹⁾				
230. Other operating income	20.000,0	-	20.000,0	-
PROFIT FROM CONTINUING OPERATIONS BEFORE TAXES	218.493,6	158.481,9	60.011,7	37,9%
300. Income taxes for the period on continuing operations (after deducting "IRAP on net personnel and seconded personnel expenses")	(77.850,7)	(53.195,6)	(24.655,2)	46,3%
PROFIT FROM CONTINUING OPERATIONS NET OF TAXES	140.642,9	105.286,3	35.356,5	33,6%
320. Profit (loss) from asset groups held for sale net of taxes	-	(139,7)	139,7	-100,0%
PROFIT (LOSS) FOR THE YEAR	140.642,9	105.146,7	35.496,2	33,8%
340. PROFIT (LOSS) FOR THE PERIOD PERTAINING TO MINORITY INTERESTS	35.548,4	16.296,5	19.251,8	118,1%
350. PROFIT/(LOSS) FOR THE PERIOD PERTAINING TO PARENT COMPANY	105.094,5	88.850,1	16.244,4	18,3%

(1) 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.

CONSOLIDATED SUMMARY DATA

(amounts in thousand of euro)

BALANCE SHEET DATA	30/09/2023	31/12/2022	Changes	
			absolute	%
Total assets	21.903.114,3	20.335.524,7	1.567.589,6	7,7%
Financial assets (1)	5.856.701,4	5.305.446,0	551.255,4	10,4%
Cash loans, exclusive of repurchase agreements receivable	10.877.209,6	10.520.406,0	356.803,5	3,4%
repurchase agreements receivables	769.731,5	113.336,6	656.395,0	579,2%
Total cash loans (2)	11.646.941,1	10.633.742,6	1.013.198,5	9,5%
Equity investments	95.951,2	101.084,3	(5.133,0)	-5,1%
Tangible and intangible fixed assets	694.745,0	585.888,2	108.856,8	18,6%
Direct deposits, exclusive of repurchase agreements payable	16.918.295,0	16.678.292,3	240.002,7	1,4%
repurchase agreements payable	349.710,3	30.749,3	318.961,0	1037,3%
Total direct deposits (3)	17.192.239,0	16.643.147,5	549.091,5	3,3%
Direct deposits from credit institutions	11.542,4	19.783,0	(8.240,6)	-41,7%
Indirect deposits from credit institutions	36.128.247,6	31.995.276,9	4.132.970,7	12,9%
Global deposits valued at market prices (4)	53.332.029,0	48.658.207,4	4.673.821,6	9,6%
Global deposits valued at market prices exclusive of repurchase agreements payable (4)	52.982.318,7	48.627.458,1	4.354.860,6	9,0%
Net assets	1.567.147,8	1.407.618,6	159.529,2	11,3%
Common Equity Tier 1 (CET 1)	1.201.594,2	1.086.868,8	114.725,4	10,6%
Additional Tier 1 capital (AT 1)	21.608,8	19.940,2	1.668,6	8,4%
Tier 2 (T2)	144.659,9	137.122,7	7.537,2	5,5%
Total own funds	1.367.862,9	1.243.931,8	123.931,1	10,0%

- (1) Represents the sum of item 20. Financial assets measured at fair value through profit and loss, excluding loans classified under financial assets necessarily measured at fair value, item 30. Financial assets measured at fair value through other comprehensive income and item 40. Financial assets measured at amortised cost only debt securities, in the Balance Sheet Assets;
- (2) Represents item 40 b) Financial assets measured at amortised cost - Due from customers of the Balance Sheet Assets, excluding debt securities; the item also includes loans classified under financial assets necessarily measured at fair value; The significant growth in reverse repurchase agreements is related to the parent company's market making activities; active repurchase agreements are, in almost all cases, traded with Cassa di Compensazione e Garanzia.
- (3) Obtained from the sum of items 10 b) Financial liabilities measured at amortised cost - Due to customers and 10 c) Financial liabilities measured at amortised cost - Securities in issue of the Balance Sheet Liabilities; the total direct deposits, excluding Debts for leasing;
- (4) The aggregate, assessed at market prices, includes administered securities, funds, reverse repurchase agreements and the component for insurance funding.

CONSOLIDATED ECONOMIC DATA

(amounts in thousand of euro)

RECLASSIFIED ECONOMIC DATA (5)	30/09/2023	30/09/2022	Changes	
			absolute	%
Net interest income	396.719,3	247.426,2	149.293,2	60,3%
Net revenues from services (6)	311.034,1	290.487,4	20.546,8	7,1%
Of witch fee income	481.753,7	423.023,4	58.730,3	13,9%
Of witch fee expenses	(158.958,7)	(128.725,4)	(30.233,3)	23,5%
Net revenues from trading (7)	39.004,9	82.411,2	(43.406,3)	-52,7%
Net banking income	746.758,3	620.324,7	126.433,7	20,4%
Operating expenses net of recovery of stamp duties and other taxes (8)	(495.102,5)	(442.219,1)	(52.883,4)	12,0%
Operating profit (loss)	251.655,8	178.105,6	73.550,2	41,3%
Net value adjustments for credit risk (9)	(25.926,4)	(21.548,7)	(4.377,7)	20,3%
Other income statement items (10)	(85.086,5)	(51.270,6)	(33.815,9)	66,0%
Profit (loss) for the period pertaining to Parent Company	105.094,5	88.850,1	16.244,4	18,3%
Profit (loss) for the period pertaining to minority interests	35.548,4	16.296,5	19.251,8	118,1%

(5) Items from the Reclassified Income Statement;

(6) The aggregate represents the sum of the following items from the Reclassified Income Statement: 40. Fee income, 50. Fee expenses, Other operating income - recovery of expenses and other services and Variable administrative expenses;

(7) The aggregate represents the sum of the following items from the Reclassified Income Statement: net fees and items 80. Net gains/(losses) on trading activities, 90. Net gains/(losses) on hedging activities, 100. Income (losses) from sale or repurchase and 110. Net gains/(losses) on other financial assets and liabilities measured at fair value through profit and loss;

(8) Obtained from the sum of the following items: 190. Administrative expenses, 210. Writedowns on tangible fixed assets, 220. Writedowns on intangible fixed assets and 230. Other operating expenses/income of the Reclassified Income Statement;

(9) Obtained from the sum of the following items: 130 a) Net value adjustments for credit risk relative to Financial assets measured at amortised cost, 140. Profit/loss from contractual changes without write-offs, the sole component relating to the sale of receivables of item 100 a) Income (losses) from sale or repurchase of Financial assets measured at amortized cost and the sole component relating to credit risk of item 200. Net provisions for risks and charges about credit risk of the Reclassified Income Statement.

(10) Obtained from the sum of the following items: 200. Net provisions for risks and charges, 130. Net value adjustments for credit risk relative to financial assets measured at fair value through other comprehensive income, 250. profit (loss) from equity investments, Profit (loss) from goodwill, investments and measurements of tangible and intangible assets and 300. Income taxes for the period on continuing operations.

PERFORMANCE ALTERNATIVE INDICATORS

PROFITABILITY RATIOS (%)	30/09/2023	31/12/2022
R.O.E. (return on equity) (11)	13,5%	8,8%
R.O.E. (return on equity) before corporate events	12,2%	8,9%
R.O.A. (return on assets) (12)	0,9%	0,5%
R.O.A. (return on assets) before corporate events	0,8%	0,5%
PROFITABILITY RATIOS (%)	30/09/2023	30/09/2022
Net interest income (13) / Net banking income (13)	53,1%	39,9%
Net income from services (13) / Net banking income (13)	41,7%	46,8%
Net income from trading (13) / Net banking income (13)	5,2%	13,3%
Cost to income (14)	65,9%	70,5%
EQUITY AND LIQUIDITY RATIOS (%)	30/09/2023	31/12/2022
Cash loans (15) / Direct deposits	63,3%	63,1%
Cash loans / Total assets	49,7%	51,7%
Direct deposits / Total assets	78,5%	82,0%
Leverage ratio (21)	5,4%	5,3%
Liquidity Coverage Ratio (LCR) (16)	218,95%	166,72%
Net Stable Funding Ratio (NSFR) (17)	137,29%	132,76%
CREDIT RISK RATIOS (%)	30/09/2023	31/12/2022
Net non-performing loans / Cash loans - (net non-performing loans ratio)	1,7%	1,8%
Gross non-performing loans / Cash loans - (gross non-performing loans ratio)	3,1%	3,5%
Gross non-performing loans / total gross loans (Non Performing Loans ratio EBA) (18)	2,4%	2,8%
Net bad loans / Cash loans	0,5%	0,6%
Gross bad loans / Gross Cash loans	1,2%	1,6%
Net loans provisions (19) / Cash loans - (Cost of credit % annualized)	0,32%	0,37%
Non-performing loans coverage ratio	45,5%	49,5%
Coverage rate for bad loans	63,7%	65,7%
Texas ratio (20)	22,9%	27,2%
SOLVENCY RATIOS (%)	30/09/2023	31/12/2022
CET1 ratio	13,53%	13,21%
Tier 1 ratio	13,77%	13,45%
Total capital ratio	15,40%	15,12%

(11) Ratio of "Net income (loss) for the year," calculated by annualizing the current year's final statement without non-recurring events and adding the impact of non-recurring events already recorded in the period, to the sum of items 150. Reserves, 160. Additional paid-in capital, 170. Capital 190. Shareholders' equity attributable to minority interests (+/-) and the minority interest profit component of Balance Sheet Liabilities;

(12) Ratio of "Net income (loss) for the year" calculated as in Note 12 to "Total assets";

(13) As shown in the Reclassified Income Statement;

(14) Ratio of operating costs, after deducting IRAP on personnel costs and net of losses related to operating risks, to net interest and other banking income;

(15) Loans are all net of reverse repurchase agreements;

(16) LCR: 100% minimum limit;

(17) NSFR: 100% minimum limit;

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

(19) Corresponds to "Total adjustments/reversals for credit risk" in the Reclassified Income Statement;

(20) Ratio of gross impaired assets to tangible shareholders' equity, understood as the sum of shareholders' equity and adjustments to impaired assets, and net of intangible assets (item 90. Tangible assets in the balance sheet assets);

(21) Leverage ratio is calculated as the ratio of Regulatory Capital (Tier 1) to Total non-risk-weighted assets (Total exposure) of the Banking Group, taking into account specific treatments for Derivatives and PCTs as required by relevant regulations, 3% minimum limit.