amco

«We Produce Value» 2024-2028 Strategic Plan

Milan, 12 March 2024

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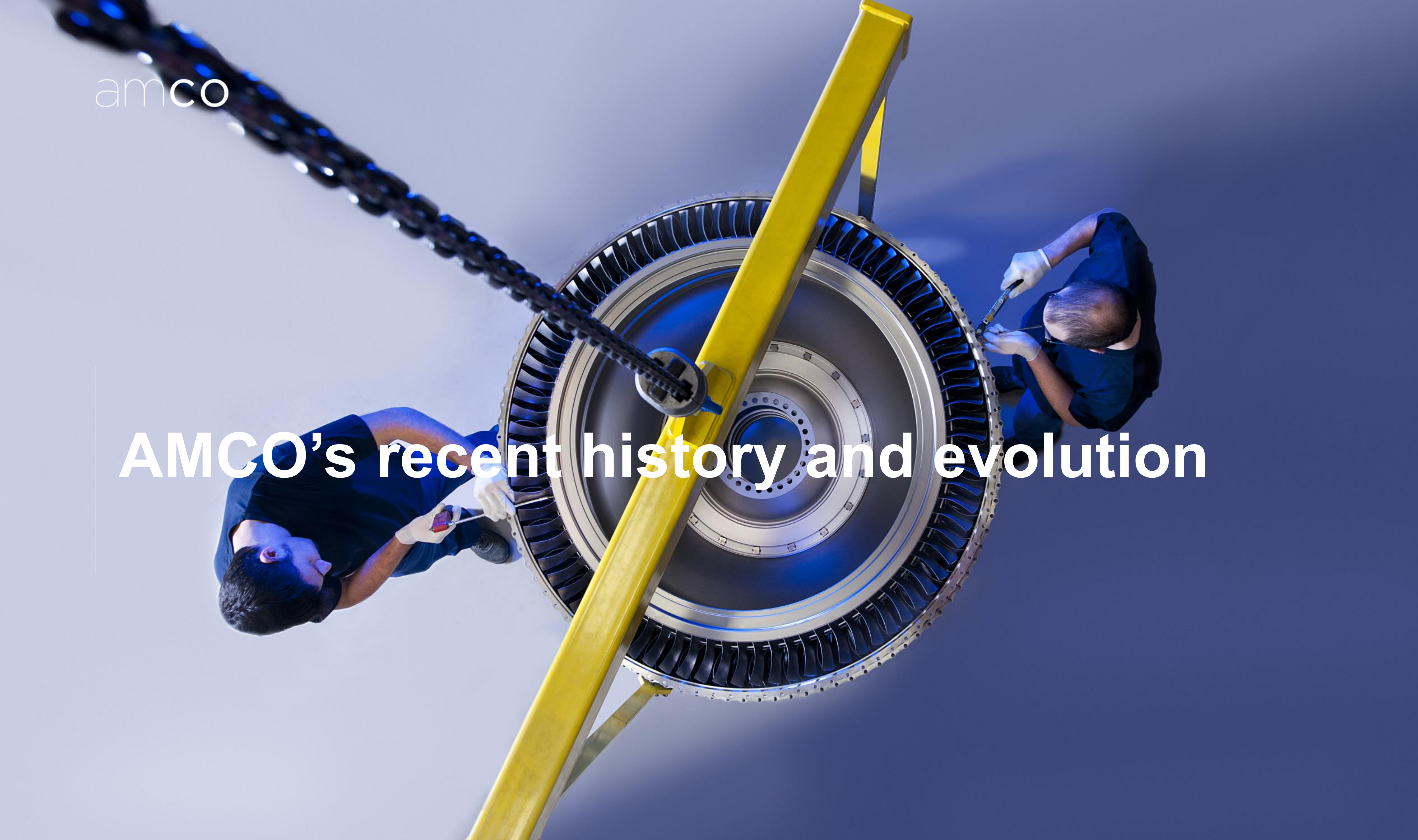
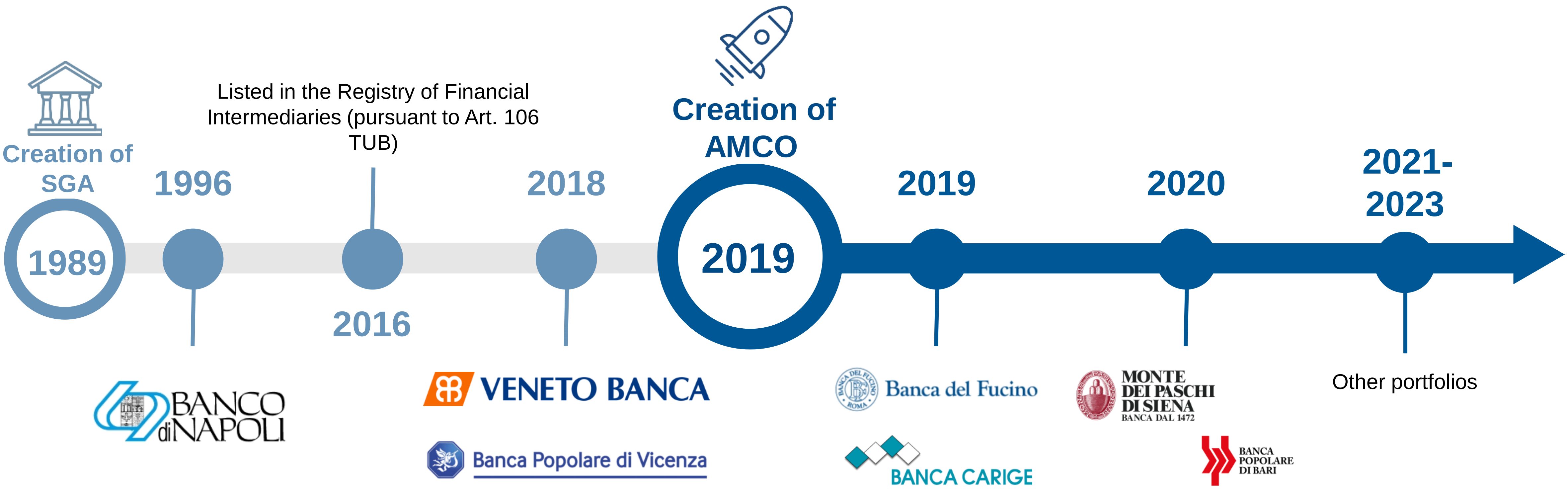


AMCO’s recent history and evolution

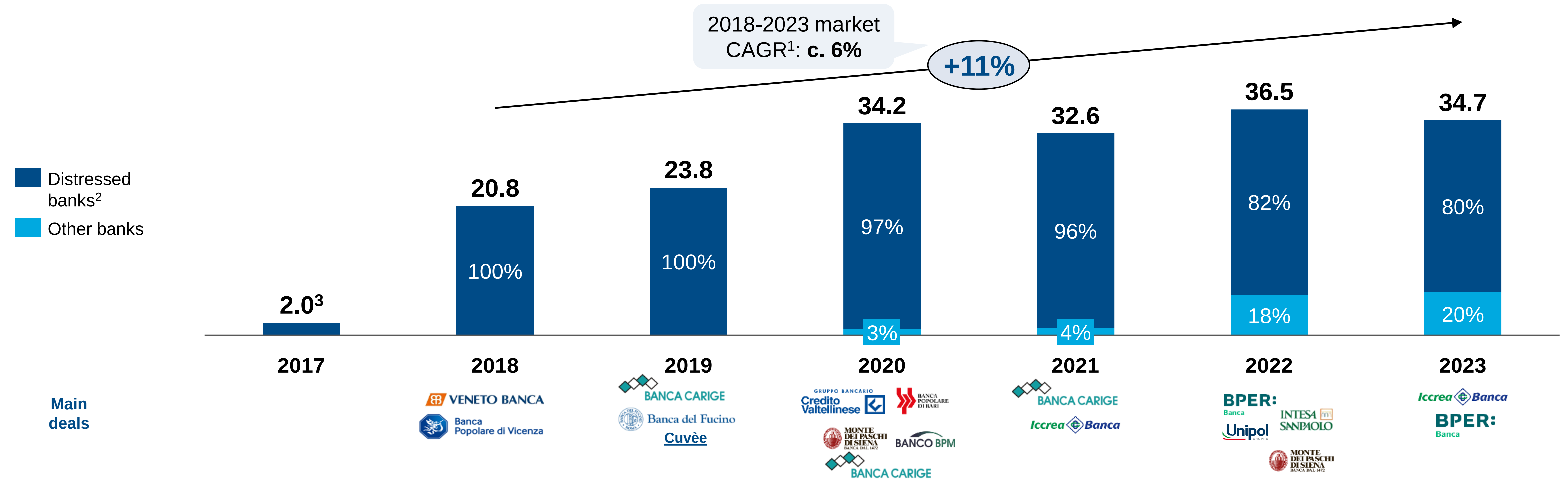
AMCO was created in 2019 to contain the impacts of banking crises, in continuity with SGA's mandate

Main banking crises supported by SGA-AMCO



AMCO grew at twice the market rate, managing NPE portfolios of distressed banks and, since 2020, of non-distressed banks

Portfolio evolution (AuM - €/bn)



	2017	2018	2019	2020	2021	2022	2023
Investor (on-balance)	100%	9%	18%	45%	45%	51%	52%
Servicer (off-balance)[4]		91%	82%	55%	55%	49%	48%
NPLs	100%	60%	56%	58%	60%	67%	68%
UTPs		40%	44%	42%	40%	33%	32%

Note (1): 2018-2023 market CAGR calculated as per PwC periodic reports on servicing industry; 2023 data based on 1H23 figure. Note (2): Interventions in banks restructurings. Includes portfolios acquired from: Banco di Napoli, Veneto Banca, BP Vicenza, BP Bari, Carige, MPS. Note (3): From Banco di Napoli portfolio. Note (4): Off-balance includes Veneto Banca, Popolare di Vicenza and Cuvèe portfolios.

AMCO is today the fourth servicer in Italy by AuM, with a relevant on-balance component and specialised in UTP management

AuM of main Italian servicers (€/bn – 1H23 figures)

Rank	Player	Partnership	AuM (GBV) – NPLs	AuM (GBV) – Past due and UTPs	AuM (GBV) – Total	% on-balance[1]
1	doValue	UniCredit	68.5	1.8	70.3	0%
2	intrum	Crédit Agricole; Intesa Sanpaolo	36.2	2.0	38.2	n.m.
3	Cerved		35.2	1.4	36.6[2]	-
4	amco Asset Management Company		24.1	12.0	36.1[3]	52%
5	Prelios	UniCredit; Intesa Sanpaolo	19.4	10.6	30.0[2]	-
6	Ifis npl Banca Ifis	Compass Gruppo Mediobanca	24.4	0.1	24.5	-
7	Gardant	Banco BPM; BPER Banca	19.0	1.5	20.5	2%
8	iQera		14.9	1.3	16.2	3%
9	fire		7.5	4.5	12.0	1%
10	CRIF		3.3	8.4	11.7	-

Note (1): «Owned portfolio» as mentioned in the report below. Note (2): Acquisition of Prelios by ION (controlling shareholder of Cerved) not considered. Note (3): €34.7bn at FY23
Source: PwC, The Italian NPE Market December 2023

The current operating model is based on in-house management of UTPs and NPLs for c. 70% of the portfolio

IN-HOUSE

€ 14.4 bn

Workout

€ 7.6 bn

UTP

OUTSOURCING

€ 10.6 bn

Special Partnership & Services

Third-party servicers

MULTI – ORIGINATOR FUNDS

€ 2.1 bn

Cuvèe

Entirely composed of UTP

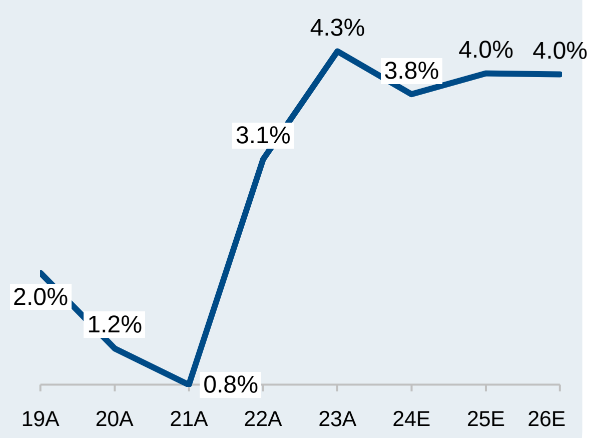
Real Estate

Note: Assets Under Management as of 31 December 2023

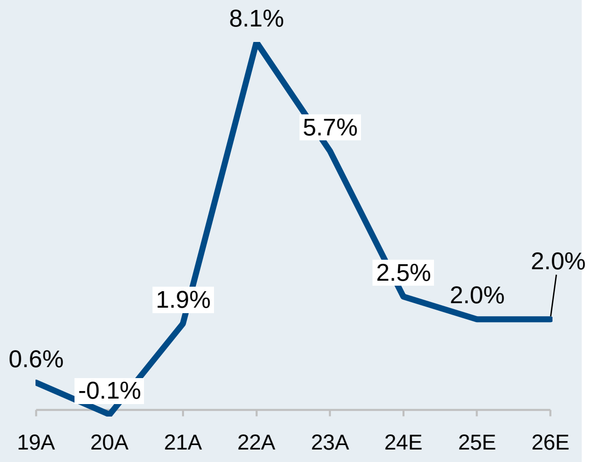
Market context and strategic positioning

The macroeconomic scenario is characterized by positive real rates and limited economic growth, negatively impacting borrowers

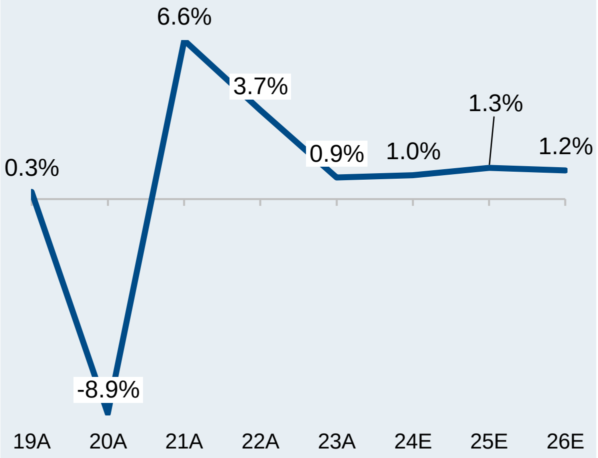
BTP 10Y yield (Italy, %)



Inflation rate (Italy - var y/y)



Real GDP growth (Italy - var y/y)



- The **sudden rise** in **real interest rates** and the **inflationary dynamics** have impacted the **risk** of the most **vulnerable credits**
- **Forecasts** envisage only a **slight recovery in GDP**

Sources: 2020-2023 DEF, 2023 NADEF, Istat, Oxford Economics, Bloomberg.

The banking system is capitalised, the amount of Governament guaranteed loans is high and the servicing sector is mature

Strong credit system	Banks with low NPE levels and high levels of capitalisation
New defaulted loans flows	New NPE volumes expected to be low compared to the past, especially on retail loans
Government guaranteed loans	High amount of Government guaranteed loans, with risk of disbursement by the State
Mature servicing sector..	Mature sector composed of private players; strategic reviews to cope with lower expected flows
..and regulated	New Regulation on NPL purchasing and management, with impacts on servicers, buyers and originators

The new strategy is centered on value creation by focusing AMCO's systemic role in managing impaired loans for the public interest

OUR VISION

AMCO acts to facilitate the **financial recovery of households and corporates, focusing on its systemic role** in managing the impaired loans for the public interest

OUR MISSION

AMCO aims **to optimize recovery performance through efficient processes,** with a **data-driven approach** and **proactive management** that prioritises value enhancement strategies in collaboration with other partners

«We Produce Value» 2024-2028 Strategic Plan

TO PRODUCE VALUE
from the existing portfolio
with higher operational efficiency

SUPPORT TO HOUSEHOLDS AND CORPORATES
also with innovative projects

SYSTEMIC ROLE
in managing impaired loans for the public interest

GSSE Sustainability Strategy

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«We Produce Value»
2024-2028 Strategic Plan

«We Produce Value»: the 2024-2028 Plan consists of 3 strategic Pillars that intersect the GSSE Sustainability Strategy

TO PRODUCE VALUE

A

Value enhancement of the existing portfolio under management with greater operational efficiency

- Specialisation in in-house and outsourcing management
- Improvement of IT infrastructure and internal processes
- Evolution of data governance and intelligence

SUPPORT TO HOUSEHOLDS AND CORPORATES

B

Innovative projects to support households and corporates

- Multi-originator contribution funds
- Industrial re-launch of single-name counterparties
- RE.Perform project – Supporting the re-performing of residential mortgages

SYSTEMIC ROLE

C

Systemic role in managing impaired loans for the public interest

- Project for the management of Government-guaranteed loans
- New initiatives for managing impaired loans being defined

SUSTAINABLE THROUGHOUT THE VALUE CHAIN

AMCO continues to pursue the GSSE Sustainability Strategy by aligning targets with the new strategic time horizon and outlining new actions to be implemented

The Strategic Plan aims for excellence in credit management and process evolution

Specialisation in in-house and outsourcing management

In-house management

- **Specialisation of management teams** by strategies/credit types and **Real Estate** support
- Defining **data-driven strategies** for mid-small tickets
- Value-based **incentive system**

Outsourcing management

- **Allocation of files to outsourcers** based on areas of expertise
- Evolution of **remuneration logics**

Improvement of IT infrastructure and processes

Industrialisation, monitoring and performance management

- **Industrialisation** in mid-small tickets management
- New tools **for performance monitoring**

Process efficiency

- **Automation** of manual and repeatable tasks
- **GenAI** to increase efficiency of complex activities

Data governance and analytics will drive recovery processes

Data governance

- **Strengthening of processes** for data production and use
- Promotion **of data culture and data quality** throughout the company
- **Data enrichment** to support value-based collection processes
- Industrialisation of **data acquisition processes**

Data intelligence & analytics

- Integration of an evolved data model into **performance steering processes**
- **Analytical tools** to **define** both in-house and outsourced recovery strategies
- **Portfolio analysis optimisation** to increase existing value

AMCO will use its restructuring capabilities to serve specific sectors / geographies through new multi-originator funds

NPEs from **a specific sector and/or geographic area** transferred by AMCO and partner banks

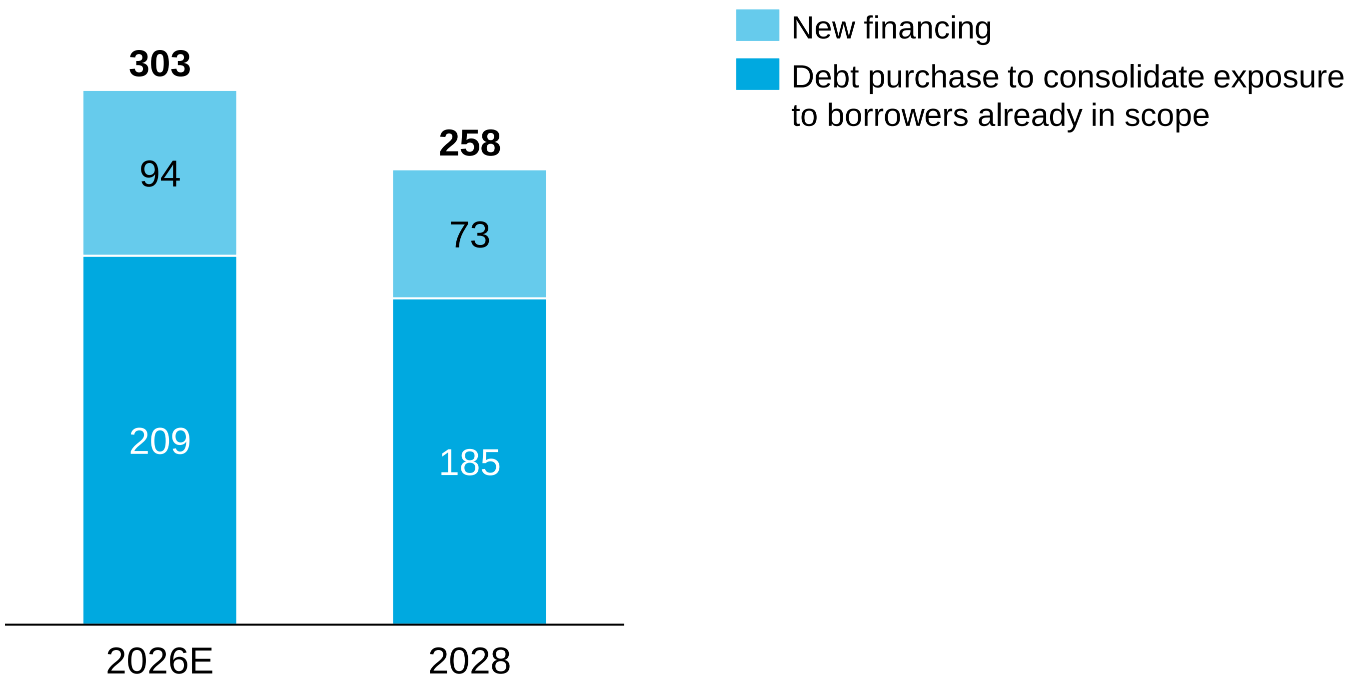
Player	Role
amco ASSET MANAGEMENT COMPANY	Credit management through **sustainable restructuring for the borrower**
Public institutions	Granting of **financing / grants / guarantees**[1]
Industrial partners	Identification and implementation of **industrial relaunch** strategies
Third-party investors	Provision **of new finance** / equity

- AMCO will promote **the launch of new funds** by providing **debt restructuring skills**
- **The new funds will have a geographic / sectoral focus**

Note (1): Resources obtained by conveying existing initiatives and/or defining specific initiatives

AMCO will continue to invest in supporting industrial re-launch of distressed single-name corporates with the aim of their return to bonis

AuM expected by the initiative (GBV, €/m, 2026E-2028E)



- AMCO will support the industrial re-launch of **single-name** corporates both already **in AMCO's portfolio** and **currently not in the portfolio**

The RE.Perform project is part of AMCO's ESG objectives to support the Italian economy and will contribute to improve the environmental impact

Main benefits expected from the project

Borrower support	Promoting **access to credit and bank products** for deserving borrowers
Energy redevelopment	Possibility to grant **new financing,** in collaboration with partner banks, aimed at **energy redevelopment**
Investment capacity	Possibility to release **resources** for **households in financial distress**
Collections	Incentivising **back-to-bonis** dynamics and maximising the **lifetime value of credits**

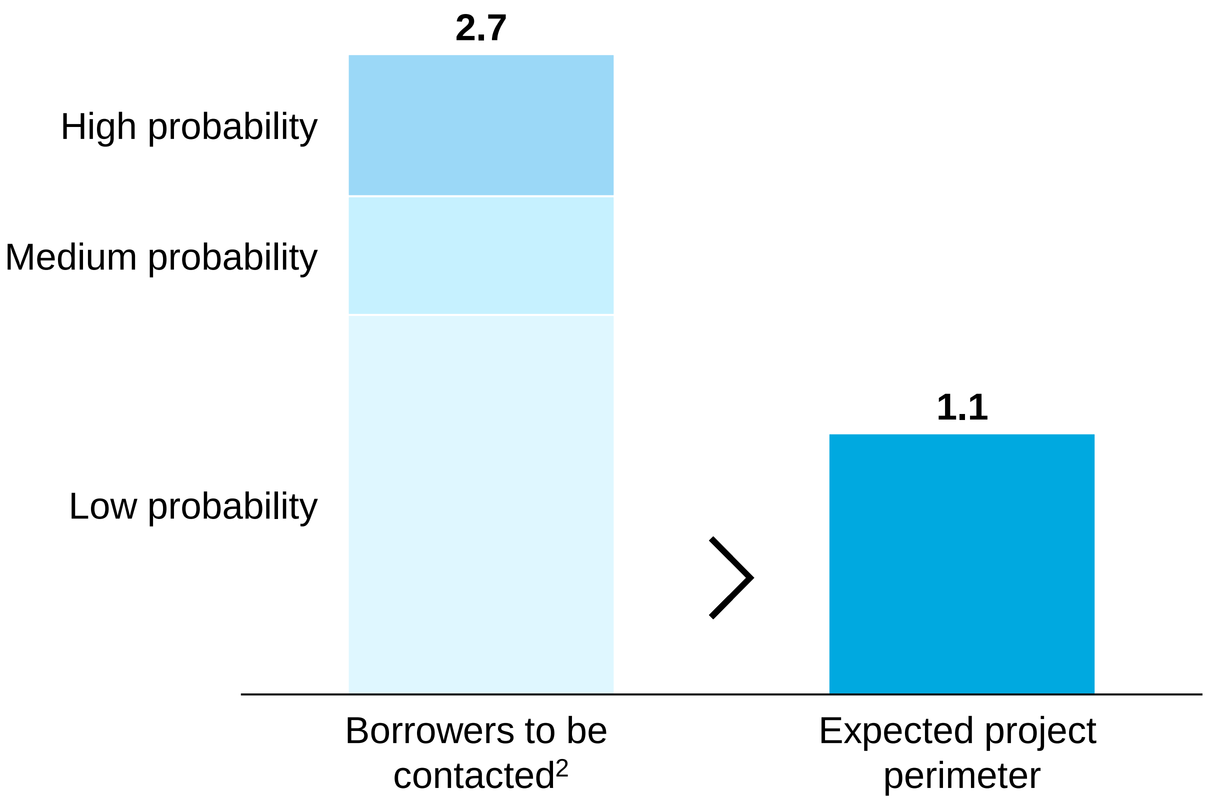
Legend:

ESG objectives

RE.Perform project - Retail clients with residential mortgages will be supported throughout the path to performing

B Support Households Corporates

Residential Mortgages perimeter by probability of success[1] (€/bn, GBV)



Debtor contact: proposal of **tailor-made restructuring solution** and **trial period** start

6 months

Signing of **a restructuring agreement** at the end of the trial period

24 months

Debtor back to performing and **replacement** of the repayment plan **with a performing product**

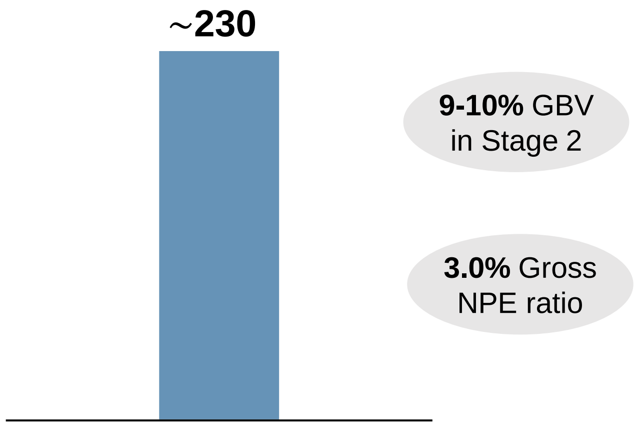
12 months

Potential disposal of performing loans and **purchase of new loans** of **financially distressed debtors**

Note: The economic impacts of the initiative are not currently included into the 2024-2028 Plan targets of pages 26, 27 and 28; these are to be considered as potential upside to financial targets.
Note (1): Probability of successful borrower contact, determined on the basis of the characteristics of single exposures (e.g., borrower's age and employment status, LTV, credit classification, vintage, progress of court proceedings, presence of repayment plans or voluntary payments)
Note (2): First-lien secured positions on a real estate asset in cadastral category A (except A9 and A10)
Source: AMCO proprietary data.

AMCO is outlining a structure for the management of guaranteed loans and further initiatives to manage impaired loans for the public interest

Loans with public guarantees



Stock of loans with public guarantees (GBV/€bn)[1]

- AMCO will use its expertise to support the management of **stage 2 and stage 3 loans with State guarantees,** creating **synergies** with other state-owned **companies**

In addition to managing Government-guaranteed loans, **AMCO** is **working** on **new initiatives** to **manage impaired loans** for the **benefit** of **public finance**

Source: Bank of Italy («Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori», «Bollettino Economico»; «Rapporto sulla stabilità finanziaria»), EBA Risk Dashboard, IFIS Market Watch, PWC "The Italian NPE Market" December 2023, Guarantee Fund Reports, market benchmarks. AMCO Analysis
Note (1): Data as of 1H2023. Note (2): Ratio to total loans in the system.

AMCO continues with its Sustainability Strategy declined in the 4 GSSE Pillars, confirming the targets to 2025 and ….

Sustainable throughout the value chain

SUSTAINABLE GOVERNANCE

- 100% of employees trained on **Anti-corruption, Privacy and AML**[1]
- 10% of **LTI**[1] based on ESG + ESG objectives in employee MBO
- 100% **of relevant suppliers assessed with ESG criteria**[1]
- 100% of **special servicer** employees trained on privacy and AML[1]

SUSTAINABLE CREDIT MANAGEMENT

- **Proactive management**: 25% NPL collections -85% UTPs and 50% SMEs+individuals- from extra-judicial activities[1]
- **Financial training**: 2 initiatives[1]
- Map **energy label** of 100% of **repossessed properties**
- **ESG criteria** in the **credit risk portfolio** evaluation

SUSTAINABLE DEVELOPMENT OF HUMAN CAPITAL

- **ESG training to employees**[1]
- At least **90% of part-time accepted**[1]
- **Succession plans** for top managers
- D&I: awareness campaign[1]
- **Selection with head hunters:** guarantee gender-balanced candidates[1]

ENVIRONMENTAL PROTECTION

- **-55% of GHG[2] emissions** (vs 2021) from operational activities (Scope 1 and 2)
- **100% of electricity from renewable sources**
- **100% company cars** contracted by AMCO **with low** environmental **impact**
- Environmental **awareness campaigns** to employees[1]

Note (1): Annual target for 2024 and 2025
Note (2): Greenhouse Gases.

…. defining additional actions to be implemented to 2026-28

SUSTAINABLE GOVERNANCE

- **ESG Board** Committee
- Appointment of **ESG Ambassadors**

SUSTAINABLE CREDIT MANAGEMENT

- **RE.perform project**
- **Project to improve the energy label** of a cluster of **properties**
- **Physical risk analysis** of specific clusters of **properties**
- Post-agreement **customer satisfaction survey**

SUSTAINABLE DEVELOPMENT OF HUMAN CAPITAL

- **Employee satisfaction survey**
- **D&I Policy development**
- Calculation of **gender pay-gap** in the company
- **Leadership program for women under 40**

ENVIRONMENTAL PROTECTION

- **Mobility Manager** Milan office
- **Smart mobility initiatives** for employees

Development lines to 2028

CUSTOMER CARE: Improvement of multi-channel customer management with **higher efficiency in average response time**

D&I: gender pay gap reduction to 2028 and UNI/pdR 125-2022 gender certification

Basis for future development and Economic and Financial Projections

AMCO redefined the basis for the next development phase

Updated expected collections

- **Change of loan portfolio evaluation parameters** based on:
  - **observed** recovery **performance**
  - **specific portfolio characteristics** (eg. composition, vintage)
  - **forward-looking elements** aligned with the **changed macroeconomic environment**

Governance evolution

- Activation of **Board committees** (Risk and Related Parties, Remuneration and Nomination)
- Strengthening the **system of power delegation and internal controls**
- **Organisational review** guidelines

AMCO's development path will be accompanied by the evolution of the organisational logics

Strategic decisions support

- Strengthening **CEO support and direct reporting lines**, focusing on **strategic projects and new business**

Business strengthening

- Evolution and specialisation of business divisions on **mid-small ticket industrialised management vs single-name and restructuring**

Internal controls upgrading

- Introduction of a structure dedicated to **first-level controls**

Data-driven evolution

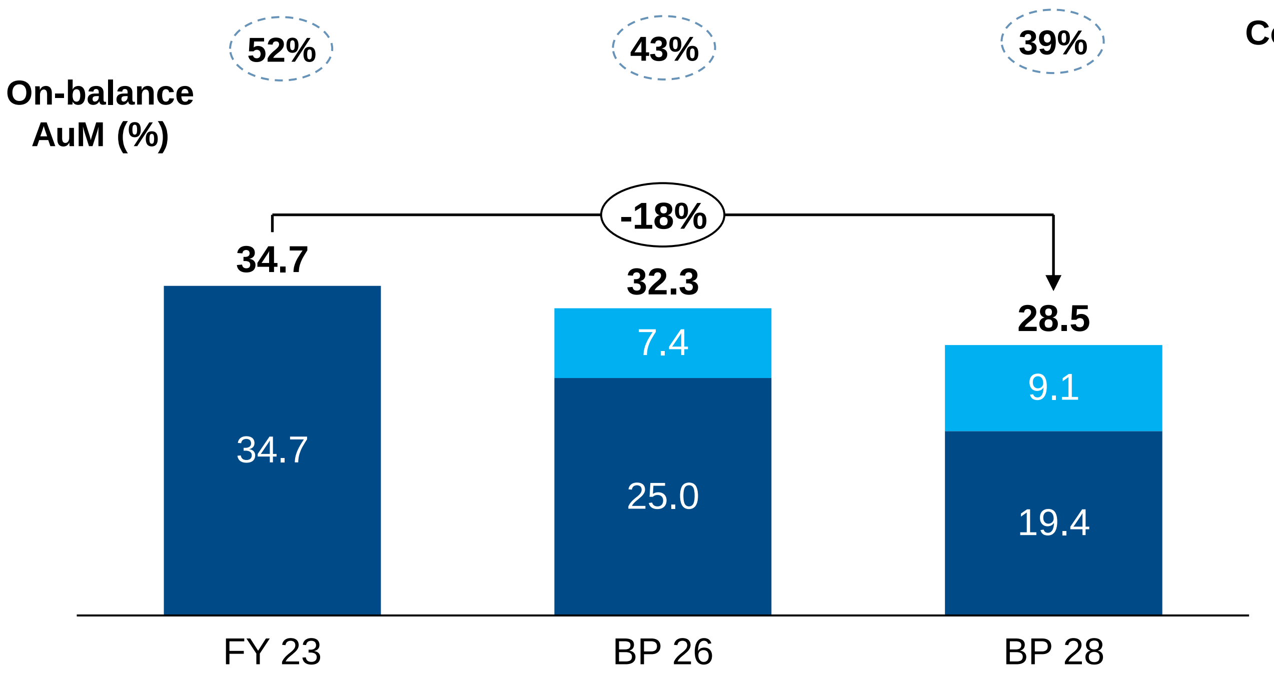
- Evolution of structures dedicated to **data governance and intelligence** supporting the business

Infrastructure upgrading

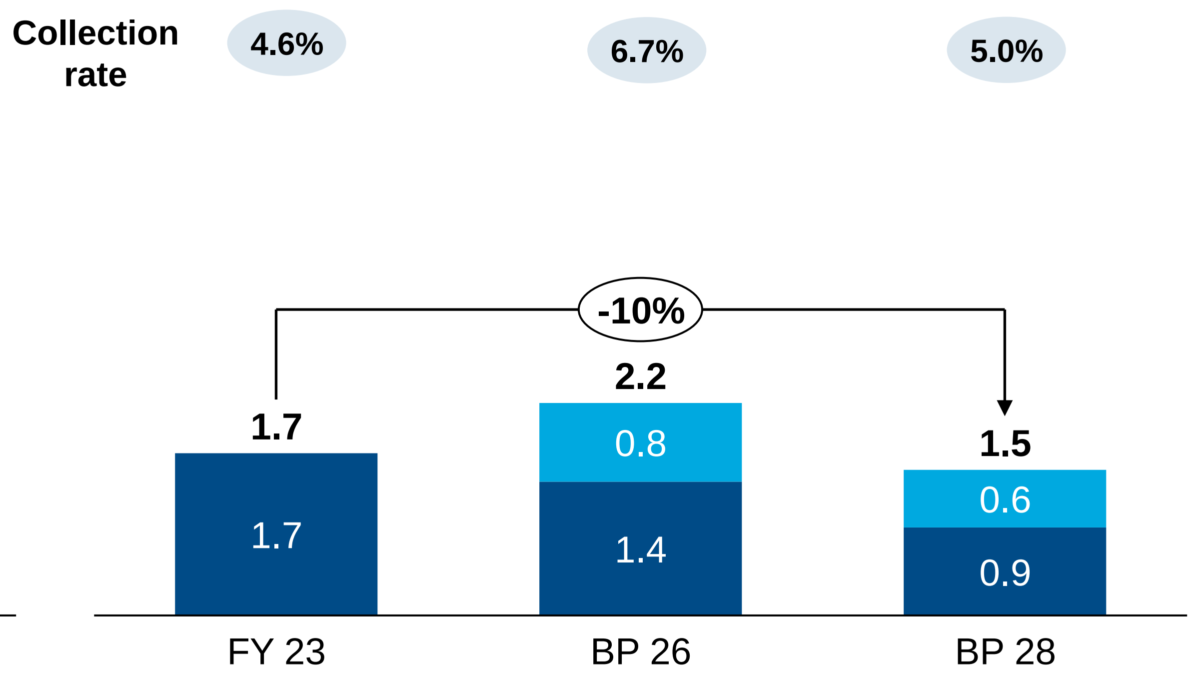
- Effective oversight of the **IT infrastructure evolution**

New Plan initiatives will increase the off-balance assets share and will support collections effectiveness

AuM evolution (GBV, €/bn, EoP values)



Trends in collections (€/bn)



Existing portfolio evolution New initiatives

- **2026 collection rate** is supported by new initiatives, mainly related to UTP loans, and by improved collection capability on the existing portfolio

AMCO will be profitable by generating net income in all Plan years…

2024-2028 Business Plan targets

	FY23	2026 Targets[1]	2028 Targets[1]	23-28 Delta
Total revenues	€ 484 m	€ 350 m	€ 243 m	-50%
of which, Revenues from investor	92%	86%	79%	-13 p.p.
EBITDA margin	64%	46%	38%	-26 p.p.
Net income	(€ 388 m)	€ 50 m	€ 51 m	n.m.

Highlights

- Initiatives of the new Plan will provide new assets under management as **«pure servicing»,** rebalancing the revenues composition between servicing and investing and more than offsetting the natural fee dynamics of the current off-balance portfolio
- **The strengthening of operating model** and **new initiatives** will improve collection rate
- **AMCO will be profitable** by generating net income in all Plan years

amco

Note (1): Include new initiatives related to multi-originator funds and single-name corporates, initiatives in the "Systemic Role" pillar for the management of Government-guaranteed loans and other non-guaranteed impaired loans. Exclude the economic impacts of the RE.Perform initiative; these are to be considered as potential upside that may be generated by the Plan in addition to the above targets.

…structurally reducing financial needs for the benefit of public finance

2024-2028 Business Plan Targets

	FY23	2026 Targets[1]	2028 Targets[1]	23-28 Delta
Gross Debt	€ 3.4 bn	€ 2.0 bn	€ 0 bn	-
Net Financial Position	-€2.7 bn	-€ 0.7 bn	€ 0.8 bn	-
Equity	€ 2.0 bn	€ 2.2 bn	€ 2.3 bn	+13%
Net Debt / Equity	1.3	0.3	0.0	n.m.
Excess capital (@TCR 20%)	€ 0.8 bn	€ 1.4 bn	€ 1.8 bn	+142%

Highlights

- The new capital light model will create value for the benefit of public finance because:
  - **it will reduce** outstanding **debt to zero** keeping the option of potential financing that guarantee strategic flexibility
  - **it will release capital** for the public interest

Note (1): Include new initiatives related to multi-originator funds and single-name corporates, initiatives in the "Systemic Role" pillar for the management of Government-guaranteed loans and other non-guaranteed impaired loans. Exclude the economic impacts of the RE.Perform initiative; these are to be considered as potential upside that may be generated by the Plan in addition to the above targets.

2023 Results

2023: sound collections' performance and solid capital structure

AuM at €34.7bn as of December 2023 slightly down due to credit management

Collections up to €1.7bn (+9% y/y) driven by the performance of Workout Division. **Collection rate** at **4.6%[1] of AuM** vs 4.7% in FY22 due to the business mix evolution

Proactive credit management approach confirmed

EBITDA up to €311m (+2% y/y) thanks to revenue growth driven by higher interest income. **EBITDA margin** at **64%**

Negative net result for **€388m** due to portfolio evaluation provisions, mainly for unsecured loans, to align evaluation parameters to observed past performance, high market rates and a changed macroeconomic environment

Strong capital structure confirmed, even after credit provisions: CET1 ratio at **32.5%**, **Net Debt/Equity ratio** of **1.3x**

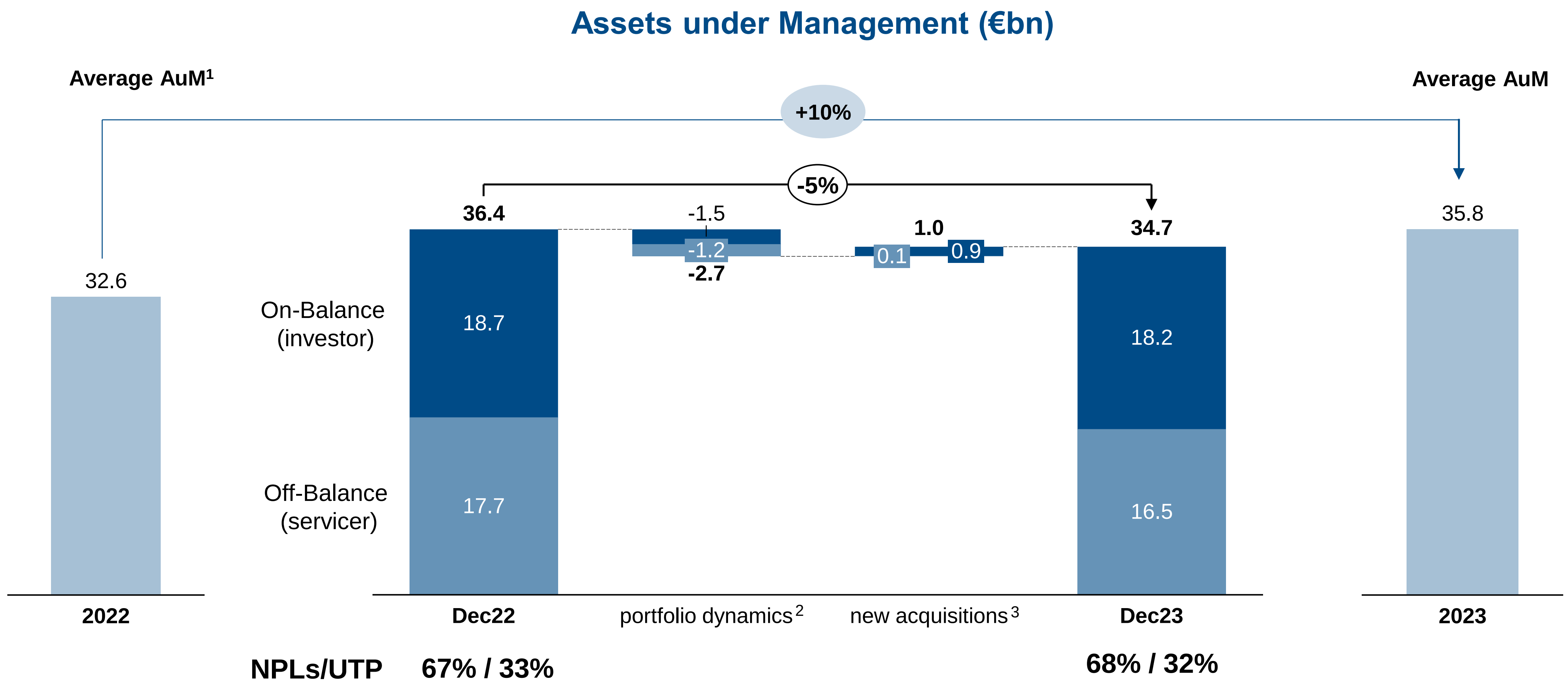
Net financial position improved to €2.7bn thanks to cash generated by collections from on-balance portfolios and after repayment of debt maturities

- €1.25bn bond due in 2023 repaid, of which €400m through LME[2] in February and €850m with cash in July
- €250m bond due in February 2024 repaid with cash

Fitch (Apr-23) and **S&P** (May-23): **L-T/S-T ratings confirmed at BBB/F2 and BBB/A-2**, with stable outlooks

Note (1): Collection rate calculated as collections / (monthly) average GBV for the period.
Note (2): In February 2023, AMCO completed the liability management exercise on the €1.25bn bond due July 2023, repurchasing €400m of it with part of the proceeds from the €500m bond placed on 30 January 2023.

AuM slightly down y/y due to credit management. Average AuM up y/y

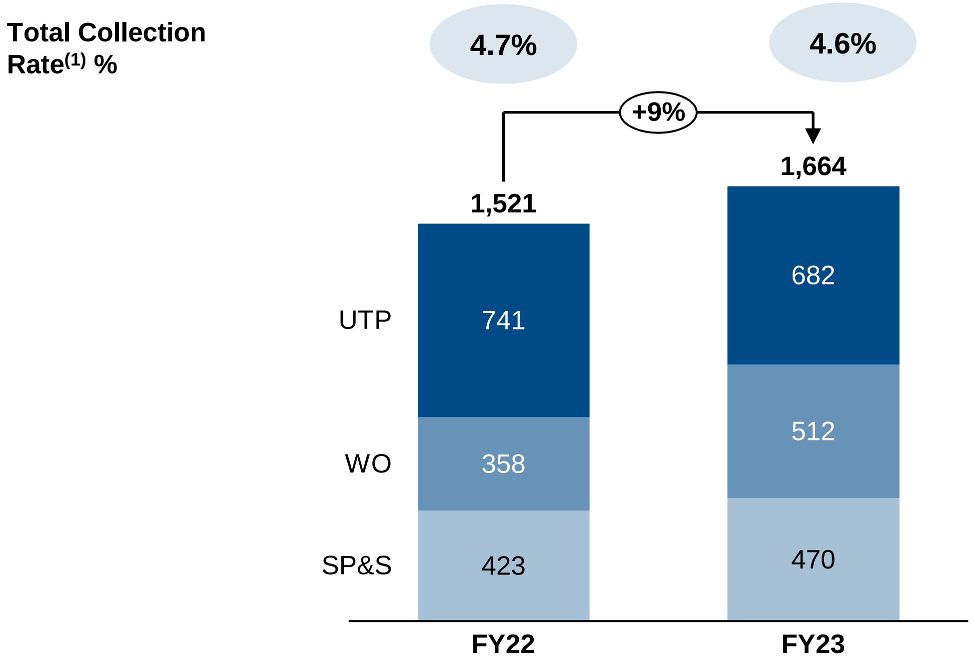


- **AuM** reach **€34.7bn**, due to natural portfolio dynamics, not offset by acquisitions in the period

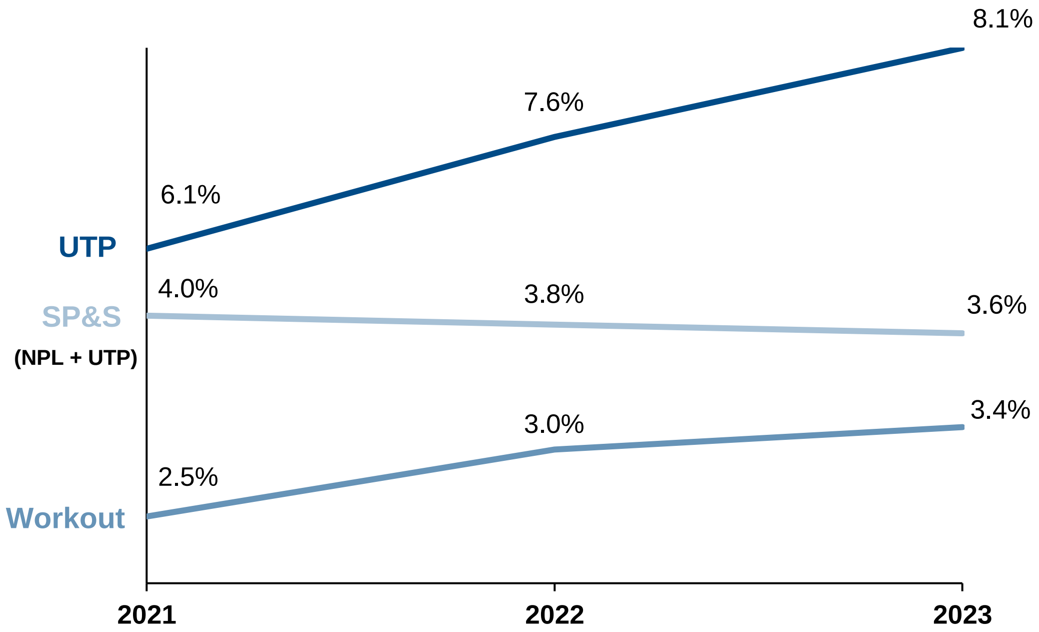
Note (1): Average AuM 2022 reflect the onboarding of €5.7bn loans (of which €5.6bn NPLs) occurred in December 2022.
Note (2): 'Portfolio dynamics' include collections, write-offs, interest accrual and capitalisation of costs incurred in the period.
Note (3): Mainly UTP portfolios of BPER, NPL and UTP portfolio of Iccrea.

Collections equal to 4.6% of AuM, up by 9% y/y thanks to Workout performance. Workout and UTP collection rates improving

Collections by division (€m)



Collection rate[1] by division (€m)



- **Workout collections** up due to higher AuM and increased collection rate at 3.4% (3.0% in FY22)
- **UTP collections** down due to lower AuM with collection rate increasing at 8.1% (7.6% in FY22)
- **Total collection rate at 4.6%,** -0.1pp y/y due to increasing weight of NPLs (Workout)[2] in the business mix
- Solid performance combined with **proactive management**: 95%[3] of collections from UTP loans and 41%[4] of collections from NPL loans from extra-judical activities

Note (1): Collection rate calculated as collections / (monthly) average GBV for the period. Note (2): In 2022 €5.6bn of NPL portfolios acquired with legal effect (onboarding) on December 2022. Note (3): UTP extra-judicial collections / total UTP collections (managed by UTP and SP&S Divisions). Note (4): NPL extra-judicial collections / total NPL collections (managed by Workout and SP&S Divisions).

Some successful transactions in 2023: we approach clients from several industries with sustainable solutions

ENGINEERING

Tecnogear

Restructured debt: €3m
84 employees
Closing Dec-23

AMCO, together with Credem, supported the refinancing of debt maturities with a new medium-long term transaction

MANUFACTURING

Imprima

Restructured debt: €57m
440 employees
Closing Dec-23

AMCO agreed the rescheduling of debt repayment terms and new financing for investments supporting industrial activities

TRANSPORTATION

Augusta 2

Restructured debt: €10m
226 employees
Closing Aug-23

AMCO was the only creditor to grant the extension and rescheduling of debt maturities, supporting the company's new plan

MANUFACTURING

Snaidero

Restructured debt: €7m
348 employees
Closing Aug-23

AMCO supported the new recovery plan by extending debt maturities and participating in the capital increase, favouring business development

REAL ESTATE

Genova High Tech

Restructured debt: €250m
Closing Jul-23

AMCO signed a restructuring agreement, including the extension of debt maturities, provision of new financing and company's recapitalization, to support a major urban development project in Genova aimed at building the largest science HUB in Italy

HOTELLERIE

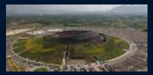
Maritalia

Restructured debt: €13m
85 employees
Closing Jun-23

Following the takeover by the new shareholder, AMCO supported the group's reorganization, becoming the only lender, via debt refinancing and provision of new financing for the development of the hotel facilities

REAL ESTATE

Vulcano Buono



Restructured debt: €42m
Closing May-23

AMCO supported the recovery plan of the shopping center extending debt maturities and agreeing to renewal investments, with other creditors, providing Nola (NA) with an important multi-functional space

REAL ESTATE

Bagnolifutura

Restructured debt: €28m
Closing May-23

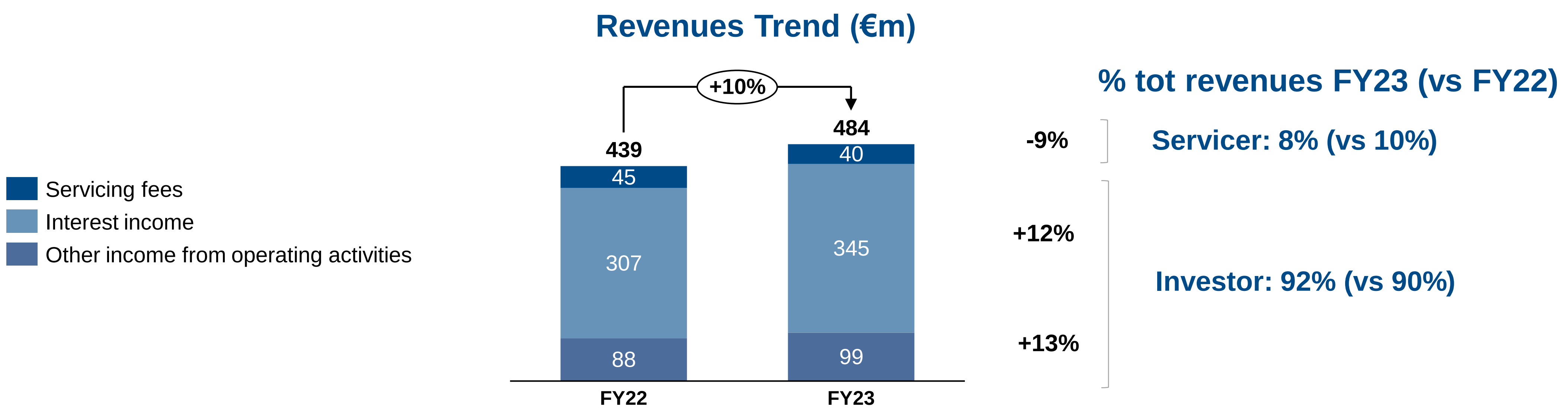
AMCO favoured an extra-judicial solution aimed at accelerating the transformation of the former Italsider area of Bagnoli (NA) into an urban park

Operating results up thanks to revenue growth. Negative net result due to provisions linked to the portfolio value alignment

€m	FY22	FY23	*Change%*
Total Revenues	439.4	484.2	10%
Total Costs	(135.3)	(173.1)	28%
EBITDA	**304.1**	**311.1**	**2%**
EBITDA margin	**69.2%**	**64.2%**	**n.m.**
Net credit provisions	(141.1)	(523.8)	n.m.
Depreciation	(4.8)	(6.7)	40%
Amortisation	0.1	(8.5)	n.m.
Other operating income/expenses	5.6	(8.4)	n.m.
Net result from financial activities	(34.7)	(31.4)	(10)%
EBIT	**129.1**	**(267.7)**	**n.m.**
Net interests from financial activities	(68.1)	(89.6)	32%
Pre-tax income	**61.1**	**(357.3)**	**n.m.**
Income taxes	(18.8)	(30.7)	63%
Net result	**42.3**	**(388.0)**	**n.m.**

- **EBITDA up to €311m** (+2% y/y) due to **revenue growth** mainly **due** to higher interest income. **EBITDA margin** at **64%**
- Higher **interest expenses** from financial activities (+32% y/y) due to market rates' growth which affected bonds issued in September 2022 and January 2023
- **Negative net result** for **€388m** due to higher **provisions** linked to the update of evaluation parameters based on expected collections' review and the extension of expected recovery times

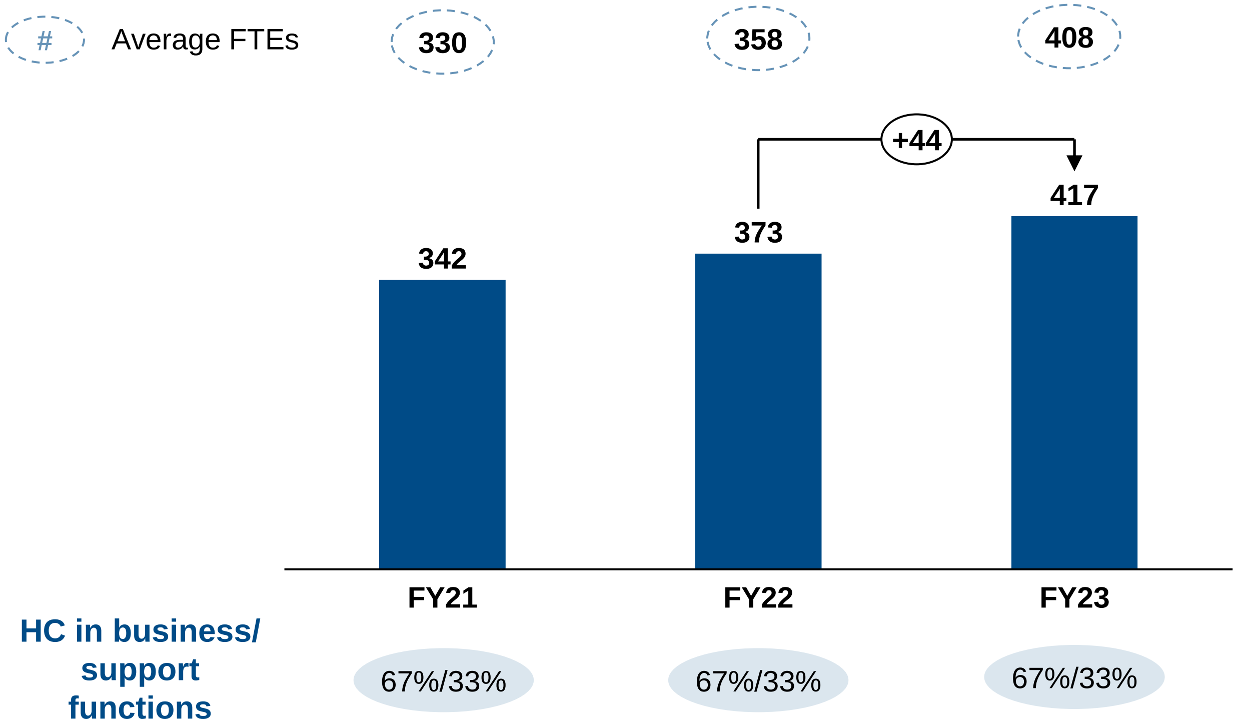
Revenues up 10% y/y thanks to higher interest income



- **Servicing fees** slightly down due to the natural dynamics of the off-balance **portfolio** of **former Veneto Banks**. Cuvée fund fees increasing
- **Interest income** up at €345m (+12% y/y) due to the impact of rising market rates on floating-rate portfolios
- **Other income from operating activities** at €99m (+13% y/y) - all cash-based and related to collections exceeding expected recovery plans

Staff growth to strengthen business, control, and support functions

Staff evolution[1]



Staff composition as of 31.12.2023

Milan
#275

Naples
#82

Vicenza
#60

Men
60%

Women
40%

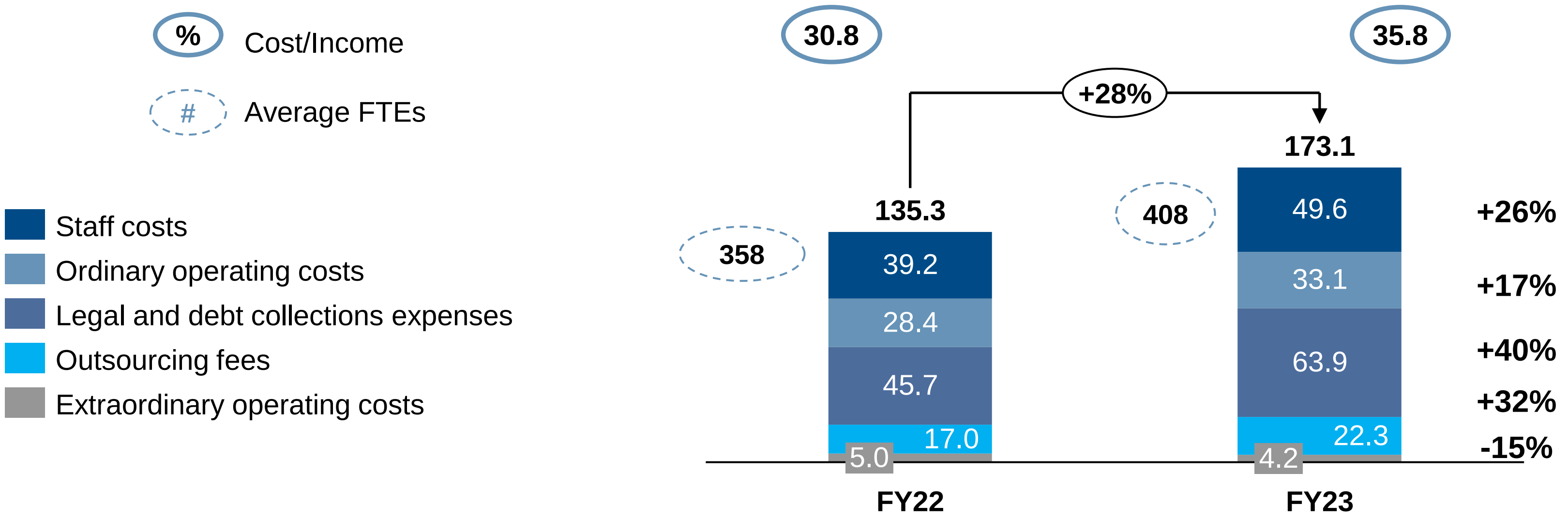
Average age
43 years

amco

Note (1): Excludes MPS seconded staff present until November 2021.

Costs increase related to higher debt collection expenses for the management of leasing loans purchased at the end of 2022

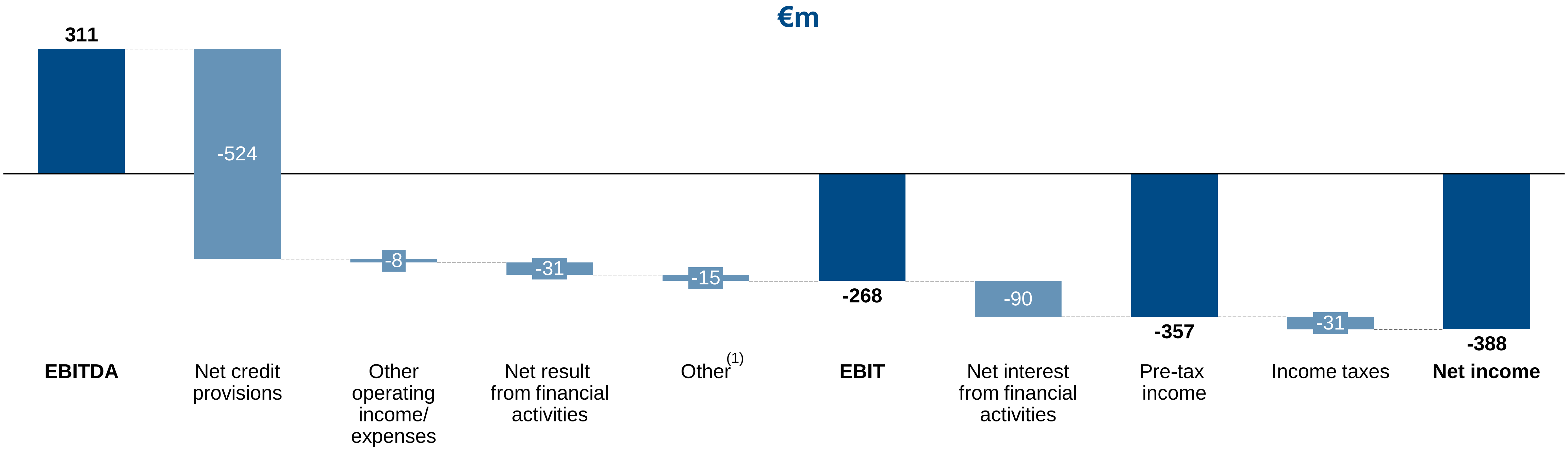
Costs Trend (€m)



- Increase in **staff costs** due to staff growth and increases related to the renewal of the national collective agreement
- Growth in **ordinary operating costs** (+17% y/y) related to inflationary dynamics on IT system costs and new implementations
- Increase in **legal and debt collection expenses** (+40% y/y) due to property management costs for real estate assets securing leasing loans[1]
- Growth in **outsourcing fees** due to higher collections on the portfolio managed by external servicers

Note (1): Related to ISP portfolio acquired at the end of 2022.

Negative net result after discounting the portfolio value alignment

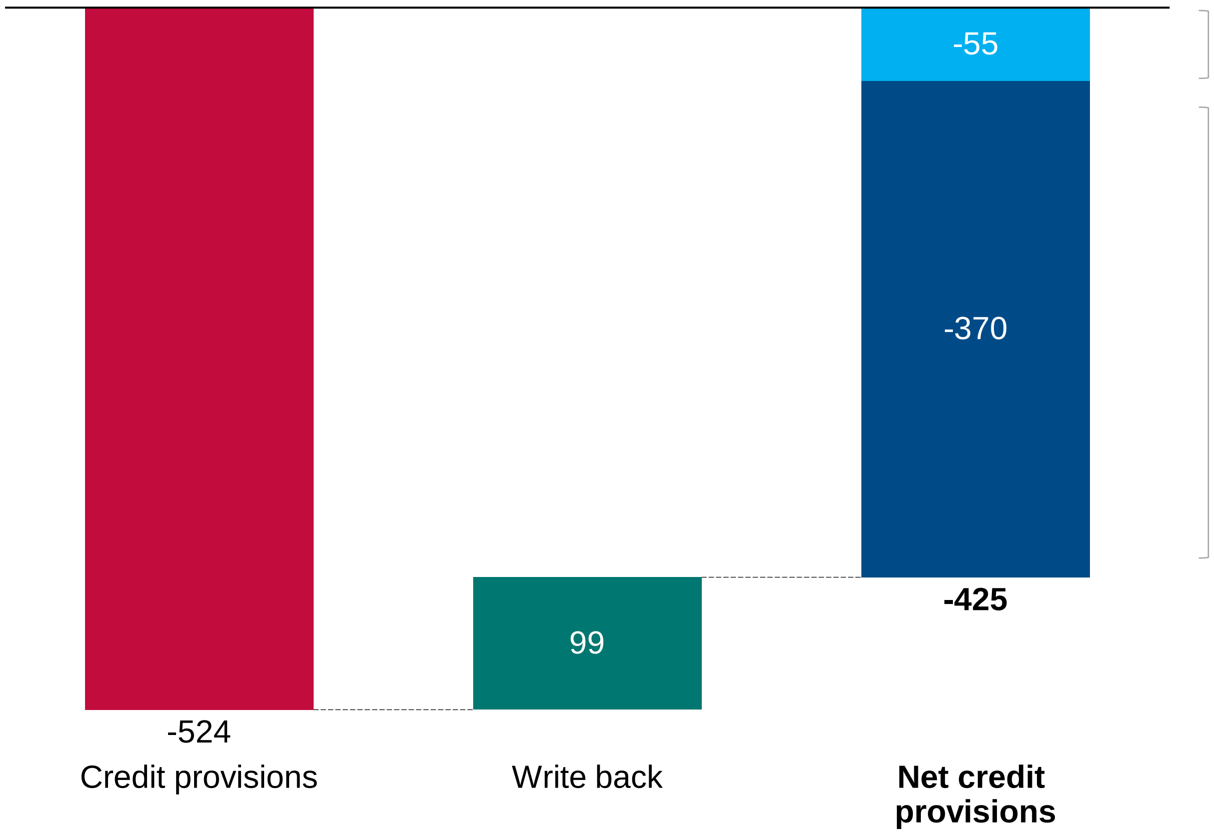


- **Net credit provisions** (-€524m) reflect **updated** portfolio **evaluations** (mainly of unsecured loans) based on observed recovery performance, portfolio-specific elements, and forward-looking elements aligned with high market rates and a changed macroeconomic environment
- **Result from financial activities** (-€31m) is affected by the valuation review of the IRF stakes based on expected recoveries on underlying loans
- Higher **interest expenses** from financial activities (-€90m, +32% y/y) due to the growth in market rates that affected September 2022 and January 2023 bond issuances

Note (1): Includes depreciation and amortisation.

Change in portfolio evaluation parameters based on observed past performance and forward-looking elements that embed a changed macro scenario

2023 credit provisions evolution (€m)



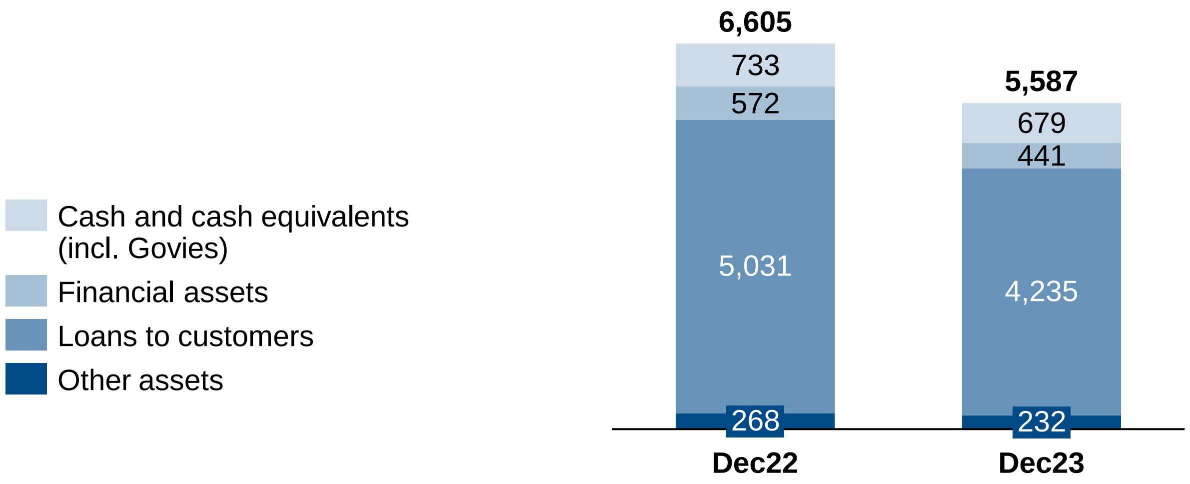
Technical elements

Standard portfolio evaluation process

Update on evaluation parameters related to expected recovery times and expected cash flows, mainly on unsecured loans, on the basis of specific characteristics of individual portfolios and/or clusters (e.g. composition, vintage and performance) and the changed macroeconomic scenario

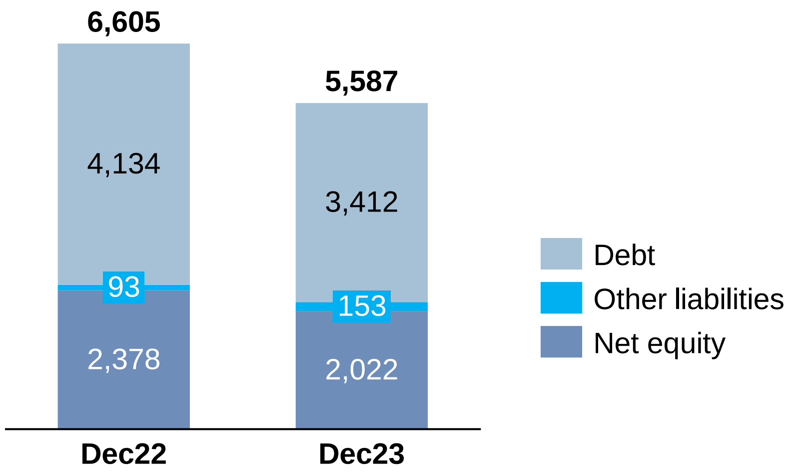
Assets’ decrease due to on-balance portfolio dynamics. Lower debt after the repayment of the maturing bond

Assets (€m)



	Dec22	Dec23
On-balance (€bn)	***18.7***	***18.2***
Off-balance (€bn)	***17.7***	***16.5***
Total AuM (€bn)	***36.4***	***34.7***

Liabilities (€m)



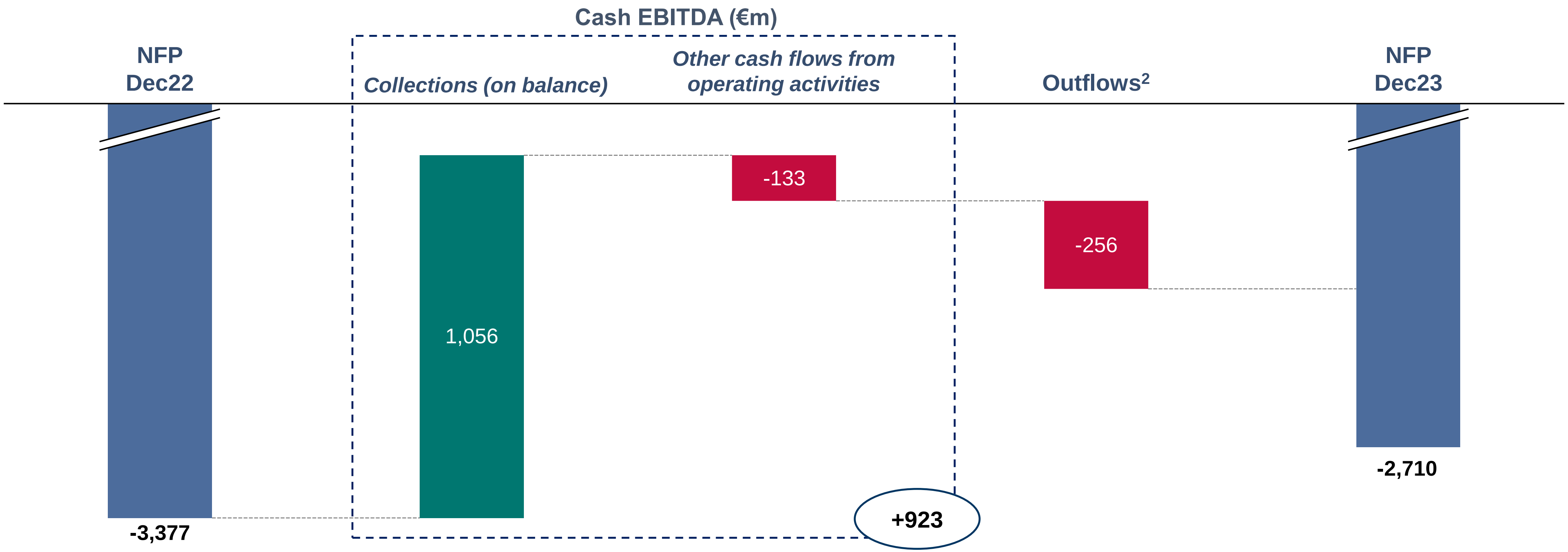
	Dec22	Dec23
Net D/E[1]	**1.4x**	**1.3x**

- **Loans to customers down** due to collections and **provisions**
- **Debt reduction** after the repayment of the €1.25bn[2] maturing bond and the €500m[2] bond issued in January 2023
- Slight reduction in **cash and cash equivalents (-€54m y/y)** due to **sound cash generation** by the business and **repayment of the maturing bond** with cash for €850m[3]

Note (1): Net financial position / Equity. Note (2): Nominal value.
Note (3): In February 2023, AMCO completed the liability management exercise on the €1.25bn bond due July 2023, repurchasing €400m of it with part of the proceeds of the €500m bond placed on 30 January 2023. On 17 July 2023 the remaining €850m of the bond was repaid at maturity using available liquidity.

Improving net financial position thanks to the sound cash generation by the business

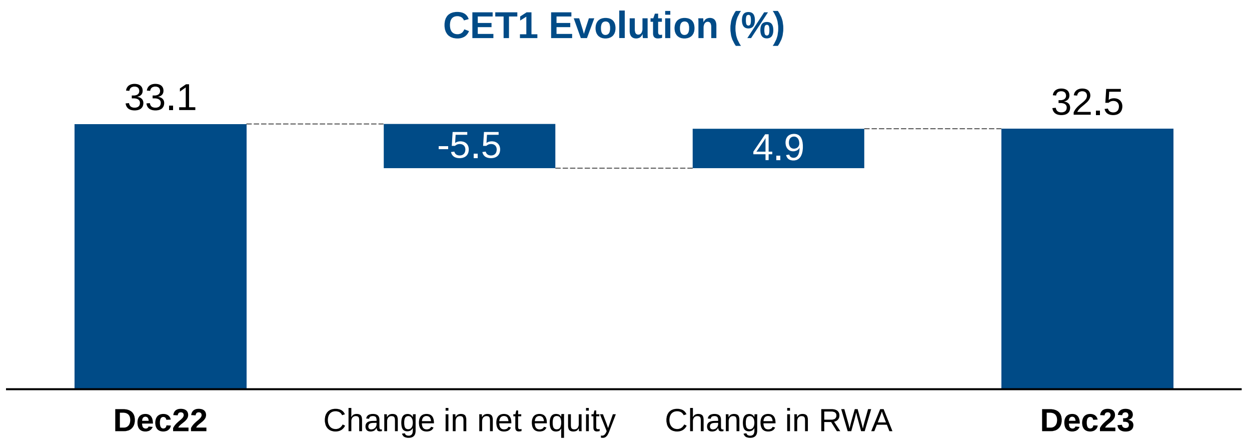
NFP(1) evolution (€m)

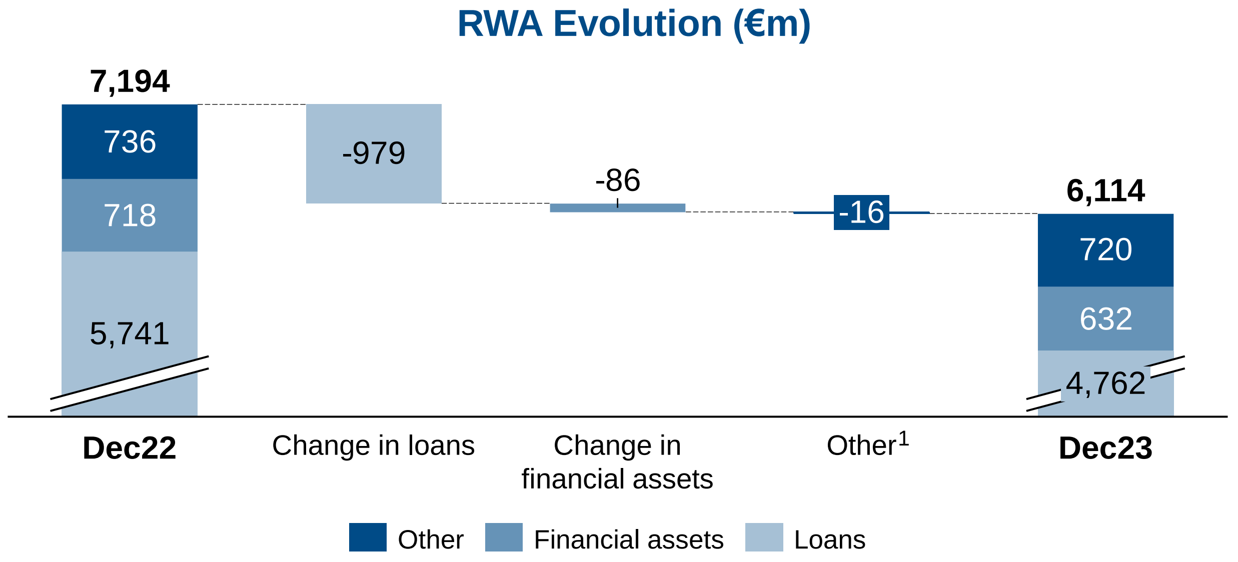


- **Reduction** in **net financial position** driven by **sound collection performance**

Note (1): Sum of cash and cash equivalents, financial assets measured at Fair Value, and financial liabilities for debt securities issued.
Note (2): Sum of cash outs for the purchase of new portfolios, interest expenses and liquidity absorbed/generated by financial activities.

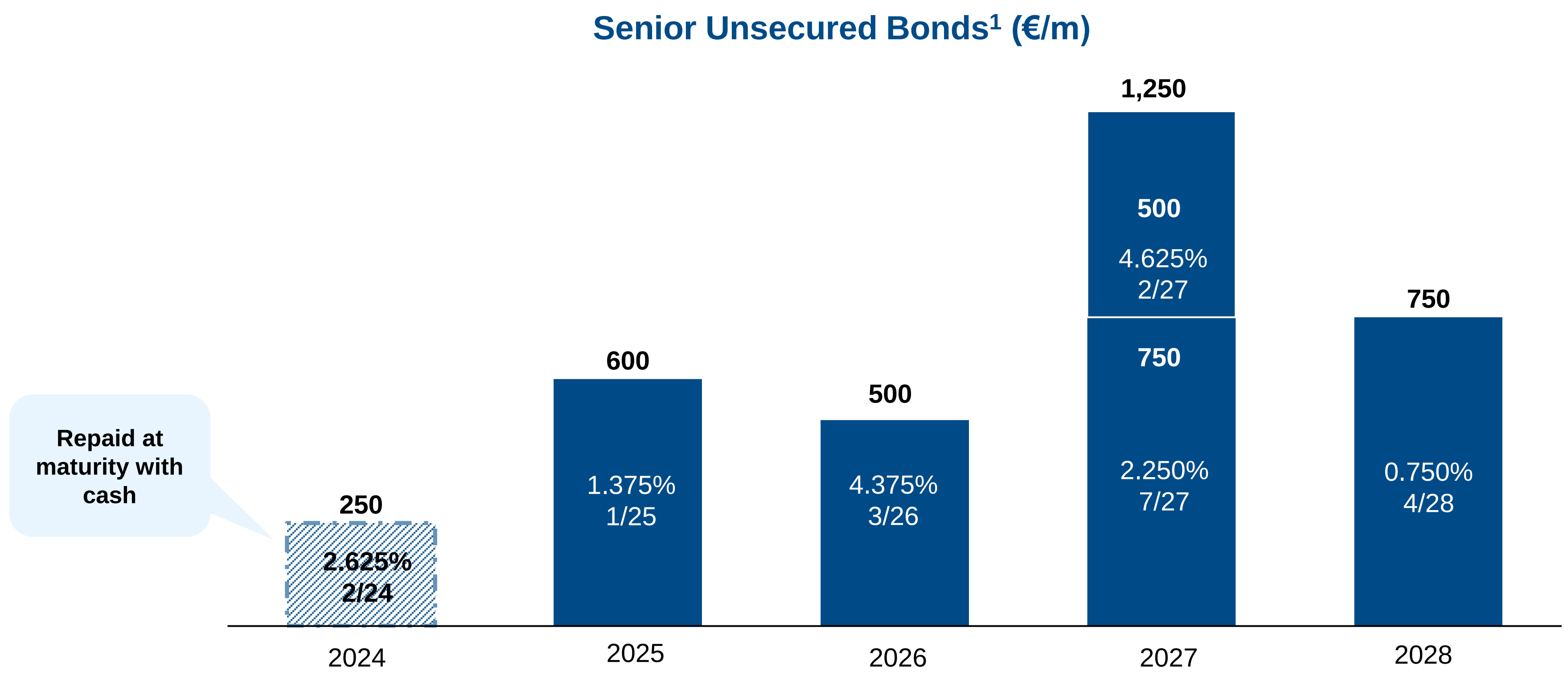
The solid capital structure absorbed the portfolio value alignment, ensuring business sustainability





Note (1): The dynamics of the «Other» component is mainly attributable to FX risk and off-balance assets.

AMCO’s financial debt is entirely unsecured and well spread across several maturities



- In **2023, AMCO** repaid the **€1.25bn maturing** bond with **part** (€400m) of the **proceeds from the €500m bond issued** in January 2023 with maturity 2027, and **with its available liquidity** (€850m)
- In **February 2024, the €250m maturing bond was repaid** with cash; the **average remaining maturity** of AMCO’s total **debt** is **2.85 years**

Note (1): Bonds shown in nominal value.

Appendix

In 2022 and 2023 AMCO achieved important objectives defined in the Sustainability Strategy outlined in the 4 GSSE pillars

SUSTAINABLE GOVERNANCE

2022 - 2023

- 2022 - ESG Committee and CSO appointment
- 2022 - 10% of **LTI** based on ESG objectives
- 2022/2023 - 100% of employees trained in **Anti-corruption, Privacy and AML**

2023

- **BoD** enlargement **to 5 members**[1]
- Appointment of **2 Board Committees**[1]
- **Anti-corruption certification**[1]
- **Relevant suppliers assessed with ESG criteria**
- 100% of **special servicers'** employees trained on Privacy and AML

SUSTAINABLE CREDIT MANAGEMENT

2022 - 2023

- 2022 - ESG criteria integrated in **Investment Procedure**

2023

- **95% UTP collections, 41% NPLs, 64% SMEs+individuals** from **extra-judicial activities**
- **2 financial training events**
- **70%** of **repossessed properties mapped** on **energy label**
- **Geo-sectoral clusters** with the highest **ESG risk mapped**
- **ESG risk** integrated in the **Risk Framework**

SUSTAINABLE DEVELOPMENT OF HUMAN CAPITAL

2022 - 2023

- 2022/2023 - **ESG training to employees** *(multi-year target)*
- 2022/2023 – At least **90% of part-time accepted**
- 2022 – **Contract on smartworking and welfare expansion**

2023

- **Specific training** to **employees** on climate and environmental risks
- **Survey** on **D&I issues**
- **Succession plans** for selected top managers
- **Selection with head hunters:** 27% candidates of the least represented gender

ENVIRONMENTAL PROTECTION

2022 - 2023

- 2022 – **GHG emissions** calculated (greenhouse gases)
- 2022 - **100% of** FSC-certified **sustainable paper supply**; drinkable water dispensers
- 2022/2023 – Environmental **awareness campaign** to employees

2023

- **GHG emissions** from operating activities **reduced** by more than **50%**[2] (vs 2021)
- Milan **headquarters Leed GOLD** and **Fitwel** certified
- **100% company cars** contracted by AMCO **with low** environmental **impact**
- **100% of electricity** from **renewable sources**

Note (1): Additional objective initially not included in the Plan
Note (2): Internal preliminary estimate

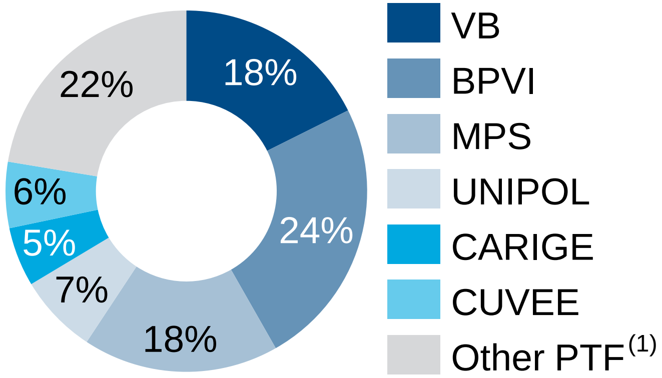
AMCO has an investment grade rating by S&P e Fitch

Agency	Rating	Outlook	Last review
S&P Global Ratings	Issuer Default ○ Long-Term: **BBB** ○ Short-Term: **A-2**	Stable	**29 May 2023**: Rating and outlook confirmed
FitchRatings	Issuer Default ○ Long-Term: **BBB** ○ Short-Term: **F2**	Stable	**20 April 2023**: Rating and outlook confirmed
FitchRatings	Special Servicer ○ Residential: **RSS2** ○ Commercial: **CSS2** ○ Asset-Backed: **ABSS2**	Stable	**2 August 2022**: Rating confirmed Outlook assigned

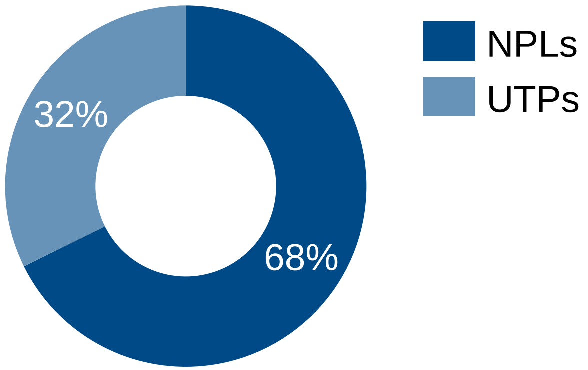
Breakdown of €34.7bn AuM as of 31 December 2023 (1/2)

Portfolios (% GBV)

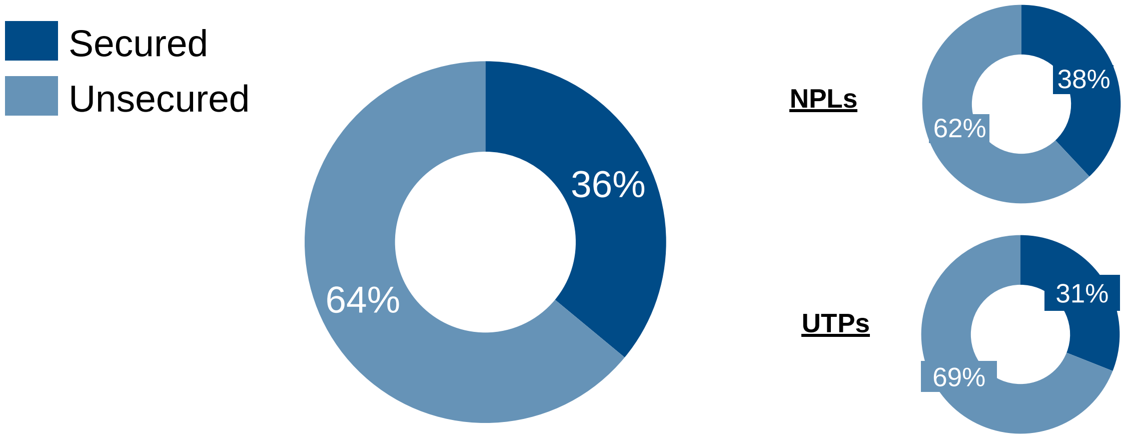
42% Former Veneto Banks



Classification (% GBV)

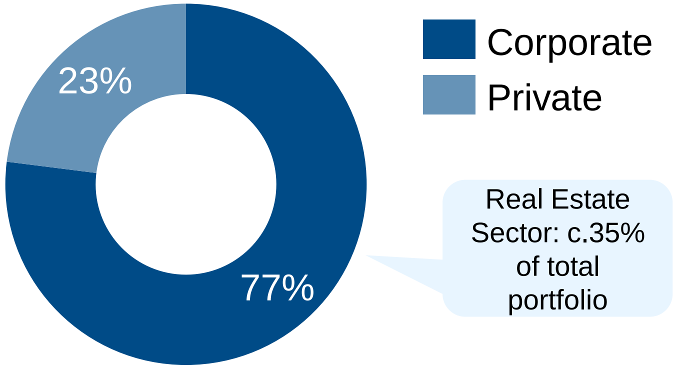


Secured/Unsecured (% GBV)



Counterparty (% GBV)

77% corporate counterparties

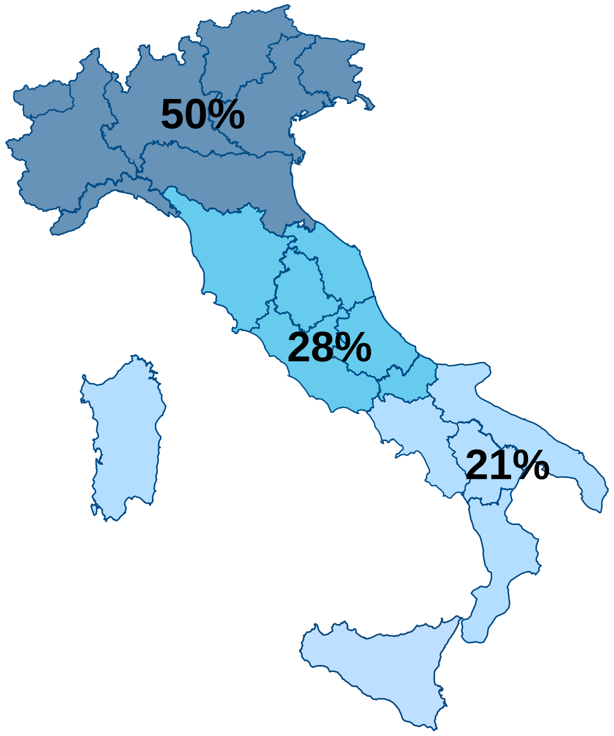


Note (1) Other portfolios include BP Bari, MPS-2°wave, BPER, Banco di Napoli, Banca Fucino, Portafogli Creval, Istituto del Credito Sportivo, Igea-Fucino, Banco BPM, Banca del Sud, ICCREA, Intesa San Paolo (Banking and Leasing), BRS and Socgen.

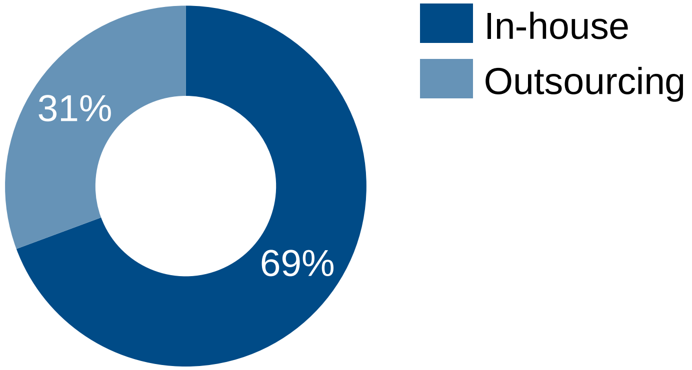
Breakdown of €34.7bn AuM as of 31 December 2023 (2/2)

Geography[1] (% GBV)

50% concentrated in Northern Italy[1]



Management (% GBV)



Note (1): Non-domestic 1%

Consolidated Balance Sheet as of 31.12.2023: assets – Banca d’Italia format

	Asset items (€000)	31.12.2023	31.12.2022
10.	Cash and cash equivalents	145,531	46,826
20.	Financial assets measured at fair value through profit and loss	483,802	571,520
	a) financial assets held for trading	6	23
	b) financial assets measured at fair value		
	c) other financial assets mandatorily measured at fair value	483,796	571,497
30.	Financial assets measured at fair value through other comprehensive income	488,187	687,013
40.	Financial assets measured at amortised cost	4,237,830	5,031,061
	a) loans and receivables with banks	45,363	14,431
	b) loans and receivables with financial companies	79,502	77,691
	c) loans and receivables with customers	4,112,966	4,938,939
50.	Hedging derivatives		
60.	Change in value of financial assets subject to a generic hedge (+/-)		
70.	Equity investments	11	10
80.	Property, plant and equipment	36,622	27,391
90.	Intangible assets	1,286	3,975
100.	Tax assets	154,129	197,686
	a) current	9,142	11,879
	b) deferred	144,986	185,807
110.	Non-current assets and groups of assets held for disposal		
120.	Other assets	40,084	39,198
	TOTAL ASSETS	**5,587,480**	**6,604,680**

Consolidated Balance Sheet as of 31.12.2023: liabilities and equity – Banca d'Italia format

	Liabilities and shareholders' equity items (€000)	31.12.2023	31.12.2022
10.	Financial liabilities measured at amortised cost	3,412,200	4,133,630
	a) payables	22,582	23,087
	b) debt securities issued	3,389,619	4,110,543
20.	Financial liabilities held for trading	20	71
50.	Change in value of financial liabilities object to a generic hedge (+/-)		
60.	Tax liabilities	36	4,307
	a) current	36	1,706
	b) deferred		2,601
80.	Other liabilities	128,080	72,323
90.	Post-employment benefits	472	450
100.	Provisions for risks and charges:	24,782	15,876
	a) commitments and guarantees issued		
	b) pensions and similar obligations	169	168
	c) other provisions for risks and charges	24,614	15,708
110.	Share capital	655,154	655,154
120.	Treasury shares (-)	(72)	(72)
140.	Share premiums	604,552	604,552
150.	Reserves	1,184,225	1,141,970
160.	Valuation reserves	(34,006)	(65,835)
170.	Profit (Loss) for the year	(387,963)	42,254
	TOTAL LIABILITIES AND NET EQUITY	**5,587,480**	**6,604,680**

Consolidated income statement as of 31.12.2023 – Banca d’Italia format

	Items (€000)	31.12.2023	31.12.2022
10.	Interest and similar income	353,104	308,055
20	Interest and similar expenses	(99,823)	(72,368)
30.	**INTEREST MARGIN**	**253,281**	**235,687**
40.	Fee and commission income	42,621	48,037
50.	Fee and commission expense	(94)	(84)
60.	**NET FEES AND COMMISSIONS**	**42,527**	**47,953**
70.	Dividends and similar revenues	2,542	1,813
80.	Trading activities net result	(365)	17,035
100.	Profit (loss) on sale/repurchase of:	26,696	7,130
	a) financial assets measured at amortised cost	29,501	7,130
	b) financial assets measured at fair value through other comprehensive income	(2,934)	
	c) financial liabilities	128	
110.	Net result of other financial assets and liabilities measured at fair value through profit and loss	(39,666)	(43,109)
	a) financial assets and liabilities measured at fair value		
	b) other financial assets mandatorily measured at fair value	(39,666)	(43,109)
120.	**BROKERAGE MARGIN**	**285,015**	**266,509**
130.	Net value adjustments/reversals for credit risk of:	(448,115)	(54,642)
	a) financial assets measured at amortised cost	(448,473)	(54,261)
	b) financial assets measured at fair value through other comprehensive income	358	(381)
150.	**NET RESULT OF FINANCIAL MANAGEMENT**	**(163,100)**	**211,867**
160.	Administrative expenses:	(182,944)	(144,014)
	a) staff costs	(49,571)	(39,248)
	b) other administrative expenses	(133,373)	(104,766)
170.	Net provisions for risks and charges	(8,505)	133
	a) commitments and guarantees issued		
	b) other net provisions	(8,505)	133
180.	Net value adjustments/reversals on property, plant and equipment	(2,232)	(2,919)
190.	Net value adjustments/reversals on intangible fixed assets	(3,459)	(1,762)
200.	Other operating income and expenses	2,951	(2,224)
210.	**OPERATIONAL COSTS**	**(194,190)**	**(150,787)**
260.	**PROFIT (LOSS) OF CURRENT OPERATIONS BEFORE TAXES**	**(357,289)**	**61,080**
270.	Income taxes for the year on current operating activities	(30,674)	(18,827)
280.	**PROFIT (LOSS) OF CURRENT OPERATIONS AFTER TAXES**	**(387,963)**	**42,253**
290.	Profit (Loss) from discontinued operations after taxes		
300.	**PROFIT (LOSS) FOR THE YEAR**	**(387,963)**	**42,253**
310.	Profit (Loss) for the year attributable to third-party funds		
320.	**Profit (Loss) for the year attributable to the parent company**	**(387,963)**	**42,253**

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