FINECO BANK

Consolidated Interim Financial Report
as at 31 March 2023 – Press Release

Results at March 31st, 2023 approved

BEST QUARTER EVER, CONFIRMING FINECO SOLID GROWTH PATH

NEW FINECO AM SOLUTIONS DRIVING AUM NET SALES

CLIENTS ACQUISITION KEEPS ON ACCELERATING

- Record quarterly net profit: **€147.3 million (+19.1% y/y[1])**
- Revenues: **€293.7 million (+14.9% y/y[1])**
- Cost/income ratio: **25.0%**
- Solid Capital and Liquidity Position: **CET1** at **21.8%, LCR[2]** at **803%**

FIGURES AT APRIL 30th, 2023

- **Net sales in the month of April at €831 million, o/w AUM at €267 million**
- Estimated **brokerage revenues** in the month of April **at €12 million**

Milan, May 9th, 2023

The Board of Directors of FinecoBank S.p.A. has approved the results at March 31st, 2023.
Alessandro Foti, CEO and General Manager of FinecoBank, stated:

"We're very satisfied with 1Q23 results, our best quarter ever. Fineco continues the growth highlighting the strong capability of its business model to face this complex market phase characterized by high interest rates. A context that confirms the ability of our financial advisors to support customers in a long term planning and to manage their emotivity. In addition, we see the important contribution of Fam, with a wide offer of efficient and innovative solutions such as the new Global Defence products, particularly appreciated by our customers

[1] Figures net of non-recurring items recorded in 2022: €-0.3 million gross (€-0.2 million net) valuation related to the Voluntary Scheme fair value in 1Q22
[2] 12 months average

as they allow to face market turmoils and to combine capital protection with equity exposure. April net sales are very solid and confirm the growing tendency of customers towards investments, also thanks to the support and skills of our advisors".

	FINECOBANK
1Q23 HIGHLIGHTS	■ **Revenues[1] at €293.7 million, +14.9% y/y led by the Net Financial Income (+46.5% y/y, of which +165.3% Net Interest Income) and by the Investing area (+1.9% y/y)**, thanks to the growing contribution of Fineco Asset Management and to the increase in Investing net margins ■ **Operating costs at €73.4 million, +6.4% y/y (+4.6% y/y[3]** net of costs strictly related to the growth of the business**). Cost/Income ratio[1] at 25.0%,** confirming the Bank's operational efficiency ■ **Net profit[1] reached a new quarterly record at €147.3 million,** up +19.1% y/y compared to the same period of 2022 ■ **TFA at €112.0 billion, +4.8% y/y** thanks to the contribution of **net sales equal to €2.7 billion**, confirming the robustness of the Bank's growth path in a very complex context. Net sales in Asset Under Management stood at €1.0 billion, up by 11.9% y/y ■ **Fineco Asset Management reaches €27.9 billion of TFA**, of which **€17.4 billion in retail classes (+14.2% y/y), and €10.5 billion in funds underlyings of wrappers** (institutional classes, **+0.8% y/y).** FAM is proceeding with the activities related to its strategy, which will allow it to take more control of the value chain ■ **31,774 new customers** acquired in the first quarter of 2023 (+14.8% y/y), bringing the total to 1,506,314
UPDATE ON INITIATIVES	■ Fineco Asset Management is experiencing a strong acceleration in the expansion of its offer of investment solutions. After the introduction of the passive investment solutions, Fineco Asset Management is further evolving the Global Defence solutions: with the launch of the Global Defence Multistrategy, FAM will allow clients to combine capital preservation with equity exposure ■ Fineco is further improving its platform and the quality of its offer thanks to an easier user experience through all the product area with new interfaces. Moreover, a simplified current account only dedicated to brokerage will be developed, with a dedicated pricing and a quicker on-boarding process

[3]FAM (-0.9 mln y/y) and marketing expenses (-0.4 mln y/y).

TOTAL FINANCIAL ASSETS AND NET SALES

Total Financial Assets (TFA) as of March 31st, 2023 amounted to €112.0 billion, up 4.8% compared to March 2022. Stock of Assets under Management was €54.1 billion, stable compared to March 2022 (+0.9% y/y) due to the market correction in 2022, assets under custody amounted to €28.5 billion (+25.0% y/y), while the stock of direct deposits amounted to €29.3 billion (-3.4% y/y).

In particular, the TFA related to Private Banking customers, i.e. with assets above €500,000, totalled €48.9 billion, increasing by 3.8% y/y.

In the first quarter 2023, inflows totalled €2.7 billion (€2.8 billion in the first quarter of 2022), again proving to be solid even in a particularly complex market phase. Asset under management stood at €1.0 billion (+11.9% y/y), Assets under custody amounted to €2.9 billion and deposits were equalled to €-1.2 billion.

As of March 31st, 2023, the network was composed of 2,935 Personal Financial Advisors operating across the country through 428 Fineco Centers. Inflows in the first three months of the year through the PFA network were €2.3 billion.

As of March 31st, 2023, Fineco Asset Management managed €27.9 billion of assets, of which €17.4 billion were retail class (+14.2% y/y) and €10.5 billion institutional class (+0.8% y/y). The penetration rate of FAM retail classes on the Bank's Asset Under Management reached 32.2% compared to 28.4% in March 2022.

In the first quarter of 2023, 31,774 new customers were acquired (+14.8% y/y). The total number of customers as of March 31st, 2023 was 1,506,314.

MAIN INCOME STATEMENT RESULTS AT 31.03.2023

Figures and variations in this section are shown net of non-recurring items[1].

mln	1Q22 Adj. (1)	4Q22 Adj. (1)	1Q23 Adj. (1)	*1Q23/ 1Q22*	*1Q23/ 4Q22*
Net financial income	107.5	131.6	157.4	*46.5%*	*19.7%*
o/w Net interest income	*59.3*	*131.6*	*157.4*	*165.3%*	*19.7%*
o/w Profit from treasury	*48.1*	*0.0*	*0.0*	*n.s.*	*n.s.*
Dividends	0.0	-0.1	0.0	*n.s.*	*n.s.*
Net commissions	118.6	119.0	120.9	*1.9%*	*1.6%*
Trading profit	29.2	13.8	15.1	*-48.3%*	*9.2%*
Other expenses/income	0.4	-0.4	0.2	*-33.4%*	*-159.6%*
Total revenues	**255.7**	**263.9**	**293.7**	***14.9%***	***11.3%***
Staff expenses	-28.3	-30.8	-29.8	*5.1%*	*-3.3%*
Other admin.expenses	-34.0	-39.1	-37.0	*8.7%*	*-5.4%*
D&A	-6.6	-7.0	-6.6	*0.0%*	*-6.4%*
Operating expenses	***-69.0***	***-77.0***	***-73.4***	***6.4%***	***-4.6%***
Gross operating profit	**186.7**	**187.0**	**220.3**	***18.0%***	***17.8%***
Provisions	-10.2	-3.6	-9.3	*-9.5%*	*n.s.*
LLP	-0.8	-1.6	-0.7	*-16.9%*	*-58.4%*
Profit from investments	-0.6	-0.5	-0.7	*30.8%*	*52.7%*
Profit before taxes	**175.1**	**181.2**	**209.6**	***19.7%***	***15.7%***
Income taxes	-51.5	-55.1	-62.4	*21.2%*	*13.1%*
Net profit adjusted (1)	**123.6**	**126.1**	**147.3**	***19.1%***	***16.8%***

Revenues totalled €293.7 million in the first quarter of 2023, increasing by 14.9% compared to €255.7 million of the first quarter of 2022 and by 11.3% compared to €263.9 million in the fourth quarter of 2022.

Net Financial Income stood at €157.4 million, increasing by 46.5% compared to the same period of last year and by 19.7% compared to the fourth quarter of 2022, thanks to the increase of the interest rates scenario. Net Interest Income increased by 165.3% y/y in the quarter.

Net commissions at March 31st, 2023 stood at €120.9 million, up 1.9% from €118.6 million at March 31st, 2022. The increase is mainly due to the higher net commissions related to the Investing area (+2.0% y/y) thanks to the volume effect and the higher contribution of Fineco Asset Management. Banking fees grew at €14.6 million (+16.5% y/y), while Brokerage net commissions stood at € 31.3 million (€-1.3 million compared to the first quarter of 2022).
Net commissions increased by 1.6% q/q compared to the fourth quarter of 2022, mainly thanks to Brokerage (+€8.6 million q/q) due to higher market volumes in the period. The investing area (-€6.0 million q/q) has been characterized by the usual quarterly seasonality, linked to contributions paid for the activity of Financial Advisors (FIRR and Enasarco), mostly concentrated in the first part of the year, and to operating efficiencies by Fineco Asset Management during 2022, booked in the fourth quarter.

Trading profit amounted to €15.1 million in 1Q23, down compared to €29.2 million in 1Q22 and higher compared to €13.8 million in 4Q22.

Operating costs in the first three months of the year were well under control at €73.4 million, up 6.4% y/y mainly due for expenses strictly connected to the growth of the business[2], net of which the increase in operating costs is equal to 4.6% y/y. Operating costs are down 4.6% q/q compared to the fourth quarter of 2022.

Staff expenses totaled €29.8 million, increasing by 5.1% y/y mainly due to the increase in the number of employees, which rose from 1,306 as of March 31st, 2022 to 1,332 as of March 31st, 2023, due to the growth of the business in Italy and to the Irish subsidiary Fineco Asset Management, which is further improving the efficiency of the value chain in the Investing area.
Staff expenses are down by 3.3% compared to the fourth quarter of 2022.
The cost/income ratio net of non-recurring items[1] was 25.0%, down compared to 27.0% in the same period of 2022.

Gross operating profit came to €220.3 million, up by 18.0% y/y and 17.8% q/q.

Other charges and provisions in the first quarter 2023 totalled €-9.3 million, mainly due to the contribution to the Single Resolution Fund (€-6.6 million).

Loan loss provisions amounted to €-0.7 million. **Cost of risk** is 4 basis points.

Profits from investments stood at €-0.7 million.

Profit before taxes amounted to €209.6 million, up by 19.7% compared to €175.1 million in the first quarter of 2022 and by 15.7% compared to €181.2 million in the fourth quarter of 2022.

Net profit for the period was equal to €147.3 million, up by 19.1% y/y and 16.8% q/q.

SHAREHOLDERS’ EQUITY , CAPITAL RATIOS AND LIQUIDITY RATIOS

Consolidated shareholders’ equity stood at €2,058.4 million, increasing by €148.0 million compared to December 31st, 2022, mainly due to the profits achieved in the first quarter of 2023. It should be noted that the shareholders' equity includes the net profit for the year 2022, equal to €428.5 million; the dividends related to the 2022 financial year, for a total of €299.2 million, will be paid on May 24th, 2023, as approved by the Shareholders' Meeting of April 27th, 2023.

The Group confirms its solid capital position with a CET1 ratio of 21.80% as of March 31st, 2023, compared to 19.31% as of March 31st, 2022 and to 20.82% as of December 31st, 2022.
The Tier 1 ratio and the Total Capital Ratio were equal to 32.41% as of March 31st, 2023 compared to 29.99% as of March 31st, 2022 and to 31.37% as of December 31st, 2022.
Leverage ratio stood at 4.21% as of March 31st, 2023 compared to 3.80% in March 31st, 2022[4] and to 4.03% as of December 31st, 2022%.

[4] For the sake of consistent comparison, the indicator that includes exposures to central banks has been reported. Please note that the Leverage Ratio calculated by excluding the exposures towards Central Banks, which was allowed until March 31st, 2022 according to art. 429a - CRR, was equal to 3.99% as of March 31st, 2022.

The Group has also solid liquidity ratios: LCR[2] at 803% as of March 31st, 2023, well above the regulatory limit of 100%, and NSFR at 377% as of March 31st, 2023, also well above the regulatory limit of 100%.

LOANS TO CUSTOMERS

Loans to customers, which include mortgages, personal loans and Lombard loans, stood at €6,311.9 million as of March 31st, 2023, down by 2.1% compared to December 31st, 2022 and up by 3.7% compared to March 31st, 2022.

The amount of non-performing loans (loans with insolvent borrowers, unlikely to pay and non-performing loans/past due) net of impairment totaled €3.7 million (€4.0 million as of March 31st, 2022 and €3.5 million as of December 31st, 2022), with an 84.6% coverage ratio. The ratio between the amount of non-performing loans and total loans to ordinary customers equaled to 0.06% (0.07% at March 31st, 2022 and 0.06% December 31st, 2022).

SIGNIFICANT EVENTS IN THE FIRST QUARTER OF 2023 AND SUBSEQUENT EVENTS

With reference to the main events that took place in the first quarter of 2023, please refer to the press releases published on the FinecoBank website.
No significant events occurred after March 31st, 2023 that would make it necessary to change any of the information given in this report.

NEW INITIATIVES MONITORING

Fineco Asset Management is experiencing a strong acceleration in the expansion of its offer of investment solutions. After the introduction of the passive investment solutions and ETFs, Fineco Asset Management is further evolving the Global Defence solutions: with the launch of the Global Defence Multistrategy, an investment solution 100% developed in-house, FAM will allow clients to combine capital preservation with equity exposure.

Fineco is further improving its platform and the quality of its offer thanks to an easier user experience through all the product area with new interfaces. Moreover, a simplified current account only dedicated to brokerage will be developed, with a dedicated pricing and a quicker on-boarding process.

GUIDANCE

BANKING REVENUES EXPECTATIONS:

Net financial income (net interest income and Profit from Treasury management) expectations (assumptions based with forward rate curve as of May 8th 2023):

- FY23: Net Financial Income expected to increase by around +70% vs FY22, with a peak in the fourth quarter 2023
- Going forward we expect it to keep on benefiting from the new interest rates scenario.

Banking fees:

- FY23: stable vs FY22.

INVESTING REVENUES EXPECTATIONS: acceleration in revenues and margins expected

- FY23:
  - Revenues increase high-single digit y/y, including the market effect up to 30th April 2023, with higher after tax management fees margins y/y, with different assumptions and a better mix: FAM retail net sales improved at around €5 billion, and overall AUM net sales expected at around €4 billion (embedding outflows in insurance wrappers)
  - PFAs: net increase in a range of 100-120 PFAs expected.
- FY24:
  - AUM net sales at around €5 billion (FAM retail net sales at around €4.5 billion)
  - Management fees margins after-tax confirmed up to around 55bps in 2024 (margins pre-tax around 73bps).

BROKERAGE REVENUES EXPECTATIONS: countercyclical business, expected to remain strong with a floor - in relative terms with respect to the market context - definitely higher than in the pre-Covid period.

OPERATING COSTS expectations:

- FY23: growth of around 6% y/y, not including additional costs for: FAM (~€2 million), for UK operational costs (~€3 million) and eventually additional marketing expenses.

COST / INCOME: declining in the long-run thanks to the scalability of our platform and to the strong operating gearing we have.

SYSTEMIC CHARGES: around €-50 million of Deposit Guarantee Scheme and Single Resolution Fund in provisions for risk and charges are expected.

CAPITAL RATIOS: growing CET1 and Leverage Ratio.

DPS: going forward expected a constantly increasing dividend per share.

COST OF RISK: in a range between 5-9 basis points in 2023 thanks to the quality of our portfolio.

NET SALES: robust, high quality and with a focus on keeping the mix mainly skewed towards AUM thanks to the new initiatives we are undertaking.

The reclassified consolidated balance sheet and the reclassified income statement approved by the Board of Directors are attached here below.

CONSOLIDATED BALANCE SHEET

(Amounts in € thousand)

ASSETS	Amounts as at March 31, 2023	Amounts as at December 31, 2022	Changes Amounts	Changes %
Cash and cash balances	1,414,068	1,469,713	(55,645)	-3.8%
Financial assets held for trading	15,730	16,926	(1,196)	-7.1%
Loans and receivables to banks	445,895	426,696	19,199	4.5%
Loans and receivables to customers	6,311,901	6,445,713	(133,812)	-2.1%
Financial investments	24,350,662	24,634,034	(283,372)	-1.2%
Hedging instruments	1,300,265	1,424,704	(124,439)	-8.7%
Property, plant and equipment	142,637	146,208	(3,571)	-2.4%
Goodwill	89,602	89,602	-	n.a.
Other intangible assets	35,875	36,787	(912)	-2.5%
Tax assets	46,987	46,577	410	0.9%
Tax credit acquired	1,313,546	1,093,255	220,291	20.2%
Other assets	413,399	438,670	(25,271)	-5.8%
Total assets	**35,880,567**	**36,268,885**	**(388,318)**	**-1.1%**

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	Amounts as at March 31, 2023	Amounts as at December 31, 2022	Changes Amounts	Changes %
Deposits from banks	1,605,506	1,677,235	(71,729)	-4.3%
Deposits from customers	30,877,798	31,695,647	(817,849)	-2.6%
Debt securities in issue	798,748	497,926	300,822	60.4%
Financial liabilities held for trading	7,208	4,574	2,634	57.6%
Hedging instruments	(7,885)	(3,180)	(4,705)	148.0%
Tax liabilities	105,386	42,627	62,759	147.2%
Other liabilities	435,390	443,659	(8,269)	-1.9%
Shareholders' equity	2,058,416	1,910,397	148,019	7.7%
- capital and reserves	*1,909,094*	*1,479,771*	*429,323*	29.0%
- revaluation reserves	*2,070*	*2,121*	*(51)*	-2.4%
- net profit	*147,252*	*428,505*	*(281,253)*	-65.6%
Total liabilities and Shareholders' equity	**35,880,567**	**36,268,885**	**(388,318)**	**-1.1%**

CONSOLIDATED BALANCE SHEET – QUARTERLY FIGURES

(Amounts in € thousand)

ASSETS	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Cash and cash balances	1,752,145	1,542,372	1,681,556	1,469,713	1,414,068
Financial assets held for trading	20,123	20,020	22,285	16,926	15,730
Loans and receivables to banks	380,873	400,215	458,028	426,696	445,895
Loans and receivables to customers	6,088,369	6,310,789	6,318,315	6,445,713	6,311,901
Financial investments	25,368,592	25,294,566	25,068,513	24,634,034	24,350,662
Hedging instruments	465,840	948,764	1,390,127	1,424,704	1,300,265
Property, plant and equipment	148,424	146,686	143,333	146,208	142,637
Goodwill	89,602	89,602	89,602	89,602	89,602
Other intangible assets	38,264	37,525	36,601	36,787	35,875
Tax assets	44,355	44,681	58,048	46,577	46,987
Tax credit acquired	601,178	827,217	902,259	1,093,255	1,313,546
Other assets	401,015	415,278	382,040	438,670	413,399
Total assets	**35,398,780**	**36,077,715**	**36,550,707**	**36,268,885**	**35,880,567**

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Deposits from banks	1,808,045	2,333,322	2,791,259	1,677,235	1,605,506
Deposits from customers	30,735,609	30,827,605	30,945,493	31,695,647	30,877,798
Debt securities in issue	498,045	498,833	499,629	497,926	798,748
Financial liabilities held for trading	9,666	7,104	8,976	4,574	7,208
Hedging instruments	(754)	2,581	(3,584)	(3,180)	(7,885)
Tax liabilities	89,277	118,430	82,923	42,627	105,386
Other liabilities	404,164	580,560	432,744	443,659	435,390
Shareholders' equity	1,854,728	1,709,280	1,793,267	1,910,397	2,058,416
- capital and reserves	*1,733,365*	*1,487,091*	*1,488,223*	*1,479,771*	*1,909,094*
- revaluation reserves	*(2,097)*	*(174)*	*2,651*	*2,121*	*2,070*
- net profit	*123,460*	*222,363*	*302,393*	*428,505*	*147,252*
Total liabilities and Shareholders' equity	**35,398,780**	**36,077,715**	**36,550,707**	**36,268,885**	**35,880,567**

CONDENSED INCOME STATEMENT

(Amounts in € thousand)

	1Q 23	1Q 22	Changes	
			Amounts	%
Financial margin	157,431	107,461	49,970	46.5%
of which Net interest	157,431	59,347	98,084	165.3%
of which Profits from Treasury	-	48,114	(48,114)	-100.0%
Dividends and other income from equity investments	-	(45)	45	-100.0%
Net fee and commission income	120,871	118,637	2,234	1.9%
Net trading, hedging and fair value income	15,123	28,989	(13,866)	-47.8%
Net other expenses/income	235	365	(130)	-35.6%
REVENUES	**293,660**	**255,407**	**38,253**	**15.0%**
Staff expenses	(29,795)	(28,348)	(1,447)	5.1%
Other administrative expenses	(74,630)	(69,366)	(5,264)	7.6%
Recovery of expenses	37,625	35,335	2,290	6.5%
Impairment/write-backs on intangible and tangible assets	(6,587)	(6,590)	3	0.0%
Operating costs	**(73,387)**	**(68,969)**	**(4,418)**	**6.4%**
OPERATING PROFIT (LOSS)	**220,273**	**186,438**	**33,835**	**18.1%**
Net impairment losses on loans and provisions for guarantees and commitments	(664)	(801)	137	-17.1%
NET OPERATING PROFIT (LOSS)	**219,609**	**185,637**	**33,972**	**18.3%**
Other charges and provisions	(9,269)	(10,239)	970	-9.5%
Net income from investments	(723)	(553)	(170)	30.7%
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**209,617**	**174,845**	**34,772**	**19.9%**
Income tax for the period	(62,365)	(51,385)	(10,980)	21.4%
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**147,252**	**123,460**	**23,792**	**19.3%**
PROFIT (LOSS) FOR THE PERIOD	**147,252**	**123,460**	**23,792**	**19.3%**
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**147,252**	**123,460**	**23,792**	**19.3%**

CONDENSED INCOME STATEMENT – QUARTERLY FIGURES

(Amounts in € thousand)

	FY 2022	1st Quarter 2022	2nd Quarter 2022	3rd Quarter 2022	4th Quarter 2022	1st Quarter 2023
Financial margin	392,200	107,461	68,946	84,219	131,574	157,431
of which Net interest	342,796	59,347	67,614	84,261	131,574	157,431
of which Profits from Treasury	49,404	48,114	1,332	(42)	-	-
Dividends and other income from equity investments	(276)	(45)	(103)	(20)	(108)	-
Net fee and commission income	465,627	118,637	113,877	114,105	119,008	120,871
Net trading, hedging and fair value income	89,899	28,989	25,854	21,212	13,844	15,123
Net other expenses/income	156	365	51	139	(399)	235
REVENUES	**947,606**	**255,407**	**208,625**	**219,655**	**263,919**	**293,660**
Staff expenses	(117,294)	(28,348)	(29,190)	(28,958)	(30,798)	(29,795)
Other administrative expenses	(273,486)	(69,366)	(64,998)	(65,477)	(73,645)	(74,630)
Recovery of expenses	136,830	35,335	33,728	33,250	34,517	37,625
Impairment/write-backs on intangible and tangible assets	(26,865)	(6,590)	(6,601)	(6,636)	(7,038)	(6,587)
Operating costs	**(280,815)**	**(68,969)**	**(67,061)**	**(67,821)**	**(76,964)**	**(73,387)**
OPERATING PROFIT (LOSS)	**666,791**	**186,438**	**141,564**	**151,834**	**186,955**	**220,273**
Net impairment losses on loans and provisions for guarantees and commitments	(3,115)	(801)	(424)	(292)	(1,598)	(664)
NET OPERATING PROFIT (LOSS)	**663,676**	**185,637**	**141,140**	**151,542**	**185,357**	**219,609**
Other charges and provisions	(57,762)	(10,239)	(2,259)	(41,617)	(3,647)	(9,269)
Net income from investments	(1,552)	(553)	(201)	(325)	(473)	(723)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**604,362**	**174,845**	**138,680**	**109,600**	**181,237**	**209,617**
Income tax for the period	(175,857)	(51,385)	(39,777)	(29,570)	(55,125)	(62,365)
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**428,505**	**123,460**	**98,903**	**80,030**	**126,112**	**147,252**
PROFIT (LOSS) FOR THE PERIOD	**428,505**	**123,460**	**98,903**	**80,030**	**126,112**	**147,252**
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**428,505**	**123,460**	**98,903**	**80,030**	**126,112**	**147,252**

EXPOSURES IN SECURITIES ISSUED BY SOVEREIGN STATES, SUPRANATIONAL INSTITUTIONS AND AGENCY

The following table indicates the book value of the exposures in debt securities issued by sovereign States, Supranational institutions, Agencies and local Authorities at March 31st, 2023 classified in the portfolio "Financial assets designated at fair value through other comprehensive income" and "Financial assets at amortised cost"; penetration on the Group's total assets totalled 62.54%.

(Amounts in € thousand)

	Carrying amount as at March 31, 2023	% Financial statements item
Italy	**7,715,122**	
Financial assets at amortised cost	7,715,122	24.83%
Spain	**4,574,112**	
Financial assets at amortised cost	4,574,112	14.72%
Germany	**171,452**	
Financial assets at amortised cost	171,452	0.55%
France	**1,488,780**	
Financial assets at fair value through other comprehensive income	27,756	99.97%
Financial assets at amortised cost	1,461,024	4.70%
U.S.A.	**555,798**	
Financial assets at amortised cost	555,798	1.79%
Austria	**667,347**	
Financial assets at amortised cost	667,347	2.15%
Ireland	**916,966**	
Financial assets at amortised cost	916,966	2.95%
United Kingdom	**56,443**	
Financial assets at amortised cost	56,443	0.18%
Belgium	**720,201**	
Financial assets at amortised cost	720,201	2.32%
Portugal	**377,449**	
Financial assets at amortised cost	377,449	1.21%
Switzerland	**32,052**	
Financial assets at amortised cost	32,052	0.10%
Saudi Arabia	**89,881**	
Financial assets at amortised cost	89,881	0.29%
Chile	**213,884**	
Financial assets at amortised cost	213,884	0.69%
China	**165,308**	
Financial assets at amortised cost	165,308	0.53%
Latvia	**29,748**	
Financial assets at amortised cost	29,748	0.10%
Iceland	**14,967**	
Financial assets at amortised cost	14,967	0.05%
Total sovereign exposures	**17,789,510**	**49.58%**

Financial assets at amortised cost - Supranational	**2,817,646**	**7.85%**
Financial assets at amortised cost - Agencies and Local Authority exposures	**1,832,271**	**5.11%**
Total Supranational, Agencies and Local Authority exposures	**4,649,917**	**12.96%**
Total	**22,439,427**	**62.54%**

OPERATING STRUCTURE

	Data as at	
	March 31, 2023	December 31, 2022
No. Employees	1,332	1,336
No. Personal financial advisors	2,935	2,918
No. Financial shops [1]	428	426

[1] Number of Fineco Centers operational: Fineco Centers managed by the Bank and Fineco Centers managed by personal financial advisors (Fineco Centers).

FINECOBANK RATING

	Long-term debt	Short-term debt	Outlook
S&P GLOBAL RATING	BBB	A-2	Stable

BASIS OF PREPARATION

This Consolidated Interim Financial Report as at 31 March 2023 - Press Release was prepared on a voluntary basis, to guarantee continuity with previous quarterly reports, as Legislative Decree 25/2016 implementing Directive 2013/50/EU eliminated the obligation for additional periodical financial reports other than the half-year and annual ones.

This Consolidated Interim Financial Report as at 31 March 2023 – Press Release, as well as the press releases on significant events during the period, the market presentation on Q1 2023 results and the Database are also available on FinecoBank's website.

This Consolidated Interim Financial Report as at 31 March 2023 – Press Release was not audited by the External Auditors.

Items in the condensed tables of the balance sheet and income statement were prepared according to the models contained in Bank of Italy Circular 262 "Bank financial report: models and rules of compilation" issued by the Bank of Italy, to which were applied the reconciliations illustrated in the "Reconciliation models for the preparation of condensed consolidated financial report" annexed to the Financial Statements at December 31st 2022.

In order to provide additional information on the Group's performance, several alternative performance indicators have been used - APM (such as Cost/income ratio and Cost of Risk), whose description is found in "Glossary" of the 2022 Financial Statements, in line with the guidelines published by the European Securities and Markets Authority (ESMA/2015/1415) on 5 October 2015.

The Consolidated Interim Financial Report at 31 March 2023 - Press Release, shown in reclassified format, was prepared on the basis of the IAS/IFRS in force today. The information contained in this Consolidated Interim Financial Report as at 31 March 2023 – Press Release was not prepared in accordance with the international accounting standard applicable to interim financial reports (IAS 34).

It should be noted that, in the application of the accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of certain assets and liabilities as well as the information regarding contingent assets and liabilities. Estimates and related assumptions take into account all the information available at the reporting date of this document and are based on previous experience and other factors considered reasonable under the circumstances and have been used to estimate the carrying values of assets and liabilities not readily available from other sources. In the presentation of the Consolidated Interim Financial Report at 31 March 2023 - Press Release, estimates have been used to support the carrying amount of some of the valuation-based items, as required by the accounting standards and regulations. These estimates are largely based, as regards assets, on calculations of future recoverability of the values recognised in the accounts and as regards liabilities, on estimates of the probability of using resources to meet the obligations and on the amount of resources necessary to that end, according to the rules laid down in current legislation and standards. They have been made on the assumption of a going concern, on, i.e. without contemplating the possibility of the forced sale of the estimated items. For some of the above items, the valuation is particularly complex given the uncertainty of the macroeconomic and market situation, characterised by significant levels of volatility in the financial parameters determining the valuation. For other items, the complexity and subjectivity of estimates is influenced by the intricacy of the underlying assumptions, the amount and variability of available information and the uncertainties connected with possible future outcomes of proceedings, disputes and litigation. The parameters and information used to determine the aforementioned values are therefore significantly affected by multiple factors, which could change rapidly in ways that are currently unforeseeable and, as a result, future effects on the estimated carrying amounts cannot be ruled out.

With specific reference to the assessment of credit exposures, whether represented by receivables or securities, It should be noted that the IFRS9 accounting standard requires that not only historical and current information have to be considered, but also macroeconomic forecast information ("Forward Looking" components), and, in the current context, updating the scenarios underlying the Forward Looking components is a particularly complex.

For the purposes of calculating expected credit losses for performing exposures the Group calculated the expected credit losses for performing exposures using risk parameters (PD and LGD) adjusted through macroeconomic scenarios supplied by the external provider Moody’s Analytics. These scenarios incorporate Forward-Looking information considering the different possible developments in the pandemic crisis and the military conflict in Ukraine. The Forward-Looking component is determined by three macroeconomic scenarios: a baseline scenario, a positive scenario and an adverse scenario. The baseline scenario is weighted at 40% as it is considered the most likely to occur. The positive and adverse scenarios are weighted at 30% and respectively represent better or worse alternative possibilities.

With regard to the projections of future cash flows, assumptions and parameters used for the purposes of assessing the recoverability of goodwill, the Fineco brands and domains accounted for in the financial statements, it should be noted that the parameters and information used are significantly influenced by the macroeconomic market scenario, which could undergo unpredictable changes in light of the uncertainties highlighted above. In this regard, it should be noted that as at 31 March 2023 the Bank assessed that the reasonably estimated changes in the forecast data used as at 31 December 2022 are not such as to have a significant impact on the positive outcome of the impairment test carried out with reference to this date, the results of which confirmed the sustainability of the goodwill accounted for in the financial statements, not highlighting the need for a write-down in any of the hypothesized scenarios, confirming a value in use significantly higher than the book value.

In cases in which the accounts did not fully reflect the reporting of items on an accruals “pro rata temporis” basis, such as administrative expenses, the accounting figure was supplemented by estimates based on the budget.

With regard to the contribution obligations referred to in the Deposit Guarantee Schemes Directive 2014/49/EU, contributions will be due and recognised in the third quarter of the year, in application of IFRIC 21.

With regard to the contribution obligations under Directive 2014/59/EU (Single Resolution Fund), the estimated amount of the annual ordinary contribution for the financial year 2023 is recognized in item “Other charges and provisions”.

The scope of consolidation did not change in the first three months of 2023 and includes the Parent Company FinecoBank S.p.A. and the subsidiary Fineco Asset Management DAC fully consolidated. Vorvel SIM S.p.A., the only equity investment subject to significant influence, was used for consolidation using the equity method. Finally, it should be noted that Fineco International Ltd, a wholly-owned subsidiary of FinecoBank S.p.A., was not operational as at 31 March 2023 and has been excluded from the scope of consolidation as it does not exceed the materiality thresholds defined in the Group's policy.

CERTIFICATIONS AND OTHER COMMUNICATIONS

Related-Party Transactions

With reference to paragraph 8 of Article 5 "Disclosure of related-party transactions" of the Consob Regulation on related-party transactions (adopted by Consob with resolution no. 17221 of 12 March 2010 and subsequently amended with Resolution no. 17389 of 23 June 2010), please note that in the first quarter of 2023 minor intercompany transactions and/or transactions with related parties in general, both Italian and foreign, were conducted within the ordinary course of business and related financial activities of the Bank, and were carried out under arm's length conditions, i.e. conditions similar to those applied to transactions with unrelated third parties.

During the same period, no other transactions were undertaken with related parties that could significantly affect the Bank's asset situation and results, or atypical and/or unusual transactions, including intercompany and related party transactions.

DISCLAIMER

This Press Release may contain written and oral "forward-looking statements", which includes all statements that do not relate solely to historical or current facts and which are therefore inherently uncertain. All forward-looking statements rely on a number of assumptions, expectations, projections and provisional data concerning future events and are subject to a number of uncertainties and other factors, many of which are outside the control of FinecoBank S.p.A. (the "Company"). There are a variety of factors that may cause actual results and performance to be materially different from the explicit or implicit contents of any forward-looking statements and thus, such forward-looking statements are not a reliable indicator of future performance. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law. The information and opinions contained in this Press Release are provided as at the present date and are subject to change without notice. Neither this Press Release nor any part of it nor the fact of its distribution may form the basis of, or be relied on or in connection with, any contract or investment decision.

The information, statements and opinions contained in this Press Release are for information purposes only and do not constitute a public offer under any applicable legislation or an offer to sell or solicitation of an offer to purchase or subscribe for securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments. None of the securities referred to herein have been, or will be, registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction of the United States or in Australia, Canada or Japan or any other jurisdiction where such an offer or solicitation would be unlawful (the "Other Countries"), and there will be no public offer of any such securities in the United States. This Press Release does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or the Other Countries.

Declaration of Financial Reporting Officer

The undersigned Lorena Pelliciari, as Nominated Official in charge of drawing up Company Accounts of FinecoBank S.p.A.,

DECLARES

as prescribed by Article 154(a), second paragraph of the "Testo Unico della Finanza" (the "Single Financial Services Act") that this Consolidated Interim Report as at 31 March 2023 corresponds to the documentary records, ledgers and accounting data.

Milan, 9 May 2023

The Nominated Official in charge of drawing up the Company's Accounts

TOTAL NET SALES - APRIL 2023

Total net sales in April were extremely robust above € 831 million, confirming once again the Fineco growth path also thanks to the tendency of customers to continue in their investments. Asset Under Custody stood at € 755 million, while Asset Under Management were at € 267 million, driven by Fineco Asset Management retail sales (at € 343 million), which was able to capture the outflows from insurance products (€ -232 million), which slowed down compared to the outflows recorded in the previous month. Deposits were € - 191 million.

Brokerage revenues in April are estimated at around € 12 million (+10% compared to average April in the period 2017/2019), in a month seasonally characterized by fewer trading days and thinner volumes. Since the beginning of the year, estimated revenues reached around € 65 million.

figures in € million

TOTAL NET SALES	APR 2023	APR 2022	JAN-APR '23	JAN-APR '22
Assets under management	267.0	369.6	1,307.5	1,299.1
Assets under custody	755.1	616.8	3,685.0	1,645.8
o/w Third party deposit current accounts	*25.2*	*7.4*	*168.6*	*29.5*
Direct deposits	-190.8	47.1	-1,420.7	913.5
TOTAL NET SALES	**831.3**	**1,033.5**	**3,571.8**	**3,858.3**

TOTAL FINANCIAL ASSETS	APR 2023	DEC 2022	APR 2022
Assets under management	54,378.6	52,072.6	53,026.8
Assets under custody	29,144.4	23,915.4	22,406.2
o/w Third party deposit current accounts	*529.8*	*361.2*	*121.1*
Direct deposits	29,149.2	30,569.9	30,408.7
TOTAL FINANCIAL ASSETS	**112,672.2**	**106,557.9**	**105,841.8**

FAM, retail net sales at € 343 million, TFA above € 28 billion

Fineco Asset Management retail net sales in April amounted to € 343 million, thanks in particular to the strong interest of the customers for the new fixed-income solutions. Since the beginning of the year retail net sales were equal to € 1.7 billion (+59% y/y), leading FAM assets as of April 30th, 2023 at € 28.2 billion, of which € 17.8 billion retail class (+17% y/y) and € 10.4 billion institutional class (+1% y/y). The penetration rate of FAM retail classes on the Bank's Asset Under Management reached 32.7% compared to 28.7% in April 2022.

Total Financial Assets at € 112 billion, Private Banking above € 49 billion

Total Financial Assets were equal to € 112.7 billion, +6% compared to 105.8 billion in April 2022. In particular, TFA related to Private Banking were at € 49.3 billion, +7% compared to € 46.1 billion in April 2022.

Around 8,500 new clients in April

In April, 8,465 new clients were acquired, +24% compared to April 2022. The figures confirm the improvement of the client base, more interested in investing, and the increase in average Total Financial Assets of new current accounts. Total number of clients reached 1,511,773 as of April 30th, 2023.

figures in € million

PFA NETWORK NET SALES	APR 2023	APR 2022	JAN-APR '23	JAN-APR '22
Assets under management	267.5	369.7	1,305.4	1,304.4
Assets under custody	582.9	438.2	2,780.5	1,172.6
o/w Third party deposit current accounts	*16.5*	*2.7*	*100.2*	*12.2*
Direct deposits	-189.2	96.4	-1,152.9	928.8
TOTAL NET SALES	**661.2**	**904.3**	**2,933.0**	**3,405.8**

PFA NETWORK TFA	APR 2023	DEC 2022	APR 2022
Assets under management	53,918.5	51,622.6	52,531.6
Assets under custody	21,695.8	17,712.8	16,602.7
o/w Third party deposit current accounts	*277.2*	*176.9*	*56.9*
Direct deposits	22,723.9	23,876.8	23,618.1
TOTAL FINANCIAL ASSETS	**98,338.2**	**93,212.2**	**92,752.3**

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