



GENERAL
FINANCE

INTERIM REPORT ON OPERATIONS
AS AT 31 MARCH 2023

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Interim report on operations as at 31 March 2023

Foreword

Statement of compliance with International Accounting Standards

This Interim Report on Operations as at 31 March 2023 is prepared on a voluntary basis as the obligation to provide periodic financial disclosure in addition to the annual and half-yearly disclosure no longer applies, due to the wording of art. 154-ter, paragraph 5, of Legislative Decree no. 58/1998 (“Consolidated Law on Finance” or “TUF”) introduced by Legislative Decree no. 25/2016 implementing the Transparency Directive 2013/50/EU.

This Interim Report on Operations of Generalfinance S.p.A. as at 31 March 2023, with regard to recognition and measurement criteria, was prepared in accordance with the international accounting standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB), approved by the European Commission pursuant to EU Regulation no. 1606 of 19 July 2002, taking into account the relevant interpretations of the International Financial Reporting Interpretations Committee (IFRC), as expressed in the section “Preparation criteria and accounting standards” of the Notes to the Financial Statements as at 31 December 2022.

The Interim Report on Operations as at 31 March 2023 consists of the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Cash Flow Statement and is also accompanied by a Report on Operations, on the economic results achieved and on the equity and financial position of Generalfinance.

In terms of financial reporting, being prepared pursuant to the aforementioned art. 154-ter, paragraph 5, of the Consolidated Law on Finance as well as for the purposes of determining regulatory capital (own funds) and the capital ratios, this Report does not include some explanatory notes that would be required to represent the equity and financial position and the economic result for the period in compliance IAS 34 Interim Financial Reporting.

The Interim Report on Operations as at 31 March 2023 does not disclose all the information required in the annual financial statements. For this reason, it is necessary to read it together with the financial statements as at 31 December 2022.

This Report is accompanied by the certification of the Financial Reporting Officer, pursuant to art. 154-bis of the Consolidated Law on Finance, and the financial statements are subject to a limited audit by Deloitte & Touche S.p.A. in order to include the interim result in own funds.

Events after the reference date of the Interim Report on Operations

No events or circumstances have occurred since the end of the first three months of the financial year 2023 that would appreciably alter what has been presented in this Interim Report on Operations.

Pursuant to IAS 10, the date on which this Report was authorised for publication by the Company’s Directors 18 April 2023.

The factoring market in 2022⁽¹⁾

In 2022, the factoring market recorded Turnover of more than EUR 287 billion, up 14.6% compared to the previous year. The trend in turnover maintained a significant growth rate during the year despite the weakening of economic activity in the last quarter.

The turnover from supply chain finance transactions amounted to EUR 28 billion, up roughly 16% compared to the previous year.

For 2023, sector operators are still expecting continued growth, more moderate and equal to 5% per year, after a first quarter expected to be in slightly negative territory. In the first quarter of 2022, there was a net change in advances of almost EUR

1 The chapter mentions and/or reports extensive extracts from Assifact, Assifact Statistical Circular 12-23 “Factoring in figures - Summary of December 2022 data” and Circular 19-23 “Factoring in figures - Summary of February 2023 data”

+8 billion compared to the previous quarter, which brought the advances disbursed to a total of EUR 56.6 billion and more than 10% higher than the end of 2021.

Data in thousands of euro		Share% of total	% change from previous year
Cumulative Turnover	287,258,017		14.61%
With Recourse	60,697,853	21%	
Without Recourse	226,560,163	79%	
Outstanding	69,468,897		6%
With Recourse	15,314,639	22%	
Without Recourse	54,154,258	78%	
Exposures	56,630,010		10.09%

Source: Assifact, statistical circular 12-23 "Factoring in figures – Summary of December 2022 data" Values in thousands of Euro.

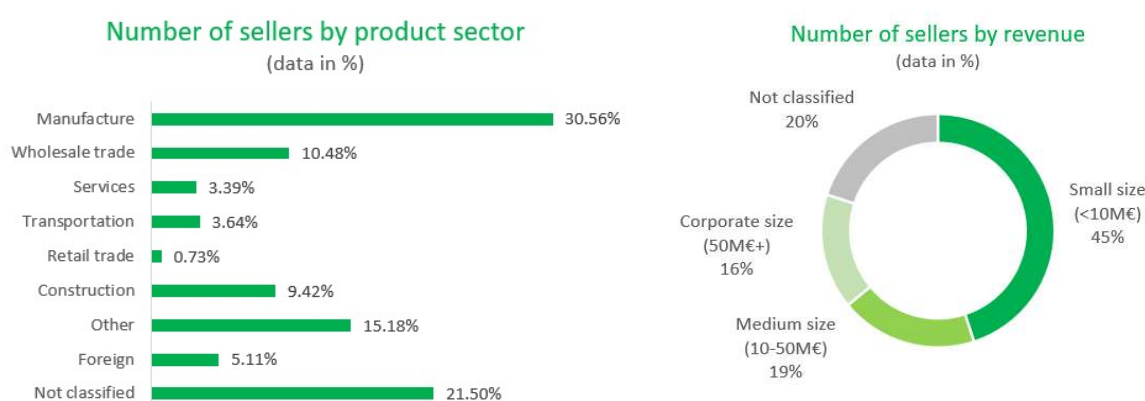
Purchases of trade receivables from the public administration amounted to EUR 19.3 billion in 2022. Outstanding loans amounted to EUR 8.5 billion, of which EUR 3.5 billion were past due.

Total gross non-performing loans in the factoring sector amounted to 3.3%, down compared to September 2022 and December 2021. Bad loans were at low levels, equal to 1.6% of total loans to customers.

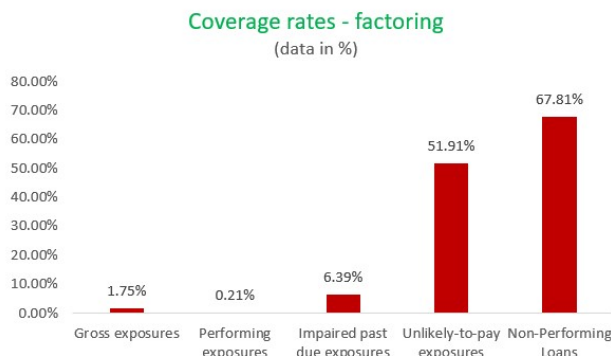
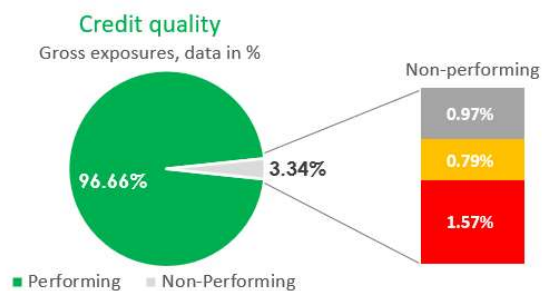
The fourth quarter of 2022 saw a slowdown in the market, consistent with the weakening of economic activity. For the first quarter of 2023, operators expect a slight decrease in turnover compared to the same period of 2022 (-0.9%). The forecasts for the end of the year 2023 formulated by Assifact are positive on the whole, although a lower growth rate is expected compared to 2022 (+5%).

Over 32,000 companies use factoring, 64% of which are SMEs.

In terms of numbers, the manufacturing sector accounts for the bulk of transferors.



Source: Assifact, statistical circular 12-23 "Factoring in figures – Summary of December 2022 data" Values in thousands of Euro.



Source: Assifact, statistical circular 12-23 "Factoring in figures – Summary of December 2022 data" Values in thousands of Euro.

Factoring market – monthly position in February 2023

Based on the latest monthly report available, accumulated turnover in February 2023 was approximately EUR 39 billion, up by approximately 8% on the previous year. Outstanding amounts at the reporting date amounted to approximately EUR 58 billion, marking growth of 1% on the previous year, while advances amounted to approximately EUR 45 billion (+7%).

Data in thousands of euro		Share% of total	% change from previous year
Cumulative Turnover	38,670,510		8.32%
With Recourse	8,918,410	23%	
Without Recourse	29,782,441	77%	
Outstanding	57,657,500		1.14%
With Recourse	14,946,107	26%	
Without Recourse	42,711,393	74%	
Exposures	44,998,867		6.59%
of which turnover from Supply Chain Finance operations.	4,025,544	10%	10.29%

Source: Assifact, statistical circular 19-23 "Factoring in figures - Summary of February 2023 data". Values in thousands of Euro.

Operating performance and result

Shareholding structure

As a result of the increase approved and subscribed at the time of the listing of the Company's shares on the Euronext Milan market, STAR segment (which started on 29 June 2022), the company's share capital is equal to EUR 4,202,329.36 and is divided into 12,635,066 ordinary shares with unexpressed nominal value, pursuant to art. 2346, paragraph 3, of the Italian Civil Code and art. 5 of the current Articles of Association.

The following shareholding structure emerges from the deposit situation updated at the Ordinary Shareholders' Meeting held on 20 March 2023:

- **GGH - Gruppo General Holding S.R.L.** ("GGH"), which holds 5,227,273 shares, equal to roughly 41.37% of the share capital;
- **Crédit Agricole Italia S.p.A.** ("CAI") which holds no. 2,057,684 shares, equal to approximately 16.29% of the share capital;
- **First 4 Progress S.p.A.** ("F4P"), which holds 663,126 shares, equal to around 5.25% of the share capital;

The remaining 4,686,983 ordinary shares (equal to 37.09% of the share capital) are held by institutional and professional investors who subscribed the securities as part of the Company's listing.

The shares, all ordinary and traded on Euronext STAR Milan, have no nominal value, all have equal rights, both administrative and financial, as established by law and by the Articles of Association, except for the provisions of the latter regarding increased voting rights. The shares are indivisible, registered and freely transferable by an act inter vivos and transmissible

on death. The currently applicable legislation and regulations regarding representation, legitimate entitlement and circulation of shares set forth for financial instruments traded on regulated markets is applied to the shares. The shares are issued in dematerialised form.

Pursuant to Art. 127-quinquies of Legislative Decree no. 58 of 24 February 1998 (“TUF” - Consolidated Law on Finance), each share gives the right to double votes (and therefore two votes for each share) where both the following conditions are met: (a) the share belongs to the same party, based on a real right that legitimately entitles them to exercise the voting right (full ownership with voting right or bare ownership with voting right or usufruct with voting right) for a continuous period of at least 24 (twenty-four) months; (b) the meeting of the condition pursuant to point (a) is certified by the continuous registration, for a period of at least 24 (twenty-four) months, in the duly established list, kept by the Company, in compliance with the legislative and regulatory provisions in force. The assessment of the prerequisites for the attribution of the increased vote is carried out by the administrative body.

To date, only the shareholders GGH and CAI have acquired the right to double vote on their shares: in particular, GGH on all the shares it holds; CAI on 2,002,868 shares.

By virtue of this, the voting rights that can be exercised by shareholders are as follows:

Shareholder	Shares held	% Share capital	% voting rights
GGH - Gruppo General Holding S.r.L	5,227,273	41.371	52.627
Crédit Agricole Italia S.p.A.	2,057,684	16.286	20.441
First 4 Progress S.p.A.	663,126	5.248	3.338
Free float	4,686,983	37.095	23.594

The shares held by GGH are partially encumbered by a pledge in favour of CAI. In this regard, it should be noted that, on 29 June 2017, in execution of agreements between shareholders, GGH established a first degree pledge on 1,271,766 ordinary shares of Generalfinance owned by it in favour of Creval (now CAI) and that, in execution of the provisions of the deed of incorporation of the pledge:

- a) on 20 January 2021, Creval agreed to the release from the restriction on 423,922 Generalfinance shares;
- b) on 31 January 2023, CAI agreed to the release from the restriction on an additional 423,922 Generalfinance shares.

As at today's date, therefore, the restriction continues to be in place on the additional 423,922 shares owned by GGH. However, it does not entail any limitation on the rights of GGH as, in derogation from art. 2352 of the Italian Civil Code, the right to vote on the shares encumbered by the pledge is regularly exercised by GGH, both in ordinary and extraordinary shareholders' meetings. Similarly, the Parent Company maintained the right to receive any amount due from Generalfinance in relation to the shares encumbered by the pledge.

Furthermore, it should be noted that GGH has entered into a loan agreement with Banca Nazionale del Lavoro S.p.A. for an amount of EUR 5 million; in relation to this contract, GGH pledged a first degree pledge on 1,263,900 ordinary shares owned by it. Also in this case, the voting right relating to the shares encumbered by the pledge is duly exercised by GGH, both in ordinary and extraordinary shareholders' meetings. Similarly, the Parent Company maintained the right to receive any amount due from Generalfinance in relation to the shares encumbered by the pledge.

It should be noted that, at the date of this report, the Company does not hold treasury shares in its portfolio.

Main performance indicators

Generalfinance closed the first month of 2023 with a net profit of EUR 2.9 million (+8% compared to 31 March 2022). Including advance payments on future receivables, turnover reached EUR 507 million (+17%) with EUR 412 million disbursed (+15%). Net of future receivables, the turnover was equal to EUR 476 million.

In order to provide a clear and immediate view of the Company's economic performance, the following tables show some indicators for the year, compared with the figures for the previous year.

Main reclassified income statement data (in thousands of Euro)

Income statement items	31/03/2023	31/03/2022	Change
- Net interest income	1,746	1,809	-3%
- Net fee and commission income	6,025	5,155	17%
- Net interest and other banking income	7,771	6,964	12%
- Operating costs	-3,213	-2,803	15%
- Pre-tax profit from current operations	4,451	4,126	8%
- Profit for the period	2,938	2,723	8%

Operating indicators	31/03/2023	31/03/2022
Cost/Income ratio (%)	41%	40%
ROE (%)	23%	40%
Net interest income/Net interest and other banking income (%)	22%	26%
Net fee and commission income/Net interest and other banking income(%)	78%	74%

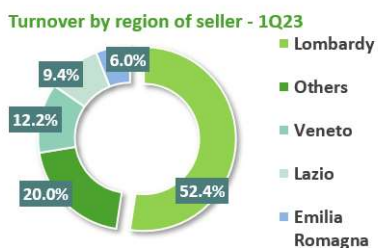
These positive management results were achieved in a quarter still impacted, particularly as regards the business system, by the effects of the ongoing conflict between Russia and Ukraine and the additional macroeconomic factors that emerged in the second half of 2022 (inflation rate, increase in the cost of borrowing and energy).

Turnover

Including data referring to future credit advances, turnover reached EUR 507 million as at 31 March 2023, up by 17% compared to the same period of 2022. With reference to the annual "LTM - Last Twelve Months" turnover (March 2022 - March 2023), the breakdown by nationality of the transferred debtors shows a significant relative weight of international factoring, which accounts for roughly 21.5% of business volumes, with significant diversification by country, reflecting the high level of service that the Company is able to provide to export-oriented customers. With reference to the Transferors' registered offices, the Company has a deeply-rooted presence in the North of the country, with a special focus on Lombardy (52.4% of turnover), Veneto (12.2%) and Emilia-Romagna (6.0%); turnover from companies operating in Lazio increased (9.4%). Overall, these four regions account for approximately 80% of turnover, highlighting the significant presence of Generalfinance in some of the most productive and relevant areas of the country.



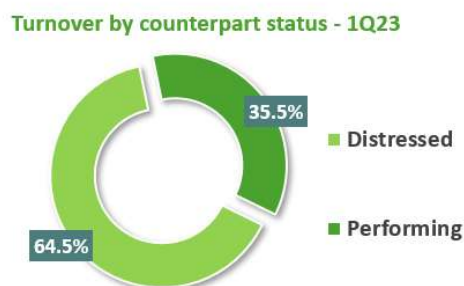
Note: LTM turnover data



Note: LTM turnover data

From a sector point of view, manufacturing represents the most important portion of turnover developed with respect to the transferors, with approximately 53.7%; this positioning is consistent with the “DNA” of Generalfinance as a reference factor for manufacturing SMEs affected by turnaround processes.

The activity is mainly represented by factoring with recourse, which accounts for approximately 90% of volumes, while the without recourse portion of accounts for around 10%, up compared to the previous year. Lastly, 64.5% of the turnover is developed with regard to “distressed” transferors, i.e. those engaged in restructuring projects through the various instruments set forth in the Corporate Crisis Code.



Note: LTM turnover data

Economic data

Net interest income amounted to EUR 1.7 million, down (-3%) compared to the same period of the previous year, due to the upward trend in Euribor rates which had a negative impact on the cost of funding, offset by the increase in volumes and the renegotiation of factoring agreements carried out in the second half of last year; net fee and commission income amounted to EUR 6.0 million, an increase compared to EUR 5.2 million in the first three months of 2022 (+17%). The trend in net fee and commission income was affected by the particularly positive trend in turnover (+17% with respect to the first quarter of the previous year) and the contained reduction of commission rates, reflecting the excellent commercial and operating performance of the Company.

Net interest and other banking income amounted to roughly EUR 7.8 million (+12%) while operating costs, equal to around EUR 3.2 million, recorded an 15% increase.

Taking into account the particularly low cost of risk (net value adjustments of EUR 0.1 million, with an annualised cost of risk at 3 basis points) and estimated taxes of EUR 1.5 million, the net result for the period was approximately EUR 2.9 million compared to EUR 2.7 million recorded in the first three months of 2022 (+8%).

Breakdown of interest income and similar income - Item 10 of the Income Statement

Items/Technical forms	Debt securities	Loans	Other transactions	31/03/2023	31/03/2022
1. Financial assets measured at fair value through profit or loss:	-	-	-	-	-
1.1 Financial assets held for trading	-	-	-	-	-
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	-	-	-	-	-
2. Financial assets measured at fair value through other comprehensive income	-	-	X	-	-
3. Financial assets measured at amortised cost	-	5,215,649	-	5,215,649	3,099,327
3.1 Loans to banks	-	82,407	X	82,407	-
3.2 Receivables from financial companies	-	-	X	-	-
3.3 Loans to customers	-	5,133,242	X	5,133,242	3,099,327
4. Hedging derivatives	X	X	-	-	-
5. Other assets	X	X	138,980	138,980	-
6. Financial liabilities	X	X	X	-	-
Total	-	5,215,649	138,980	5,354,629	3,099,327
of which: interest income on impaired financial assets	-	-	-	-	-
of which: interest income on leases	X	-	X	-	-

Breakdown of interest expense and similar charges - Item 20 of the Income Statement

Items/Technical forms	Payables	Securities	Other transactions	31/03/2023	31/03/2022
1. Financial liabilities measured at amortised cost	3,029,584	578,866	-	3,608,450	1,266,006
1.1 Due to banks	1,323,142	X	X	1,323,142	565,269
1.2 Payables to financial companies	1,697,662	X	X	1,697,662	391,442
1.3 Due to customers	8,780	X	X	8,780	8,435
1.4 Securities issued	X	578,866	X	578,866	300,860
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities	X	X	3	3	24,271
5. Hedging derivatives	X	X	-	-	-
6. Financial assets	X	X	X	-	-
Total	3,029,584	578,866	3	3,608,453	1,290,277
of which: interest expense on lease payables	8,780	X	X	8,780	8,435

Breakdown of fee and commission income - Item 40 of the Income Statement

Detail	Total 31/03/2023	Total 31/03/2022
a) leasing transactions	-	-
b) factoring transactions	7,045,631	6,266,235
c) consumer credit	-	-
d) guarantees issued	-	-
e) services of:	-	-
- management of funds on behalf of third parties	-	-
- foreign exchange brokerage	-	-
- product distribution	-	-
- others	-	-
f) collection and payment services	-	-
g) servicing in securitisation transactions	-	-
h) other commissions	-	-
Total	7,045,631	6,266,235

Breakdown of fee and commission expense - Item 50 of the Income Statement

Retail/Sectors	Total 31/03/2023	Total 31/03/2022
a) guarantees received	92	92
b) distribution of services by third parties	-	-
c) collection and payment services	-	-
d) other commissions	1,020,945	1,111,025
d.1 advances on business loans (Law no. 52/91)	145,280	176,002
d.2 others	875,665	935,023
Total	1,021,037	1,111,117

Fee and commission expense for advances on business receivables are represented by commissions and fees paid to third parties.

The sub-item "Other" is mainly composed of bank charges and commissions for EUR 412,500 and costs incurred for credit insurance for EUR 384,012.

Breakdown of net value adjustments/write-backs for credit risk relating to financial assets measured at amortised cost: breakdown - Item 130 of the Income Statement

Transactions/Income components	Value adjustments (1)						Write-backs (2)				Total 31/03/2023	Total 31/03/2022
	First stage	Second stage	Third stage		purchased or originated impaired		First stage	Second stage	Third stage	purchased or originated impaired		
			Write-off	Others	Write-off	Others						
1. Loans to banks	(4,185)	-	-	-	-	-	1,448	-	-	-	(2,737)	(255)
- for leasing	-	-	-	-	-	-	-	-	-	-	-	-
- for factoring	-	-	-	-	-	-	-	-	-	-	-	-
- other receivables	(4,185)	-	-	-	-	-	1,448	-	-	-	(2,737)	(255)
2. Receivables from financial companies	-	-	-	-	-	-	-	-	-	-	-	-
- for leasing	-	-	-	-	-	-	-	-	-	-	-	-
- for factoring	-	-	-	-	-	-	-	-	-	-	-	-
- other receivables	-	-	-	-	-	-	-	-	-	-	-	-
3. Loans to customers	(44,472)	(10,023)	-	(119,968)	-	-	32,474	24,447	13,253	-	(104,289)	(35,231)
- for leasing	-	-	-	-	-	-	-	-	-	-	-	-
- for factoring	(44,472)	(10,023)	-	(119,968)	-	-	32,474	24,447	13,253	-	(104,289)	(35,231)
- for consumer credit	-	-	-	-	-	-	-	-	-	-	-	-
- loans on pledge	-	-	-	-	-	-	-	-	-	-	-	-
- other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Total	(48,657)	(10,023)	-	(119,968)	-	-	33,922	24,447	13,253	-	(107,026)	(35,486)

The amounts included in the item “Loans and receivables with banks” refer to the amounts due from banks “on demand” reported in the item “Cash and cash equivalents”.

Breakdown of personnel expenses - Item 160 a) of the Income Statement

Types of expenses/Values	Total 31/03/2023	Total 31/03/2022
1. Employees	1,515,958	1,185,387
a) wages and salaries	1,023,448	849,362
b) social security contributions	292,241	244,927
c) employee severance indemnity	-	-
d) social security expenses	-	-
e) employee severance indemnity provision	49,352	50,054
f) allocation to the provision for pensions and similar obligations:	-	-
- defined contribution	-	-
- defined benefit	-	-
g) payments to external supplementary pension funds:	20,329	15,711
- defined contribution	20,329	15,711
- defined benefit	-	-
h) other employee benefits	130,588	25,333
2. Other active personnel	-	-
3. Directors and Statutory Auditors	349,481	189,351
4. Retired personnel	-	-
5. Expense recoveries for employees seconded to other companies	-	-
6. Reimbursement of expenses for employees seconded to the company	-	-
Total	1,865,439	1,374,738

Breakdown of other administrative expenses - Item 160 b) of the Income Statement

Type of expense/Values	Total 31/03/2023	Total 31/03/2022
Professional fees and consultancy	564,669	400,201
Charges for indirect taxes and duties	24,647	23,181
Maintenance costs	13,357	10,538
Utility costs	34,396	35,539
Rent payable and condominium expenses	42,918	23,108
Insurance	9,765	9,973
Commercial information	170,084	83,318
Other administrative expenses	437,682	481,771
Total	1,297,518	1,067,629

Balance sheet and asset quality data

Net loans to customers amounted to EUR 342.9 million, down 11% compared to 31 December 2022. The disbursement rate decreased from 83% in 2022 to 81% in the first three months of 2023, while the average number of days of credit of 71 was essentially in line with the 2022 figure (72).

Within the aggregate of loans, total gross non-performing loans amounted to EUR 1.4 million, with a gross NPE ratio of approximately 0.40% (0.24% of the net NPE ratio). The coverage of non-performing loans stood at around 41%.

Breakdown of receivables from customers - Item 40 c) of Assets

Composition	Total 31/03/2023						Total 31/12/2022					
	Book value			Fair Value			Book value			Fair Value		
	First and second stage	Third stage	purchased or originated impaired	L1	L2	L3	First and second stage	Third stage	purchased or originated impaired	L1	L2	L3
1. Loans	342,101,531	812,897	-	-	-	342,914,428	384,532,580	901,477	-	-	-	385,434,057
1.1 Loans for leases	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: without final purchase option</i>	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Factoring	342,101,531	812,897	-	-	-	342,914,428	384,532,580	901,477	-	-	-	385,434,057
- with recourse	308,424,473	812,647	-	-	-	309,237,120	327,014,977	882,068	-	-	-	327,897,045
- without recourse	33,677,058	250	-	-	-	33,677,308	57,517,603	19,409	-	-	-	57,537,012
1.3 Consumer credit	-	-	-	-	-	-	-	-	-	-	-	-
1.4 Credit cards	-	-	-	-	-	-	-	-	-	-	-	-
1.5 Pledged loans	-	-	-	-	-	-	-	-	-	-	-	-
1.6 Loans granted in relation to payment services provided	-	-	-	-	-	-	-	-	-	-	-	-
1.7 Other loans	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: from enforcement of guarantees and commitments</i>	-	-	-	-	-	-	-	-	-	-	-	-
2. Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
2.1 structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 other debt securities	-	-	-	-	-	-	-	-	-	-	-	-
3. Other assets	-	-	-	-	-	-	-	-	-	-	-	-
Total	342,101,531	812,897	-	-	-	342,914,428	384,532,580	901,477	-	-	-	385,434,057

L1 = level 1; L2 = level 2; L3 = level 3

Cash and cash equivalents - represented by loans to banks - amounted to approximately EUR 62 million - reflecting the prudent profile of liquidity management - while total balance sheet assets amounted to EUR 419.5 million, compared to EUR 443.8 million at the end of 2022.

Property, plant and equipment amounted to EUR 4.8 million, compared to approximately EUR 4.9 million in 2022. Intangible assets amounted to EUR 2 million, unchanged compared to the end of 2022.

Financial liabilities measured at amortised cost, equal to EUR 335.5 million, are made up of payables of EUR 293.2 million and securities issued of EUR 42.3 million.

Payables are mainly represented by the pool loan (balance as at 31 March EUR 110.6 million) stipulated with a number of Italian banks, in addition to the mortgage loans and other bilateral lines with banks and factoring companies (EUR 46 million). In addition, the item includes the payable to the vehicle (EUR 134.4 million) relating to the securitisation transaction concluded in December 2021, which saw BNP Paribas, Banco BPM and Intesa Sanpaolo as senior lenders.

The securities consist of two subordinated bonds (EUR 12.5 million) issued in the second half of 2021, in addition to the outstanding commercial paper (EUR 30 million).

Breakdown of payables by type - Item 10 a) of Liabilities

Items	Total 31/03/2023			Total 31/12/2022		
	to banks	to financial companies	to customers	to banks	to financial companies	to customers
1. Loans	118,966,952	37,207,549	-	162,689,489	31,780,565	-
1.1 repurchase agreements	-	-	-	-	-	-
1.2 other loans	118,966,952	37,207,549	-	162,689,489	31,780,565	-
2. Lease payables	-	-	1,608,376	-	-	1,571,038
3. Other payables	-	134,749,033	646,626	-	134,729,206	400,411
Total	118,966,952	171,956,582	2,255,002	162,689,489	166,509,771	1,971,449
Fair value - level 1	-	-	-	-	-	-
Fair value - level 2	-	-	-	-	-	-
Fair value - level 3	118,966,952	171,956,582	2,255,002	162,689,489	166,509,771	1,971,449
Total Fair Value	118,966,952	171,956,582	2,255,002	162,689,489	166,509,771	1,971,449

The total for this item therefore amounts to EUR 293,178,536.

Payables to banks refer to:

Technical form	Amount
Current account exposures for SBF advances	969,856
Unsecured loans	7,362,589
Pool loan	110,634,507
Total	118,966,952

Payables for loans to financial companies mainly refer to payables for advances on Italian and foreign invoices (refactoring transactions).

Other payables to financial companies refer to payables to the special purpose vehicle relating to the securitisation transaction concluded in December 2021 and relating to a revolving portfolio of receivables deriving from with and without recourse factoring contracts owned by the Company.

Payables to customers refer to amounts to be paid to transferors deriving from collections of transferred receivables, to payables for leases, recognised following the adoption of the new accounting standard "IFRS 16 Leases".

Breakdown of securities issued by type - Item 10 b) of Liabilities

Type of securities/Values	Total 31/03/2023				Total 31/12/2022			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. bonds	12,877,815	-	-	12,877,815	12,757,100	-	-	12,757,100
1.1 structured	-	-	-	-	-	-	-	-
1.2 others	12,877,815	-	-	12,877,815	12,757,100	-	-	12,757,100
2. other securities	29,472,899	29,472,899	-	-	24,460,655	24,460,655	-	-
2.1 structured	-	-	-	-	-	-	-	-
2.2 others	29,472,899	29,472,899	-	-	24,460,655	24,460,655	-	-
Total	42,350,714	29,472,899	-	12,877,815	37,217,755	24,460,655	-	12,757,100

With regard to bonds, during the months of September and October 2021, the Company issued and placed two Tier 2 subordinated bonds.

The first, with a duration of six years and maturity on 30 September 2027, was issued for an amount of EUR 5 million with an annual coupon at a fixed rate of 10%.

The second, with a duration of five years and maturity on 28 October 2026, was issued for an amount of EUR 7.5 million and with an annual coupon at a floating rate equal to the 3-month Euribor plus a spread of 800 basis points.

The bonds - subscribed by institutional investors - were entered into the centralised management system at Monte Titoli S.p.A. and subject to the dematerialisation regulations.

The other securities are commercial paper admitted in dematerialised form in Monte Titoli and traded on the ExtraMOT PRO, Professional Segment of the ExtraMOT Market, multilateral trading system managed by Borsa Italiana S.p.A.

In particular, at the reporting date, four securities were issued and still not reimbursed. The first, with a duration of 12 months, was issued for a total of EUR 10 million - zero coupon - at a fixed annual rate of 5.55%. The second, with a duration of three months, was issued for a total of EUR 5 million - zero coupon - at a fixed annual rate of 3.70%. The third, with a 50-day duration, was issued for a total of EUR 5 million - zero coupon - at a fixed annual rate of 3.50%. The fourth and last, with a 3-month duration, was issued for a total of EUR 10 million - zero coupon - at a fixed annual rate of 3.95%.

Payables and subordinated securities

The item "Debt securities issued" includes subordinated securities relating to the issue of Tier 2 bonds for a nominal amount of EUR 12.5 million.

Impact resulting from the conflict between Russia and Ukraine

Also with reference to what is indicated by ESMA in the public statement "Implications of Russia's invasion of Ukraine on interim financial reports" on 14 March 2022 and to the CONSOB communication of 19 March 2022 "Conflict in Ukraine: CONSOB warnings for supervised issuers on financial reporting and on the obligations related to compliance with the restrictions imposed by the European Union on Russia, as well as on the obligations of managers of online portals", in the context of the constant monitoring of its loan portfolio the Company has paid particular attention, on the geopolitical front, to the developments of the conflict between Ukraine and Russia, which resulted in the invasion by Russia of the Ukrainian territory starting on 24 February 2022 and in the adoption of economic sanctions by the European Union, Switzerland, Japan, Australia and NATO countries vis-à-vis both Russia and Belarus and some representatives of these countries; the conflict and the sanctions have had significant negative repercussions on the global economy, also taking into account the negative effects on the trend in raw material costs (with particular reference to the prices and availability of electricity and gas), as well as on the performance of the financial markets.

In said context, it should be stressed that Generalfinance has zero direct presence in the Russian/Ukrainian/Belarusian market (areas directly impacted by the conflict), since the Company has factoring relations solely with transferors active in Italy. With reference to the Transferred Debtors based in Russia, Ukraine and Belarus, it should be noted that Generalfinance has an extremely low exposure at the end of the quarter (less than EUR 0.1 million). Since the invasion of Ukraine, Generalfinance has suspended the credit lines relating to Transferred Debtors operating in the countries directly involved in the conflict.

In this context, however, due consideration must be given to the anti-cyclical nature of Generalfinance's business, which benefits from difficult economic periods; specifically, the persistence of market volatility also relating to the invasion of Ukraine had a negative impact on the risk appetite of the traditional banking system, which is generating (by analysing the recent lending surveys published by the Bank of Italy) a reduction in the availability of credit from banks to SMEs, particularly the most vulnerable. This circumstance could lead to potential new commercial opportunities for Generalfinance. Furthermore, the impact of the crisis scenario on the cost of raw materials (with particular reference to the prices and availability of electricity and gas, albeit down in the quarter compared to the second part of 2022) prompted business customers to request increases in their credit lines in relation to the portfolio to be disposed, increasing the turnover volumes of Generalfinance.

The persistence, over a prolonged period, of the scenario of geopolitical tension and the unstable macroeconomic framework could then determine an increase in the number of "distressed" companies, fuelling the Company's reference market. The nature of the Company's business and the market niche in which it operates is actually anti-cyclical and, generally, it benefits from situations of tension on the financial and banking markets and in the real economy.

Shareholders' equity and capital ratios

Shareholders' equity as at 31 March 2023 amounted to EUR 54.3 million, compared to EUR 56.8 million as at 31 December 2022.

Generalfinance's capital ratios - including profit for the period net of the expected dividend, calculated by taking into account a target pay-out of 50%, in line with the Company's dividend policy - highlight the following values:

- 16.00% CET1 ratio;
- 16.00% TIER1 ratio;
- 19.06% Total Capital ratio.

The ratios are well above the minimum regulatory values set forth in Bank of Italy Circular no. 288 of 3 April 2015.

Own funds

Qualitative information

1. Tier 1 capital

It should be noted that - in accordance with Article 26(2) of Regulation (EU) no. 575/2013 of the European Parliament (the "CRR") - the Tier 1 Capital includes the net profits resulting from the financial statements for the period related to the first three months of 2023, net of expected dividends.

For the purposes of the above, please note that:

- the profits will be verified by entities independent from the entity responsible for auditing the entity's accounts, as required by Article 26 (2) of the CRR. In this regard, Deloitte & Touche SpA was appointed to prepare a limited scope audit report (review report) for the purpose of including undistributed profit in own funds; this report will be issued in time for the submission of prudential reports to the Supervisory Body;
- the profits were valued in compliance with the standards established by the applicable accounting regulations;
- all foreseeable charges and dividends were deducted from the amount of profits;
- the amount of dividends to be deducted was estimated in accordance with applicable regulations.

The amount referred to the so-called "Quick Fix" with which the value of the assets in the form of software to be deducted from the Common Equity Tier 1 capital and the amount referred to intangible assets in progress was also deducted from Tier 1 capital.

2. Tier 2 capital

Tier 2 capital includes subordinated bonds that the Company issued in 2021, net of the amortisation charge calculated in accordance with art. 64 of the CRR (EU Regulation no. 575/2013).

Quantitative information

	Total 31/03/2023	Total 31/12/2022
A. Tier 1 capital before the application of prudential filters	54,303,603	56,774,746
B. Prudential filters of Tier 1 capital	-	-
B.1 Positive IAS/IFRS prudential filters (+)	-	-
B.2 Negative IAS/IFRS prudential filters (-)	-	-
C. Tier 1 capital gross of elements to be deducted (A+B)	54,303,603	56,774,746
D. Elements to be deducted from Tier 1 capital	2,598,161	6,694,664
E. Total Tier 1 capital (C - D)	51,705,442	50,080,082
F. Tier 2 capital before the application of prudential filters	12,500,000	12,500,000
G. Prudential filters of Tier 2 capital	-	-
G.1 Positive IAS/IFRS prudential filters (+)	-	-
G.2 Negative IAS/IFRS prudential filters (-)	-	-
H. Tier 2 capital gross of elements to be deducted (F+G)	12,500,000	12,500,000
I. Elements to be deducted from Tier 2 capital	2,617,744	2,001,643
L. Total Tier 2 capital (H-I)	9,882,256	10,498,357
M. Elements to be deducted from total Tier 1 and Tier 2 capital	-	-
N. Regulatory capital (E+L-M)	61,587,698	60,578,439

Capital adequacy

Qualitative information

Generalfinance assesses the adequacy of own funds to support current and future assets, in line with its own risk containment policy. In the context of the ICAAP process, Generalfinance defines the components of total capital (capital components to cover internal capital, i.e. the capital requirement relating to a given risk) on the basis of the prudential methodology. The components of total capital therefore coincide with the items of shareholders' equity and with those of own funds.

The Company measures the following types of risk: credit, operational, concentration, interest rate on the banking book, liquidity. With regard to the first four types, the Company determines the internal capital necessary to hedge the risks generated by current and future assets. Pillar I risks are measured with similar criteria to those used to determine the minimum prudential requirements and, in particular, the standardised method for credit risk and the basic method for operational risk. With reference to the second pillar risks, Generalfinance uses the following quantitative measurement tools proposed in Bank of Italy Circular no. 288/15:

- for concentration risk (by parties and by groups of connected customers), the simplified method proposed in Bank of Italy Circular no. 288/15 under Title IV, Chapter 14, Annex B;
- for interest rate risk on the banking book, the simplified method envisaged by Bank of Italy Circular no. 288/15 in Title IV, Chapter 14, Annex C;
- for liquidity risk, the funding risk measurement maturity ladder model, envisaged by Bank of Italy Circular no. 288/15.

The other Pillar 2 risks are subject to qualitative assessment.

Quantitative information

Categories/Values	Non-weighted amounts		Weighted amounts/requirements	
	31/03/2023	31/12/2022	31/03/2023	31/12/2022
A. RISK ASSETS	-	-	-	-
A.1 Credit and counterparty risk	422,278,798	445,751,833	276,942,215	297,862,971
B. REGULATORY CAPITAL REQUIREMENTS	-	-	-	-
B.1 Credit and counterparty risk	-	-	22,155,377	23,829,038
B.2 Risk for the provision of payment services	-	-	-	-
B.3 Requirement for the issue of electronic money	-	-	-	-
B.4 Specific prudential requirements	-	-	3,696,945	3,696,945
B.5 Total prudential requirements	-	-	25,852,322	27,525,983
C. RISK ASSETS AND SUPERVISORY RATIOS	-	-	-	-
C.1 Risk-weighted assets	-	-	323,154,024	344,074,780
C.2 Tier 1 capital/Risk-weighted assets (TIER 1 capital ratio)	-	-	16.0%	14.6%
C.3 Regulatory capital/Risk-weighted assets (Total capital ratio)	-	-	19.1%	17.6%

The risk-weighted assets, shown in item C.1, also used in the calculation of the ratios reported in items C.2 and C.3, are calculated as the product of the total prudential requirement (item B.5) and 12.50 (inverse of the mandatory minimum coefficient of 8%).

Information on business prospects with particular reference to the going concern basis

As regards the assumption of going concern, in light of the main economic and financial and equity indicators, liquidity position and the foreseeable business outlook, the Board of Directors has the reasonable certainty that the Company will continue to operate in the foreseeable future.

Bank of Italy inspection

Generalfinance was subject to inspections by the Bank of Italy in the period 3 October - 30 December 2022, pursuant to Article 108 of the Consolidated Law on Banking. The purpose of the inspection was to analyse the main risk areas and the technical situation of the Company. On 30 March, the Bank of Italy delivered the inspection report to Generalfinance, formulating findings on governance, control functions and credit risk management. With reference to credit risk, the findings concern: i) four positions (groups and transferors) for which - in the opinion of the Supervisory Authority - the conditions for classification as UTP would be met; and ii) the methods for recognising the past due used for factoring with recourse deemed, by the Supervisory Authority, not fully in line with the new definition of default established by paragraph 27 of the 2016/07 EBA guidelines (New DoD), implemented with the 19th update of Circular 217 of December 2020.

The Company will submit, within the time-frame envisaged by the laws and regulations applicable to the related administrative procedure, its counter-arguments with regard to the findings formulated by the Supervisory Authority.

Transactions with related parties

The accounting standard of reference is IAS 24, the new version of which, approved by the IASB on 4 November 2009, was endorsed with Regulation no. 632 of 19 July 2010. This version defines a related party as a person or entity related to the one preparing the financial statements. Two entities cannot be included among related parties simply because they share a director or another manager with strategic responsibilities.

Information on remuneration of key management personnel

In addition to the directors, two executives with strategic responsibility have been identified, namely the CFO and the CLO. The gross annual remuneration of executives with strategic responsibility amounts to a total of EUR 300,000.

This amount does not consider allocations to the employee severance indemnity provision, the employee severance indemnity provision paid to supplementary pension funds, the non-competition agreement and any bonuses in relation to short-term and medium/long-term monetary incentive plans determined on the basis of the Company's results.

Loans and guarantees issued in favour of directors and statutory auditors

It should be noted that the company has no receivables due from directors and statutory auditors and that no guarantees have been issued in favour of directors and statutory auditors.

Information on transactions with related parties

The following table shows the amounts relating to the balance sheet and income statement transactions with related parties in the first three months of 2023 as defined above on the basis of the provisions of IAS 24.

TRANSACTIONS WITH RELATED PARTIES (amounts in Euro)	Parent company	Other related parties
BALANCE SHEET ITEMS		
10. Cash and cash equivalents	-	1,265,058
40. Financial assets measured at amortised cost	-	711,689
120. Other assets	220,408	43,974
Total assets	220,408	2,020,721
10. Financial liabilities measured at amortised cost	-	33,278,860
80. Other liabilities	-	385,483
90. Employee severance indemnity	-	64,859
100. Provisions for risks and charges	-	560,959
Total liabilities	-	34,290,161

DETAILED STATEMENT OF RELATIONS WITH GROUP COMPANIES (amounts in Euro)	GGH – Gruppo General Holding S.r.l.	Generalbroker S.r.l.
INCOME STATEMENT ITEMS		
120. Other assets	19,032	-
Total items	19,032	-

"Other assets" due from the parent company MGH – Massimo Gianolli Holding S.r.l. refer to the receivable arising from the recourse for the higher tax owed by the Company as a result of the derecognition for the 2018-2020 tax periods by the financial Administration of the effectiveness of the option for tax consolidation.

TRANSACTIONS WITH RELATED PARTIES (amounts in Euro)	Parent company	Other related parties
INCOME STATEMENT ITEMS		
10. Interest income and similar income	-	12,674
20. Interest expense and similar charges	-	(365,957)
40. Fee and commission income	-	14,967
50. Fee and commission expense	-	(34,137)
160. Administrative expenses: a) personnel expenses	-	(499,249)
160. Administrative expenses: b) other administrative expenses	-	(69,503)
180. Net value adjustments/write-backs on property, plant and equipment	-	(986)
200. Other operating expenses/income	74	4,868
Total items	74	(937,323)

NB. It should be noted that the costs include non-deductible VAT.

DETAILED STATEMENT OF RELATIONS WITH GROUP COMPANIES (amounts in Euro)	GGH – Gruppo General Holding S.r.l.	Generalbroker S.r.l.
INCOME STATEMENT ITEMS		
200. Other operating expenses/income	3,847	74
Total items	3,847	74

All transactions with related parties were carried out under market conditions.

Significant events after the end of the quarter

No significant events or circumstances have occurred after the end of the quarter that would appreciably alter what has been presented in this Interim Report on Operations.

Business outlook

In the current context, with reference to the prospects for 2023, we need to take into consideration possible further impacts, particularly on the business system, of the effects of the geopolitical tensions underway - in particular, the ongoing conflict between Russia and Ukraine - and of other macroeconomic factors that emerged at global level in the second part of 2022 (marked increase in the rate of inflation, marked increase in energy costs and in the cost of borrowing).

In said general framework still characterised by critical elements for the real economy, the sales activities developed by Generalfinance in the first quarter of 2023 - trend in turnover, revenues and profitability - show a trend in line with that defined in the budget on a consistent basis with the Business Plan in force with reference to the current year. These elements allow us to predict a business performance and related net profitability for the whole of 2023 at levels in line with the budget/Business Plan.

Financial statements

BALANCE SHEET

(values in Euro)

Asset items		31/03/2023	31/12/2022
10.	Cash and cash equivalents	62,021,199	43,725,230
20.	Financial assets measured at fair value through profit or loss	23,274	20,300
	<i>c) other financial assets mandatorily measured at fair value</i>	23,274	20,300
40.	Financial assets measured at amortised cost	342,914,428	385,434,057
	<i>c) loans to customers</i>	342,914,428	385,434,057
80.	Property, plant and equipment	4,825,608	4,865,994
90.	Intangible assets	2,049,653	2,047,798
	- of which goodwill	0	0
100.	Tax assets	4,568,370	4,572,048
	<i>a) current</i>	4,145,292	4,148,970
	<i>b) deferred</i>	423,078	423,078
120.	Other assets	3,126,709	3,149,078
Total assets		419,529,241	443,814,505

Liabilities and shareholders' equity items		31/03/2023	31/12/2022
10.	Financial liabilities measured at amortised cost	335,529,250	368,388,464
	<i>a) payables</i>	293,178,536	331,170,709
	<i>b) securities issued</i>	42,350,714	37,217,755
60.	Tax liabilities	6,449,905	4,927,373
	<i>a) current</i>	6,393,384	4,880,108
	<i>b) deferred</i>	56,521	47,265
80.	Other liabilities	20,922,928	11,585,712
90.	Employee severance indemnity	1,331,723	1,316,956
100.	Provisions for risks and charges	991,832	821,254
	<i>b) pension and similar obligations</i>	145,698	142,487
	<i>c) other provisions for risks and charges</i>	846,134	678,767
110.	Share capital	4,202,329	4,202,329
140.	Share premium reserve	25,419,745	25,419,745
150.	Reserves	21,624,119	16,171,811
160.	Valuation reserves	119,876	95,474
170.	Profit (loss) for the period	2,937,534	10,885,387
Total liabilities and shareholders' equity		419,529,241	443,814,505

INCOME STATEMENT

(values in Euro)

	Items	31/03/2023	31/03/2022
10.	Interest income and similar income	5,354,629	3,099,327
	of which: interest income calculated using the effective interest method	5,354,629	3,099,327
20.	Interest expense and similar charges	(3,608,453)	(1,290,277)
30.	Net interest income	1,746,176	1,809,050
40.	Fee and commission income	7,045,631	6,266,235
50.	Fee and commission expense	(1,021,037)	(1,111,117)
60.	Net fee and commission income	6,024,594	5,155,118
70.	Dividends and similar income	0	0
80.	Net profit (loss) from trading	183	(323)
110.	Net result of other financial assets and liabilities measured at fair value through profit or loss	0	154
	<i>b) other financial assets mandatorily measured at fair value</i>	<i>0</i>	<i>154</i>
120.	Net interest and other banking income	7,770,953	6,963,999
130.	Net value adjustments/write-backs for credit risk of:	(107,026)	(35,486)
	<i>a) financial assets measured at amortised cost</i>	<i>(107,026)</i>	<i>(35,486)</i>
150.	Net profit (loss) from financial management	7,663,927	6,928,513
160.	Administrative expenses	(3,162,957)	(2,442,367)
	<i>a) personnel expenses</i>	<i>(1,865,439)</i>	<i>(1,374,738)</i>
	<i>b) other administrative expenses</i>	<i>(1,297,518)</i>	<i>(1,067,629)</i>
170.	Net provisions for risks and charges	(3,211)	(3,182)
	<i>b) other net provisions</i>	<i>(3,211)</i>	<i>(3,182)</i>
180.	Net value adjustments/write-backs on property, plant and equipment	(182,890)	(177,516)
190.	Net value adjustments/write-backs on intangible assets	(101,749)	(76,708)
200.	Other operating income and expenses	237,690	(102,746)
210.	Operating costs	(3,213,117)	(2,802,519)
260.	Pre-tax profit (loss) from current operations	4,450,810	4,125,994
270.	Income taxes for the period on current operations	(1,513,276)	(1,402,839)
280.	Profit (loss) from current operations after tax	2,937,534	2,723,155
300.	Profit (loss) for the period	2,937,534	2,723,155

STATEMENT OF COMPREHENSIVE INCOME
(values in Euro)

	Asset items	31/03/2023	31/03/2022
10.	Profit (loss) for the period	2,937,534	2,723,155
	Other income components net of taxes without reversal to the income statement		
20.	Equity securities designated at fair value through other comprehensive income	-	-
30.	Financial liabilities designated at fair value through profit or loss (changes in own creditworthiness)	-	-
40.	Hedging of equity securities designated at fair value through other comprehensive income	-	-
50.	Property, plant and equipment	-	-
60.	Intangible assets	-	-
70.	Defined benefit plans	24,402	-
80.	Non-current assets and disposal groups	-	-
90.	Portion of valuation reserves of equity-accounted investments	-	-
	Other income components net of taxes with reversal to the income statement		
100.	Hedging of foreign investments	-	-
110.	Exchange rate differences	-	-
120.	Cash flow hedging	-	-
130.	Hedging instruments (non-designated elements)	-	-
140.	Financial assets (other than equity instruments) measured at fair value through other comprehensive income	-	-
150.	Non-current assets and disposal groups	-	-
160.	Portion of valuation reserves of equity-accounted investments	-	-
170.	Total other income components net of taxes	24,402	-
180.	Comprehensive income (Item 10 + 170)	2,961,936	2,723,155

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS AT 31/03/2023
(values in Euro)

	Balance as at 31/12/2022	Change in opening balances	Balance as at 01/01/2023	Allocation of previous year's result			Changes in the period					Comprehensive income 31/03/2023	Shareholders' equity as at 31/03/2023
				Reserves	Dividends and other allocations	Changes in reserves	Shareholders' equity transactions						
							New shares issued	Purchase of treasury shares	Extraordinary dividend distribution	Change in equity instruments	Other changes		
Share capital	4,202,329	-	4,202,329	-	-	-	-	-	-	-	-	-	4,202,329
Share premium reserve	25,419,745	-	25,419,745	-	-	-	-	-	-	-	-	-	25,419,745
Reserves													
a) of profits	15,832,293	-	15,832,293	5,452,309	-	(1)	-	-	-	-	-	-	21,284,601
b) others	339,518	-	339,518	-	-	-	-	-	-	-	-	-	339,518
Valuation reserves	95,474	-	95,474	-	-	-	-	-	-	-	-	24,402	119,876
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit (loss) for the period	10,885,387	-	10,885,387	(5,452,309)	(5,433,078)	-	-	-	-	-	-	2,937,534	2,937,534
Shareholders' equity	56,774,746	-	56,774,746	-	(5,433,078)	(1)	-	-	-	-	-	2,961,936	54,303,603

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS AT 31/03/2022
(values in Euro)

	Balance as at 31/12/2021	Change in opening balances	Balance as at 01/01/2022	Allocation of previous year's result			Changes in the period					Comprehensive income 31/03/2022	Shareholders' equity as at 31/03/2022
				Reserves	Dividends and other allocations	Changes in reserves	Shareholders' equity transactions						
							New shares issued	Purchase of treasury shares	Extraordinary dividend distribution	Change in equity instruments	Other changes		
Share capital	3,275,758	-	3,275,758	-	-	-	-	-	-	-	-	-	3,275,758
Share premium reserve	7,828,952	-	7,828,952	-	-	-	-	-	-	-	-	-	7,828,952
Reserves													
a) of profits	11,105,611	-	11,105,611	4,726,682	-	-	-	-	-	-	-	-	15,832,293
b) others	339,518	-	339,518	-	-	-	-	-	-	-	-	-	339,518
Valuation reserves	(37,061)	-	(37,061)	-	-	-	-	-	-	-	-	-	(37,061)
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit (loss) for the period	9,453,364	-	9,453,364	(4,726,682)	(4,726,682)	-	-	-	-	-	-	2,723,155	2,723,155
Shareholders' equity	31,966,142	-	31,966,142	-	(4,726,682)	-	-	-	-	-	-	2,723,155	29,962,615

CASH FLOW STATEMENT - INTERMEDIARIES (indirect method)

(values in Euro)

A. OPERATING ACTIVITIES	Amount	
	31/03/2023	31/03/2022
1. Management	7,024,327	5,324,284
- profit (loss) for the period (+/-)	2,937,534	2,723,155
- gains/losses on financial assets held for trading and on other financial assets/liabilities measured at fair value through profit or loss (-/+)	-	(154)
- gains/losses on hedging activities (-/+)	-	-
- net value adjustments for credit risk (+/-)	107,024	35,486
- net value adjustments to property, plant and equipment and intangible assets (+/-)	284,639	254,224
- net provisions for risks and charges and other costs/revenues (+/-)	172,387	324,459
- unpaid taxes, duties and tax credits (+/-)	1,489,636	1,402,839
- net value adjustments to discontinued operations net of tax effect (+/-)	-	-
- other adjustments (+/-)	2,033,107	584,275
2. Liquidity generated/absorbed by financial assets	42,004,118	(12,919,755)
- financial assets held for trading	-	-
- financial assets designated at fair value	-	-
- other financial assets mandatorily measured at fair value	-	-
- financial assets measured at fair value through other comprehensive income	-	-
- financial assets measured at amortised cost	41,942,770	(12,099,408)
- other assets	61,348	(820,347)
3. Cash flow generated/absorbed by financial liabilities	(30,516,541)	25,186,226
- financial liabilities measured at amortised cost	(34,269,287)	21,438,665
- financial liabilities held for trading	-	-
- financial liabilities designated at fair value	-	-
- other liabilities	3,752,746	3,747,561
Net cash flow generated/absorbed by operating activities	18,511,904	17,590,755
B. INVESTMENT ACTIVITIES		
1. Cash flow generated by	3,749	600
- sales of equity investments	-	-
- dividends collected on equity investments	-	-
- sales of property, plant and equipment	3,749	600
- sales of intangible assets	-	-
- sales of business units	-	-
2. Liquidity absorbed by	(216,949)	(111,372)
- purchases of equity investments	(2,974)	-
- purchases of property, plant and equipment	(142,693)	(57,816)
- purchases of intangible assets	(71,282)	(53,556)
- purchases of business units	-	-
Net cash flow generated/absorbed by investment activities	(213,200)	(110,772)
C. FUNDING ACTIVITIES		
- issues/purchases of treasury shares	-	-
- issues/purchases of equity instruments	-	-
- distribution of dividends and other purposes	-	(4,726,682)
Net cash flow generated/absorbed by funding activities	-	(4,726,682)
NET CASH FLOW GENERATED/ABSORBED DURING THE PERIOD	18,298,704	12,753,301

RECONCILIATION	Amount	
	31/03/2023	31/03/2022
Cash and cash equivalents at the beginning of the period	43,731,790	33,458,839
Total net cash flow generated/absorbed during the period	18,298,704	12,753,301
Cash and cash equivalents: effect of changes in exchange rates	0	0
Cash and cash equivalents at the end of the period	62,030,494	46,212,140

Statement of the Financial Reporting Officer

Statement of the Financial Reporting Officer

The undersigned, Ugo Colombo, as Financial reporting manager of Generalfinance S.p.A., certifies, in compliance with the provisions of paragraph 2 of Art. 154-bis of Legislative Decree no. 58 of 24 February 1998, that the accounting information contained in this Interim Report on Operations as at 31 March 2023 corresponds to the documentary results, books and accounting records.

Milan, 18 April 2023

Ugo Colombo

CFO - Financial reporting manager

A handwritten signature in black ink, appearing to read 'Ugo Colombo', written in a cursive style.



GENERAL
FINANCE

INTERIM REPORT ON OPERATIONS
AS AT 31 MARCH 2023