



FINECO. SIMPLIFYING BANKING.

1Q24 Results

Alessandro Foti
CEO and General Manager

Milan, May 7th 2024

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Agenda

- ✓ **Fineco Financial Results**
- Fineco Commercial Results
- Next steps
- Key messages

Executive Summary

Successful growth story: our diversified business model allows us to deliver strong results in every market condition

Strong net profit and operating leverage

- 1Q24 Net Profit is 147 mln, +12.4% y/y excluding systemic charges (due to different seasonality y/y)
- 1Q24 Revenues at 327.0 mln, +11.4% y/y supported by all our product area: **Net Financial Income (+14.8% y/y, o/w NII +13.7%), Investing (+13.5% y/y) and Brokerage (+2.2% y/y)**
- Operating Costs well under control at -79.3 mln, +8.0% y/y (+6.7% y/y excluding costs related to the acceleration of the growth of the business⁽¹⁾). **Strong operating leverage confirmed a key strength of the Bank. C/I ratio at 24.2%**

Outstanding commercial dynamics driven by organic growth

- **Strong acceleration in new clients' acquisition (+24% y/y in 1Q24)**, with no change in our marketing strategy nor short term aggressive commercial offer. 39,545 new clients in 1Q24, with a **further acceleration of our organic growth vs 2023-record year. In April 11.560 new clients (+36.6% y/y)**
- **Net sales** in 1Q24 at 2.2 bn, o/w AUM at 0.5 bn. **TFA** at 128.2 bn with AuM at 60.4 bn. **April: Strong net sales at 844 mln, o/w Deposits at +38 mln, AUM at 195 mln despite outflows from insurance products (€ -215 mln), AUC at 610 mln. Very solid Brokerage, with estimated revenues at 17 mln (+50% vs avg revenues in 2017/19)**

Solid capital and liquidity position

- CET1 ratio at 25.3%, TCR at 35.9%, Leverage ratio at 5.16%
- LCR at 864%⁽²⁾, NSFR at 369%

2024 Guidance

- Revenues are expected in FY24 at a record level, with an improvement of the mix in favour of commissions thanks to:
 - Investing revenues expected to increase low double digit vs FY23
 - Banking fees expected stable vs FY23
 - **Brokerage:** revenues expected to remain strong with a **floor** - in relative terms with respect to the market context - **definitely higher vs pre-Covid period**
- Operating costs expected in FY24 at around +6% y/y, not including additional costs for: FAM and marketing expenses
- Cost of Risk: in a range 5/10 bps in 2024
- In FY24 growing CET1 ratio and Leverage ratio y/y

Delivering strong Net Profit in every market condition

Net Profit at 147.0 mln, +12.4% y/y excluding systemic charges. Results supported by strong acceleration of Investing and Brokerage, confirming the effectiveness of our initiatives, and Net Financial Income. Strong operating leverage confirmed

mln	1Q23	1Q24	1Q24 /1Q23
Net financial income	157.4	180.8	14.8%
<i>o/w Net interest income</i>	157.4	179.0	13.7%
<i>o/w Profit from treasury</i>	0.0	1.8	n.s.
Net commissions	120.9	128.6	6.4%
Trading profit	15.1	17.5	15.6%
Other expenses/income	0.2	0.2	-26.2%
Total revenues	293.7	327.0	11.4%
Staff expenses	-29.8	-33.4	12.1%
Other admin.expenses	-37.0	-39.5	6.7%
D&A	-6.6	-6.4	-2.8%
Operating expenses	-73.4	-79.3	8.0%
Gross operating profit	220.3	247.7	12.5%
Provisions	-9.3	-38.1	311.2%
LLP	-0.7	-0.3	-61.0%
Profit from investments	-0.7	0.4	n.s.
Profit before taxes	209.6	209.7	0.1%
Income taxes	-62.4	-62.7	0.6%
Net profit	147.3	147.0	-0.2%
ROE ⁽¹⁾	30%	24%	
Cost/Income	25%	24%	

Revenues

- Strong growth in Net Financial Income (+14.8% y/y, with NII at +13.7% y/y) mainly thanks to our capital light NII (69% ex. lending) driven by our clients' valuable transactional liquidity and not by lending (not affected by additional costs and provisions due to NPL)
- Net commissions up by +6.4% y/y driven by Investing (+13.6% y/y) and Brokerage (+5.3% y/y)
- Trading profit +15.6% y/y mainly thanks to higher brokerage activity

Costs

The yearly increase is mainly linked to costs related to the growth of the business, related to:

- FAM as it is increasing the efficiency of the value chain
- Marketing expenses

Net of these items, 1Q24⁽²⁾: +6.7% y/y

Net profit

+12.4% y/y excluding of systemic charges

⁽¹⁾ ROE is calculated as adj.net profit divided by average book equity for the period (excl. valuation reserves)

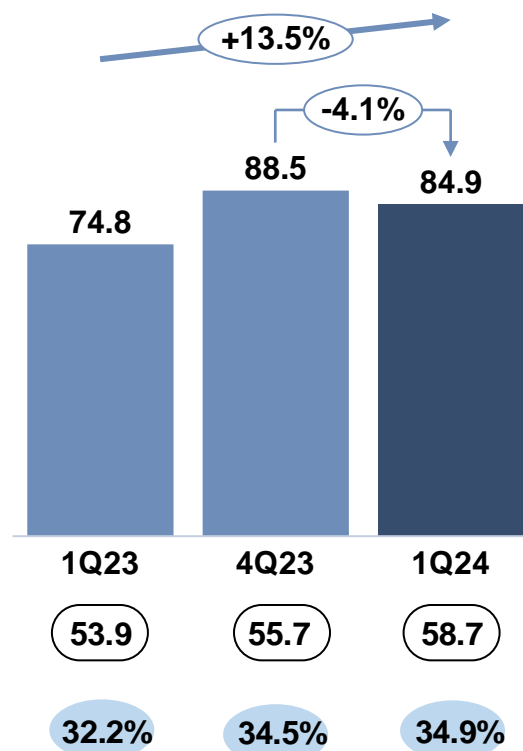
⁽²⁾ Excluding costs strictly related to the growth of the business, mainly FAM (-0.4 mln y/y) and marketing (-0.6 mln y/y)

Our priority: accelerating on Investing

Improving margins thanks to the higher control on the Investing value chain through FAM. Quarterly comparison characterized by usual seasonality on PFA and FAM

Increasing Investing revenues thanks to FAM

Investing Revenues, mln



Investing fees q/q decline linked to usual seasonality in the first part of the year:

- on PFA costs (FIRR and Enasarco)
- and FAM (operating efficiencies done during the year and booked in other commissions in the 4Q)

mln	4Q22	1Q23	4Q23	1Q24
Investing	80.4	74.8	88.5	84.9
o/w				
Placement fees	1.0	0.9	0.9	1.3
Management fees	92.6	94.8	99.4	103.6
to PFA's: incentives	-9.2	-8.1	-8.3	-7.4
to PFA's: LTI	-0.8	-0.8	-0.6	-0.7
Other PFA costs	-7.2	-11.9	-7.0	-11.7
Other commissions	4.6	0.0	4.2	0.0
Other income	-0.6	-0.2	-0.2	-0.3

NO PERFORMANCE FEES

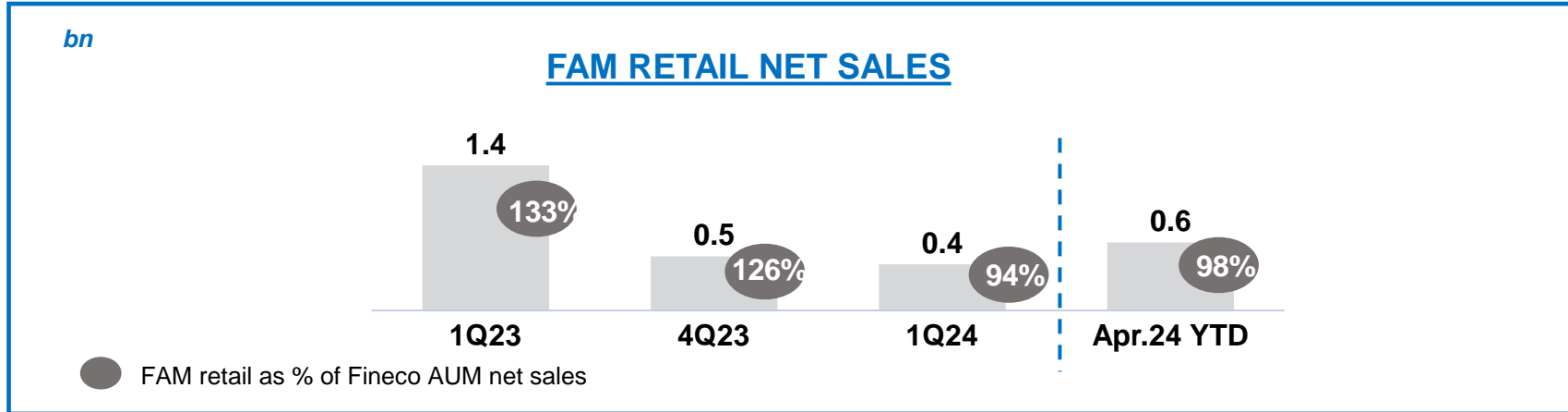
○ Avg AuM (on daily basis, bn)

● FAM retail as % of Fineco total AUM

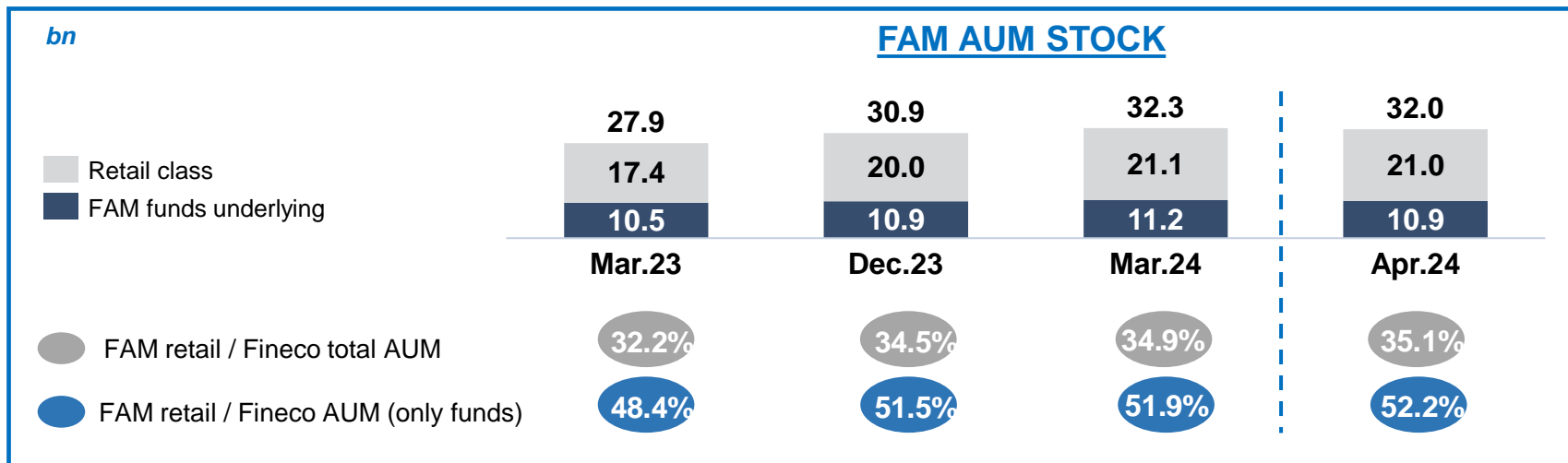
Focus on FAM: delivering on the strategic discontinuity

Key to sustain AUM margins thanks to its strong operating leverage and to a more efficient value chain

FAM progressively taking control of the value chain...



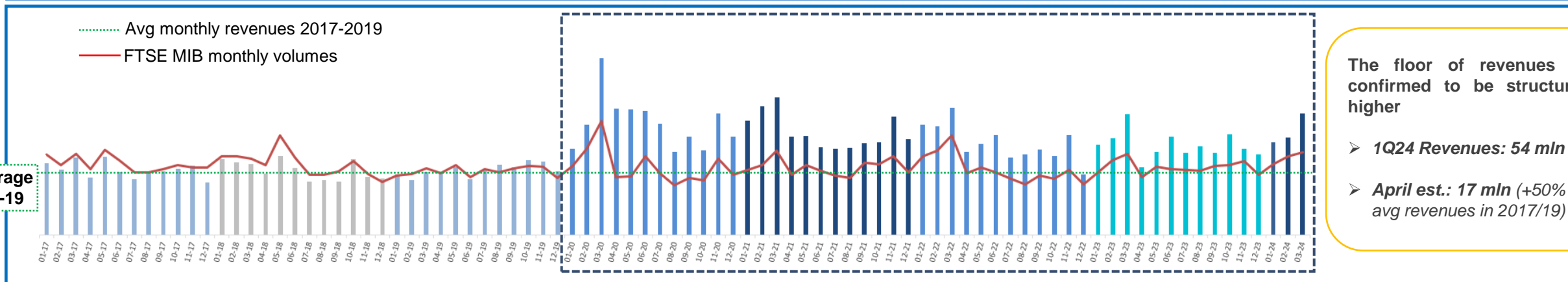
...and becoming the cornerstone of our Investing



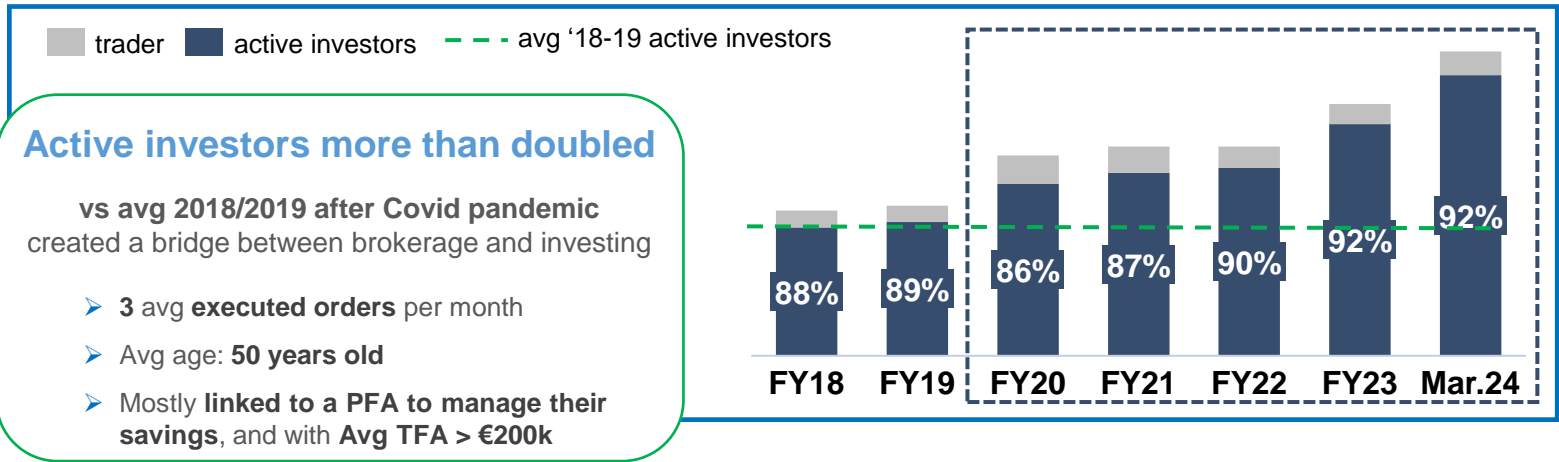
Brokerage: higher floor as the structure of the market is changing

Increased interest in financial markets by clients and big jump into a more digitalized society

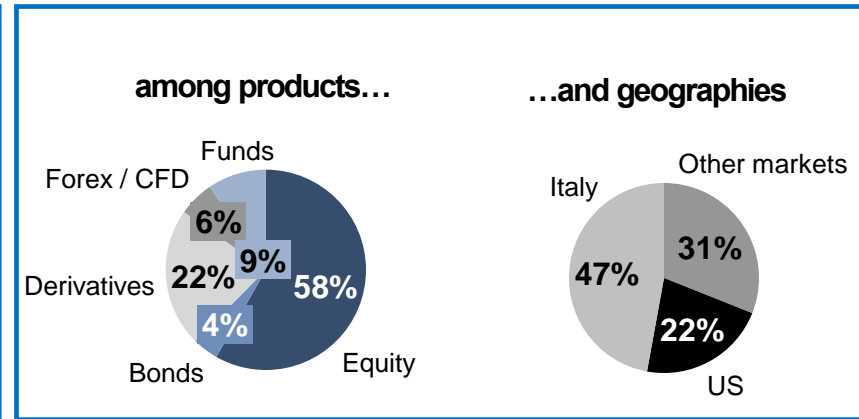
Structural growth in revenues: the floor has gone up in a clear way in any market environment



Further enlargement “Active investors” with a big jump vs Covid era



Well-diversified brokerage offer

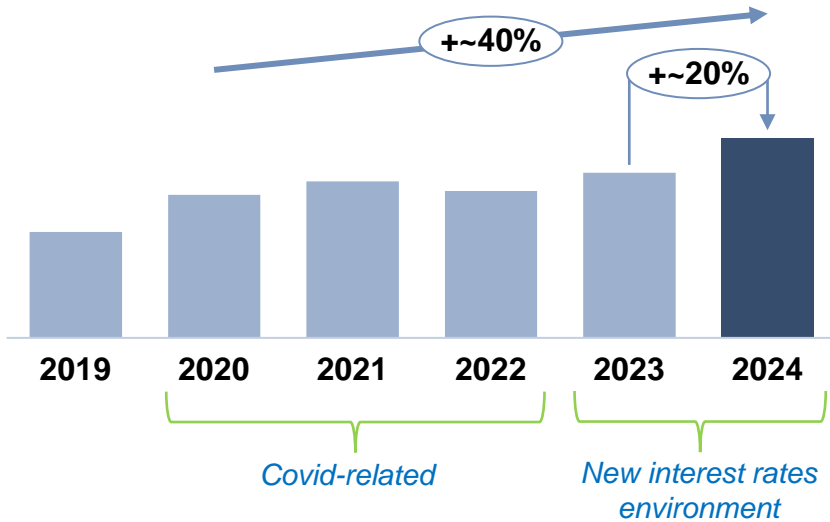


Brokerage: new initiatives building a potential to be unlocked

Superior price/quality offer, new initiatives and new market trends are the key drivers of our strong brokerage performance

A relentless growth of our brokerage active client base

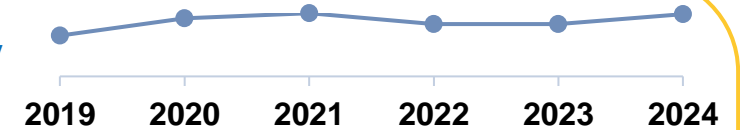
Base of active clients (on monthly basis)



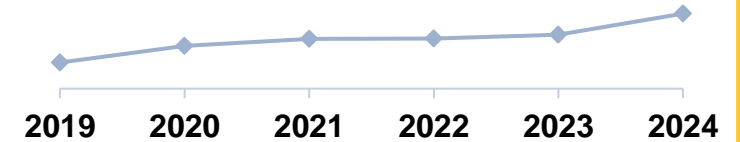
Drivers of wider active client base:

- **Delivering on new initiatives** (marketing and brokerage current account, new platform Fineco X)
- **New market structure** (bridge between brokerage and investing)
- **Renewed interest in govies**, with Fineco being platform of choice

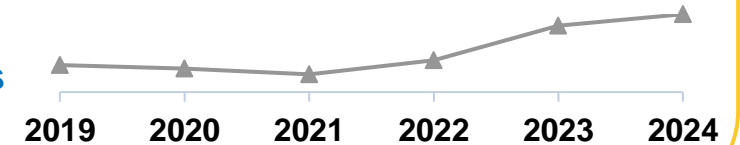
Equity



ETFs

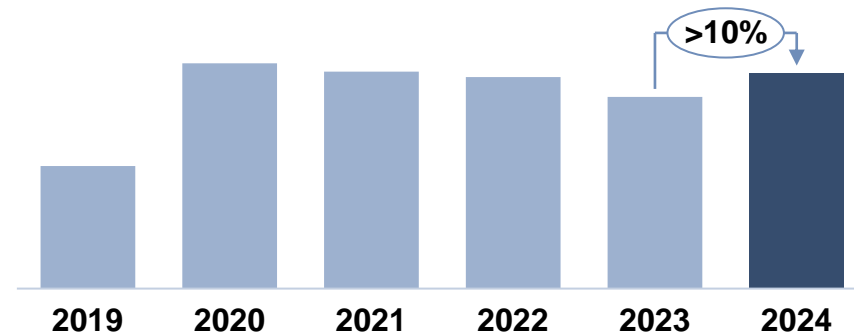


Bonds



Executed orders resilient despite poor market environment for brokerage

(on monthly basis)



Executed orders: a potential to be unlocked as soon as market environment improves

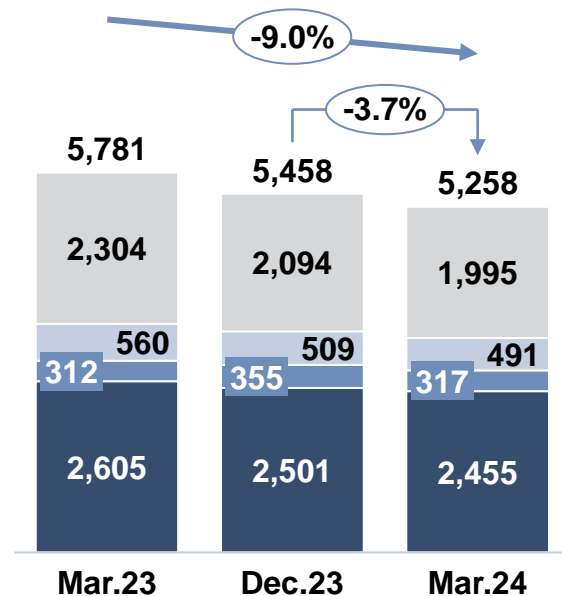
- **Resilient executed orders** despite poor market environment for brokerage, thanks to the increase of the client base
- **Wider client base** will act as a multiplier for revenues as soon as the market environment improves

High quality lending

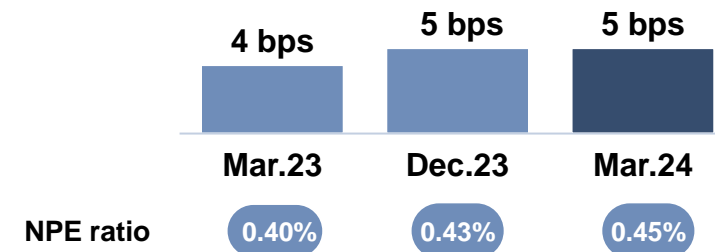
Offered exclusively to the existing base of clients, leveraging on our internal Big Data analytics

Commercial Loans Portfolio, eop mln

Current accounts/Overdraft ⁽¹⁾
 Cards
 Personal loans
 Mortgages



Cost of Risk on commercial loans ⁽²⁾



- **Cost of Risk well under control thanks** to the constant improvement in the quality of the credit which is mainly secured and low risk
- **We confirm our strategy aims to build a safe lending portfolio**, offering these products exclusively to our very well known base of clients, leveraging on a deep internal IT culture, powerful data warehouse system and Big Data analytics
- **NPE at 24 mln with a coverage ratio at 84.6%, NPE ratio at 0.45%**
- **LLP equal to -0.3 mln in 1Q24**

⁽¹⁾ Current accounts/overdraft Include Lombard loans

⁽²⁾ Cost of Risk: commercial LLP of the last 12 months on average last 12 months commercial Loans

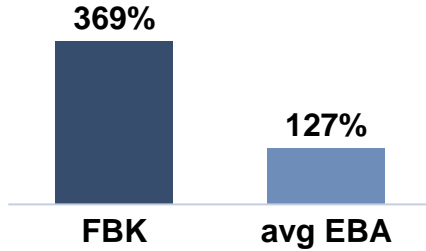
Solvency, liquidity ratios

Capital position well above requirements

		Mar.23	Dec.23	Mar.24	Current Requirements	(€/bn)	Mar.23	Dec.23	Mar.24
SOLVENCY	CET1 Ratio	21.80%	24.34%	25.29%	8.24%	CET1 Capital	1.03	1.15	1.19
	Total Capital Ratio	32.41%	34.91%	35.94%	12.61%	Tier1 Capital	1.53	1.65	1.69
	Leverage Ratio	4.21%	4.95%	5.16%	3.00%	Total Capital	1.53	1.65	1.69
LIQUIDITY	LCR ⁽¹⁾	803%	823%	864%	100%	RWA	4.71	4.73	4.69
	NSFR	377%	378%	369%	100%	<i>o/w credit</i>	3.29	3.07	3.02
	HQLA/Deposits	63%	68%	71%		<i>o/w market</i>	0.04	0.05	0.06
						<i>o/w operational</i>	1.38	1.61	1.61
						HQLA	19.39	19.46	19.83

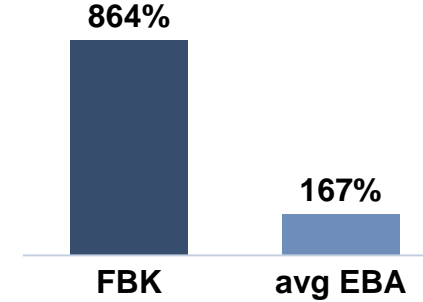
Very strong liquidity ratios

NSFR



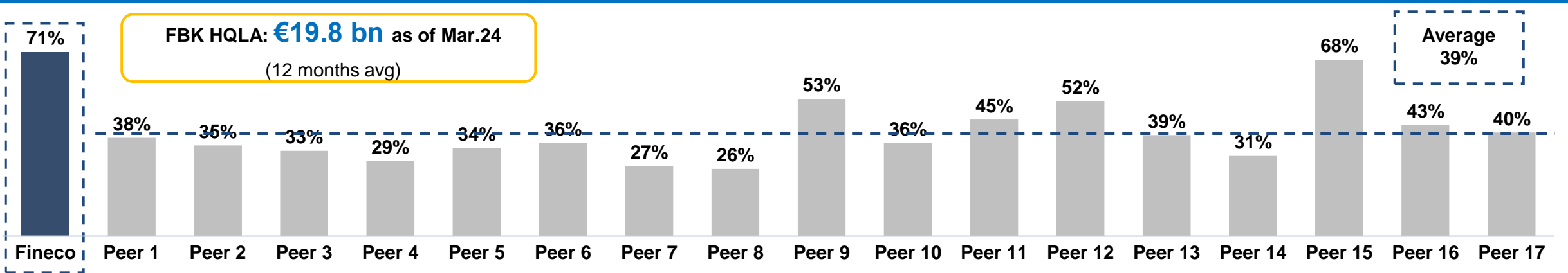
Fineco as of Mar.24; avg EBA as of Dec.23

LCR – 12months average



Fineco Mar.24; avg EBA as of Dec.23

HQLA/Deposits



Fineco as of 31.03.2024. HQLA/Deposits based on Pillar III "EU LIQ1 Template" as of 31 December 2023: HQLA 12-month average weighted value; Deposits calculated as retail deposits and deposits from small business customers plus operational and non operational deposits, total unweighted value, 12-month average. Peers are: BBVA, B.BPM, BNP Paribas, CABK, Commerzbank, Credem, Credit Agricole, Danske, Deutsche Bank, HSBC, ISP, Lloyds, Mediobanca, Santander, SocGen, UBS, UCG

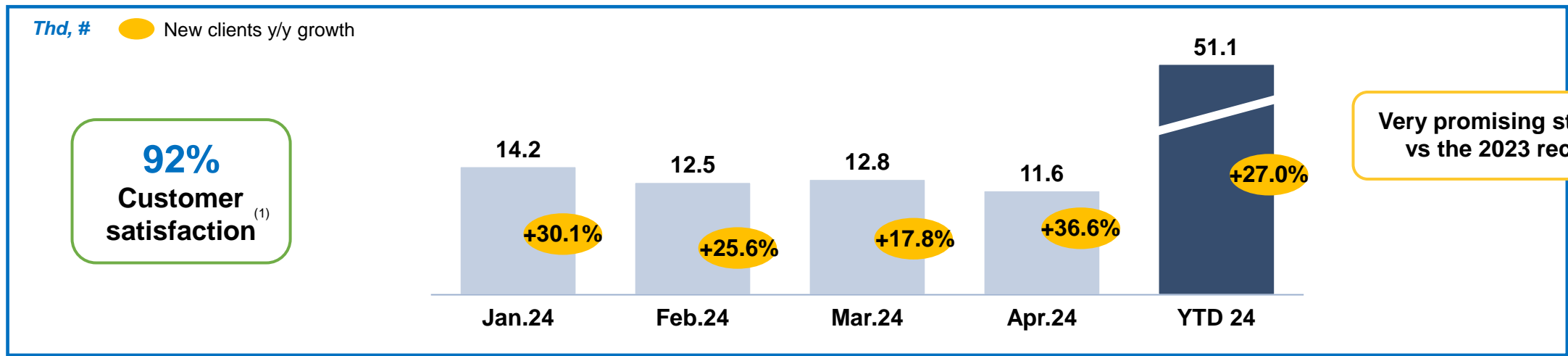
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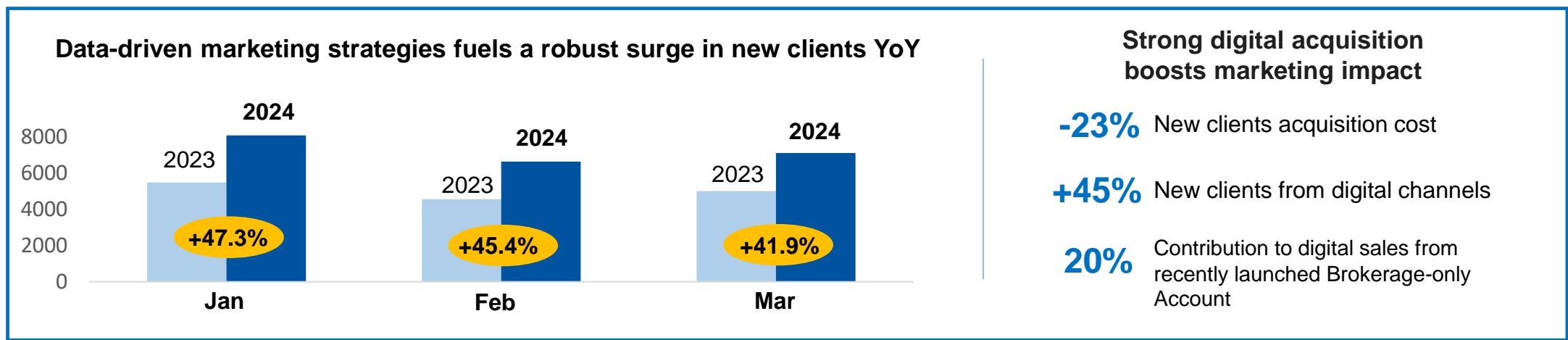
Clients' acquisition: a strong start of 2024 thanks to our organic growth

Keeping on enjoying the secular growth trends and improving the marketing efficiency thanks to Big Data Analytics

Strong acceleration in our organic new clients' acquisition metrics

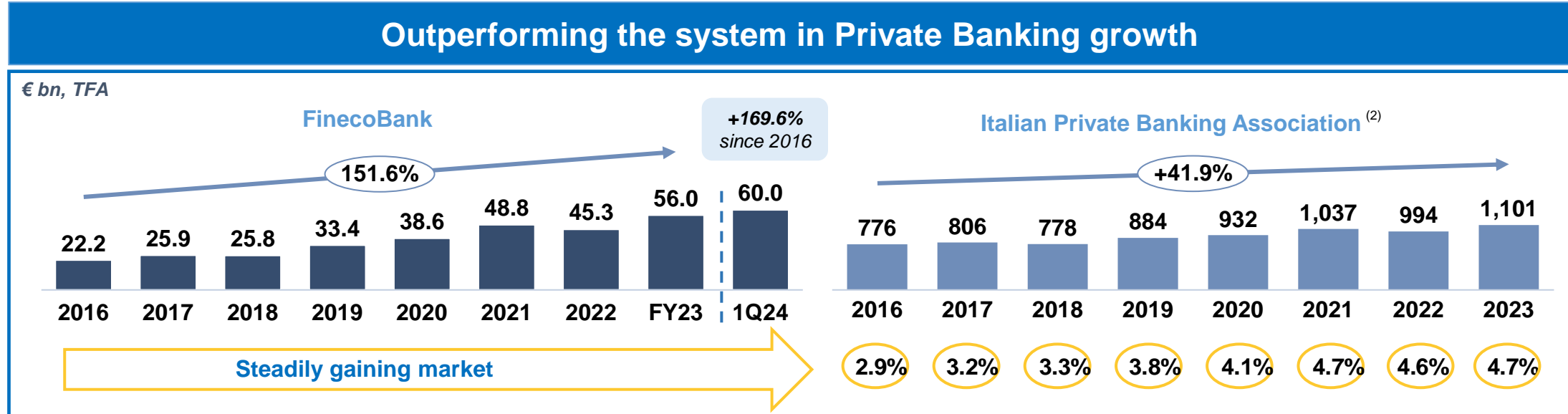
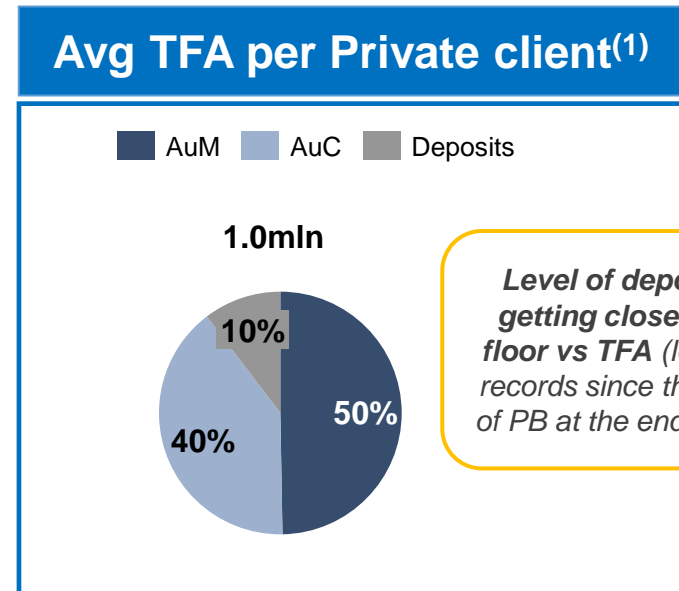
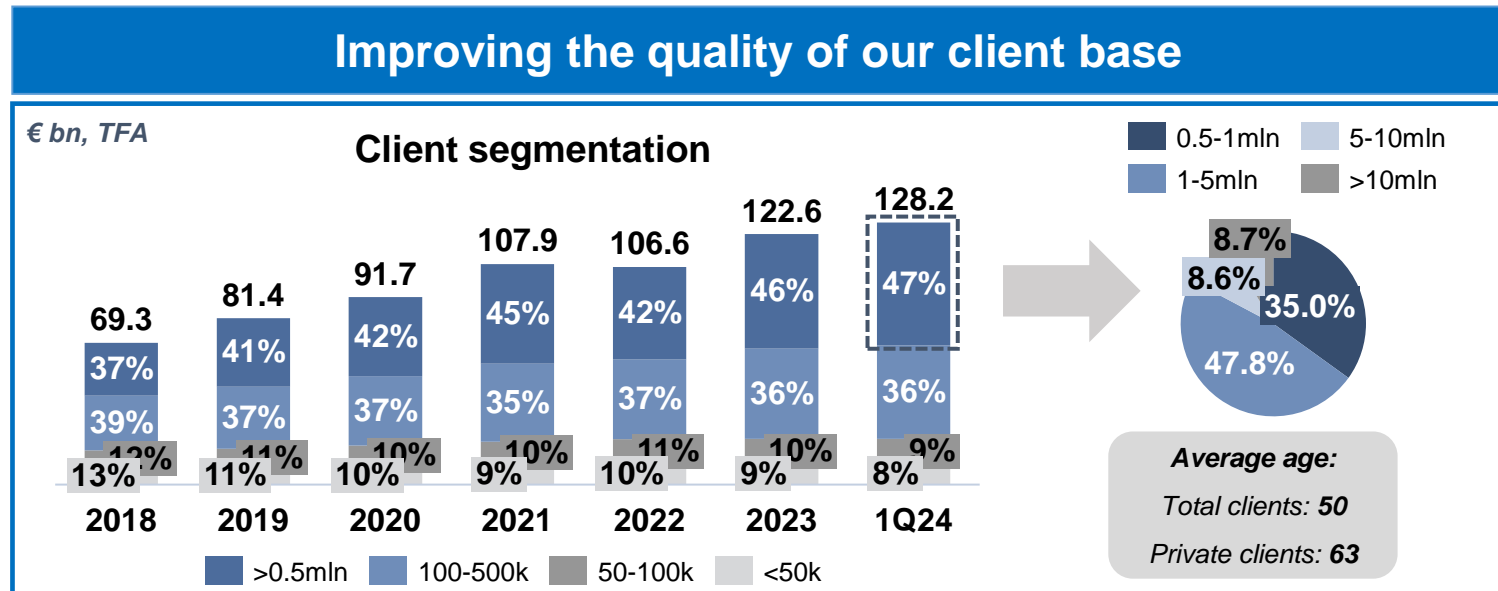


Unlocking digital acquisition with AI-powered Marketing



(1) Source: Kantar, November 2023

Clients' profile and focus on Private Banking



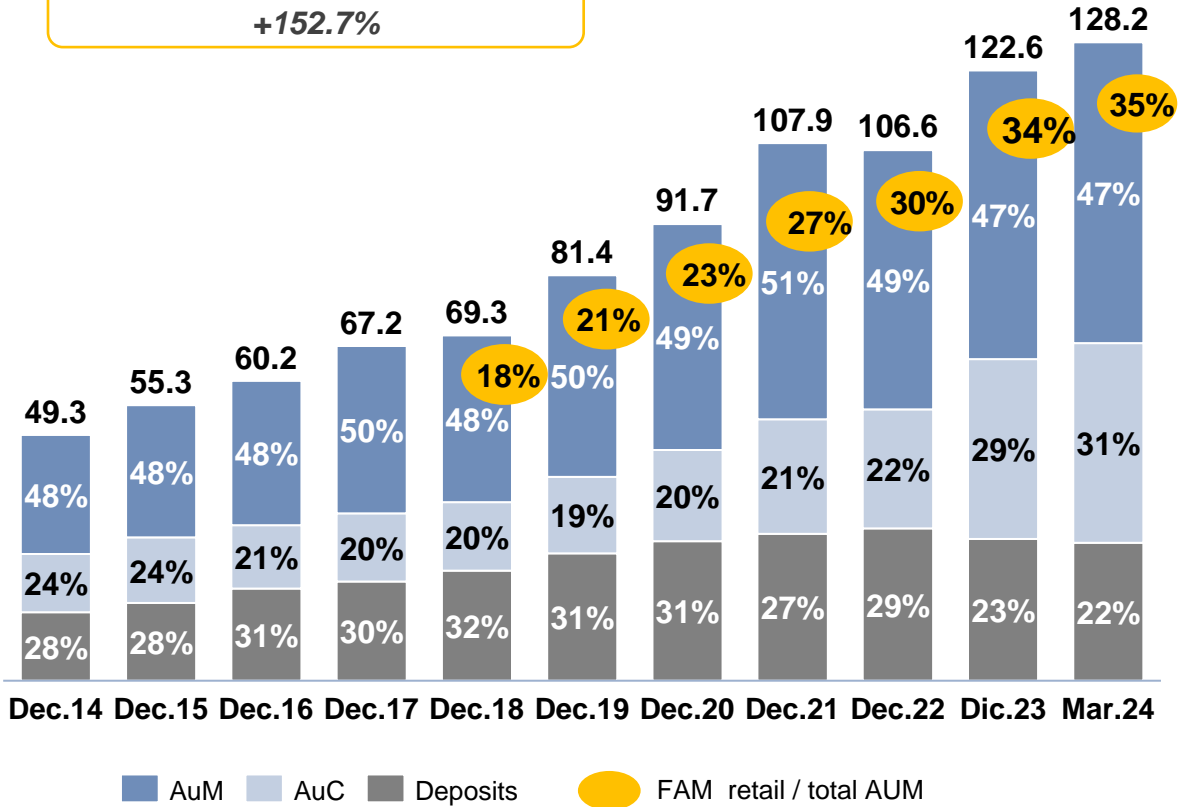
(1) Private Banking clients are clients with more than € 0.5mln TFA with the Bank
 (2) AIPB (Associazione Italiana Private Banking) figures as of 4Q23

TFA and Net Sales evolution

Successful shift towards high added value products thanks to strong productivity of the network

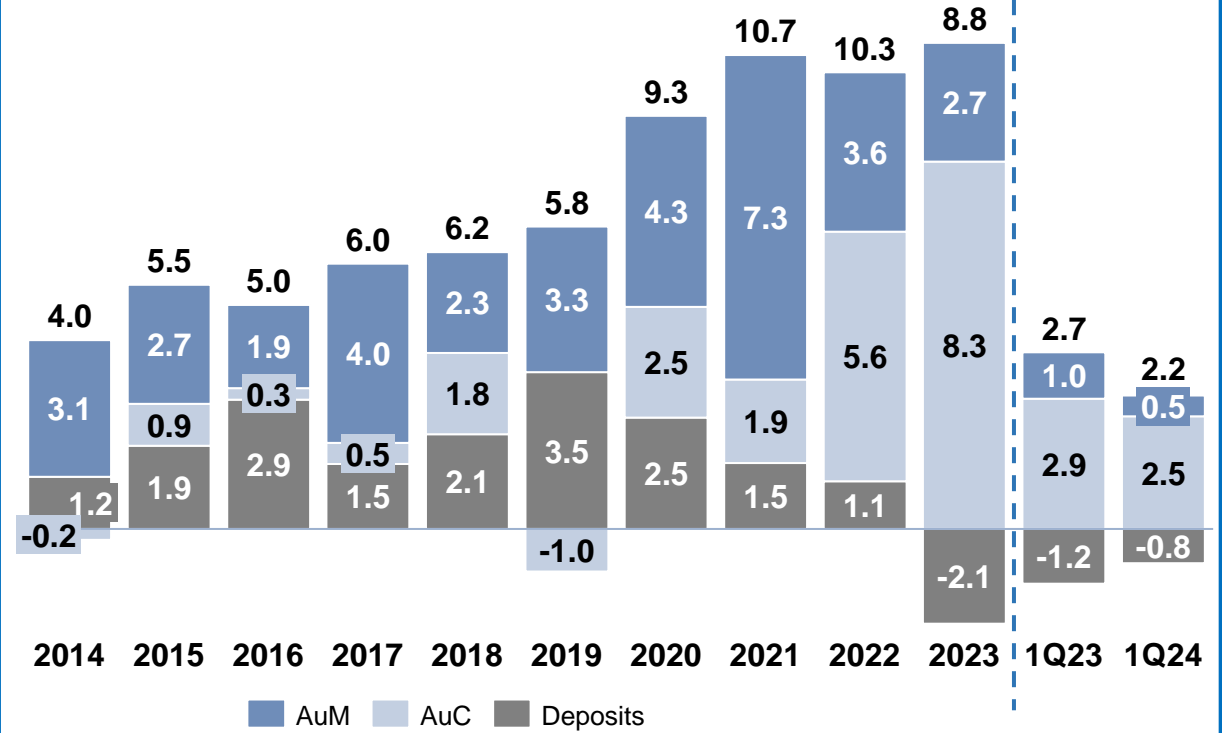
Breakdown of total TFA, bn

AUM since the end of 2014:
+152.7%



Breakdown of total Net Sales, bn

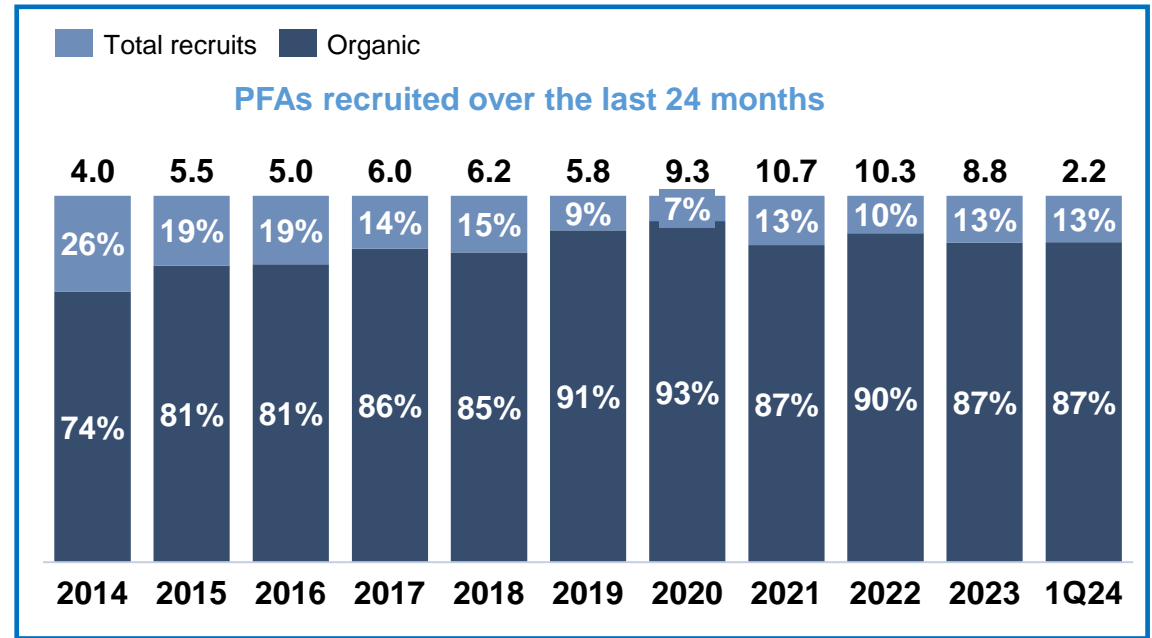
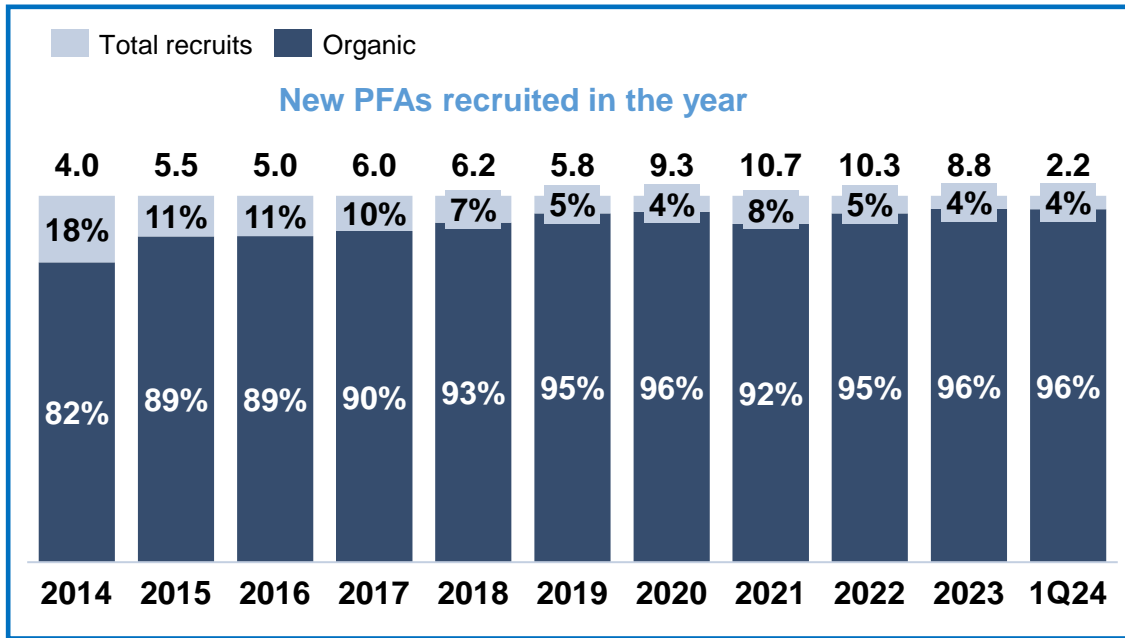
Apr.24 total Net Sales: 844 mln



Net sales organically driven key in our strategy of growth

The structure of recruiting is changing: more interest in the quality of the business model by PFAs

Total Net Sales, bn – Organic / Recruit, %



2,533 2,622 2,628 2,607 2,578 2,541 2,606 2,790 2,918 2,962 2,969

125 118 85 98 70 58 74 116 86 70 17

155 128 71 26

- No change in our recruiting policy (recruiting costs to be amortized: 42.5 mln as of Mar.24)
- Structural increase in the spontaneous interest to join Fineco, which emerged as the perfect partner for professionals looking to grow in a sustainable way

PFA Network - headcount
 # of senior PFAs recruited in the period
 # of junior PFAs recruited in the period

Deep dive on our transactional liquidity

Our business model has fully fledged banking platform used by all our clients for their daily activities

Granular and retail deposit base, very sticky thanks to the quality of our customer experience

98% Retail clients

€ 17.5k Avg deposit ticket
(€ 103k for private and € 14k for non private clients)

€ 4.5k Median deposit ticket
(€ 34.6k for private banking and € 4.2k for non private clients)

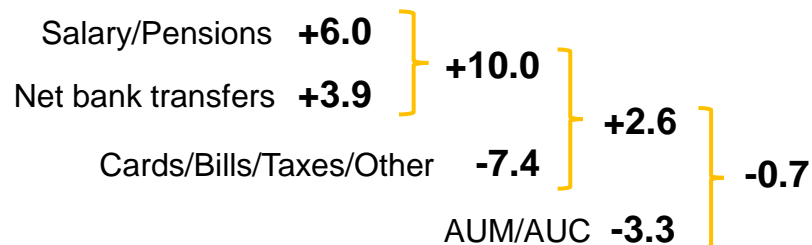
78% Guaranteed deposits by DGS (<€100k)

50% Salary credited in current accounts

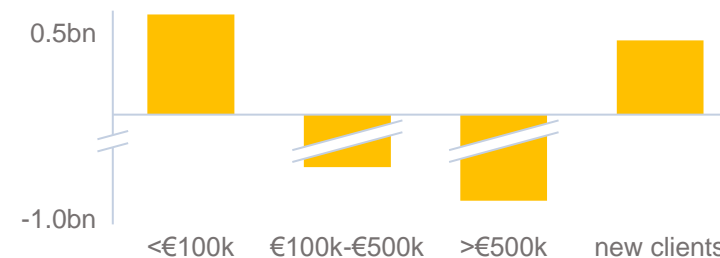
€ 18bn Salary/pensions credited in FY23

Focus on liquidity transformation

Deposits Net Sales breakdown April YTD, € bn



April YTD Deposits net sales per cluster of clients (by TFA) ⁽¹⁾



- Positive deposits inflows for clients with TFA <€100k
- Clients with TFA >€100k are investing the liquidity in excess: PB clients liquidity at 10% of TFA as of Apr.24

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2024 Guidance

Our diversified business model key to successfully deal with the current volatile environment

Revenues

- **REVENUES** expected in FY24 at a record level, with an improvement of the mix in favour of commissions thanks to:



- **o/w INVESTING REVENUES:** expected to increase low double digit vs FY23 (with neutral market effect going forward)
- **o/w BANKING FEES:** expected stable vs FY23
- **o/w BROKERAGE REVENUES:** expected to remain strong with a floor - in relative terms with respect to the market context - definitely higher than in the pre-Covid period

Costs and provisions

- **OPERATING COSTS:** expected growth of around 6% vs FY23, not including additional costs for: FAM and marketing expenses
- **COST / INCOME:** in FY24 comfortably below 30% thanks to the scalability of our platform and strong operating gearing
- **COST OF RISK:** in a range 5-10 bps in FY24 thanks to the quality of our portfolio

Capital

- **CAPITAL RATIOS:** in FY24 growing CET1 and Leverage Ratio. On Leverage Ratio our goal is to remain above 4.5%
- **DPS:** for FY24 we expect an higher dividend per share

Commercial performance

- **NET SALES:** robust, high quality and with a priority on AUM
- **CLIENTS ACQUISITION:** continued strong growth expected

Innovation and Simplification Project

Further simplifying clients' user experience thank to easy-to-use new tools and a more efficient marketing engine

BROKERAGE

- ✓ **New Trading Pages on our App**
 - ✓ Further evolution of **FinecoX**
- ✓ **Constant Leverage Certificates** (also on the APP) with new underlyings
- ✓ **Brokerage-only Account now live**, already >8,500 new clients

WORK IN PROGRESS First *application of AI*

- **SPEED UP ACTIVATION RATES**
- **IMPROVING SEGMENTATION AND CROSS-SELLING**

INVESTING

- ✓ **Investment Certificates**
- ✓ **New Advisory Platform: Advice+** to further simplify PFAs daily activity and improve clients' customer experience
- ✓ Broadening AUC under advisory
- ✓ **Diagnosis on 3rd-party asset allocation** to further enhance clients' acquisition

COMING SOON First initiative of Tokenization

- **UPSELLING INVESTMENT PRODUCTS**
- **BETTER CLIENT & PFA EXPERIENCE**
- **IMPROVED PFA PRODUCTIVITY**

BANKING

- ✓ **New faster onboarding**

COMING SOON Instant account

COMING SOON New banking account for under-18 years old

- **MOBILE CHANNEL GAINING TRACTION IN TERMS OF ONBOARDING**

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Long term sustainability at the heart of Fineco business model

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

Fineco corporate purpose: *“to support customers in taking a responsible approach to their financial lives in order to create the conditions for a more prosperous and fairer society”*



TRANSPARENCY

Fairness and respect for all our stakeholders

- ✓ FAM as a champion of ESG: **PERFORMANCE FEES FREE** trademark
- ✓ **FAIR PRICING**
- ✓ **LOW UPFRONT FEES**



EFFICIENCY

Fintech DNA: strong focus on IT & Operations, more flexibility, less costs

- ✓ **Delivering BEST-IN-CLASS CUSTOMER EXPERIENCE**
- ✓ **SHARING FAM BENEFITS WITH CLIENTS:** better quality and timely products with lower TER



INNOVATION

Quality offer for highly **SATISFIED CLIENTS**

- ✓ **NO short-term AGGRESSIVE COMMERCIAL OFFERS** and **ZERO REMUNERATION** on current accounts
- ✓ Focus on **ORGANIC GROWTH**

Fineco as a profitable FinTech Bank: ICT a key business driver

Leveraging on a deep-rooted internal know-how to expand platform scalability and operating gearing



HYPERAUTOMATION

Blending RPA, AI, and DevOps for enhanced efficiency and innovation.



COST EFFICIENCY

Our strong emphasis on automation paves the way for greater economies of scale with rising volumes.



DATA DRIVEN

Ensuring our vast data layer is not only extensive, but also seamlessly accessible.



OMNICHANNEL

Through comprehensive integration across all channels, our Technology ensures a smooth and seamless user experience.



SOURCING AND TALENT

By retaining our IT Infra/Dev and expertise in-house, we streamline lead times and craft services with our proprietary technology.



LEAD TIME

By retaining our IT Infra/Dev and expertise in-house, we streamline lead times and craft services with our proprietary technology.



RELIABILITY

With a track record close to 100% uptime, our IT systems are a beacon of reliability for our platforms.

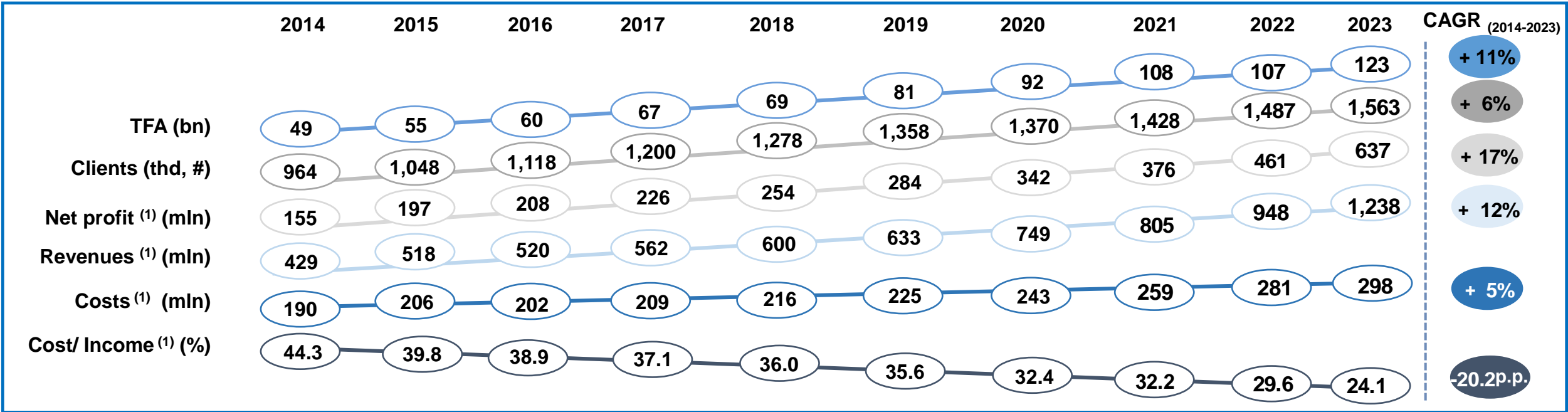


CYBER SECURITY & FRAUD MANAGEMENT

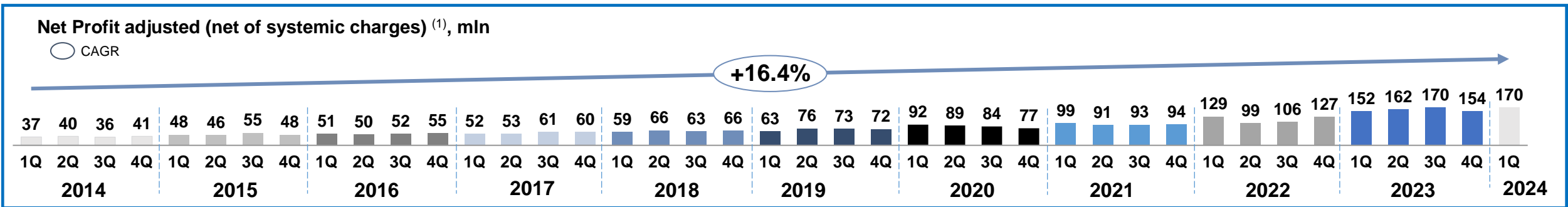
Around the clock, our expert internal security team combats both cyber threats and fraud.

Healthy and sustainable growth with a long term horizon

Highly scalable operating platform...



...with a diversified revenues mix leading to consistent results in every market conditions

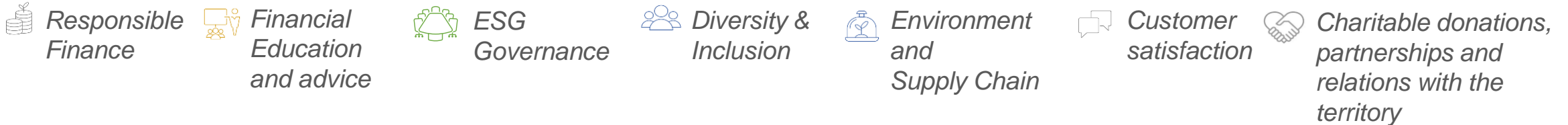


⁽¹⁾ Figures adjusted by non recurring items and Net Profit adjusted net of systemic charges (FY15: -3.1mln net, FY16: -7.1mln net, FY17: -7.1mln net, FY18: -9.6mln net, FY19: -12.1 mln net, 1Q20: -0.3mln gross, -0.2mln net, 2Q20: -0.7mln gross, -0.4mln net; 3Q20: -28.0mln gross, -18.7mln net; 4Q20: +2.1mln gross, +1.4mln net; 1Q21: -5.8mln gross, -3.9mln net; 2Q21: -1.9mln gross, -1.3 mln net; 3Q21: -30.0mln gross, -20.1mln net; 4Q21: -2.3mln gross, -1.6mln net; 1Q22: -7.7mln gross, -5.2mln net; 3Q22: -39.0 mln gross, -26.1 mln net, 4Q22: -1.0mln gross, -0.7mln net); 1Q23: -6.6mln gross, -4.4 mln net; 3Q23: -37.0mln gross, -24.8mln net; 4Q23: 2.0mln gross, 1.3mln net; 1Q24: -35mln gross, -23.4 mln net.

ESG Multi-Year Plan 2024-2026 fully integrated within Banks' strategy

Combining business growth and financial strength with the principles of social and environmental sustainability, in order to create long-term value for all Stakeholders

- ❑ New strategy focuses on **challenging ESG objectives⁽¹⁾** within 7 areas:



- ❑ **Net-Zero emissions** to be achieved by 2050 and with intermediate targets
- ❑ ESG targets included in the **2024-2026 Long-Term Incentive Plan** for key resources, included the CEO/GM and other Identified Staff and in the **2024 Short-Term Incentive Plan** for both employees and Personal Financial Advisors Identified Staff
- ❑ **Environmental Management System of the Bank certified** in line with the EU Eco-Management and Audit Scheme
- ❑ **Certification on Gender Equality** pursuant to UNI 125/2022 reference practice Scheme
- ❑ Contribution for the **PFA Network** to be borne by the Bank for obtaining **EFPA ESG certification**
- ❑ **FinecoBank** is signatory of **UN Principles for Responsible Banking** and participant of **UN Global Compact**
- ❑ **Fineco AM** is signatory of **UN Principles for Responsible Investing** and participant of **UN Global Compact**



Signatory of:





Annex

P&L pro-forma

P&L pro-forma⁽¹⁾

<i>mln</i>	1Q23	2Q23	3Q23	4Q23	FY23	1Q24
Net financial income	157.4	170.8	180.2	179.5	688.0	180.8
<i>o/w Net Interest Income</i>	157.4	170.8	180.0	179.5	687.7	179.0
<i>o/w Profit from treasury management</i>	0.0	0.1	0.1	0.0	0.2	1.8
Dividends	0.0	0.0	0.0	0.0	-0.1	0.0
Net commissions	120.9	121.3	120.1	127.7	489.9	128.6
Trading profit	15.1	15.0	16.2	14.1	60.4	17.5
Other expenses/income	0.2	0.0	-0.5	-0.3	-0.6	0.2
Total revenues	293.7	307.0	316.0	320.9	1237.6	327.0
Staff expenses	-29.8	-30.6	-31.1	-35.3	-126.9	-33.4
Other admin.exp. net of recoveries	-37.0	-33.9	-33.2	-40.2	-144.3	-39.5
D&A	-6.6	-6.6	-6.9	-7.0	-27.1	-6.4
Operating expenses	-73.4	-71.1	-71.3	-82.5	-298.3	-79.3
Gross operating profit	220.3	235.9	244.7	238.4	939.3	247.7
Provisions	-9.3	-2.7	-40.0	-11.6	-63.6	-38.1
LLP	-0.7	-1.4	0.1	-1.6	-3.6	-0.3
Profit from investments	-0.7	0.1	0.7	0.0	0.1	0.4
Profit before taxes	209.6	231.9	205.5	225.2	872.2	209.7
Income taxes	-62.4	-70.3	-60.2	-70.3	-263.1	-62.7
Net profit for the period	147.3	161.6	145.3	154.9	609.1	147.0
Net profit adjusted ⁽²⁾	147.3	161.6	145.3	154.9	609.1	147.0
Non recurring items (mln, gross)	1Q23	2Q23	3Q23	4Q23	FY23	1Q24
<i>Extraord systemic charges (Trading Profit) ⁽³⁾</i>	0.0	0.0	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0	0.0	0.0

⁽¹⁾ P&L pro-forma includes «Profits from treasury management» within «Net financial income» and excludes it from «Trading Profit»

⁽²⁾ Net of non recurring items

⁽³⁾ Voluntary Scheme valuation

1Q24 P&L FinecoBank and Fineco Asset Management

<i>mln</i>	Fineco Asset Management	FinecoBank Individual	FinecoBank Consolidated
Net financial income	0.2	180.5	180.8
Dividends	0.0	0.0	0.0
Net commissions	40.3	88.2	128.6
Trading profit	0.0	17.5	17.5
Other expenses/income	-0.3	0.5	0.2
Total revenues	40.3	286.7	327.0
Staff expenses	-3.5	-29.9	-33.4
Other admin.exp. net of recoveries	-2.2	-37.3	-39.5
D&A	-0.1	-6.3	-6.4
Operating expenses	-5.8	-73.5	-79.3
Gross operating profit	34.5	213.2	247.7
Provisions	0.0	-38.1	-38.1
LLP	0.0	-0.3	-0.3
Profit on Investments	0.0	0.4	0.4
Profit before taxes	34.5	175.3	209.7
Income taxes	-5.2	-57.6	-62.7
Net profit for the period	29.3	117.7	147.0

Details on Net Interest Income

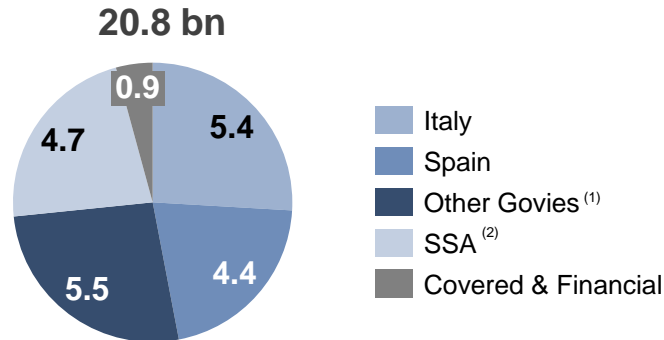
<i>mln</i>	1Q23	Volumes & Margins	2Q23	Volumes & Margins	3Q23	Volumes & Margins	4Q23	Volumes & Margins	FY23	Volumes & Margins	1Q24	Volumes & Margins
Financial Investments	108.7	27,846	111.0	26,545	113.2	25,610	110.0	24,526	442.9	26,132	110.8	24,695
<i>Net Margin</i>		1.58%		1.68%		1.75%		1.78%		1.69%		1.80%
<i>Gross margin</i>	112.3	1.64%	115.2	1.74%	118.3	1.83%	116.1	1.88%	461.9	1.77%	123.9	2.02%
Leverage - Long	3.4	134	4.4	158	4.7	158	4.5	146	17.0	149	4.6	151
<i>Net Margin</i>		10.43%		11.15%		11.84%		12.17%		11.43%		12.31%
Tax Credit	5.7	1,200	7.3	1,409	8.7	1,395	9.4	1,553	31.1	1,389	10.2	1,613
<i>Net Margin</i>		1.93%		2.07%		2.47%		2.41%		2.24%		2.55%
Lending	40.5	5,549	49.1	5,454	54.1	5,326	56.1	5,207	199.8	5,384	54.7	5,074
<i>Net Margin</i>		2.96%		3.61%		4.03%		4.28%		3.71%		4.34%
Other	-0.9		-1.0		-0.7		-0.6		-3.1		-1.4	
Total	157.4		170.8		180.0		179.5		687.7		179.0	
<i>Gross Margin</i>		1.89%		2.10%		2.27%		2.35%		2.15%		2.47%
<i>Cost of Deposits</i>		-0.04%		-0.05%		-0.06%		-0.08%		-0.06%		-0.17%
<i>3M EUR (avg)</i>		2.63%		3.36%		3.78%		3.96%		3.43%		3.92%

Volumes and margins: average of the period
Net margin calculated on real interest income and expenses

Focus on Bond portfolio

Bond Portfolio (nominal value)

€ bn, eop



Bond portfolio Nominal value: 20.8 bn:

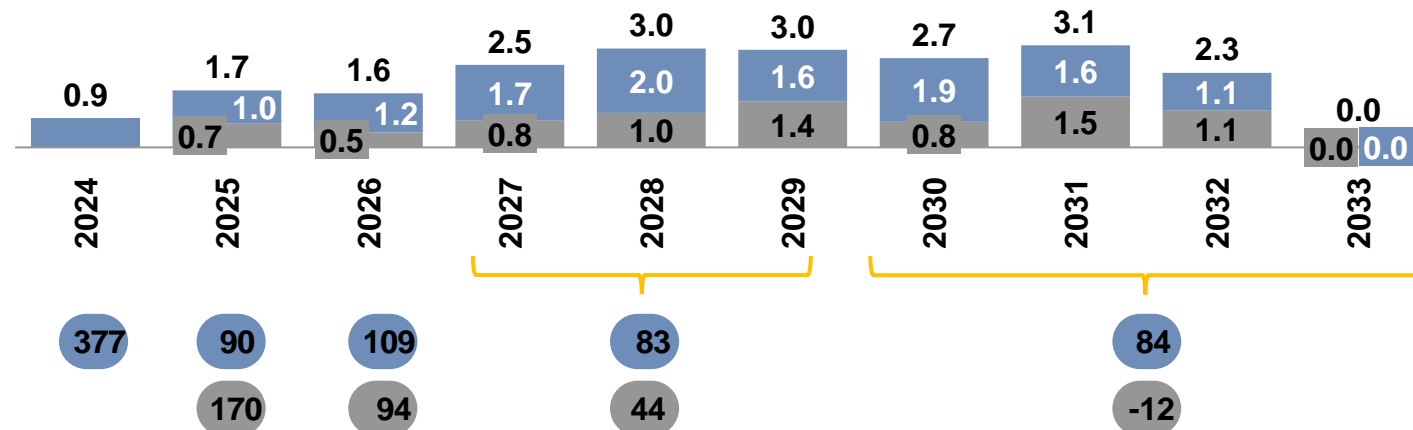
- o/w 62% at fixed rate, avg yield: 107 bps
- o/w 38% at floating rate (swapped), avg spread: 33 bps on 3m Eur

Residual maturity total portfolio: 4.8 years

Overall portfolio duration: 2.8 years⁽³⁾

Bond portfolio run-offs, eop bn

Fixed rate bonds Floating and swapped bonds⁽¹⁾ Avg yield of fixed rate bonds, bps Avg spread vs EUR 3M of floating and swapped bonds, bps⁽⁴⁾



⁽¹⁾ "Other" includes: 1.0bn France, 0.7bn Ireland, 0.7bn Belgium, 0.6bn Austria, 0.3bn USA, 0.2bn Portugal, 0.2bn Germany, 0.2bn Chile, 0.1bn China, 0.0bn Saudi Arabia, 2.9bn other

⁽²⁾ Sovereign Supranational Agencies and Local Authority

⁽³⁾ Calculated considering hedging bonds

⁽⁴⁾ Almost the entire bond portfolio not at fixed rate is swapped

Details on Net Commissions


Net commissions by product area

<i>mIn</i>	4Q22	1Q23	2Q23	3Q23	4Q23	FY23	1Q24
Banking	15.3	14.6	15.6	12.0	13.2	55.3	12.0
Brokerage	22.7	31.3	24.2	23.5	27.0	105.9	33.0
o/w							
Equity	16.5	22.8	16.1	17.6	17.3	73.8	23.2
Bond	2.7	3.9	5.1	2.1	5.6	16.7	6.2
Derivatives	2.9	3.2	2.4	2.6	2.5	10.7	2.8
Other commissions	0.7	1.4	0.6	1.2	1.5	4.7	0.8
Investing	80.9	75.0	81.5	84.6	88.7	329.8	85.2
o/w							
Placement fees	1.0	0.9	0.8	0.8	0.9	3.4	1.3
Management fees	92.6	94.8	98.1	100.8	99.4	393.1	103.6
to PFA's: incentives	-9.2	-8.1	-8.6	-9.3	-8.3	-34.3	-7.4
to PFA's: LTI	-0.8	-0.8	-0.7	-0.5	-0.6	-2.6	-0.7
Other PFA costs	-7.2	-11.9	-8.0	-7.1	-7.0	-34.0	-11.7
Other commissions	4.6	0.0	0.0	0.0	4.2	4.2	0.0

Revenues breakdown by Product Area

Revenues by product area

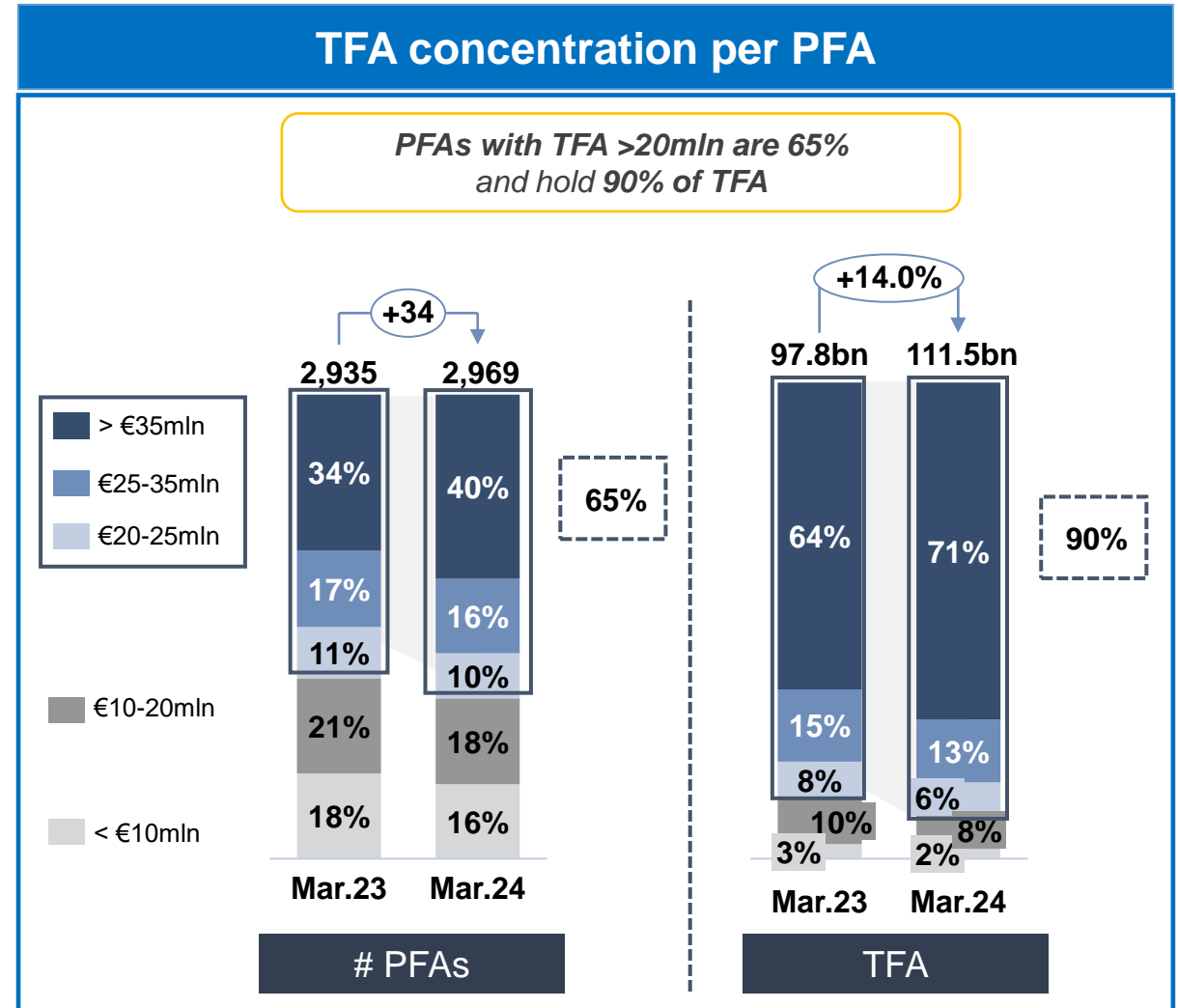
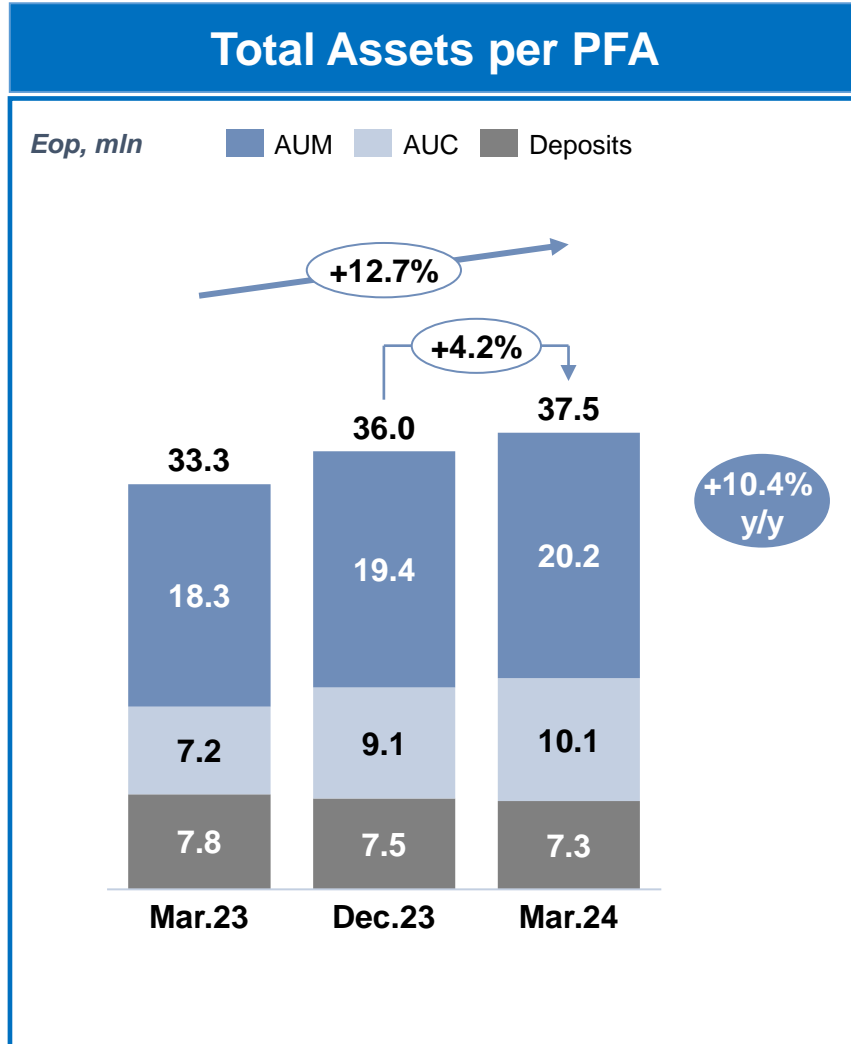
<i>mln</i>	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	
Net financial income	154.9	167.5	176.1	175.1	673.5	173.8	
<i>o/w Net interest income</i>	154.9	167.4	176.0	175.1	673.3	172.0	
<i>o/w Profit from Treasury Management</i>	0.0	0.1	0.1	0.0	0.2	1.8	
Net commissions	14.6	15.6	12.0	13.2	55.3	12.0	
Trading profit	-4.3	-0.8	0.3	-2.3	-7.2	-1.4	
Other	0.1	0.0	0.2	0.1	0.3	0.1	
Total Banking	165.3	182.2	188.5	186.0	722.0	184.5	56%
Net interest income	2.9	3.6	4.0	3.6	14.2	3.4	
Net commissions	31.3	24.2	23.5	27.0	105.9	33.0	
Trading profit	19.0	15.3	16.2	15.7	66.3	18.0	
Other	0.0	0.0	0.0	0.0	0.0	0.0	
Total Brokerage	53.2	43.1	43.7	46.3	186.4	54.4	17%
Net interest income	0.0	0.0	0.0	0.0	0.0	0.0	
Net commissions	75.0	81.5	84.6	88.7	329.8	85.2	
Trading profit	0.0	0.0	0.0	0.0	0.0	0.0	
Other	-0.2	-0.1	-0.3	-0.2	-0.8	-0.3	
Total Investing	74.8	81.4	84.4	88.5	329.1	84.9	26%

 1Q24 weight on total revenues for each product area

Breakdown Total Financial Assets

<i>mln</i>	Mar.23	Jun.23	Sep.23	Dec.23	Mar.24
AUM	54,132	55,803	55,400	58,016	60,425
o/w Funds and Sicav	35,962	37,373	36,807	38,839	40,708
o/w Insurance	15,052	14,708	14,359	13,760	13,579
o/w GPM	331	346	341	365	383
o/w AUC under advisory	2,787	3,377	3,893	5,052	5,756
AUC	28,505	31,567	33,200	36,099	40,082
Equity	17,235	17,894	17,676	18,602	20,591
Bond	10,643	12,984	14,767	16,748	18,784
Third-party deposit current accounts	505	564	650	630	605
Other	122	126	107	118	102
Direct Deposits	29,340	28,510	27,690	28,442	27,676
Total	111,977	115,881	116,289	122,557	128,183
<i>o/w TFA FAM retail</i>	17,416	18,635	18,560	20,003	21,114
<i>o/w TFA Private Banking</i>	48,932	51,614	51,643	55,960	59,979
<i>o/w Advanced Advisory Service</i>	24,677	25,573	25,719	27,983	29,870

Increasing quality and productivity of the Network



Balance Sheet

<i>mln</i>	Mar.23	Jun.23	Sep.23	Dec.23	Mar.24
Due from Banks ⁽¹⁾	1,860	1,934	2,224	2,643	3,808
Customer Loans	6,312	6,184	6,058	6,199	6,098
Financial Assets	24,366	22,630	21,648	21,417	20,426
Tangible and Intangible Assets	268	269	266	271	266
Derivatives	1,300	1,029	1,028	707	705
Tax credit acquired	1,314	1,342	1,457	1,618	1,622
Other Assets	461	427	406	461	342
Total Assets	35,881	33,816	33,087	33,316	33,268
Customer Deposits	30,878	29,188	28,213	28,758	28,070
Due to Banks	1,606	1,300	1,385	867	1,033
Debt securities	799	803	807	809	800
Derivatives	-8	-13	-16	29	6
Funds and other Liabilities	548	628	642	658	690
Equity	2,058	1,911	2,056	2,195	2,670
Total Liabilities and Equity	35,881	33,816	33,087	33,316	33,268

⁽¹⁾ Due from banks includes cash deposited at Bank of Italy (3.1 bn as of Mar.24, 1.9 bn as of Dec.23, 1.5 bn as of Sept.23, 1.2 bn as of Jun.23, 1.2 bn as of Mar.23) and bank current accounts (0.3 bn as of Mar.24, 0.3 bn as of Dec.23, 0.3 bn as of Sept.23, 0.3 bn as of Jun.23, 0.2 bn as of Mar.23)

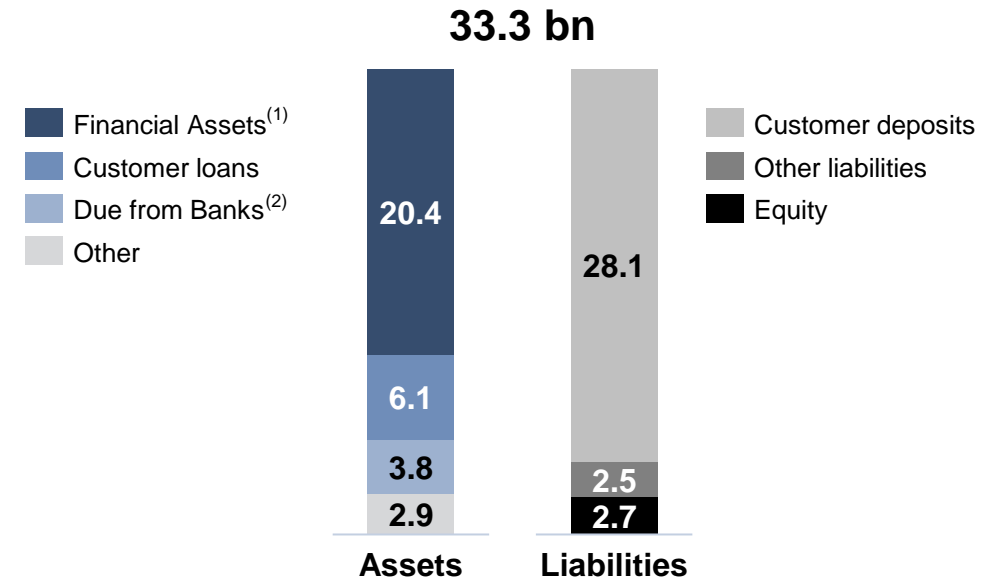
Safe Balance Sheet: simple, highly liquid

Diversified investment portfolio

- Investment strategy based on a diversified blend of EU government bonds, supranational and agencies
- **99.9% not exposed to volatility** with no impact in our P&L and BS by the widening of spreads. HTC classification since November 2016
- Avg maturity at 4.8 years. Overall portfolio duration: 2.8 years
- **Sticky deposits:** mostly 'transactional liquidity' gathered for the quality of our services and without aggressive commercial offers. **Cost of funding at zero**

High-quality lending growth

- Lending offered exclusively to our **well-known base of clients**
- **Low-risk:** CoR at 5bps, cautious approach on mortgages
- **Strong competitive advantage leveraging on Big Data Analytics and internal IT culture** (resulting in unmatched user experience and high customer satisfaction), **continuous in-house innovation** (i.e. look-through implementation with significant benefits on CET1 ratio), **ownership and control of critical infrastructure**



Rock-solid capital and liquidity position

CET1	25.3%	LCR ⁽³⁾	864%
TCR	35.9%	NSFR	369%
LEVERAGE RATIO		5.16%	

(1) Financial assets as reported in the Balance Sheet include the variation in the fair value of hedged bonds for the portion attributable to the risk hedged with the derivative instrument

(2) Due from banks includes 3.1bn cash deposited at Bank of Italy and 0.3bn bank current accounts as of Mar.2024

(3) LCR 12 month avg

Leverage Ratio Sensitivity

Leverage Ratio comfortably under control

Retained earnings = Tier 1 Capital (mln)

	150	160	170	180	190	200	250	300	350	400	450	500
-5,000	6.59%	6.62%	6.66%	6.69%	6.72%	6.76%	6.92%	7.09%	7.26%	7.42%	7.59%	7.75%
-4,500	6.47%	6.51%	6.54%	6.57%	6.61%	6.64%	6.80%	6.97%	7.13%	7.29%	7.45%	7.61%
-4,000	6.36%	6.39%	6.43%	6.46%	6.49%	6.52%	6.69%	6.85%	7.01%	7.17%	7.33%	7.48%
-3,500	6.25%	6.29%	6.32%	6.35%	6.38%	6.41%	6.57%	6.73%	6.89%	7.05%	7.20%	7.36%
-3,000	6.15%	6.18%	6.21%	6.24%	6.27%	6.31%	6.46%	6.62%	6.77%	6.93%	7.08%	7.24%
-2,500	6.05%	6.08%	6.11%	6.14%	6.17%	6.20%	6.36%	6.51%	6.66%	6.82%	6.97%	7.12%
-2,000	5.95%	5.98%	6.01%	6.04%	6.07%	6.10%	6.25%	6.40%	6.56%	6.71%	6.86%	7.00%
-1,500	5.86%	5.89%	5.92%	5.95%	5.98%	6.01%	6.15%	6.30%	6.45%	6.60%	6.75%	6.89%
-1,000	5.76%	5.79%	5.82%	5.85%	5.88%	5.91%	6.06%	6.20%	6.35%	6.50%	6.64%	6.79%
-500	5.67%	5.70%	5.73%	5.76%	5.79%	5.82%	5.96%	6.11%	6.25%	6.40%	6.54%	6.68%
0	5.59%	5.62%	5.65%	5.67%	5.70%	5.73%	5.87%	6.02%	6.16%	6.30%	6.44%	6.58%
500	5.50%	5.53%	5.56%	5.59%	5.62%	5.65%	5.79%	5.93%	6.07%	6.21%	6.35%	6.49%
1,000	5.42%	5.45%	5.48%	5.51%	5.53%	5.56%	5.70%	5.84%	5.98%	6.12%	6.25%	6.39%
1,500	5.34%	5.37%	5.40%	5.43%	5.45%	5.48%	5.62%	5.76%	5.89%	6.03%	6.16%	6.30%
2,000	5.27%	5.29%	5.32%	5.35%	5.38%	5.40%	5.54%	5.67%	5.81%	5.94%	6.08%	6.21%
2,500	5.19%	5.22%	5.25%	5.27%	5.30%	5.33%	5.46%	5.59%	5.73%	5.86%	5.99%	6.12%
3,000	5.12%	5.15%	5.17%	5.20%	5.23%	5.25%	5.38%	5.52%	5.65%	5.78%	5.91%	6.04%
4,000	4.98%	5.01%	5.03%	5.06%	5.08%	5.11%	5.24%	5.37%	5.49%	5.62%	5.75%	5.88%
5,000	4.85%	4.88%	4.90%	4.93%	4.95%	4.98%	5.10%	5.23%	5.35%	5.47%	5.60%	5.72%

■ LR >4.5%

OUR PRIORITY

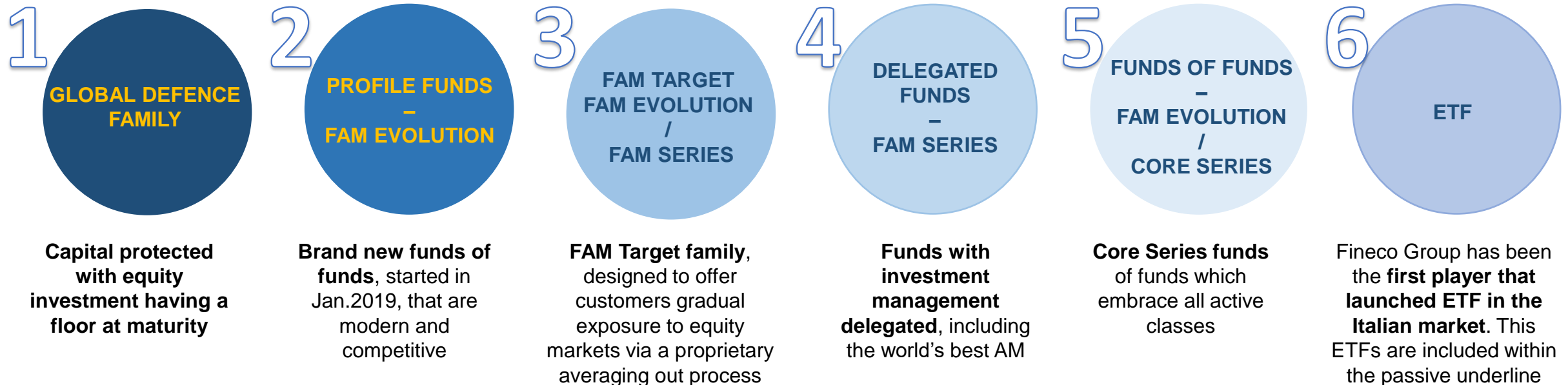
Focus on our **Balance Sheet** to keep under control the growth of deposits and improve our quality revenues mix. Thanks to our new initiatives **at the same time we can:**

- 1) **sustain our growth**
- 2) **distribute a growing dividend per share**
- 3) **keep our Leverage Ratio comfortably above the regulatory requirements and in line with our guidance**

Considering our organic capital generation after dividend distribution and payment of AT1 coupon, also in case of extremely adverse market scenario, our **Leverage ratio would comfortably remain above regulatory requirements and in line with our guidance**

Fineco Asset Management in a nutshell

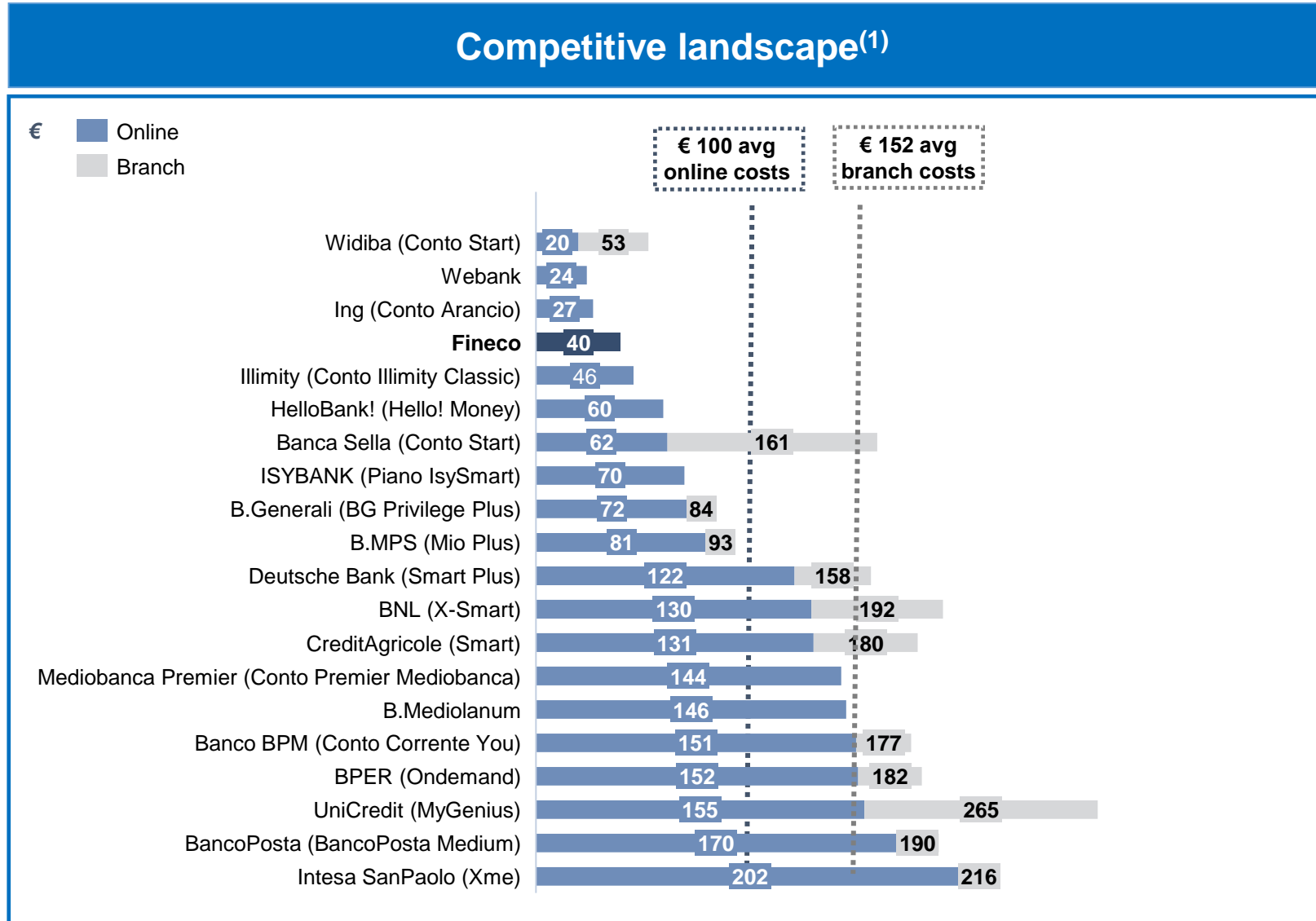
FAM is active on **6 business lines** (Core Series, FAM Evolution, FAM Series, Passive and Smart Factors funds, FAM Evolution Target family and FAM Series Global Defence / Target family), **providing not only the expertise of the best Asset Managers but also solutions managed internally by FAM** to deepen further the range of strategies and the flexibility of FAM catalogue of products.



KEY BENEFITS:

- ✓ **Quality improvement and time-to-market for customers and distribution needs**
- ✓ **Several efficiencies** leveraging on a vertically integrated business model combined with the strong operating efficiency which is in Fineco's DNA
- ✓ **Better risk management** thanks to the look-through on daily basis on funds' underlying assets
- ✓ **Win-win solution:** lower price for clients, higher margins

Preserving our best price/quality ratio



ESG HIGHLIGHTS

ESG OFFER & BANK'S PORTFOLIO



88% of funds distributed (# ISIN) with an **ESG Rating** ⁽¹⁾
57% of new funds launched in 1Q24 with ESG rating ≥ 6

Funds SFDR classification:

ex Art. 8⁽²⁾ **69%** on total no. ISIN (**€ 20.3 bn**)

ex Art. 9⁽²⁾ **5%** on total no. ISIN (**€ 0.9 bn**)



Lending:

- **Green Mortgages** for the purchase of properties with energy class A or B
- New **Green Loan** launched at the end of 2023



€ 1.8 bn of **green, social and sustainable bonds** in **Bank's portfolio**

ENVIRONMENTAL IMPACT



-31% tCO₂e **Scope 1 and 2** market-based emissions vs. 2021

-29% tCO₂e **Scope 3** operational emissions vs 2021



100% electricity from **renewable sources**⁽²⁾



8 kg/worker⁽³⁾: **paper consumption** (10 kg/worker in 2022)

(1) ESG Rating: internal ESG Rating ranging from 1 (minimum) to 10 (maximum). For more details please refer to our 2023 Consolidated Non Financial Statement









(2) Regulation EU 2019/2088 - Sustainable Finance Disclosure Regulation

(3) For buildings in which the electric utilities are registered to Fineco

(4) Workers = Employees + PFAs

Data related to ESG offer as of 31 March 2024, data related to environment as of 31 December 2023

Our ESG ratings and Indexes

RATING AGENCY	EVALUATION SCALE	1Q24	
	(0-100)	68	New S&P Global ESG Score Data Availability: Very High
	(From D- to A)	C	Awareness band: Knowledge of impacts on, and of, climate issues
	(100-0)	14.3	Among the best international banks with low ESG risk
	(0-100)	81	Among the best banking services companies
	(CCC-AAA)	AA	Leader in the “diversified financials” sector
	(From Strongly Misaligned to 1.5°C Aligned)	1.3°C	
Moody's Analytics	(0-100)	57	Robust performance
	(F-EEE)	EE+	Positive Outlook
	(D-A)	C	Prime status

ESG INDEXES

Fineco included in:



FTSE4Good



S&P Global

S&P Global 1200 ESG index

Commitment towards Net-Zero emissions by 2050

RESPONSIBLE FINANCE - Scope 3 emissions from internal investment portfolio

2021

2026

2030

2050

Exposure in countries, institutions and banks: > 70% of 2021 Total Consolidated Assets



% exposure in debt securities of **sovereign and bank issuers with a Net-Zero target** by 2050⁽¹⁾

64.5%

95%

100%

ENVIRONMENT - Scope 1, 2 and Scope 3 emissions from operations



Scope 1 – CO₂e from energy consumption of Milan registered office and of the Fineco Centers with utilities in the Bank's name; CO₂e from fuel for company car fleet

410
tCO₂e

- 55%

- 90%

and neutralisation of residual emissions



Scope 2 (market-based) - CO₂e from energy consumption of Milan registered office and of the Fineco Centers with utilities in the Bank's name



Scope 3 - CO₂e from paper consumption of all sites; CO₂e from energy consumption of Reggio-Emilia Headquarters, of Fineco AM's Dublin office, of the Data Processing Centers and of the Fineco Centers with utilities in the Personal Financial Advisors' name

1,336
tCO₂e

- 20%

- 90%

and neutralisation of residual emissions

(1) For the sovereign issuers, the source for mapping Net-Zero targets is: <https://www.climatewatchdata.org/>. In "Policy Document" and "In law" targets are accepted, while "In Political Pledge" targets are not accepted. For bank issuers, Net-Zero targets on financed emissions are accepted.

Funding

Senior Preferred instrument

- **€300 mln Senior Preferred (6NC5) issued on February 16th, 2023** in order to have an additional buffer above the Fully Loaded MREL Requirement on LRE.
 - Annual **coupon at 4.625%** (5 years Mid Swap Rate plus 150 bps vs initial guidance of 175bps) for the first 5 years, floating rate between the fifth and sixth year
 - Public placement with a **strong demand, 4x the offer**
 - The instrument has been **rated BBB by S&P**

- **€500 mln Senior Preferred (6NC5) issued on October 14th, 2021** in order to be immediately compliant with the Fully Loaded MREL Requirement on Leverage Ratio Exposure (LRE), which is binding starting from January 1st, 2024.
 - Annual **coupon at 0.50%** (5 years Mid Swap Rate plus 70 bps vs initial guidance of plus 100 bps) for the first 5 years, floating rate between the fifth and sixth year
 - Public placement with a **strong demand, more than 4x the offer**
 - The instrument has been **rated BBB by S&P**

AT1 instruments

- **€500 mln perpetual AT1 issued on March 11th, 2024** in order to maintain the Leverage Ratio above 4.5%:
 - Coupon fixed at **7.5%** (initial guidance at 8%) for the initial **5.5 years. First call date: September 11th, 2029** (reset spread 4.889%)
 - **Public placement**, with **strong demand (7x, €3.45bn)**, listed in Euronext Dublin
 - **Semi-annual coupon**. Coupon (net of taxes) will impact directly Equity reserves
 - The instrument was assigned a **BB- rating by S&P**

- **Fineco will recall at the first available date on June 3rd, 2024 the €200 mln perpetual AT1 issued on January 23rd, 2018** (private placement fully subscribed by UniCredit, coupon fixed at 7.363% until June 2028).

- After the results of the tender offer on the **€300 mln perpetual AT1 issued on July 11th, 2019** (with €168.1 mln were validly tendered), **Fineco will also recall at the first available date on December 3rd, 2024 the amount of the Notes not purchased**. The 300 mln AT1 has a coupon fixed at 5.875%.