

PRESS RELEASE

CONSOLIDATED RESULTS AS AT 30 September 2024

Consolidated net profit for the first 9 months of 2024 of Euro 116.4 million, YoY increase of 20.9% on ordinary performance (-48.4% including extraordinary items for the first 9 months of 2023 of Euro 130.8 million¹)

Revenue growth (+11.5%) with net interest income (+10.0%) and net fee and commission income (+8.6%) on the rise; cost of risk held at 22 bps vs. 36 bps in the first 9 months of 2023

Annualised ROE at 11.7% and cost income ratio at 54.9%

Further strengthening of 48 bps with CET1 at 17.67% and TCR at 18.45% (Banco Desio Group)

Desio, 7 November 2024 - The Board of Directors of Banco di Desio e della Brianza S.p.A. approved the "Consolidated Quarterly Financial Report as at 30 September 2024". The main income statement and balance sheet indicators for the period are summarised below.

PROFITABILITY	➤ Consolidated net profit of Euro 116.4 million (formerly Euro 225.7 million at 30 September 2023 influenced by the effect of the extraordinary items related to the "Aquarius" and "Lanterina" transactions for Euro 130.8 million) ➤ Profitability increased (ROE annualised at 11.7%) with cost of risk equal to 22 bps² ➤ Ordinary profitability improved (Euro +19.8 million and +20.9%) as a result of the growth in income (+11.5%) against a more moderate growth in related expenses (+10.1%) ➤ Solid performance of the Operating Margin (Euro +25.4 million and +13.2%) with Interest Margin up (Euro +26.1 million and +10.0%) ➤ Cost income ratio³ at 54.9% (57.5% at 30 September 2023)																
SUPPORT FOR THE ECONOMY	➤ Loans to ordinary customers⁴ at Euro 11.7 billion (+0.1% compared to YE 2023) with additional disbursements to households and businesses during the reporting period amounting to Euro 1.5 billion ➤ Direct deposits increased to Euro 14.9 billion (+0.6%)⁵ ➤ Indirect deposits of Euro 22.0 billion (+9.7%, of which ordinary customers up 10.2%)																
RELIABILITY	➤ Stable incidence of impaired loans: Gross NPL ratio at 3.3% and net NPL ratio at 1.8% (3.3% and 1.7% respectively at YE2023) ➤ Coverage levels on impaired loans at 47.8%⁶ (53.9% net of government guarantees) and on performing loans at 0.86% ➤ Further strengthening of liquidity indicators with LCR at 233.57% (formerly 244.92% at YE 2023) and NSFR at 133.53% (formerly 132.04%)																
CAPITAL SOUNDNESS ⁷	➤ Capital solidity of Banco Desio Group confirmed with CET1 at 17.67% <table><tr><th>Coefficients⁸</th><th>Banco Desio Brianza</th><th>Banco Desio Group</th><th>Brianza Unione Group⁹</th></tr><tr><td>CET 1</td><td>19.53%</td><td>17.67%</td><td>12.63%</td></tr><tr><td>TIER 1</td><td>19.53%</td><td>17.67%</td><td>13.47%</td></tr><tr><td>Total Capital</td><td>20.39%</td><td>18.45%</td><td>15.33%</td></tr></table>	Coefficients ⁸	Banco Desio Brianza	Banco Desio Group	Brianza Unione Group ⁹	CET 1	19.53%	17.67%	12.63%	TIER 1	19.53%	17.67%	13.47%	Total Capital	20.39%	18.45%	15.33%
Coefficients ⁸	Banco Desio Brianza	Banco Desio Group	Brianza Unione Group ⁹														
CET 1	19.53%	17.67%	12.63%														
TIER 1	19.53%	17.67%	13.47%														
Total Capital	20.39%	18.45%	15.33%														
SUSTAINABILITY	➤ Banco Desio has adhered to the Principles for Responsible Investment (PRI) of the United Nations ➤ Improved the S&P Global ESG Score assigned to Banco Desio up to 44 points ➤ Successfully placed first Euro 40 million senior preferred green bond issue																

¹ Gross goodwill of Euro 66.7 million from the branch acquired from BPER (as a result of the provisional PPA) and gross proceeds of Euro 98.1 million from the sold acquiring branch.

² Calculated as the ratio of annualised net adjustments to loans for the period ("Cost of credit" in the Reclassified Income Statement) to total cash exposures to customers net of value adjustments.

³ With reference only to recurring items.

⁴ Excluding non-performing loans in the net amount of Euro 4.2 million classified under "Assets held for sale".

⁵ Including funding repurchase agreements with institutional customers in the amount of Euro 986 million (Euro 608 million at 31 December 2023)

⁶ The values shown are grossed up by the amount related to the lower fair value of the acquired impaired loans from the "Lanterina" branch BU.

⁷ On 27 May 2024, Banco Desio disclosed the capital decision taken by the Bank of Italy at the conclusion of the periodic prudential review process ("SREP"), keeping the capital requirements for the "CRR" Brianza Unione Group at consolidated level unchanged from 2023, as shown below: CET1 ratio of 7.60%, binding - pursuant to art. 67-ter TUB - to the extent of 5.10% (of which 4.50% for minimum regulatory requirements and 0.60% for additional requirements) and the remainder by the capital conservation buffer component, Tier1 ratio of 9.30%, binding to the extent of 6.80% (of which 6.00% for minimum regulatory requirements and 0.80% for additional requirements) and the remainder by the capital conservation buffer component and Total Capital ratio of 11.50%, binding at 9.00% (of which 8.00% against minimum regulatory requirements and 1.00% against additional requirements) and the remainder from the capital conservation buffer component.

⁸ Pursuant to the transitional provisions introduced by Regulation (EU) 2017/2395 of 12 December 2017 as amended.

⁹ The consolidated ratios at the level of Brianza Unione di Luigi Gavazzi e Stefano Lado S.A.p.A., the parent company of 50.41% of Banco di Desio e della Brianza S.p.A., were calculated in accordance with the provisions of articles 11(2) and (3) and 13(2) of the CRR Regulation.

The Board of Directors of Banco di Desio e della Brianza S.p.A., which met on 7 November 2024, approved the "Consolidated Quarterly Financial Report as at 30 September 2024" (hereinafter also the "Report"), prepared on a voluntary basis.

The Report was also prepared for the purposes of determining the result for the period for the calculation of own funds and prudential ratios.

As far as the recognition and measurement criteria are concerned, the Report is prepared in accordance with the IAS/IFRS in force at the reporting date, as shown below in the section "Basis of Preparation".

Reference is made to the specific disclosure dedicated to the description of the reference context in which this financial disclosure was prepared, characterised by the persistence of international geopolitical crises and the residual effects of the Covid-19 epidemic, as well as the uncertainties and significant risks resulting therefrom; the consequences on the economy in general and on economic-financial performance in future years remain uncertain in relation to the possible evolutions of future scenarios that are outside the control of management. The amounts in the tables and statements of the Report are expressed in Euro thousands.

The financial statements in this Report are subject to a limited audit by KPMG S.p.A. for the inclusion of the interim result in own funds.

The balances shown in the financial statements and detail tables for the reporting period express the effects arising from the acquisition of Dynamica Retail S.p.A. and its subsidiary Dynamica Retail Agenzia in Attività Finanziaria S.r.l., including those arising from the Purchase Price Allocation (PPA) process provisionally determined at the acquisition date (1 June 2024) pursuant to IFRS 3 Business Combinations, while, for the comparative periods, they include the non-recurring effects arising from (i) the acquisition of the branches BU from the BPER Group, realised on 20 February 2023, including those arising from the PPA process, and (ii) the sale to Worldline Italia of the merchant acquiring BU, which took place on 28 March 2023. The economic values used for comparison have been restated due to the change in the amortised cost criterion applied by the subsidiary Fides in order to make it consistent with that adopted by the Parent Company.

Results of the period

Summary data and balance sheet, income statement and financial ratios

The alternative performance indicators (APIs) presented in this Report have been identified to facilitate understanding of Banco Desio Group's performance. APIs are not required by international accounting standards, represent supplementary information with respect to the measures defined under IAS/IFRS, and are in no way a substitute for them.

For each API, evidence of the calculation formula is provided, and the quantities used can be inferred from the information contained in the relevant tables and/or reclassified financial statements contained in this Report. These indicators are based on the European Securities and Markets Authority (ESMA) guidelines of 5 October 2015 (ESMA/2015/1415), incorporated in Consob Communication No. 0092543 of 3 December 2015. Adhering to the indications contained in the update of document "ESMA 32-51-370 - Questions and answers - ESMA Guidelines on Alternative Performance Measures (APMs)", published on 17 April 2020, no changes were made to the APIs and no new ad hoc indicators were introduced to separately highlight the effects resulting from the outbreak of Covid-19 or the conflict in Ukraine.

Table 1 - Asset values

Amounts in Euro thousands	30.09.2024	31.12.2023	Changes	
			abs.	%
Total assets	18,057,846	18,555,255	-497,409	-2.7%
Financial assets	4,342,638	3,957,354	385,284	9.7%
Cash and cash equivalents ⁽¹⁾	437,835	1,655,187	-1,217,352	-73.5%
Loans with banks ⁽²⁾	279,813	343,818	-64,005	-18.6%
Loans to customers ⁽²⁾	12,149,838	11,653,626	496,212	4.3%
of which Loans to ordinary customers	11,664,447	11,653,626	10,821	0.1%
of which Loans to institutional customers	485,391	0	485,391	n.s.
Tangible assets ⁽³⁾	229,612	230,994	-1,382	-0.6%
Intangible assets	40,624	41,619	-995	-2.4%
Non-current assets and groups of assets held for sale ⁽⁴⁾	4,162	0	4,162	n.s.
Payables to banks	998,275	1,950,065	-951,790	-48.8%
Payables to customers ^{(5) (6)}	12,087,688	12,277,411	-189,723	-1.5%
Securities issued	2,786,251	2,509,819	276,432	11.0%
Equity (including Profit for the period)	1,442,276	1,354,015	88,261	6.5%
Own Funds	1,414,448	1,366,391	48,058	3.5%
Total indirect inflows	22,019,537	20,075,207	1,944,330	9.7%
of which Indirect inflows from ordinary customers	13,977,371	12,683,669	1,293,702	10.2%
of which Indirect inflows from institutional customers	8,042,166	7,391,538	650,628	8.8%

⁽¹⁾ At 30 September 2024, Cash and cash equivalents included the current accounts, demand deposits and the amount on demand of Euro 0.3 billion relating to cash in excess of the commitment to maintain the compulsory reserve, invested in overnight deposits (Euro 1.5 billion at the end of the previous period)

⁽²⁾ pursuant to Circular 262, the balance of the financial statements item includes Held-to-collect (HTC) debt securities recognised at amortised cost, which are shown under financial assets in these summaries, and does not include current accounts and demand deposits recognised under Cash and cash equivalents.

⁽³⁾ the balance of the item at 30 September 2024 includes the right of use (RoU Asset) amounting to Euro 55.6 million in respect of operating leases falling under the scope of IFRS 16 Leases, which came into effect as of 1 January 2019.

⁽⁴⁾ the balance of the item at 30 September 2024 consists of NPL loans for which assignment contracts had been signed but not yet finalised

⁽⁵⁾ the balance of the item does not include the liability recognised in the item Payables to customers in the financial statements in respect of operating leases falling within the scope of IFRS 16.

⁽⁶⁾ including inflows repurchase agreements with institutional customers in the amount of Euro 986 million (Euro 608 million at 31 December 2023)

Table 2 - Economic values ⁽⁷⁾

Amounts in Euro thousands	30.09.2024	30.09.2023	Changes	
			abs.	%
Operating income	468,065	419,695	48,370	11.5%
of which Net interest income	288,094	261,991	26,103	10.0%
Operating expenses	249,929	227,006	22,923	10.1%
Result from operations	218,136	192,689	25,447	13.2%
Charges related to the banking system	6,855	14,214	-7,359	-51.8%
Current result after taxes	114,682	94,884	19,798	20.9%
Non-recurring result after taxes	991	130,791	-129,800	n.s.
Profit (loss) for the period	116,395	225,675	-109,280	-48.4%

⁽⁷⁾ from Reclassified Income Statement.

Table 3 - Equity, economic and risk ratios

	30.09.2024	31.12.2023	Changes abs.
Equity/Total assets	8.0%	7.3%	0.7%
Equity/Loans to customers	11.9%	11.6%	0.3%
Equity/Payables to customers	11.9%	11.0%	0.9%
Equity/Securities issued	51.8%	53.9%	-2.1%
Common Equity Tier1 (CET1)/Risk-weighted assets ^{(8) (9)}	17.7%	17.2%	0.5%
Total Tier 1 capital (T1)/Risk-weighted assets ^{(8) (9)}	17.7%	17.2%	0.5%
Total Own funds/Risk-weighted assets (Total capital ratio) ^{(8) (9)}	18.5%	18.0%	0.5%
Financial assets/Total assets	24.0%	21.3%	2.7%
Loans to banks/Total assets	1.5%	1.9%	-0.4%
Loans to customers/Total assets	67.3%	62.8%	4.5%
Loans to customers/Direct inflows from customers	81.7%	78.8%	2.9%
Payables to banks/Total assets	5.5%	10.5%	-5.0%
Payables to customers/Total assets	66.9%	66.2%	0.7%
Securities issued/Total assets	15.4%	13.5%	1.9%
Direct inflows from customers/Total assets	82.4%	79.7%	2.7%
	30.09.2024	30.09.2023	Changes abs.
Operating expenses/Operating income (Cost/Income ratio)	53.4%	54.1%	-0.7%
(Operating expenses + Banking-related expenses)/Operating income (Cost/Income ratio)	54.9%	57.5%	-2.6%
Net interest income/Operating income	61.5%	62.4%	-0.9%
Result from operations/Operating income	46.6%	45.9%	0.7%
Current result after taxes/Equity - annualised ^{(10) (11)}	11.6%	10.0%	1.6%
Profit for the year/Equity ⁽¹⁰⁾ (R.O.E.) - annualised ^{(11) (12)}	11.7%	21.6%	-9.9%
Current result before taxes/Total assets (R.O.A.) - annualised ⁽¹¹⁾	1.3%	0.9%	0.4%
	30.09.2024	31.12.2023	Changes abs.
Net bad loans/Loans to customers ⁽¹³⁾	0.5%	0.4%	0.1%
Net non-performing loans/Loans to customers ⁽¹³⁾	1.8%	1.7%	0.1%
% Coverage of bad loans ⁽¹³⁾	69.1%	69.6%	-0.5%
% Coverage of bad loans before write-offs ⁽¹³⁾	69.4%	69.9%	-0.5%
% Total coverage of non-performing loans ⁽¹³⁾	47.8%	48.8%	-1.0%
% Coverage of non-performing loans before write-offs ⁽¹³⁾	48.0%	49.0%	-1.0%
% Coverage of performing loans ⁽¹³⁾	0.86%	0.97%	-0.11%

Table 4 - Structure and productivity data

	30.09.2024	31.12.2023	Changes abs.	%
Number of employees	2,483	2,391	92	3.8%
Number of branches	273	280	-7	-2.5%
Amounts in Euro thousands				
Loans to customers per employee ⁽¹⁴⁾	4,986	5,172	-186	-3.6%
Direct inflows from customers per employee ⁽¹⁴⁾	6,103	6,563	-460	-7.0%
	30.09.2024	30.09.2023	Changes abs.	%
Operating income per employee ⁽¹⁴⁾ - annualised ⁽¹¹⁾	255	258	-3	-1.2%
Result from operations per employee ⁽¹⁴⁾ - annualised ⁽¹¹⁾	118	116	2	1.7%

⁽⁸⁾ Consolidated equity ratios calculated for Banco Desio. The ratios referred to the prudential supervisory scope of Brianza Unione at 30 September 2024 are: Common Equity Tier1 12.6%; Tier 1 13.5%; Total Capital Ratio 15.3%.

⁽⁹⁾ Equity ratios at 30.09.2024 are calculated in application of the transitional provisions introduced by EU Regulation 2017/2395; ratios calculated without application of these provisions are as follows: Common Equity Tier1 17.6%; Tier 1 17.6%; Total capital ratio 18.4%.

⁽¹⁰⁾ net of the result for the period.

⁽¹¹⁾ the 2023 year-end figure at 30.09.2023 is shown.

⁽¹²⁾ the annualised ROE at 30.09.2024 does not consider the annualisation of the Net non-recurring operating result.

⁽¹³⁾ net of Assets held for sale with reference to 30.09.2024

⁽¹⁴⁾ based on the number of employees as the arithmetic mean between the period-end figure and the previous year-end figure.

Consolidated income statement

Profit for the period was Euro 116.4 million, up YoY by 20.9% on ordinary performance and down by -48.4% taking into account extraordinary items in the first half of 2023 amounting to Euro 130.8 million. In particular, the result recorded in the third quarter of 2023 was affected by the non-recurring positive effects deriving from (1) the acquisition of the BPER Group's business units with the recognition of the provisional gross badwill of Euro 66.7 million, resulting from the purchase price allocation (PPA) process pursuant to IFRS. 3 Business Combinations and (2) the sale of the merchant acquiring business unit to Worldline Italia with the recognition of a capital gain of Euro 98.1 million, pre-tax.

Table 5 - Reclassified consolidated income statement

Items				Changes	
Amounts in Euro thousands		30.09.2024	30.09.2023	Value	%
10+20	Net interest income	288,094	261,991	26,103	10.0%
70	Dividends and similar income	677	554	123	22.2%
40+50	Net commissions	161,076	148,365	12,711	8.6%
80+90+100+	Net result of financial assets and liabilities	15,389	6,943	8,446	121.6%
110					
230	Other operating income/expenses	2,829	1,842	987	53.6%
Operating income		468,065	419,695	48,370	11.5%
190 a	Personnel expenses	-165,194	-144,104	-21,090	14.6%
190 b	Other administrative expenses	-74,985	-74,048	-937	1.3%
210+220	Net value adjustments on tangible and intangible assets	-9,750	-8,854	-896	10.1%
Operating expenses		-249,929	-227,006	-22,923	10.1%
Result from operations		218,136	192,689	25,447	13.2%
130a+100a	Cost of credit	-20,419	-32,331	11,912	-36.8%
130 b	Net value adjustments on own securities	1,059	-1,196	2,255	n.s.
140	Gains/losses from contractual amendments without derecognition	22	51	-29	-56.9%
200 a	Net allocations to provisions for risks and charges - commitments and guarantees given	889	295	594	201.4%
200 b	Net allocations to provisions for risks and charges - other	-16,927	-3,820	-13,107	343.1%
	Charges related to the banking system	-6,855	-14,214	7,359	-51.8%
250	Gains (Losses) on investments	342	69	273	395.7%
Current result before taxes		176,247	141,543	34,704	24.5%
300	Income taxes on current operations	-61,565	-46,659	-14,906	31.9%
Current result after taxes		114,682	94,884	19,798	20.9%
	Allocations to provisions for risks and charges, other allocations, "one-off" expenses and revenues	-610	140,092	-140,702	n.s.
Non-recurring result before taxes		-610	140,092	-140,702	n.s.
	Income taxes on non-recurring items	1,601	-9,301	10,902	n.s.
Non-recurring result after taxes		991	130,791	-129,800	-99.2%
330	Profit (Loss) for the year	115,673	225,675	-110,002	-48.7%
340	Profit (Loss) for the period attributable to minority interests	-722	0	-722	n.s.
350	Profit (Loss) for the period attributable to the Parent Company	116,395	225,675	-109,280	-48.4%

The main cost and revenue components of the reclassified income statement are analysed below, commenting, where necessary, on cases of comparison on a non-homogeneous basis.

Operating income

The core revenue items from operations increased by Euro 48.4 million (+11.5%) compared to the comparison period, amounting to Euro 468.1 million. This performance is mainly attributable to the growth in net interest income of Euro 26.1 million (+10.0%), net commissions of Euro 12.7 million (+8.6%), net income from financial assets and liabilities of Euro 8.4 million (+121.6%) and other operating income and expenses of Euro 1.0 million (+53.6%).

Operating expenses

The aggregate of operating expenses, which includes personnel expenses, other administrative expenses and net value adjustments on tangible and intangible assets, amounted to Euro 249.9 million (Euro 227.0 million in the comparison period), showing an increase compared to the comparison period of Euro 21.1 million (+14.6%), (also for the renewal of the CCNL) with reference to personnel expenses, Euro 0.9 million (+1.3%) with reference to other administrative expenses and Euro 0.9 million (+10.1%) with reference to net value adjustments on tangible and intangible assets.

Result from operations

As a result, the result from operations as at 30 September 2024 amounted to Euro 218.1 million, an increase of over the comparison period (+13.2%).

Result after taxes

From the result of operations of Euro 218.1 million, we arrive at the *current result after taxes* of Euro 114.7 million, an increase of 20.9% compared to that of Euro 94.9 million in the comparison period, mainly due to:

- the cost of credit (given by the balance of *net value adjustments for impairment of financial assets at amortised cost and gains (losses) on sale or repurchase of receivables*), amounting to Euro 20.4 million (Euro 32.3 million in the previous period);
- *net value adjustments on securities owned* positive for Euro 1.1 million (negative for Euro 1.2 million in the comparison period);
- *net allocations to provisions for risks and charges* of negative Euro 16.0 million (negative Euro 3.5 million in the comparative period), which also include the Euro 13.9 million transparency risk assessment¹⁰;
- *charges related to the banking system* of approximately Euro 6.9 million (Euro 14.2 million in the comparison period) due to the lack of ordinary contributions to the SRM;
- gains on investments amounting to Euro 0.3 million;

income taxes on current operations of Euro 61.6 million (formerly Euro 46.7 million).

Non-recurring operating result after taxes

At 30 September 2024, there was a *non-recurring operating result after taxes* positive for Euro 1.0 million (positive for Euro 130.8 million in the comparison period) due to:

- charges related to the extraordinary contribution to the Interbank Deposit Protection Fund ("DGS") for Euro 4.0 million;
- the gross positive component of Euro 3.0 million achieved by way of price adjustment on the basis of targets assessed one year from the closing date, based on the agreements signed with Worldline with reference to the "Aquarius" transaction carried out in the previous year;
- the provisional badwill of Euro 1.4 million resulting from the provisional purchase price allocation (PPA) process relating to Dynamica Retail, effective as of 1 June 2024 (please refer to the section "Significant corporate events during the period" above);
- charges of Euro 1.0 million related to the costs of the agreement signed with Banca Popolare di Puglia e Basilicata S.C.p.A. ("BPPB") for the acquisition of a business unit consisting of a total of 14 bank branches located in Lazio, Lombardy, Veneto, Marche (see press release of 16 May)

after the related positive tax effect of Euro 1.6 million.

In the comparison period, a positive non-recurring result of Euro 130.8 million was recorded mainly due to:

- the proceeds of Euro 98.1 million, net of related administrative costs, from the completion of the transaction for the transfer to Worldline Italia of Banco Desio's merchant acquiring business ("Aquarius Transaction");

¹⁰ With an increase of Euro 0.7 million compared to the valuation made for the Half-Year Financial Report as at 30 June 2024, to which we refer for further information.

- the provisional badwill of Euro 66.7 million resulting from the purchase price allocation (PPA) process related to the acquisition of the 48 bank branches from BPER Banca S.p.A. (formerly Carige S.p.A.) and Banco di Sardegna S.p.A. with effect as from 20 February 2023 ("Lanternina Transaction");
- the cost component of Euro 17.8 million to reflect the updated assessment of potential risks to which Banco Desio could be exposed following the preventive seizure of tax credits acquired over time, including the impossibility of offsetting the same¹¹;
- the estimated expense of Euro 4.1 million relating to the additional contribution to the Deposit Guarantee Scheme - which will be requested by the FITD in December;
- expenses amounting to Euro 2.8 million relating to consultancy and IT migration costs associated with the aforementioned Lanternina Transaction.

after the related negative tax effect of Euro 9.3 million.

Result for the period attributable to minority interests

The result for the period attributable to minority interests was a loss of Euro 0.7 million due to the contribution of Dynamica to the Banco Desio Group's result.

Result for the period attributable to the Parent Company

The sum of the current result and the non-recurring profit, both after tax, considering the result attributable to minority interests, determines the profit for the period attributable to the Parent Company as at 30 September 2024 of Euro 116.4 million.

¹¹ The assessment of the aforementioned risks necessarily required the application of a significant degree of professional judgement, the main elements of uncertainty of which are attributable to the outcome of the proceedings underway, the identification of the receivables the deductions of which have been assigned are effectively non-existent and the outcome of the initiatives that will be activated by Banco Desio to recover the amounts paid to the entities with respect to which cases of fraud have been ascertained.

Table 6 - Reconciliation of financial statements and reclassified income statement as at 30.09.2024

Items	From Financial Statements	Reclassifications											Reclassified statement
		Non-performing loans valuation effects	Recovery of taxes/expen ses	Expected loss on securities at amortised cost	Amortisation for leasehold improvements	Gains (Losses) on sale or repurchase of receivables	Allocations to provisions for risks and charges / other allocations, "one-off" expenses and revenues	System charges	Reclassification s IFRS 16 - Leases	Personnel expenses	Net allocations to provisions for risks and charges - other	Income taxes	
Amounts in Euro thousands	30.09.2024												30.09.2024
10+20 Net interest income	290,675	-3,533							952				288,094
70 Dividends and similar income	677												677
40+50 Net commissions	147,647										13,429		161,076
80+90+100+ Net result of financial assets and liabilities	5,685					9,704	0						15,389
110 Other operating income/expenses	30,405		-26,981		778		-1,373						2,829
Operating income	475,089	-3,533	-26,981	0	778	9,704	-1,373	0	952	0	13,429	0	468,065
190 a Personnel expenses	-165,194						0				0	0	-165,194
190 b Other administrative expenses	-104,463		26,981				1,006	10,832	-9,341				-74,985
210+220 Net value adjustments on tangible and intangible assets	-17,361				-778				8,389				-9,750
Operating expenses	-287,018	0	26,981	0	-778	0	1,006	10,832	-952	0	0	0	-249,929
Result from operations	188,071	-3,533	0	0	0	9,704	-367	10,832	0	0	13,429	0	218,136
130a+100a Cost of credit	-13,148	3,533		-975		-9,704	-125						-20,419
130 b Net value adjustments on own securities	84			975									1,059
140 Gains/losses from contractual amendments without derecognition	22												22
200 a Net allocations to provisions for risks and charges - commitments and guarantees given	889												889
200 b Net allocations to provisions for risks and charges - other	-3,623										-13,429		-16,927
Charges related to the banking system								-6,855					-6,855
250 Gains (Losses) on investments	342												342
Current result before taxes	172,637	0 0	0	0	0	0	-367	3,977	0	0	0	0	176,247
300 Income taxes on current operations	-59,923											-1,642	-61,565
													0
Current result after taxes	112,714	0	0	0	0	0	-367	3,977	0	0	0	-1,642	114,682
260 Net result of fair value measurement of tangible and intangible assets	0			0									0
Allocations to provisions for risks and charges, other allocations, "one-off" expenses and revenues		0		0			3,367	-3,977					-610
Non-recurring result before taxes	0	0	0	0	0	0	3,367	-3,977	0	0		0	-610
Income taxes on non-recurring items												1,601	1,601
Non-recurring result after taxes	0	0	0	0	0	0	3,367	-3,977	0	0		1,601	991
320 Profit (Loss) from discontinued operations after taxes	2,959						-3,000				0	41	0
330 Profit (Loss) for the year	115,673	0	0	0	0	0	0	0	0	0	0	0	115,673
340 Profit (Loss) for the period attributable to minority interests	-722												-722
350 Profit (Loss) for the period attributable to the Parent Company	116,395	0	0	0	0	0	0	0	0	0	0	0	116,395

Consolidated balance sheet data

Assets under administration

The value of **assets under administration** of customers at 30 September 2024 stood at Euro 36.9 billion, up from the 2023 year-end figure (+5.8%).

The following tables show the development of funding in the reporting period and the breakdown of direct and indirect funding, respectively.

Table 7 - Inflows from customers

Amounts in Euro thousands	30.09.2024 Incidence %		31.12.2023 Incidence %		Changes	
					Value	%
Payables to customers	12,087,688	32.8%	12,277,411	35.2%	-189,723	-1.5%
Securities issued	2,786,251	7.5%	2,509,819	7.2%	276,432	11.0%
Direct inflows	14,873,939	40.3%	14,787,230	42.4%	86,709	0.6%
Inflows from ordinary customers	13,977,371	37.9%	12,683,669	36.4%	1,293,702	10.2%
Inflows from institutional customers	8,042,166	21.8%	7,391,538	21.2%	650,628	8.8%
Indirect inflows	22,019,537	59.7%	20,075,207	57.6%	1,944,330	9.7%
Total inflows from customers	36,893,476	100.0%	34,862,437	100.0%	2,031,039	5.8%

Direct inflows amounted to Euro 14.9 billion, up by 0.6% compared to 31 December 2023, due to the growth in securities issued (+11.0%) partially offset by payables to customers (-1.5%).

Indirect inflows increased by +9.7% to Euro 22.0 billion compared to the previous year-end balance. In particular, the trend was attributable to both inflows from institutional customers (+8.8%) and inflows from ordinary customers (+10.2%), the latter due to the performance of the assets under management segment (+5.7%) and assets under administration (+18.2%).

Table 8 - Direct inflows from customers

Amounts in Euro thousands	30.09.2024 Incidence %		31.12.2023 Incidence %		Changes	
					Value	%
Payables to customers	12,087,688	81.3%	12,277,411	83.0%	-189,723	-1.5%
Current accounts and deposits	10,301,394	69.3%	11,129,419	75.2%	-828,025	-7.4%
<i>current accounts and demand deposits</i>	9,561,846	64.3%	10,116,726	68.4%	-554,880	-5.5%
<i>fixed-term deposits and restricted current accounts</i>	739,548	5.0%	1,012,693	6.8%	-273,145	-27.0%
Repurchase agreements and securities lending	997,383	6.7%	607,636	4.1%	389,747	64.1%
Loans and other payables	788,911	5.3%	540,356	3.7%	248,555	46.0%
Securities issued	2,786,251	18.7%	2,509,819	17.0%	276,432	11.0%
bonds at amortised cost and liabilities measured at fair value	2,786,108	18.7%	2,509,466	17.0%	276,642	11.0%
certificates of deposit and other securities	143	0.0%	353	0.0%	-210	-59.5%
Direct inflows	14,873,939	100.0%	14,787,230	100.0%	86,709	0.6%

Table 8-bis - Indirect inflows from customers

Amounts in Euro thousands	30.09.2024 Incidence %		31.12.2023 Incidence %		Changes	
					Value	%
Assets under Administration	5,369,906	24.4%	4,541,442	22.6%	828,464	18.2%
Assets under Management	8,607,465	39.1%	8,142,227	40.6%	465,238	5.7%
Asset management	1,347,880	6.1%	1,230,806	6.1%	117,074	9.5%
Mutual funds and Sicav	4,282,993	19.5%	3,923,722	19.5%	359,271	9.2%
Banking-insurance products	2,976,592	13.5%	2,987,699	15.0%	-11,107	-0.4%
Inflows from ordinary customers	13,977,371	63.5%	12,683,669	63.2%	1,293,702	10.2%
Inflows from institutional customers ⁽¹⁾	8,042,166	36.5%	7,391,538	36.8%	650,628	8.8%
Assets under Administration	7,331,645	33.3%	6,741,530	33.6%	590,115	8.8%
Assets under Management	710,521	3.2%	650,008	3.2%	60,513	9.3%
Indirect inflows ⁽¹⁾	22,019,537	100.0%	20,075,207	100.0%	1,944,330	9.7%

⁽¹⁾ inflows from institutional customers includes securities on deposit underlying the Bancassurance segment of ordinary customers in the amount of approximately Euro 2.1 billion (about Euro 2.1 as at 31.12.2023).

The in-depth investigations conducted on investments held by customers (securities, funds, asset management, etc.) relating to issuers based in Russia, Belarus and Ukraine, or in any case having the rouble as their issuing currency, have not so far revealed any significant risk profiles, it being understood that the monitoring of these investment products will continue on an ongoing basis in the coming months.

Loans to customers

The total value of **loans**¹² to customers as at 30 September 2024 amounted to Euro 12.1 billion, (+4.3% compared to the balance at the end of 2023), referring mainly to loans to ordinary customers (+0.1% compared to the balance for the comparison period).

Table 9 - Breakdown of loans to customers

Amounts in Euro thousands	30.09.2024 Incidence %		31.12.2023 Incidence %		Changes	
					Value	%
Mortgages	7,793,989	64.1%	8,147,015	69.9%	-353,026	-4.3%
fixed rate	4,818,240	39.7%	4,943,202	42.4%	-124,962	-2.5%
variable rate	692,220	5.7%	747,764	6.4%	-55,544	-7.4%
mixed rate ⁽¹⁾	2,283,529	18.7%	2,456,049	21.1%	-172,520	-7.0%
Current accounts	917,526	7.6%	888,054	7.6%	29,472	3.3%
Repurchase agreements and securities lending	485,391	4.0%	0	0.0%	485,391	n.s.
Finance lease	153,824	1.3%	154,409	1.3%	-585	-0.4%
Credit cards, personal loans and salary-backed loans	1,770,576	14.6%	1,440,166	12.4%	330,410	22.9%
Other transactions	1,028,532	8.4%	1,023,982	8.8%	4,550	0.4%
Loans to customers	12,149,838	100.0%	11,653,626	100.0%	496,212	4.26%

⁽¹⁾ This category of loans includes loans the interest rate of which may change from fixed to variable at maturities and/or conditions set in the contract.

The sub-item "Other transactions" includes financing transactions other than those indicated in the previous sub-items (e.g. bullet loans, advances on invoices and bills subject to collection, import/export advances and other miscellaneous items).

¹² Excluding non-performing loans in the net amount of Euro 4.2 million classified under "Assets held for sale".

On the overall portfolio, the Credit Department continued its monitoring activities, whose analysis of the positions revealed an increase in the deterioration of existing credit facilities compared to previous quarters - albeit at levels in line with the pre-pandemic period - on which risk containment and management actions were activated.

Monitoring the indirectly most exposed positions is one of the first drivers of attention in order to ensure the best quality of the credit portfolio over time and, at the same time, to identify the best solutions to enable companies to continue their business. In continuity with the actions taken in the Covid context, the Bank adopted the Temporary Crisis Framework (TCF) that allowed SMEs to apply for access to MCC-guaranteed financing to address liquidity needs related to the economic and financial turmoil caused by the ongoing conflicts and by the measures implemented by the ECB, which led to a significant increase in rates.

The table below summarises the gross and net indicators of credit risk and related coverage levels¹³.

Table 10 - Credit quality as at 30 September 2024

Amounts in Euro thousands	30.09.2024					
	Gross exposure	Incidence % of total loans	Value adjustments	Coverage ratio	Net exposure	Incidence % of total loans
Bad loans	180,812	1.5%	(125,005)	69.1%	55,807	0.5%
Unlikely to pay	214,678	1.7%	(70,302)	32.7%	144,376	1.2%
Impaired past-due	18,903	0.1%	(2,750)	14.5%	16,153	0.1%
Total impaired	414,393	3.3%	(198,057)	47.8%	216,336	1.8%
Stage 1 exposures	10,093,126	81.1%	(16,301)	0.16%	10,076,825	82.9%
Stage 2 exposures	1,943,941	15.6%	(87,264)	4.49%	1,856,677	15.3%
Performing exposures	12,037,067	96.7%	(103,565)	0.86%	11,933,502	98.2%
Total loans to customers	12,451,460	100.0%	(301,622)	2.4%	12,149,838	100.0%

Table 10-bis - Credit Quality as at 31 December 2023

Amounts in Euro thousands	31.12.2023					
	Gross exposure	Incidence % of total loans	Value adjustments	Coverage ratio	Net exposure	Incidence % of total loans
Bad loans	157,737	1.4%	(109,847)	69.6%	47,890	0.4%
Unlikely to pay	218,463	1.8%	(78,741)	36.0%	139,722	1.2%
Impaired past-due	15,091	0.1%	(2,390)	15.8%	12,701	0.1%
Total impaired	391,291	3.3%	(190,978)	48.8%	200,313	1.7%
Stage 1 exposures	9,488,837	79.4%	(15,825)	0.17%	9,473,012	81.3%
Stage 2 exposures	2,076,703	17.3%	(96,402)	4.64%	1,980,301	17.0%
Performing exposures	11,565,540	96.7%	(112,227)	0.97%	11,453,313	98.3%
Total loans to customers	11,956,831	100.0%	(303,205)	2.5%	11,653,626	100.0%

The coverage on non-performing loans net of government guarantees (MCC and SACE) at the reference date was 53.9% (formerly 55.0% at 31 December 2023).

¹³ The values shown are grossed up by the amount related to the lower fair value of the acquired impaired loans of the Lanterna perimeter in the previous year.

Securities portfolio and net interbank position

As at 30 September 2024, the Bank's total *financial assets* amounted to Euro 4.3 billion, up +9.3% compared to the previous year-end figure. With reference to the issuers of securities, the overall portfolio at 30 September 2024 consisted of 73.3% government securities, 14.4% securities of banking issuers and the remainder of other issuers.

Table 11 - Financial assets: composition of the ownership portfolio

Amounts in Euro thousands	30.09.2024	Incidence %	31.12.2023	Incidence %	Changes	
					Value	%
Securities portfolio and derivatives (FVTPL)	194,374	4.5%	180,706	4.6%	13,668	7.6%
Debt securities	2,654		1,850			
Equity securities	4,771		4,890			
Mutual funds and SICAV	170,490		150,840			
Trading and hedging derivatives	16,459		23,126			
Banking book (FVOCI)	1,051,081	24.2%	835,465	21.1%	215,616	25.8%
Debt securities	1,037,873		822,257			
Equity securities	13,208		13,208			
Financial assets at amortised cost (AC)	3,097,183	71.3%	2,941,183	74.3%	156,000	5.3%
Debt securities (*)	3,097,183		2,941,183			
Financial assets	4,342,638	100.0%	3,957,354	100.0%	385,284	9.7%
of which Securities Portfolio	4,326,179	99.6%	3,934,228	99.4%	391,951	10.0%

(*) Includes senior securities from the sale of own non-performing loans

The following table contains information on sovereign risk, i.e. bonds issued by central and local governments and governmental entities, as well as any loans to them, entirely consisting of Italian government bonds.

Table 11-bis - Exposure in sovereign debt securities

Amounts in Euro thousands		Italy	Spain	France	USA	Romania	30.09.2024	
							Nominal value	Carrying amount
Financial assets held for trading	up to 1 year					-		
	1 to 3 years					-		
	3 to 5 years					-		
	over 5 years	-				100	100	107
	Total	-	-	-	-	100	100	107
Financial assets measured at fair value through other comprehensive income	up to 1 year	470,000	-	-	-	-	470,000	465,805
	1 to 3 years	165,000	-	-	-	-	165,000	171,436
	3 to 5 years	236,000	-	-	-	-	236,000	237,036
	over 5 years	150,000	-	-	-	-	150,000	140,005
	Total	1,021,000	-	-	-	-	1,021,000	1,014,282
Financial assets measured at amortised cost	up to 1 year	365,000	-	70,500	-	-	435,500	434,997
	1 to 3 years	315,000	-	-	4,464	-	319,464	315,348
	3 to 5 years	339,790	-	-	-	-	339,790	343,220
	over 5 years	998,500	65,000	-	-	5,000	1,068,500	1,068,942
	Total	2,018,290	65,000	70,500	4,464	5,000	2,163,254	2,162,507
Sovereign debt securities	up to 1 year	835,000	-	70,500	-	-	905,500	900,802
	1 to 3 years	480,000	-	-	4,464	-	484,464	486,784
	3 to 5 years	575,790	-	-	-	-	575,790	580,256
	over 5 years	1,148,500	65,000	-	-	5,100	1,218,600	1,209,054
	Total	3,039,290	65,000	70,500	4,464	5,100	3,184,354	3,176,896

It should be noted that there are no investments in the proprietary portfolio in financial instruments of issuers based in Russia, Belarus and Ukraine, or in financial instruments with the rouble as the issuing currency.

The Group's **net interbank position** at 30 September 2024 was a debit position of Euro 0.4 billion, compared to a debit balance of Euro 0.1 billion at the end of the previous year.

Capital and supervisory ratios

Equity attributable to the Parent Company Banco Desio at 30 September 2024, including the profit for the period, totalled Euro 1,442.3 million, compared to Euro 1,354.0 million in 2023. The positive change of Euro 88.3 million is attributable to the trend in overall profitability for the period positive for Euro 126.1 million, partially offset by the payment of the dividend for the 2023 financial year and the programme for the repurchase of treasury shares initiated by the Board of Directors of Banco Desio on 30 July, as authorised by the Shareholders' Meeting of 18 April on the proposal of the Board itself, for a total of Euro 2.1 million.

On 25 January 2018, the Bank's Board of Directors, resolved to adhere to the transitional provisions introduced by Regulation (EU) 2017/2395 of 12 December 2017 aimed at mitigating the impact of the introduction of the IFRS9 accounting standard on own funds and capital ratios. Regulation EU 873/2020 subsequently amended the aforementioned transitional provisions of IFRS 9, enabling banks to sterilise the capital impacts associated with the increase in loan impairments recognised in the period 2020 - 2024 in a decreasing manner compared to 1 January 2020 for stage 1 and stage 2 portfolios.

The calculation of the consolidated Own Funds and prudential requirements that are subject to submission to the Bank of Italy as part of the Prudential Supervisory Reporting (COREP) and Statistical Reporting (FINREP) is performed with reference to Brianza Unione di Luigi Gavazzi e Stefano Lado S.A., which, according to European regulations, is the financial parent company of the banking group. This section therefore sets out the results of this calculation, relating to the prudential consolidation perimeter of the company Brianza Unione di Luigi Gavazzi e Stefano Lado S.A.p.A. (the financial parent company).

Consolidated own funds calculated on the financial parent company Brianza Unione amounted to Euro 1,175.4 million at 30 September 2024 (CET1 + AT1 at Euro 1,032.2 million + T2 at Euro 143.2 million) compared to Euro 1,143.1 million at the end of the previous year. The Common Equity Tier1 capital ratio was 12.6% (12.3% at 31 December 2023). The Tier1 ratio was 13.5% (13.2% at 31 December 2023), while the Total Capital ratio was 15.3% (15.0% at 31 December 2023)¹⁴.

Table 12 - Own funds and consolidated ratios of the financial parent company Brianza Unione with and without application of the transitional regime

	30.09.2024	
	Application of transitional regime	Fully loaded
OWN FUNDS		
Common Equity Tier 1 (CET1) capital	967,785	
Common Equity Tier 1 (CET1) capital without application of transitional provisions		958,836
Tier 1 capital	1,032,201	
Tier 1 capital without application of transitional provisions		1,023,135
Total own funds	1,175,380	
Total own funds without application of transitional provisions		1,166,165
RISK ASSETS		
Risk-weighted assets	7,665,417	
Risk-weighted assets without application of transitional provisions		7,651,586
SUPERVISORY RATIOS		
Primary Tier 1 capital/risk-weighted assets (CET1 capital ratio)	12.625%	
CET 1 capital/Risk-weighted assets (CET1 capital ratio) without application of transitional provisions		12.531%
Tier 1 capital/Risk-weighted assets (Tier 1 capital ratio)	13.466%	
Tier 1 capital/Risk-weighted assets (Tier 1 capital ratio) without application of transitional provisions		13.372%
Total own funds/risk-weighted assets (Total capital ratio)	15.334%	
Total own funds/Risk-weighted assets (Total capital ratio) without application of transitional provisions		15.241%

At 30 September 2024, the Common Equity Tier 1 capital ratio, consisting of CET1 capital as a ratio of risk-weighted assets, was 12.6% (12.3% as at 31 December 2023). The Tier 1 ratio, consisting of total Tier 1 (T1) capital to risk-weighted assets, was 13.5% (13.2% at 31 December 2023), while the Total Capital ratio, consisting of total Own funds to risk-weighted assets, was 15.3% (15.0% at 31 December 2023).

Consolidated Own Funds calculated on the other hand for the Banco Desio Group, after pay out forecasts, as per dividend policy, amounted to Euro 1,414.4 million at 30 September 2024, (CET1 + AT1 Euro 1,354.5 million +

¹⁴ On 9 July 2024, EU Regulation 2024/1619 known as CRR 3 came into force, reintroducing until 2025, the prudential filter on the gains/losses on government securities classified in the IFRS 9 portfolio of Financial assets measured at fair value through other comprehensive income (Article 468 of the CRR). The Bank applies the restored prudential filter in continuity with the past as at 30 September, as communicated to the Bank of Italy on 20 September 2024.

T2 Euro 59.9 million), compared to Euro 1,366.4 million at the end of the previous year. The table below therefore shows the breakdown of own funds and capital ratios calculated both under the transitional provisions and without the application of said provisions.

Table 12a - Own funds and consolidated capital ratios of the Banco Desio Group with and without application of the transitional regime

	30.09.2024
	Application of transitional regime Fully loaded
OWN FUNDS	
Common Equity Tier 1 (CET1) capital	1,354,526
Common Equity Tier 1 (CET1) capital without application of transitional provisions	1,337,855
Tier 1 capital	1,354,526
Tier 1 capital without application of transitional provisions	1,337,855
Total own funds	1,414,448
Total own funds without application of transitional provisions	1,397,777
RISK ASSETS	
Risk-weighted assets	7,665,421
Risk-weighted assets without application of transitional provisions	7,651,590
SUPERVISORY RATIOS	
Primary Tier 1 capital/risk-weighted assets (CET1 capital ratio)	17.671%
CET 1 capital/Risk-weighted assets (CET1 capital ratio) without application of transitional provisions	17.485%
Tier 1 capital/Risk-weighted assets (Tier 1 capital ratio)	17.671%
Tier 1 capital/Risk-weighted assets (Tier 1 capital ratio) without application of transitional provisions	17.485%
Total own funds/risk-weighted assets (Total capital ratio)	18.452%
Total own funds/Risk-weighted assets (Total capital ratio) without application of transitional provisions	18.268%

At 30 September 2024, the Common Equity Tier 1 capital ratio, consisting of CET1 capital as a ratio of risk-weighted assets, was 17.7% (17.2% at 31 December 2023). Also Tier1, consisting of total Tier 1 (T1) capital to risk-weighted assets, was 17.7% (17.2% at 31 December 2023), while the Total capital ratio, consisting of total Own funds to risk-weighted assets, was 18.5% (18.0% at 31 December 2023).

The values shown in the two previous tables remain higher than those established by the Bank of Italy at the conclusion of the periodic prudential review process ("SREP"), communicated to the market on 27 May 2024, in which it ordered to keep the capital requirements requested for the "CRR" Brianza Unione Group at consolidated level unchanged compared to 2023, as reported below:

- **Common Equity Tier1 ratio of 7.60%**, comprising a binding measure of 5.10% (of which 4.50% for the minimum regulatory requirements and 0.60% for the additional requirements determined as a result of the SREP) and the remainder from the capital conservation buffer component;
- **Tier 1 ratio of 9.30%**, comprising a binding measure of 6.80% (of which 6.00% for the minimum regulatory requirements and 0.80% for the additional requirements determined as a result of the SREP) and the remainder from the capital conservation buffer component;
- **Total Capital ratio of 11.50%**, comprising a binding measure of 9.00% (of which 8.00% for the minimum regulatory requirements and 1.00% for the additional requirements determined as a result of the SREP) and the remainder from the capital conservation buffer component.

Furthermore, with a Provision dated 16 September 2024, the Bank of Italy communicated to Banco Desio its decision regarding the minimum requirement for own funds and eligible liabilities (MREL).

The Banco Desio Group, on a consolidated basis, will have to comply with the following requirements:

- MREL in terms of TREA (Total Risk Exposure Amount) of 17.76% (excluding the CBR Combined Buffer Requirement);
- MREL in terms of LRE (Leverage Ratio Exposure) of 5.33%.

With regard to the date from which the MREL requirement will be binding, the Supervisory Authority confirmed the transitional period until 1 January 2027. No additional subordination requirements were attached.

Performance of consolidated companies*Performance of the parent company Banco di Desio e della Brianza S.p.A.*

Profit for the period was Euro 118.7 million, up YoY by 27.2% on ordinary performance and down by -47.1% taking into account extraordinary items recorded at 30 September 2023 for Euro 130.8 million. In particular, the result recorded at 30 September 2023 was affected by the non-recurring positive effects deriving from (1) the acquisition of the business units of the BPER Group with the recognition of gross provisional badwill of Euro 66.7 million, resulting from the purchase price allocation (PPA) process pursuant to IFRS 3 Business Combinations and (2) from the sale to Worldline Italia of the business unit relating to the merchant acquiring business with the recognition of a gain of Euro 98.1 million, before taxes.

The core revenue items from operations increased by Euro 46.2 million (+11.4%) compared to the comparison period, amounting to Euro 450.8 million. This performance is mainly attributable to the growth in net interest income of Euro 22.7 million (+9.3%), net commissions of Euro 14.4 million (+9.5%), net income from financial assets and liabilities of Euro 8.4 million (+121.6%) and other operating income and expenses of Euro 0.4 million (+21.7%).

Finally, dividends amounted to Euro 0.8 million compared to Euro 0.6 million in the comparison period.

Credit costs amounted to Euro 19.0 million compared to Euro 31.3 million in the comparison period; net provisions for risks and charges were negative by Euro 13.4 million (negative of Euro 3.5 million in the comparison period); Charges relating to the banking system equal to Euro 6.9 million (Euro 14.2 million in the comparison period); Income taxes on current operations amounted to Euro 58.5 million (Euro 44.0 million in the comparison period).

The total value of loans to customers as at 30 September 2024 amounted to Euro 11.9 billion, (+2.3% compared to the balance at the end of 2023), referring mainly to loans to ordinary customers (-1.9% compared to the balance for the comparison period).

Shareholders' equity as at 30 September 2024, including the result for the period, amounted to Euro 1,438.8 million, compared to Euro 1,347.8 million in 2023. The positive change of Euro 91.0 million is attributable to the trend in overall profitability for the period positive for Euro 78.0 million, partially offset by the payment of the dividend for the 2023 financial year and the programme for the repurchase of treasury shares initiated by the Board of Directors of Banco Desio on 30 July, as authorised by the Shareholders' Meeting of 18 April on the proposal of the Board itself, for a total of Euro 2.1 million.

The capital calculated according to the supervisory regulations, defined as *Own Funds*, after the payout forecasts, as per the dividend policy, amounted to Euro 1,425.4 million as at 30 September 2024, (CET1 + AT1 Euro 1,365.6 million + T2 Euro 59.8 million), compared to Euro 1,369.8 million at the end of the previous year.

At 30 September 2024, the Common Equity Tier 1 capital ratio, consisting of CET1 capital as a ratio of risk-weighted assets, was 19.53% (18.64% at 31 December 2023). Tier1, consisting of total Tier 1 (T1) capital to risk-weighted assets, was 19.53% (18.64% at 31 December 2023), while the Total capital ratio, consisting of total Own funds to risk-weighted assets, was 20.39% (19.49% at 31 December 2023).

Performance of the subsidiary Fides S.p.A.

At the reporting date, the parent company Banco di Desio e della Brianza S.p.A. wholly owned the company.

Current profit after taxes amounted to Euro 6.3 million, compared to the profit of Euro 5.5 million in the comparison period; operating income amounted to Euro 20.0 million (compared to Euro 16.6 million in the comparison period), operating expenses to Euro 8.8 million (compared to Euro 7.5 million in the comparison period), and the result from operations to Euro 11.2 million (compared to Euro 9.2 million in the comparison period). The Cost of credit, amounting to around Euro 1.2 million (compared to Euro 1.1 million in the comparison period), Net provisions for risks and charges amounting to Euro 0.6 million and taxes of Euro 3.1 million (compared to Euro 2.7 million in the comparison period) lead to the result for the period.

Loans to customers increased from Euro 1,200.9 million at the end of 2023 to Euro 1,322.1 million at the reporting date, with a positive change of Euro 121.1 million (+10.1%).

Equity at 30 September 2024 including the result for the period amounted to Euro 58.8 million, compared to Euro 56.1 million in 2023 (due to the allocation of the result at 31 December 2023, and the trend in overall profitability for the period). Regulatory own funds increased from Euro 51.9 million at the end of 2023 to Euro 56.3 million (due to the allocation of 70% of the profit for the period).

There are no direct impacts of the ongoing war conflicts with reference to the Fides financing portfolio; the consumer credit market, as in general the entire economic and productive fabric, are indirectly affected by the negative effects generated, including, in particular, increases in energy costs.

Performance of the subsidiary Dinamica Retail S.p.A.

Following the acquisition effective as of 1 June 2024, the parent company Banco di Desio e della Brianza S.p.A. held an 89.23% interest at the reporting date.

At 30 September 2024, the Current result after taxes was negative for Euro 2.3 million; the result from operations was negative for Euro 0.4 million. Cost of credit and net allocations totalling Euro 2.1 million and taxes positive for Euro 0.2 million led to the result for the period.

Loans to customers amounted to Euro 79.6 million at the reporting date.

Equity at 30 September 2024, including the result for the period, totalled Euro 13.2 million. Regulatory own funds amounted to Euro 9.1 million.

Context of reference

Authorisation to purchase and sell treasury shares

The Board of Directors of Banco di Desio e della Brianza S.p.A. ("Banco Desio"), on 30 July 2024, having acknowledged the authorisation provision issued on 12 July 2024 by the Bank of Italy pursuant to Articles 77 and 78 of Reg. EU No. 575/2013 ("CRR"), resolved to commence the operation of the share buyback programme (the "Programme") authorised by the Meeting on 18 April 2024 on the proposal of the Board.

The Programme concerns the purchase of a maximum of 4,030,891 treasury shares, equal to 3% of the capital, for a maximum total amount of Euro 20.2 million.

The purchases were commenced, as of 31 July 2024, on the market in the manner set forth in the applicable laws and regulations in force from time to time, for the duration of 12 months from the date of the authorisation by the Bank of Italy, i.e. by 12 July 2025.

Please refer to the specific press release published on 30 July.

As at 30 September 2024, Banco Desio held 414,566¹⁵ treasury shares.

Euro 500 million covered bond issue for institutional investors

On 3 September 2024, Banco Desio successfully completed the placement of a Covered Bond issue under its Guaranteed Bank Bonds programme (OBG, rated AA by Fitch) for a total amount of Euro 500 million with a maturity of 5 years intended for institutional investors.

The covered bond, priced with a coupon of 3% and a yield of mid swap +62 bps, recorded orders of over Euro 850 million during the placement.

The issue was allocated with the following geographical distribution: Italy (53%), DACH (22%), Nordic countries (12%), BeNeLux (8%), Spain (3%), others (2%). The final allocation was mainly to banks and private banks (72%), funds and asset managers (19%), insurance companies (5%), and official institutions (4%).

The transaction is consistent with the Banco Desio Funding Plan 2024 and the new "Beyond26" Business Plan, and represents the continued access of Banco Desio to the wholesale funding market in different jurisdictions.

The placement of the issue was handled by BNP Paribas (Programme Arranger), Banco Santander, IntesaSanpaolo, Natixis, Raiffeisen Bank International and UniCredit who acted as joint bookrunners.

Entry of Banco Desio into new FTSE indices

On 6 September 2024, Banco Desio, listed on Euronext Milan, announced to the public that with effect from Monday 23 September 2024, i.e. after the close of trading on Friday 20 September 2024, it will enter the following indices, as communicated by FTSE Russell on 4 September 2024 FTSE Italia Mid Cap Index, FTSE Italia All-Share Index, FTSE Italia PIR PMI Index, FTSE Italia PIR Mid Small Cap Index, FTSE Italia PIR All Cap Index and FTSE Italia PIR PMI All Index.

At the close of trading on 5 September, Banco di Desio e della Brianza reported a market capitalisation of Euro 696 million.

Adherence to the Principles for Responsible Investment (PRI)

On 11 September 2024, Banco Desio announced that it had adhered to the United Nations Principles for Responsible Investment (PRI).

The PRI (Principles for Responsible Investment) is an international network of investors committed to integrating environmental, social and governance (ESG) factors into their investment practices. Founded in 2005 with the support of the United Nations, the PRI has become the most important global body for responsible finance. Adhering investors undertake to comply with some core principles that promote the integration of ESG issues into analysis, investment decisions and asset management.

The adherence of Banco Desio represents an extraordinarily important moment for the Bank. This step is a sign of responsibility and commitment to best practice, but also an acknowledgement that once again underlines the

¹⁵ By regulation date

importance of a sustainable and ethical approach in financial operations. By joining the global network of financial institutions committed to sustainability, Banco Desio will have the opportunity to exchange best practices and build an increasingly international dialogue to address common global challenges. This achievement not only strengthens the Bank's position in the banking sector, but also helps to promote a more sustainable future for all.

The adherence to the Principles for Responsible Investment represents a further important step in the Group's sustainable growth path, consistent with the objectives of the new Beyond26 Business Plan and the desire to align governance and the catalogue of products and services with the best international standards.

S&P Global ESG Score

On 19 September 2024, the specialised agency Standard & Poor announced the update of the sustainability rating, which upgraded the **S&P Global ESG Score assigned to Banco Desio to 44 points**, thus reaching the target (range 40-60) ahead of the plan target (by 2026).

Placement of the first issue of a green bond

On 1 October 2024, Banco Desio successfully completed the placement of the first Senior Preferred bond qualified as "green", in line with the Group's Green Bond Framework for a total amount of Euro 40 million. The high demand meant that the offer was closed after only six days from the opening.

The bond issue aimed at its retail customers has a maturity of 3.5 years, a minimum denomination of Euro 1,000, and carries a 3% annual coupon paid quarterly starting 16 October 2024.

The issue, the proceeds of which will be used to finance and/or refinance Eligible Green Assets, is part of the Banco Desio ESG strategy and represents the concrete realisation of environmental sustainability objectives. The Green Bond Framework was drafted according to the Green Bond Principles of the International Capital Market Association and accompanied by the second party opinion of the independent company ISS-Corporate. Further issues are planned in the coming months.

The transaction is consistent with the 2024 Funding Plan, the new "Beyond26" Business Plan and the Banco Desio ESG Plan, which aims to integrate sustainability factors into the bank's decision-making system, starting with climate-environmental risks.

The bond is admitted to trading on the Vorvel multilateral system.

Distribution network

The distribution structure at the reporting date consisted of 273 branches (280 branches at the end of the previous year) and 50 financial shops opened under the sign of the subsidiary Fides and 22 financial shops opened under the sign of Dynamica Retail.

The Group's workforce amounted to 2,483 employees, an increase of 92 over the previous year-end figure.

Macroeconomic Scenario

The ongoing slowdown in the global economy is not showing any concrete signs of recession at the moment. Internationally, economic growth remains moderate but stable, supported by falling inflation and a resilient labour market in many countries. In the US, the economy continued to grow in the second quarter (+0.7% formerly +0.4%) thanks to household consumption, which regained some of the purchasing power eroded by inflation over the past two years. In the Euro Area, the economy was also weak in the second quarter of the year (+0.2%): inflation fell less than expected and the recovery of household purchasing power has been slower so far than in the US. In China, the difficulties in the real estate sector, despite repeated interventions by the Beijing government, continue to affect economic growth (+0.7% in Q2 formerly +1.5% in Q1). The weakness of domestic demand is visible in the continued deceleration of retail sales and transport, as well as the persistence of almost zero inflation.

Uncertainty about the intensity of the global business cycle is reflected in the weak recovery of world trade following the contraction in 2023 and in falling commodity prices. The risks of a sharper-than-expected economic slowdown are partly mitigated by the beginning of the interest rate reduction phase. At the moment, after the rate cut in September, both the ECB and the Federal Reserve Bank (Fed) are maintaining a cautious approach regarding the future path, as inflation continues to fall slowly.

In addition to monetary policies, several uncertainty factors affect the international macroeconomic context: on the one hand, the war scenario that adds the ongoing conflict in the Middle East to the Russian-Ukrainian conflict, and on the other hand, the US general election, the outcome of which will affect investment and consumption due to the differences in the economic agendas of Trump and Harris. Political difficulties at European level are also a factor of uncertainty for the Euro Area economy. In France, deep political divisions make it very difficult to reach the necessary compromise for a balanced budget. In Germany, recent election rounds have worsened business confidence.

In Italy, growth dynamics can no longer count on the expansionary fiscal policies of recent years, and is stabilising at rather modest values. In the second quarter, GDP increased slightly (+0.3% formerly +0.2%), still marking the fourth consecutive quarter of growth. Exports of goods remain sluggish, with a continued decline in sales to Euro Area markets. Industrial production declined again in July (-0.9 %), following increases in the previous two months. The most positive aspect is the continuation of employment growth, which has reached its highest level ever: in this context, the preparation of the manoeuvre encounters various difficulties, having to juggle the constraints of the procedure, the seven-year planning horizon, the new rules and the agreements with the European Commission on investments.

With regard to the banking market, the annual trend in deposits from resident customers was positive and with yoy growth (+3.2%). Within this, both deposits (+2.0%, formerly -3.0% in December 2023) and bonds (+12% formerly +18% in December 2023) showed positive contributions. Also the cost of the overall remuneration of funding increased (1.23%, formerly 1.17% in December 2023), as a result of the interventions on reference rates and the consequent impact on the parametrised items of interest-bearing liabilities. With regard to lending, loans to the private sector showed a negative annual trend, albeit in recovery (-1.2%, formerly -2.8% in December 2023) consistent with the slowdown in economic growth depressing demand for loans: the sector suffered mainly from the trend in loans to corporations (-3.9%) and to a lesser extent to households (-0.6%). The performance of both segments depended jointly on the rise in interest rates and the slowdown in tax breaks introduced in the real estate market. The dynamics of credit to the productive sector continues to be influenced by the trend of investments and the economic cycle, which is conditioned by the inflationary dynamics and the cost of energy. Rates on the stock of loans to households and companies decreased slightly (4.71%, formerly 4.76% in December 2023). Within them, the pricing of new transactions reflects the new course of monetary policy with values progressively slowing down, especially for loans to households for the purchase of homes (3.44%, formerly 4.42% in December 2023), highlighting the preference for fixed-rate disbursements (82%).

This "Consolidated Quarterly Financial Report as at 30 September 2024" is prepared on a voluntary basis, in order to ensure continuity with previous quarterly periodic reports, as the obligation of periodic financial reporting in addition to annual and half-yearly reports has ceased to apply due to the wording of Article 154-ter, paragraph 5, of Legislative Decree No. 58/1998 ("Consolidated Law on Finance" or "TUF") introduced by Legislative Decree No. 25/2016 implementing Directive 2013/50/EU.

With regard to the recognition and measurement criteria, the Report is prepared in accordance with the IAS/IFRS issued by the International Accounting Standards Board (IASB) and the related interpretations of the IFRS Interpretations Committee (IFRIC) in force at the reporting date, as declined in the "Basis of Preparation and Accounting Principles" section of the Notes to the Consolidated Financial Statements as at 31 December 2023.

In terms of financial disclosure, since it was prepared pursuant to the aforementioned Article 154-ter, paragraph 5, of the Consolidated Law on Finance as well as for the purposes of determining regulatory capital (own funds), the Report does not include certain explanatory notes that would be required to represent the financial position and results of operations for the period in accordance with IAS 34 Interim Financial Reporting.

Main factors of uncertainty

Among the main factors of uncertainty that could affect the future scenarios in which the Group will find itself operating, the negative effects on the global and Italian economy directly or indirectly linked to the continuation of war conflicts (in particular in Europe and the Middle East) must not be underestimated, which were part of a context already characterised by tensions in global supply chains and the residual effects of the Covid-19 epidemic.

The global economy is showing moderate growth and inflation is declining more slowly than imagined. These elements, together with the increasing awareness of climate risk at an international level, represent the main elements of uncertainty for future scenarios. However, taking into account the Group's ability to generate value in the reporting period, a positive operating performance is also expected for the financial year 2024.

The disclosure "Risks, uncertainties and impacts deriving from the war conflicts, the residual effects of the Covid-19 epidemic, climatic risk and the macroeconomic context", contained in the Consolidated half-year financial report as at 30 June 2024, to which reference should be made, includes a detailed illustration of the estimation processes that require the use of significant judgement in the selection of underlying assumptions and hypotheses, which are significantly impacted by the negative effects of the war conflicts and the residual effects of the Covid-19 epidemic, and the consequent application solutions adopted by the Bank, aware of its role in providing the necessary support to its stakeholders, both individuals and businesses, in the current context characterised by significant uncertainty and volatility factors.

The financial statements in this Report are subject to a limited audit by KPMG S.p.A. for the inclusion of the interim result in equity.

The information content of this Report is consistent with the quarterly reports (or interim reports on operations) previously prepared, however, reflecting what is defined in the "Group Policy for Additional Periodic Financial Reporting".

Declaration of the Financial Reporting Manager

The Financial Reporting Manager, Mauro Walter Colombo, declares, pursuant to paragraph 2 of article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

Desio, 7 November 2024

BANCO DI DESIO E DELLA BRIANZA S.p.A.

The Financial Reporting Manager

Mauro Walter Colombo

The consolidated financial statements as at 30 September 2024 are attached, which are integral part of the Consolidated Quarterly Financial Report as at 30 September 2024. The auditing company KPMG S.p.A. is currently completing the limited audit activity for the purpose of issuing the relevant report required for the inclusion of the profit for the period in own funds.

Desio, 7 November 2024

BANCO DI DESIO E DELLA BRIANZA S.p.A.

The Chair

Stefano Lado

BANCO DI DESIO E DELLA BRIANZA S.P.A. Established in 1909 and listed on the Milan Stock Exchange since 1995, Banco Desio is today a modern, future-oriented multi-product banking group respecting its tradition, with deep territorial roots and an organisational structure focused on offering quality services to its customers, also through digital channels. The Banco Desio Group operates in Northern and Central Italy and in Sardinia with a distribution network of 273 branches and about 2,500 employees, and is present in the consumer credit sector with the company Fides S.p.A. and Dynamica Retail S.p.A., financial companies specialised in loans against salary assignment. In the asset management and "bancassurance" sector, it operates through distribution agreements with leading national and international counterparties. It achieved total assets of more than Euro 18 billion.

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Table A1 - Consolidated Balance Sheet

Asset items	30.09.2024	31.12.2023	Changes	
			absolute	%
10. Cash and cash equivalents	437,835	1,655,187	(1,217,352)	-73.5%
20. Financial assets measured at fair value through profit or loss	179,445	159,275	20,170	12.7%
a) Financial assets held for trading	8,590	7,898	692	8.8%
c) Other financial assets mandatorily measured at fair value	170,855	151,377	19,478	12.9%
30. Financial assets measured at fair value through other comprehensive income	1,051,081	835,465	215,616	25.8%
40. Financial assets measured at amortised cost	15,479,918	14,888,148	591,770	4.0%
a) Loans with banks	824,418	862,934	(38,516)	-4.5%
b) Loans to customers	14,655,500	14,025,214	630,286	4.5%
50. Hedging derivatives	14,929	21,431	(6,502)	-30.3%
60. Value adjustment of financial assets with macro hedges (+/-)	(80)	(4,073)	3,993	-98.0%
70. Equity investments	5,068	5,015	53	1.1%
90. Tangible assets	229,612	230,994	(1,382)	-0.6%
100. Intangible assets	40,624	41,619	(995)	-2.4%
of which:				
- goodwill	15,322	15,322		
110. Tax assets	96,606	119,269	(22,663)	-19.0%
a) current	1,606	527	1,079	204.7%
b) deferred	95,000	118,742	(23,742)	-20.0%
120. Non-current assets and groups of assets held for sale	4,162	4,162		0.0%
130. Other assets	518,646	602,925	(84,279)	-14.0%
Total assets	18,057,846	18,555,255	(497,409)	-2.7%

Liabilities and equity items	30.09.2024	31.12.2023	Changes	
			absolute	%
10. Financial liabilities measured at amortised cost	15,929,403	16,795,988	(866,585)	-5.2%
a) Payables to banks	998,275	1,950,065	(951,790)	-48.8%
b) Payables to customers	12,144,877	12,336,104	(191,227)	-1.6%
c) Securities issued	2,786,251	2,509,819	276,432	11.0%
20. Financial liabilities held for trading	1,448	1,750	(302)	-17.3%
40. Hedging derivatives	19,064	14,556	4,508	31.0%
60. Tax liabilities	23,434	11,765	11,669	99.2%
a) current	14,659	3,498	11,161	319.1%
b) deferred	8,775	8,267	508	6.1%
80. Other liabilities	555,776	294,451	261,325	88.7%
90. Staff severance pay	19,810	19,364	446	2.3%
100. Provisions for risks and charges	66,269	63,352	2,917	4.6%
a) commitments and guarantees given	3,121	4,096	(975)	-23.8%
c) other provisions for risks and charges	63,148	59,256	3,892	6.6%
120. Valuation reserves	12,877	3,178	9,699	305.2%
150. Reserves	1,228,220	1,023,638	204,582	20.0%
160. Share premium	16,145	16,145		
170. Share capital	70,693	70,693		
180. Treasury shares (-)	(2,054)	-	(2,054)	0.0%
190. Minority interests (+/-)	366	14	352	n.s.
200. Profit (loss) for the year (+/-)	116,395	240,361	(123,966)	-51.6%
Total liabilities and equity	18,057,846	18,555,255	(497,409)	-2.7%

Table A2 - Consolidated Income Statement

Items	30.09.2024	30.09.2023	Changes	
			absolute	%
10. Interest and similar income	492,760	424,990	67,770	15.9%
20. Interest and similar expense	(202,085)	(160,331)	(41,754)	26.0%
30. Net interest income	290,675	264,659	26,016	9.8%
40. Commission income	159,176	155,175	4,001	2.6%
50. Commission expenses	(11,529)	(8,740)	(2,789)	31.9%
60. Net commissions	147,647	146,435	1,212	0.8%
70. Dividends and similar income	677	554	123	22.2%
80. Net trading result	2,573	2,967	(394)	-13.3%
90. Net hedging result	120	2,085	(1,965)	-94.2%
100. Gains (losses) on sale or repurchase of:	8,201	-	8,201	n.s.
a) financial assets measured at amortised cost	5,364	(886)	6,250	n.s.
b) financial assets measured at fair value through other comprehensive income	2,760	486	2,274	467.9%
c) financial liabilities	77	400	(323)	-80.8%
110. Net result of other financial assets and liabilities measured at fair value through profit or loss	(5,209)	(5,739)	530	-9.2%
b) other financial assets mandatorily measured at fair value	(5,209)	(5,739)	530	-9.2%
120. Net banking income	444,684	410,961	33,723	8.2%
130. Net value adjustments/reversals for credit risk related to:	(13,064)	(28,728)	15,664	-54.5%
a) financial assets measured at amortised cost	(13,148)	(28,778)	15,630	-54.3%
b) financial assets measured at fair value through other comprehensive income	84	50	34	68.0%
140. Gains/losses from contractual amendments without derecognition	22	51	(29)	-56.9%
150. Net result from financial operations	431,642	382,284	49,358	12.9%
180. Net result from financial and insurance operations	431,642	382,284	49,358	12.9%
190. Administrative expenses:	(269,657)	(255,082)	(14,575)	5.7%
a) personnel expenses	(165,194)	(144,098)	(21,096)	14.6%
b) other administrative expenses	(104,463)	(110,984)	6,521	-5.9%
200. Net allocations to provisions for risks and charges	(2,734)	(4,226)	1,492	-35.3%
a) commitments for guarantees given	889	295	594	201.4%
b) other net allocations	(3,623)	(4,521)	898	-19.9%
210. Net value adjustments/reversals on tangible assets	(14,083)	(13,194)	(889)	6.7%
220. Net value adjustments/reversals on intangible assets	(3,278)	(2,759)	(519)	18.8%
230. Other operating expenses/income	30,405	74,549	(44,144)	-59.2%
240. Operating costs	(259,347)	(200,712)	(58,635)	29.2%
250. Gains (Losses) on investments	342	69	273	395.7%
290. Profit (Loss) from current operations before taxes	172,637	181,641	(9,004)	-5.0%
300. Income taxes for the year on current operations	(59,923)	(54,084)	(5,839)	10.8%
310. Profit (Loss) from current operations after taxes	112,714	127,557	(14,843)	-11.6%
320. Profit (Loss) from discontinued operations after taxes	2,959	98,118	(95,159)	-97.0%
330. Profit (Loss) for the year	115,673	225,675	(110,002)	-48.7%
340. Profit (Loss) for the year attributable to minority interests	(722)	-	-	n.s.
350. Profit (Loss) for the year attributable to the parent company	116,395	225,675	(109,280)	-48.4%

The balances shown in the income statement for the period of comparison have been restated due to the change in the amortised cost method of presentation applied by the subsidiary Fides in order to make it consistent with the effective interest method adopted by the Parent Company.

Table A3 - Consolidated Statement of Comprehensive Income

Items	30.09.2024	30.09.2023
10. Profit (Loss) for the year	115,673	225,675
Other income components net of taxes without reversal to the income statement		
20. Equity securities measured at fair value through other comprehensive income	-	(1,074)
70. Defined benefit plans	(197)	460
150. Financial assets (other than equity securities) measured at fair value through other comprehensive income	9,893	4,418
200. Total other income components net of taxes	9,696	3,804
210. Comprehensive income (Item 10+170)	125,369	229,479
220. Consolidated comprehensive income attributable to minority interests	(725)	-
230. Consolidated comprehensive income attributable to the parent company	126,094	229,479

Table A4 - Statement of Changes in Consolidated Shareholders' Equity 1 January - 30 September 2024

	Balance at 31.12.2023	Changes in opening balances	Balance at 01.01.2024	Allocation of previous year result		Changes in the year									Group equity at 30.09.2024	Minority interests at 30.09.2024
				Reserves	Dividends and other allocations	Changes in reserves	Equity transactions							Comprehensive income 30.09.2024		
							Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in equity interests			
Capital:																
a) ordinary shares	70,693		70,693													70,693
b) other shares																
Share premiums	16,145		16,145													16,145
Reserves:																
a) of profits	1,008,099		1,008,099	202,653												1,210,752
b) other	15,553		15,553	2,317		(71)							760			17,468
Valuation reserves:	3,178		3,178											9,696		12,877
Equity instruments																
Treasury shares								(2,054)								(2,054)
Profit (Loss) for the year	240,361		240,361	(204,970)	(35,391)									115,673		116,395
Group equity	1,354,015		1,354,015	(35,391)	(61)			(2,054)					(327)	126,094		1,442,276
Minority interests	14		14			(10)							1,087	(725)		366

The allocation of the previous year's result to reserves in the amount of Euro 202,653 thousand includes the allocation of Euro 46,700 thousand to the restricted reserve pursuant to Article 26 of Decree Law No. 104 of 10 August 2023 in lieu of the payment of the extraordinary tax (so-called "extra-profits tax") approved by the Ordinary Meeting of 18 April 2024.

Table A5 - Statement of Changes in Consolidated Shareholders' Equity 1 January - 30 September 2023

	Balance at 31.12.2022	Changes in opening balances	Balance at 01.01.2023	Allocation of previ ous year result		Changes in the year									Group equity at 30.09.2023	Minority interests at 30.09.2023
				Reserves	Dividends and other allocations	Changes in reserves	Equity transactions							Comprehensive income 30.09.2023		
							Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in equity interests			
Capital:																
a) ordinary shares	70,693		70,693											70,693		
b) other shares																
Share premiums	16,145		16,145											16,145		
Reserv es:																
a) of profits	945,133		945,133	61,733		1,272								1,008,138		
b) other	22,226		22,226	(6,726)		(98)								15,388	14	
Valuation reserv es:	(13,192)		(13,192)										3,804	(9,388)		
Equity instruments																
Treasury shares																
Profit (Loss) for the year	81,463		81,463	(55,007)	(26,456)								225,675	225,675		
Group equity	1,122,454		1,122,454		(26,456)	1,174							229,479	1,326,651		
Minority interests	14		14												14	

Table A6 - Reconciliation between the Parent Company's individual net income and shareholders' equity and the Banco Desio Group's consolidated net income and shareholders' equity

Amounts in Euro thousands	Equity	of which Profit for the period
Balances of the Parent Company Banco Desio	1,438,813	118,723
Effect of the consolidation of subsidiaries	3,260	1,064
Effect of equity valuation of associates	203	342
Dividends for the period	-	-3,734
Consolidated balances of the Banco Desio Group	1,442,276	116,395

Table A7 - Reconciliation between the profit resulting from the consolidated income statement of the Banco Desio Group and relevant for the calculation of regulatory capital of the Banco Desio Group

Amounts in Euro thousands	Amount
Attributable to the Group	116,395
Elements deducted	46,306
- dividends in proposed recognition to the Bank's Shareholders	46,306
Profit counted in common equity tier 1 capital	70,089