

PRESS RELEASE

### BANCA SISTEMA: APPROVED RESULTS AS AT 31 DECEMBER 2022

- Business performance:
  - Factoring volumes: 4,417 million, +22% y/y
  - CQ loans: 933 million, stable y/y
  - Pawn loans: 107 million, +19% y/y
- Net interest income: 85.4 million, +4% y/y
- Total income: 105.9 million, -2% y/y
- Total operating costs: 64.2 million, +2% y/y
- Loan loss provisions: 8.5 million, down y/y
- Net income: 22.0 million, slightly down y/y
- The retail component accounts for 55% of total funding
- CET1 ratio at 12.6% and Total Capital ratio at 15.9% on a phase-in basis

Milan, 10 February 2023

1/10

The Board of Directors of Banca Sistema has approved the consolidated financial statements as at 31 December 2022, reporting a **net income** of 22.0 million, as compared to 23.3 million in the same period of 2021.

#### **Business Performance**

In a market that, in and of itself, reported a solid growth, the **factoring** business line overperformed, reaching a turnover of 4,417 million, corresponding to a growth rate of 22% y/y.

As at 31 December 2022, **factoring** receivables stood at 1,501 million, down from 1,678 million as at 30 September 2022 and compared to 31 December 2021 (1,542 million), mainly driven by a larger amount of tax receivables collected in Q4 2022.

Non-recourse factoring, accounting for 81% of receivables outstanding under management accounts<sup>1</sup>, includes tax receivables (9% of receivables, compared to 25% on 30.09.2022 and 14% on 31.12.2021).

As to the **CQ** business line, the Group purchased/funded loans for 322 million (financed amount), up in comparison with last year (299 million), with the Direct channel (*QuintoPuoi*) accounting for the lion's share, when excluding the purchase of loan pools from Gruppo BancoBPM (leading to the recognition through profit or loss of the interest accrued prior to the purchase of the loan portfolio).

The loan stock as at 31 December 2022 added up to 933 million, stable y/y (932 million) and slightly down compared to 30 September 2022 (958 million).

<sup>1</sup> Amounting to 1,650 million as at 31.12.2022, 1,851 million as at 30.09.2022 and 1,850 million as at 31.12.2021.

As at 31 December 2022, **pawn loans** came to 106.8 million, up by 19% y/y.

### Operating results as at 31 December 2022

**Net interest income**, at 85.4 million, rose by 4% y/y.

Interest income grew by 4% y/y (101.9 million vs 98.2 million as at 31.12.2022 and 31.12.2021, respectively). The lower y/y contribution from factoring has been more than offset by other components, including the greater contribution from pawn loans, State-guaranteed loans to SMEs and proprietary trading.

In today's market environment, interest income from the factoring business, accounting for roughly 56% of total interest margin (61% as at 31.12.2021), dropped 6% y/y, basically driven by a scarcer late-payment interest stream from legal action.

The overall P&L contribution as at 31 December 2022 from late-payment interest under legal action came to 15.2 million (21.5 million as at 31 December 2021).

Total late-payment interest under legal action accrued as at 31 December 2022, and relevant to the accrual model, came in at 104 million (188.1 million when including municipalities under conservatorship, against which no late-payment interest is accrued), while receivables already on the books totaled 56.3 million. The amount that was not recognized through profit and loss will be recognized, on an accrual or cash basis, in the next financial years, based on collection projections, that are still exceeding 80%.

The total cost of funding, at 0.4%, is in line with the full-year 2021 cost level (0.4%), yet on the rise in Q4 2022. In Q4 2022 the cost of funding was characterized by a positive component of 1.1 million tied to the TLTRO.

As at 31.12.2022, interest expense, that had been declining in the first nine months of 2022 compared to the same period of the previous year, rose by 2% y/y, mainly driven by the higher cost of the wholesale funding component, impacted by the policy rate hikes, that are expected to continue also in the next financial year.

**Net fees and commissions**, amounting to 16.7 million, were on the rise y/y (15.7 million as at 31 December 2021), driven by the greater contribution from commission income from pawn loans.

The contribution in terms of total revenues from factoring, i.e., the sum of interest income, commission income and revenues from portfolio disposals (70.8 million as at 31.12.2022), has been declining in absolute terms year on year (74.8 million as at 31.12.2021), due to the decrease in late-payment interest. Factoring total revenues taken as a percentage over the average of receivables have reported a slight decline on a y/y basis, while as of the second half of 2022 they grew significantly despite the stronger weight of tax receivables, that on average have a lower profitability compared to trade receivables. For CQ loans, the interest income to average loans ratio decreased year on year, while for pawn loans it has increased.

Total income was negatively affected by the result of proprietary trading as at 31 December 2022, that went down compared to the previous year (-0.2 million as at 31.12.2022 and 4.6 million as at 31.12.2021), although it has been improving in Q4 2022, and by the decline in CQ loan portfolio proceeds. As usual, factoring receivables portfolios were sold also in 2022, generating revenues of 2.2 million (1.9 million as at 31.12.2021), together with one CQ loan portfolio (in Q2 2022), generating revenues of 1.5 million (3.7 million as at 31.12.2021), down y/y.

**Total income** stood at 106 million, down 2% y/y driven by the proprietary trading result and by less CQ disposals compared to last year.

As at 31 December 2022, **loan loss provisions** added up to 8.5 million, down y/y (10.6 million). The cost of risk tied to customer loans came in at 29bps (40bps in 2021).

The Group's **headcount** (FTE) added up to 290 (12 more employees y/y), reporting a slight increase compared to the 283 resources on 30 September 2022, also due to the integration of Art-Rite and the opening of the Greek pawn loan company.

The y/y decline in **personnel expenses** is mainly tied to the release of the estimate of the variable component earmarked in 2021 and only partially distributed during the year (with an impact of about 1 million recognized in H1 2022), as well as the slight positive effect from the replacement of non-compete agreements with a retention plan. Net of the above components and of a positive effect from the discounting of the liabilities of the above plans to present value, the personnel expenses line-item remains fairly stable. **Other administrative expenses** slightly grew y/y (+3.5%).

**Other operating revenues and costs** include a revenue of 0.7 million from the release through profit and loss of a smaller earn-out from the acquisition of Atlantide.

The aggregate line-item **total operating costs** increased by 2% y/y, basically as a result of the dynamic of the line-item **provisions for risks and charges** (+2.8 million y/y), with an impact on Q4 2022 generated also by the non-recurring 1.3 million provision for CQ contracts originated by the Bank (Direct channel) before 25 July 2021. The above conservative provision was set aside in light of the Constitutional Court ruling no. 263 of 22.12.2022<sup>2</sup>. Anyhow, to date the legal framework and jurisprudence are still evolving.

3/10

**Net income before tax** as at 31 December 2022 added up to 33.2 million, down by 4% y/y.

### **Key balance sheet items as at 31 December 2022**

The **securities portfolio**, made up of Italian Government bonds, amounted to 1,234.4 million (of which 681.4 million are classified under the line-item "Financial assets measured at amortized cost", up compared to 292.3 million as at 30 September 2022 and 184.1 million as at 31 December 2021), with an average duration of 18.4 months. The "Held to Collect and Sell" (HTCS) component, amounting to 553 million as at 31 December 2022, has remained practically stable compared to 30 September 2022 (552.1 million), while it rose compared to 31 December 2021 (445.8 million), with an average duration of about 25.6 months.

**Financial assets measured at amortized cost (3,531 million)**, mainly represented by factoring receivables (1.501 million), decreased by 3% compared to 31 December 2021, and went down also compared to 30 September 2022 (1,678 million). They include CQ loans (salary- and pension-backed loans), part of the securities portfolio (681.4 million), State-guaranteed loans to SMEs (197 million as at 31.12.2022), and 107 million of pawn loans (on a stable quarterly upward trend). More specifically, the aforementioned CQ

<sup>2</sup> The Constitutional Court's ruling declared the partial unconstitutionality of Art. 11 octies of the Decree Law no. 73/2021 ("Sostegni bis" decree), transposed into Law no. 106/2021, which amended Art. 125-sexies of the TUB, extending the lender's obligation - upon early repayment of the loan - to partially reimburse also up-front fees on a pro-rated basis even for contracts signed before 25 July 2021, by virtue of the principles of the well-known "Lexitor Judgment," which instead had been ruled out by the aforementioned legislative measure.

loans added up to 933 million (932 million as at 31 December 2021), slightly down compared to 30 September 2022.

The **gross non-performing loan** stock came in at 284.8 million, down compared to 31 December 2021 (315.1 million) and to 30 September 2022 (291.7 million). The quarterly performance was mainly driven by the lower amount of past due loans, amounting to 81.4 million, whose decline more than offset the slight increase in bad loans (170.4 million as at 31.12.2022 vs 167 million as at 30.09.2022).

**Retail funding**, accounting for approx. 55% of total funding, remained stable compared to 30.09.2022 (68% as at 31 December 2021), and comprise checking accounts and term deposits to individuals and companies. The Retail component of funding has increased in absolute terms when compared to 30 September 2022.

Under **Financial liabilities measured at amortized cost (3,917 million)**, **Due to banks** went up compared to 31 December 2021 (623 million vs 592 million as at 31.12.2021), and down compared to 30 September 2022 (696 million), in both cases driven by a greater contribution from the interbank component.

Under Financial liabilities measured at amortized cost, **Due to customers** (3,056 million) went up compared to year-end 2021 and to 30 September 2022 (2,705 million), mainly driven by the positive dynamic reported in the last quarter, as in the previous one, by repurchase agreements tied to the Italian government bond portfolio, and by checking accounts, which over the quarter grew from 519 million as at 30 September 2022 to 639 million as at 31 December 2022 (775 million as at 31.12.2021). The quarterly increase in Due to customers was positively affected also by the financing taken out with Cassa Depositi e Prestiti with an average maturity exceeding 3 years.

Deposit accounts slipped slightly in Q4 (1,432 million as at 31 December 2022 compared to 1,477 million as at 30 September 2022).

**Debt securities (238 million)** increased compared to 31 December 2021 and declined compared to 30 September 2022 (301 million), due to the lower use of structured finance transactions as funding source.

As at 31 December 2022, under the transitional criteria in compliance with art. 468 of CRR, **Total own funds** (Total Capital) totaled 220.7 million, up compared to 217.3 million as at 30 September 2022 (CET1 was 175.0 million as at 30 September 2022 and 171.6 million as at 30 September 2022), and in addition to the net income for the period (net of the estimated dividend amount, corresponding to a payout ratio of 25% of the Parent company's net income), it included also the equity reserve for "Financial assets at fair value through other comprehensive income" (HTCS), in particular on Italian government bonds, amounting to -14.6 million (-15.2 million as at 30 September 2022). As at 31 December 2022, the **capital ratios**<sup>3</sup>, up compared to 30 September 2022, mainly due to the impact from the decline in RWA (1,385.2 million as at 31.12.2022 compared to 1,415.2 million as at 30.09.2022), stood at:

- **CET1 ratio 12.6%;**
- **TIER 1 ratio 15.9%;**
- **Total Capital ratio 15.9%.**

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<sup>3</sup> In compliance with EBA's Guidelines on common SREP (Supervisory Review and Evaluation Process), the Bank of Italy required the compliance with the following minimum capital requirements as of 31 September 2022:

- Common Equity Tier 1 ratio (CET1 ratio) of 9.0%;
- Tier1 ratio of 10.5%;
- Total Capital ratio of 12.50%.

As at 31 December 2022, capital ratios<sup>1</sup>, without the sterilization under art. 468 CRR, went up compared to 30 September 2022, and would stand at<sup>4</sup>:

- CET1 ratio 11.9%;
- TIER 1 ratio 15.2%;
- Total Capital ratio 15.2%.

The sterilization of all or part of the valuation reserves (HTCS) for government securities (part of a package of reforms to Basel III regulations) will be discussed by the European Trilogue. Ecofin, for its part, has already proposed a 100 % sterilization. Such a change, if approved, would come into effect upon its publication in the Official Journal, presumably in Autumn 2023.

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### **Statement of the financial reporting officer**

The financial reporting officer of Banca Sistema, Alexander Muz, in compliance with paragraph two of art. 154 bis of the Consolidated act for financial intermediation, hereby states that the accounting information illustrated in this press release is consistent with documental evidence, accounting books and book-keeping entries.

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### **Operational outlook and main risks and uncertainties**

The current scenario characterized by constant interest rate hikes by the European Central Bank, leading to a gradual increase in deposit rates across the different types of facilities, caused an increase in the cost of funding as of Q4 2022, which is turning out to outpace the change in the loan book return, part of which is fixed-rate, in particular for CQ loans, leading to a compression of net interest income, that should be counteracted in the coming quarters as loans increase their profitability.

The Group has no direct exposure to entities or individuals subject to the restrictive sanctions imposed by the European Union over the war in Ukraine; the evolution of the conflict and of the sanctions is being constantly and carefully monitored by the Group.

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The Board of Directors of Kruso Kapital (in which Banca Sistema holds a 75% stake) approved the launch of the IPO process for the listing on the Euronext Growth Market of Borsa Italiana SpA. The listing could take place in 2023, depending on market conditions.

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<sup>4</sup> The equity reserve for "Financial assets at fair value through other comprehensive income" (HTCS), in particular on Italian Government bonds, amounts to -24.7 million (-25.6 million as at 30 September 2022). RWAs as at 31.12.2022 came in 2.4 million below those based on the ratios calculated on a phase-in basis.

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All financial amounts reported in the press release are expressed in euro.

6/10

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**Contacts:**

**Investor Relations**

Carlo Di Pierro  
Tel. +39 02 80280358  
E-mail [carlo.dipierro@bancasistema.it](mailto:carlo.dipierro@bancasistema.it)

**Media Relations**

Patrizia Sferrazza  
Tel. +39 02 80280354  
E-mail [patrizia.sferrazza@bancasistema.it](mailto:patrizia.sferrazza@bancasistema.it)

**Gruppo Banca Sistema**

Banca Sistema, founded in 2011 and listed in 2015 on Borsa Italiana's Star segment, is a financial institution specialized in purchasing trade receivables owed by the Italian Public Administrations and tax receivables, and engages in salary- and pension-backed loans, by purchasing loan pools and through the direct origination of the QuintoPuoi product. In the pawn loans business, it operates through the subsidiary Kruso Kapital S.p.A. and the brand product ProntoPegno S.p.A. The Group has more than 100,000 clients, and it offers also deposit products, including current accounts, deposit accounts and securities accounts, in addition to other services as credit management and recovery, bank guarantees and security bonds, PA receivables certification and e-billing. With head offices in Milan and Rome, Gruppo Banca Sistema is present in Italy also in Bologna, Pisa, Naples, Palermo, Asti, Brescia, Civitavecchia, Florence, Mestre, Parma, Rimini and Turin, as well as in Spain and Greece, it has 290 employees and relies on a multichannel structure.

## Attachments

- Consolidated Balance Sheet
- Consolidated Income Statement
- Asset Quality

### BANCA SISTEMA GROUP: BALANCE SHEET

Amounts in thousands of EUR

		31.12.2022 A	30.09.2022	31.12.2021 B	Difference %
	<b>ASSETS</b>				
10.	Cash and cash equivalents	126,589	148,826	175,835	-28%
30.	Financial assets held to collect and sell (HTCS)	558,384	557,464	451,261	24%
40.	Financial assets held to collect (HTC)	3,530,678	3,269,928	2,954,174	20%
	a) Loans and advances to banks	34,917	20,075	33,411	5%
	b) Loans and advances to customers	3,495,761	3,249,853	2,920,763	20%
	<i>of which: Factoring</i>	1,501,353	1,678,331	1,541,687	-3%
	<i>of which: Salary/pension-backed loans (CQS/CQP)</i>	933,200	957,961	931,767	0.2%
	<i>of which: SMEs State guaranteed loans</i>	196,909	181,427	160,075	23%
	<i>of which: Collateralised loans</i>	106,749	103,577	90,030	19%
	<i>of which: Securities</i>	681,032	292,182	184,042	nm
70.	Equity investments	970	946	1,002	-3%
90.	Property, plant and equipment	43,374	42,763	40,780	6%
100.	Intangible assets	34,516	33,016	33,125	4%
	<i>of which: goodwill</i>	33,526	32,355	32,355	4%
110.	Tax assets	24,861	23,710	12,840	94%
120.	Non-current assets and disposal groups classified as held for sale	40	43	68	-41%
130.	Other assets	77,989	73,112	39,806	96%
	<b>Total assets</b>	<b>4,397,401</b>	<b>4,149,808</b>	<b>3,708,891</b>	<b>19%</b>
	<b>LIABILITIES AND EQUITY</b>				
10.	Financial liabilities at amortised cost	3,916,974	3,701,659	3,257,401	20%
	a) Due to banks	622,865	695,063	592,157	5%
	b) Due to customers	3,056,210	2,705,966	2,472,054	24%
	<i>of which: Term Deposits</i>	1,431,548	1,476,860	1,387,416	3%
	<i>of which: Current Accounts</i>	639,266	519,595	775,096	-18%
	c) Debt securities issued	237,899	300,630	193,190	23%
60.	Tax liabilities	17,023	20,610	14,981	14%
70.	Liabilities associated with non-current assets held for sale and discontinued operations	13	16	18	-28%
80.	Other liabilities	166,896	136,594	137,995	21%
90.	Post-employment benefits	4,107	3,963	4,310	-5%
100.	Provisions for risks and charges:	36,492	34,835	28,654	27%
140.	Equity instruments	45,500	45,500	45,500	nm
120. + 150. + 160. + 170. + 180.	Share capital, share premiums, reserves, equity instruments, valuation reserves and treasury shares	178,338	178,874	187,212	-5%
190.	Minority interests	10,024	9,922	9,569	5%
200.	Profit for the year	22,034	17,835	23,251	-5%
	<b>Total liabilities and equity</b>	<b>4,397,401</b>	<b>4,149,808</b>	<b>3,708,891</b>	<b>19%</b>



# BANCA

## S I S T E M A

### BANCA SISTEMA GROUP: CONSOLIDATED INCOME STATEMENT

Amounts in thousands of EUR

		2022 A	1Q 2022	2Q 2022	3Q 2022	4Q 2022	2021 B	1Q 2021	2Q 2021	3Q 2021	4Q 2021	Difference %
10.	Interest income	101,945	23,605	26,953	24,315	27,072	98,211	24,241	23,480	22,078	28,412	4%
20.	Interest expenses	(16,517)	(2,942)	(2,970)	(3,523)	(7,082)	(16,249)	(4,974)	(4,242)	(3,544)	(3,489)	2%
<b>30.</b>	<b>Net interest income</b>	<b>85,428</b>	<b>20,663</b>	<b>23,983</b>	<b>20,792</b>	<b>19,990</b>	<b>81,962</b>	<b>19,267</b>	<b>19,238</b>	<b>18,534</b>	<b>24,923</b>	<b>4%</b>
40.	Fee and commission income	31,581	7,526	8,218	8,116	7,721	25,597	5,940	5,997	6,452	7,208	23%
50.	Fee and commission expense	(14,868)	(3,833)	(4,955)	(2,799)	(3,281)	(9,942)	(1,916)	(2,173)	(2,375)	(3,478)	50%
<b>60.</b>	<b>Net fee and commission income</b>	<b>16,713</b>	<b>3,693</b>	<b>3,263</b>	<b>5,317</b>	<b>4,440</b>	<b>15,655</b>	<b>4,024</b>	<b>3,824</b>	<b>4,077</b>	<b>3,730</b>	<b>7%</b>
70.	Dividends and similar income	227	-	227	-	-	227	-	227	-	-	nm
80.	Net income from trading	(1,518)	1	(1,202)	(304)	(13)	21	5	16	-	-	nm
100.	Profits (Losses) on disposal or repurchase of:	5,078	331	3,806	359	582	10,089	2,689	1,025	1,855	4,520	-50%
	a) financial assets measured at amortised cost	3,991	316	2,735	358	582	5,999	746	618	452	4,183	-33%
	b) financial assets measured at fair value through other comprehensive income	1,087	15	1,071	1	-	4,090	1,943	407	1,403	337	-73%
<b>120.</b>	<b>Operating income</b>	<b>105,928</b>	<b>24,688</b>	<b>30,077</b>	<b>26,164</b>	<b>24,999</b>	<b>107,954</b>	<b>25,985</b>	<b>24,330</b>	<b>24,466</b>	<b>33,173</b>	<b>-2%</b>
130.	Net impairment losses on loans	(8,502)	(2,307)	(2,749)	(1,208)	(2,238)	(10,624)	(4,103)	(3,728)	(976)	(1,817)	-20%
140.	Profits (Losses) on changes in contracts without derecognition	-	-	-	-	-	(4)	-	-	(4)	-	nm
<b>150.</b>	<b>Net operating income</b>	<b>97,426</b>	<b>22,381</b>	<b>27,328</b>	<b>24,956</b>	<b>22,761</b>	<b>97,326</b>	<b>21,882</b>	<b>20,602</b>	<b>23,486</b>	<b>31,356</b>	<b>0%</b>
190. a)	Staff costs	(26,827)	(6,588)	(7,742)	(7,109)	(5,388)	(28,981)	(6,920)	(7,384)	(6,988)	(7,689)	-7%
190. b)	Other administrative expenses	(30,587)	(8,318)	(7,145)	(7,371)	(7,753)	(29,547)	(8,621)	(7,330)	(6,727)	(6,869)	4%
200.	Net allowance for risks and charges	(4,461)	(539)	(514)	(1,243)	(2,165)	(1,705)	(1)	(25)	-	(1,679)	nm
210. +220.	Net impairment losses on property and intangible assets	(2,995)	(725)	(774)	(718)	(778)	(2,710)	(658)	(718)	(628)	(706)	11%
230.	Other net operating income/expense	647	515	498	101	(467)	74	852	523	311	(1,612)	ns
<b>240.</b>	<b>Operating expenses</b>	<b>(64,223)</b>	<b>(15,655)</b>	<b>(15,677)</b>	<b>(16,340)</b>	<b>(16,551)</b>	<b>(62,869)</b>	<b>(15,348)</b>	<b>(14,934)</b>	<b>(14,032)</b>	<b>(18,555)</b>	<b>2%</b>
250.	Profits of equity-accounted investees	(31)	(36)	(15)	(5)	25	2	10	5	(17)	4	nm
<b>290.</b>	<b>Pre-tax profit from continuing operations</b>	<b>33,172</b>	<b>6,690</b>	<b>11,636</b>	<b>8,611</b>	<b>6,235</b>	<b>34,459</b>	<b>6,544</b>	<b>5,673</b>	<b>9,437</b>	<b>12,805</b>	<b>-4%</b>
300.	Tax expenses (income) for the period from continuing operations	(10,659)	(2,143)	(3,707)	(2,876)	(1,933)	(10,916)	(2,053)	(1,581)	(3,071)	(4,211)	-2%
<b>310.</b>	<b>Profit after tax from continuing operations</b>	<b>22,513</b>	<b>4,547</b>	<b>7,929</b>	<b>5,735</b>	<b>4,302</b>	<b>23,543</b>	<b>4,491</b>	<b>4,092</b>	<b>6,366</b>	<b>8,594</b>	<b>-4%</b>
320.	Profit (Loss) after tax from discontinued operations	(23)	(24)	1	-	-	(20)	-	-	-	(20)	nm
<b>330.</b>	<b>Profit for the year</b>	<b>22,490</b>	<b>4,523</b>	<b>7,930</b>	<b>5,735</b>	<b>4,302</b>	<b>23,523</b>	<b>4,491</b>	<b>4,092</b>	<b>6,366</b>	<b>8,574</b>	<b>-4%</b>
340.	Profit for the year attributable to the Minority interests	(456)	(140)	(108)	(105)	(103)	(272)	(29)	(64)	(76)	(103)	68%
<b>350.</b>	<b>Profit for the year attributable to the shareholders of the Parent</b>	<b>22,034</b>	<b>4,383</b>	<b>7,822</b>	<b>5,630</b>	<b>4,199</b>	<b>23,251</b>	<b>4,462</b>	<b>4,028</b>	<b>6,290</b>	<b>8,471</b>	<b>-5%</b>

**BANCA SISTEMA GROUP: ASSET QUALITY***Amounts in thousands of EUR*

31.12.2022	Gross exposure	Impairment losses	Net exposure
<b>Gross Non Performing Exposures</b>	<b>284,817</b>	<b>61,727</b>	<b>223,090</b>
<i>Bad loans</i>	170,369	47,079	123,290
<i>Unlikely to pay</i>	32,999	13,750	19,249
<i>Past-dues</i>	81,449	898	80,551
<b>Performing Exposures</b>	<b>2,598,125</b>	<b>6,486</b>	<b>2,591,639</b>
<b>Total Loans and advances to customers</b>	<b>2,882,942</b>	<b>68,213</b>	<b>2,814,729</b>

30.09.2022	Gross exposure	Impairment losses	Net exposure
<b>Gross Non Performing Exposures</b>	<b>291,738</b>	<b>60,410</b>	<b>231,328</b>
<i>Bad loans</i>	167,047	46,205	120,842
<i>Unlikely to pay</i>	33,743	13,379	20,364
<i>Past-dues</i>	90,948	826	90,122
<b>Performing Exposures</b>	<b>2,732,517</b>	<b>6,175</b>	<b>2,726,342</b>
<b>Total Loans and advances to customers</b>	<b>3,024,255</b>	<b>66,585</b>	<b>2,957,670</b>

31.12.2021	Gross exposure	Impairment losses	Net exposure
<b>Gross Non Performing Exposures</b>	<b>315,071</b>	<b>59,519</b>	<b>255,552</b>
<i>Bad loans</i>	169,099	47,554	121,545
<i>Unlikely to pay</i>	37,374	11,374	26,000
<i>Past-dues</i>	108,598	591	108,007
<b>Performing Exposures</b>	<b>2,487,995</b>	<b>6,825</b>	<b>2,481,170</b>
<b>Total Loans and advances to customers</b>	<b>2,803,066</b>	<b>66,344</b>	<b>2,736,722</b>