



MCC Group RMBS 2025 Investors Presentation



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Executive summary

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Executive Summary

BDM Banca S.p.A.⁽¹⁾ (“BDM Banca”) is pleased to announce the market reoffer of the Class A1 Notes issued by MCC Group RMBS 2025 SPV S.r.l. (“MCC Group RMBS 2025”)

MCC Group RMBS 2025

- The transaction offers up to €300mm of 3.59yrs⁽²⁾ WAL Class A1 Notes (the “Class A1 Notes”)
- The Class A1 Notes are rated Aa2 and AAA by Moody’s and DBRS, respectively
- The transaction is STS compliant and application for ECB Open Market Operations eligibility has been made
- The issuance is collateralised by performing Italian residential mortgage loans originated and serviced by BDM Banca (the “Originator” or the “Servicer” or the “Bank”)
- The portfolio also includes loans from the early unwinding of ABS transactions Bari RMBS 2018 and 2019

Prime Collateral

A static prime pool of Italian residential mortgages (the “Portfolio”) originated by BDM Banca (100%) - as of **31/07/2025** (“Cut-off Date”):

- **Current balance** of c. **€ 1,027.6 mm**
- **100%** secured by **first lien residential real estate assets**
- **Weighted average current LTV is c. 67.2%** and the **weighted average seasoning is c. 3.7 yrs**
- **Granular Portfolio of 11,483 loans**, with an **average current loan balance of €c. 89.5k**, **top 1** exposure accounts for c. **0.12% of current balance** and **top 100** exposures accounts for c. **3.38%**
- **100%** of the Portfolio pays with a **French amortization** (i.e. interest and principal) and 99.8% of the Portfolio pays on a monthly basis

MCC Group

MCC Group is composed by

- **Mediocredito Centrale**, the parent company of the banking Group
- **BDM Banca**, the Group’s main operating bank
- **Cassa di Risparmio di Orvieto**, currently in the process of being divested

The Group operates under a centralized finance model, ensuring coordinated and efficient liquidity and funding management.

Key Group Highlights:

- Over **€25 billion** in total investments activated and **155,000 businesses financed**
- Consolidated **net profit of €71.3 million** in 2024, with **€1.04 billion** in net equity



Transaction Summary

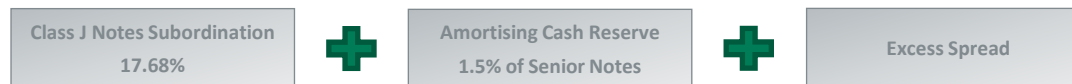
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Transaction Structure

Capital Structure

Notes	Rating (Moody's / DBRS)	Size (€m)	Size (%)	Subordination (%)	Coupon	Senior Notes Estimated WAL (#yrs) ⁽¹⁾	Maturity Date	Status
Class A1	Aa2/AAA	300	29.05%	17.68%	3m Euribor + 0.70%	3.59	December 2067	Re-offered
Class A2	Aa2/AAA	200	19.37%	17.68%	3m Euribor + 0.70%	3.59	December 2067	Private placement
Class A3	Aa2 / A ^(high)	350	33.90%	17.68%	3m Euribor + 0.75%	11.56	December 2067	Retained
Class J	Not Rated	182.6	17.68%	0.00%	VR		December 2067	Retained

- The credit enhancement for the benefit of the Senior Notes is provided by the following items:



Key structuring features

- Transaction to envisage the issuance of the following tranches, (i) Class A1 Notes, Class A2 Notes, Class A3 Notes (the “**Senior Notes**”) and Class J Notes (the “**Junior Notes**”)
 - Class A1 Notes reoffered to the market
 - Class A2 Notes initially retained by the Originator and expected to be privately placed with institutional investor in Q1 2026
 - Class A3 Notes and Class J Notes retained by the Originator
- Sequential amortization structure since issuance, with no interest or principal leakage to Junior Notes
- Based on the pre-acceleration waterfall:
 - The Senior Notes interests to be paid *pro rata* and *pari passu*
 - Class A1 and Class A2 Notes benefit of a fast pay structure (for principal balance) that shortens their expected WAL
- In case of acceleration, post-acceleration waterfall envisages a pro-rata payment for both interests and principal payments of all the Senior Notes

Investment Highlights

Main Features of the Portfolio

- Portfolio of **performing Italian residential mortgage loans originated and serviced by BdM**
- **100%** of loans are **guaranteed by a first economic ranking claim on residential real estate assets**
- **Granular portfolio with 11,483 loans** with an **average current balance of €89,485**
- **Current weighted-average LTV of 67.2%**
- **Top 25 borrowers represent 1.22% of the total current balance**
- **Fixed interest rate loans and floating rate loans are, respectively, 89.2% and 10.8%** of total current balance
- **Weighted average interest rate for fixed rate loans of 2.91% and weighted average margin for floating rate loans of 1.39%**
- **Portfolio weighted average seasoning is 3.7 years**
- **81.7%** of the borrowers (in terms of Portfolio current balance) are domiciled in **Southern Italy and Islands**

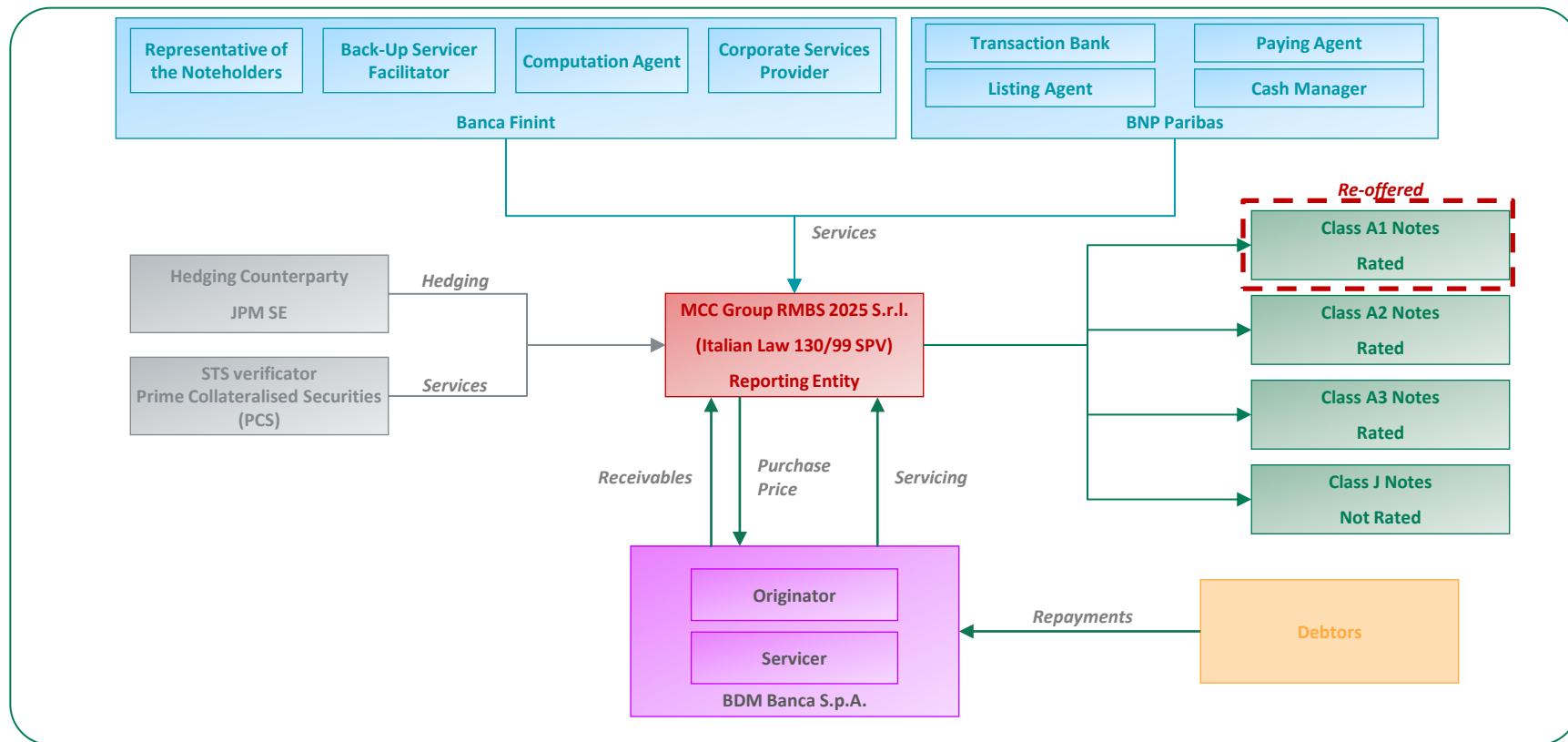
Structural Features

- **Static cash securitisation**
- **17.68% subordination on the Senior Notes**
- **Sequential amortization with fast pay structure for principal repayment of the Class A1 Notes and Class A2 Notes with no leakage to the Junior Notes**
- **Amortizing Liquidity Reserve equal to €12.75mm** funded at closing with collection post cut-off (1.5% of the Senior Notes outstanding balance, with €2m floor until the Senior Notes are outstanding) is available **to cover any interest shortfalls**
- In order to **hedge the fixed-floating rate risk**, the **Issuer entered into a BGS swap and a Cap with JP Morgan SE**
- **Back-up Servicer Facilitator appointed at the issue date** (being Banca Finint)

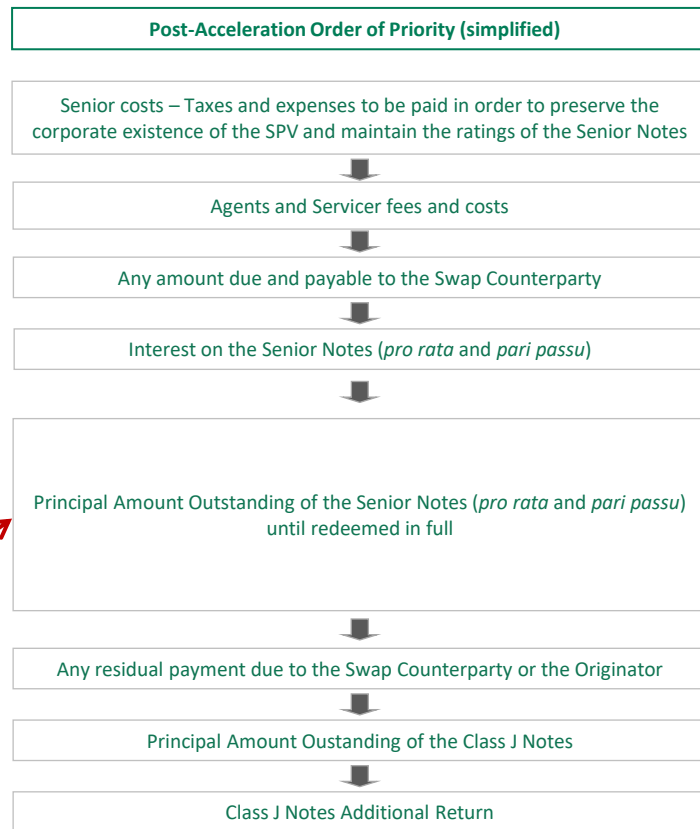
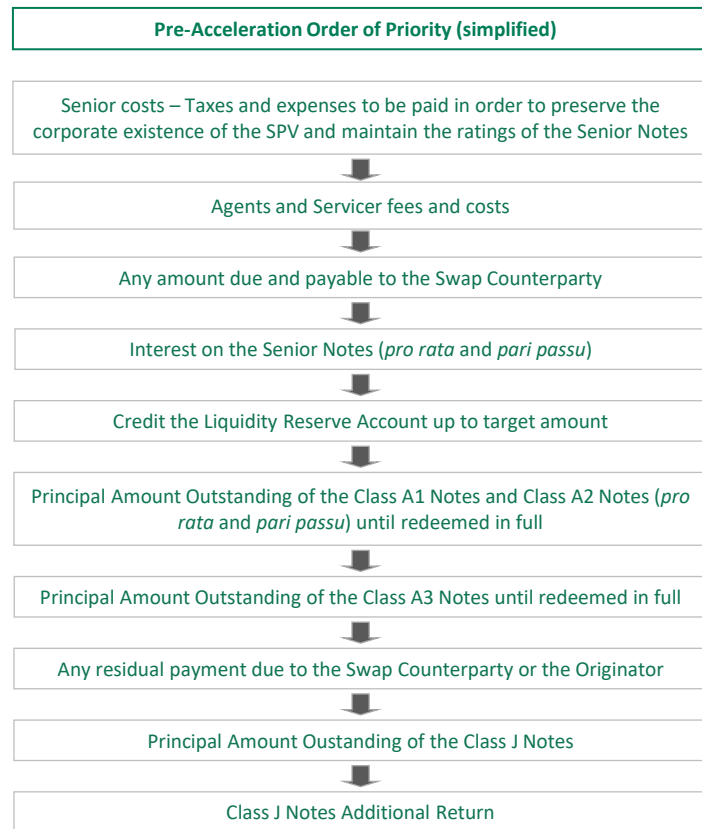
Track Record

- **BDM Banca is a repeated issuer in the RMBS capital market with the program Popolare Bari RMBS**

Transaction Diagram and Transaction Parties

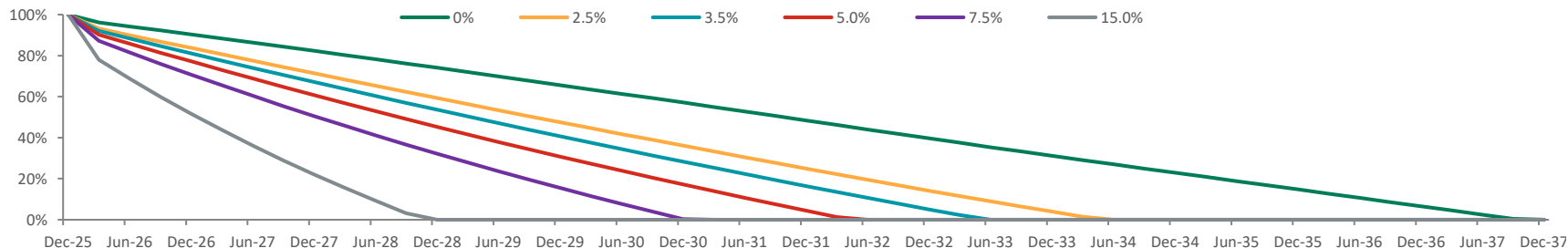


Priority of Payments



Expected weighted average life of the Class A1 Notes

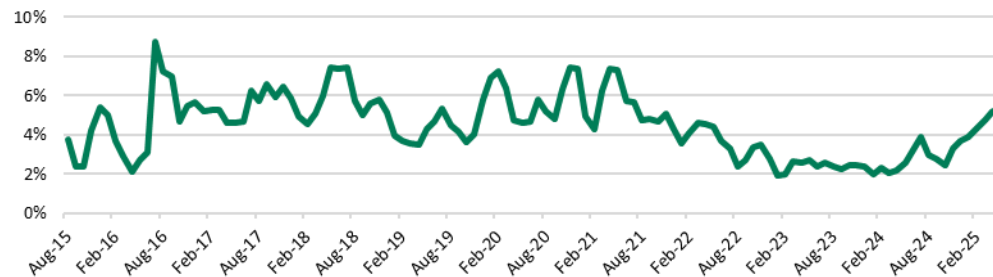
Class A1 Notes – Indicative Amortisation Profile Scenarios under different CPR assumptions (No call)



Class A1 WAL sensitivity to CPR

CPR	No Call		Call	
	Class A1 WAL (#yrs)	Class A1 expected redemption	Class A1 WAL (#yrs)	Class A1 expected redemption
0%	6.05	31/12/2037	5.04	31/12/2032
2.5%	4.10	30/06/2034	3.98	31/12/2032
3.5%	3.59	30/06/2033	3.58	31/12/2032
5.0%	3.02	30/06/2032	3.02	30/06/2032
7.5%	2.35	31/03/2031	2.35	31/03/2031
10.0%	1.90	31/03/2030	1.90	31/03/2030
15.0%	1.34	31/12/2028	1.34	31/12/2028

Dynamic annualized prepayment rate (% outstanding balance) – 3m rolling average



Investor Reporting

Investor Reports

- ✓ Investor Reports will be available on Banca Finint portal at the following address <https://www.securitisation-services.com/en/reports/transaction/mcc-group-rmbs-2025-s-r-l>
- ✓ Investor Reports will be prepared by the Calculation Agent on a quarterly basis

Intex

- ✓ The transaction is modelled on Intex – deal name: mcc25

Bloomberg

- ✓ The transaction is available on Bloomberg – deal name: MCC RMBS 2025-1

EDW

- ✓ The loan level data will be available on European Datawarehouse

Regulatory Disclosure

- ✓ On a quarterly basis, BDM Banca will provide information through the Investor Report in compliance with the provision of art. 405 of the Capital Requirement Regulation and any other applicable EU risk retention rule



Collateral Overview

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Portfolio Selection Criteria

Main criteria providing the inclusion of:

- Loans regulated by Italian Law and denominated in Euro;
- Loans whose Borrowers are individual (identified with economic sector 600, 614 and 615) that are domiciled in Italy;
- Loans secured by a first lien mortgage on at least one residential property located in Italy;
- Loans for which there are no instalments overdue and unpaid (in whole or in part) as of 31 July 2025;
- Loans fully disbursed and for which there is no obligation to, neither is it possible to, draw down any further amount;
- Loans having a maturity date falling between 31 August 2026 (included) and 30 June 2055 (included);
- Loans for which at least 13 further instalments are still due from the respective Borrower;
- Loans in relation to which, as at the Valuation Date at least one instalment has been paid;
- Loans secured by a first-lien mortgage in favor of BDM Banca, for which the ratio between the amount disbursed and the appraised value of the mortgaged properties does not exceed 100% (inclusive) at the time of disbursement;
- Loans secured by a first-lien mortgage in favor of the BDM Banca, for which the ratio between the outstanding principal balance and the most recent appraised value of the mortgaged properties does not exceed 100% (included) as of the Valuation Date;
- Loans disbursed from 1 January 2016 (included) to 12 June 2025 (included);
- Loans for which the outstanding principal balance is equal to or less than Euro 1,195,660.78;
- Loans which provide for the payment by the relevant Borrower of either monthly or quarterly instalments;
- Loans with the repayment of principal according to a “French” amortization schedule;
- Loans whose interest rate is (i) fixed or (ii) floating with reference rate being Euribor (1 month, 3 months, or 6 months) or ECB rate;
- Loans with instalment payments made through direct debit from a current account or via “SDD – SEPA Direct Debit”

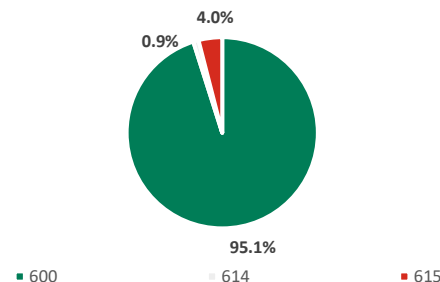
Main criteria providing the exclusion of:

- Loans granted to directors and/or employees of BDM Banca;
- Loans associated with an ancillary current account or deriving from agreements that benefit from financial aid or contributions to principal and/or interest;
- Loans granted pursuant to agreements entered into by the BDM Banca with/guaranteed by funds for the prevention of usury or granted to foundations;
- Loans that, as of the Valuation Date, benefit from the guarantee of the EIF (SME Initiative) or are guaranteed by *confidi*;
- Mixed or modular rate loans, which provide for (i) a switch to a variable interest rate after an initial period during which the interest rate is calculated with reference to a fixed rate, or (ii) the possibility for the debtor to choose the application of a fixed or variable interest rate after a period during which the interest rate is calculated with reference to a fixed rate;
- Loans that, as of the Valuation Date, benefit from the suspension (in whole or in part) of the payment obligations of the contractually scheduled instalments;
- Loans for which the outstanding principal balance is less than Euro 10,005.50 as of the Valuation Date;
- Loans granted to Borrowers against whom legal or arbitration proceedings are pending, which may affect the availability, collectability, or transferability of the credit;
- Loans whose related receivables have been assigned to the securitization vehicle 2017 Popolare Bari RMBS S.r.l.;
- Loans identified by the debtor position identification numbers (as reported in the relevant Loan Agreements), consisting of the debtor identification code (NDG) and the loan relationship number indicated in the list filed by the Company with the Treviso-Belluno business register

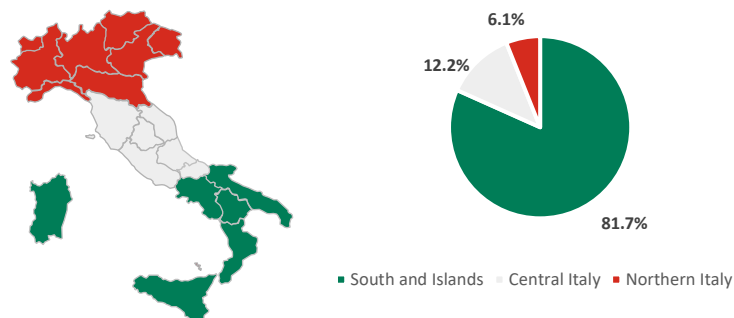
Portfolio Overview (1/3)

Summary statistics	
Total Current Balance (€)	1,027,558,846
Total Original Balance (€)	1,203,397,252
Number of Loans (#)	11,483
Number of Borrowers (#)	11,416
Average Current Balance per Loan (€)	89,485
Average Current Balance per Borrower (€)	90,010
Maximum Current Loan Balance (€)	1,195,661
Minimum Current Loan Balance (€)	10,006
Average Original Balance (€)	104,798
Maximum Original Loan Balance (€)	1,200,000
Minimum Original Loan Balance (€)	13,507
WA Seasoning (in yrs, based on Current Balance)	3.7
WA Residual Term (in yrs, based on Current Balance)	23.2
Floating rate Loans (% Current Balance)	10.8%
WA Spread (%) / WA Fixed Rate (%)	1.39% / 2.91%
WA Original LTV (%)	75.2%
WA Current LTV (%)	67.2%
Top 1 / 25 / 100 borrowers (% Current Balance)	0.1% / 1.2% / 3.4%

Borrower SAE code (% Current Balance)

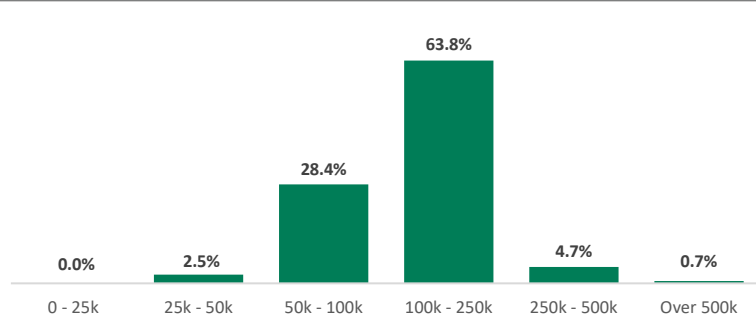


Borrower geographical distribution (% Current Balance)

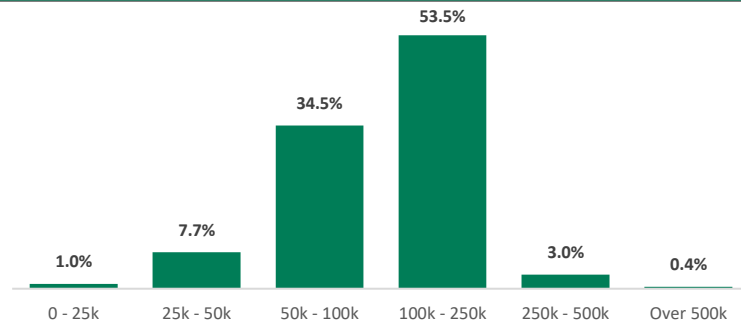


Portfolio Overview (2/3)

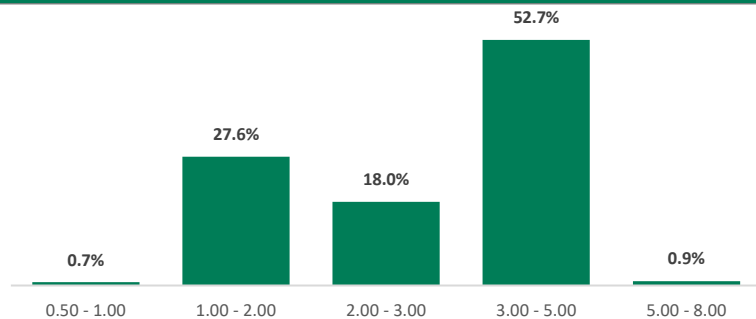
Loan Original Principal Balance (% Current Balance)



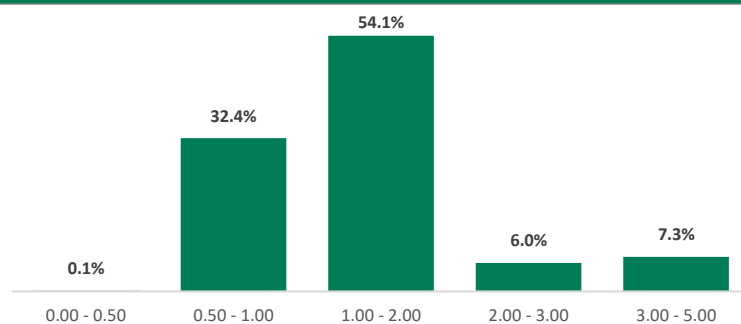
Loan Current Balance distribution (% Current Balance)



By Interest Rate % (Fixed only) (% Current Balance)

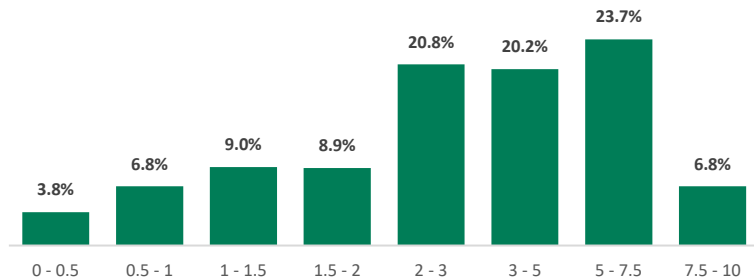


By Spread % (Floating only) (% Current Balance)

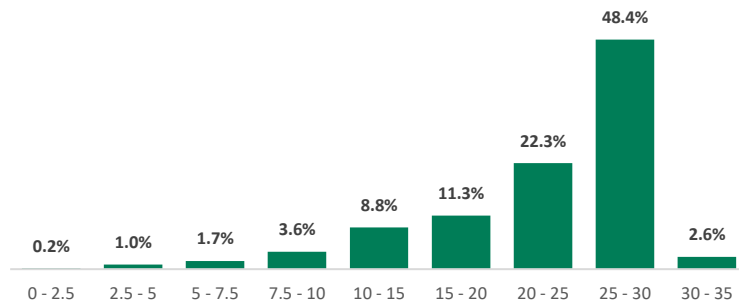


Portfolio Overview (3/3)

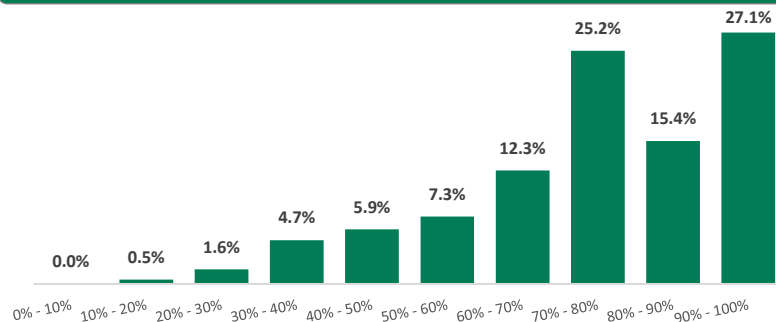
By Seasoning (in years) (% Current Balance)



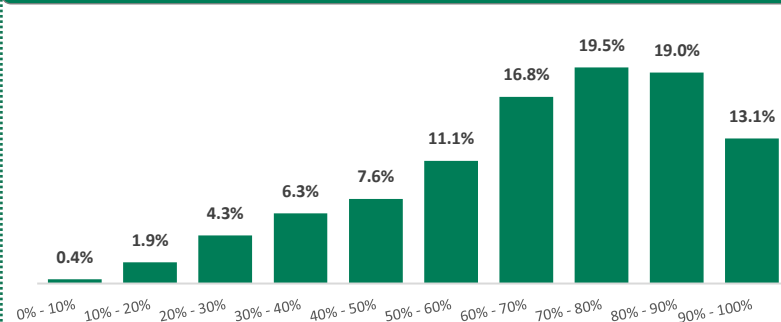
By Remaining Term (in years) (% Current Balance)



By Original Loan to Value % (% Current Balance)



By Current Loan to Value % (% Current Balance)



Loan renegotiations and repurchases

Interest rate renegotiation

- The Servicer can modify:
 - The interest rate type from fixed rate or floating rate with cap to floating rate or floating rate with floor; or
 - The interest rate type from floating rate or floating rate with cap or floating rate with floor to fixed rate, or
 - Reduce the coupon or the relevant spread; or
 - For the loans with floating rate with a floor, modify the floor
- The following limits and restrictions apply:
 - The Servicer cannot modify the loan interest rate type into optional rate loan or floating rate with cap
 - The aggregate amount of loans that have had either a lowered the spread or an interest rate switch and cause a reduction of the net margin, cannot exceed 30% of the aggregate pool balance at closing
 - The Servicer has to indemnify the Issuer, in line with the provisions of the Servicing Agreement, if the reduction of the net spread / fixed coupon is above 50bps

Maturity modifications and payment frequency

- The Servicer can reduce or increase the maturity of the loan
- The following limits and restrictions apply:
 - The aggregate amount of the loans that have had their maturity changed, cannot exceed 10% of the aggregate pool balance at closing
 - The new maturity date shall not fall 15 years after the maturity of the loan as of Valuation Date
 - The new maturity date of the loan shall not fall after the date which is 10 years prior to the legal final maturity of the Senior Notes
- Loan Payment frequency can only be modified from monthly to quarterly or from quarterly to monthly

Payment holidays

- The Servicer can concede payment holidays up to 18 months with the following restrictions:
 - The new final maturity date of the loan shall not fall after the date which is 10 years prior to the legal final maturity of the Senior Notes
 - The aggregate amount of loans that benefited from a payment holiday cannot represent more than 25% of the aggregate balance of the initial pool and, with respect to each collection period, 10% of the aggregate balance at the same date

Loan repurchases

- The Servicer can repurchase loans from the Issuer with the following restrictions:
 - Loans can only be repurchased for an aggregate amount not exceeding 20% of the aggregate balance of the initial pool
 - In case BDM Banca is terminated as Servicer, all the loans benefiting of the Consap Guarantee assuming that the repurchase allows the full redemption of the Class A1 Notes and Class A2 Notes

MCC Group RMBS 2025 vs Italian RMBS transactions

Portfolio Statistics at Closing	MCC RMBS 2025	Asti Group RMBS 2024	Miltonia Mortgage Finance 2024	Stresa Securitisation 2023	Leone Arancio RMBS 2023	Valsabbina RMBS 2022	Fucino RMBS 2022
Originator	Banca del Mezzogiorno	Cassa Risparmio di Asti	Barclays	Fortress Investment Group	ING	Banca Valsabbina	Banca del Fucino
Issue Date	Dec-2025	Nov-2024	May-2024	Dec-2023	Sep-2023	Nov-2022	Jul-2022
Rating (Snr) (M/F/DBRS/SP)	Aa2/-/AAA/-	NR/-/AAA/-	Aa3/-/AA	-/AA/AA	-/AA/AAA/-	-/AA/-/AA	Aa3/-/AA
Size (Snr)	€850.0m	€ 551.8m	€ 3,650.4m	€ 123.8m	€ 7,080.0m	€625.0m	€118m
Credit enhancement	17.7%	17%	12%	19%	12%	17%	13%
Number of Loans	11,483	7,703	58,002 ⁽¹⁾	1,737	68,598	6,851	1,511
Average Current Balance per Loan	€89,485	€86,329	€72,131	€88,231	€94,581	€98,074	€89,656
Weighted Average Seasoning (years)	3.7	5.3	13.6	16.7	6.1	3.6	7.2
WA CLTV	67.2%	53.9% ⁽²⁾	50.8%	64.8% ⁽³⁾	53.3%	56.4%	43.4%
WA OLTV	75.2%	65.2%	67.7%	72.8%	66.9%	65.9%	59.6%
Geographical Distribution (North/Centre/South)	6% / 12% / 82%	approx. 99% / 1% / 0%	49% / 30% / 21%	61% / 28% / 11%	approx. 40% / 31% / 29%	approx. 94% / 6% / 0%	2% / 77% / 21%
First Lien	100%	100%	100%	100%	100%	100%	99%
Interest Rate (Fixed/Floating)	89% / 11%	57% / 43%	11% / 89%	2% / 98%	51% / 49%	50% / 50%	25% / 75%
WA Interest Rate	Spread fixed: 2.91% Spread floating: 1.39%	5.0%	4.5%	5.5% ⁽⁴⁾	4.0%	Spread fixed: 1.9% Spread floating: 1.7%	Spread fixed: 2.6% Spread floating: 2.3%
Hedging in place	Yes	Yes	Yes	No	Yes	No	Yes

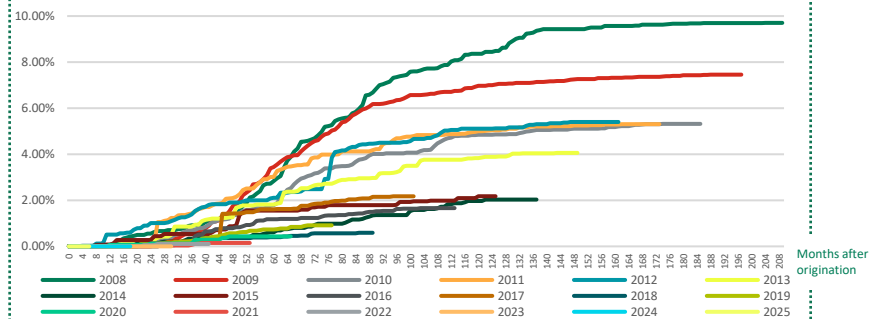


Historical Data and Previous Transactions

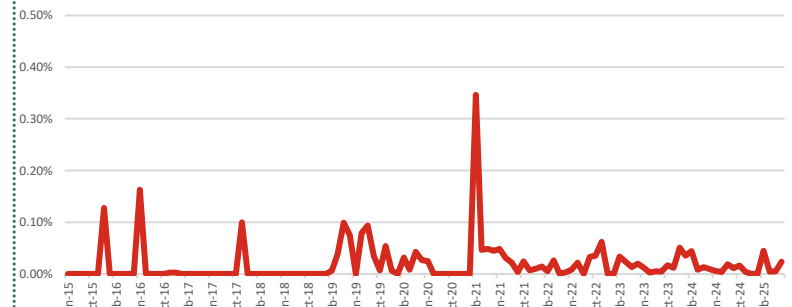
4

Historical Data Analysis

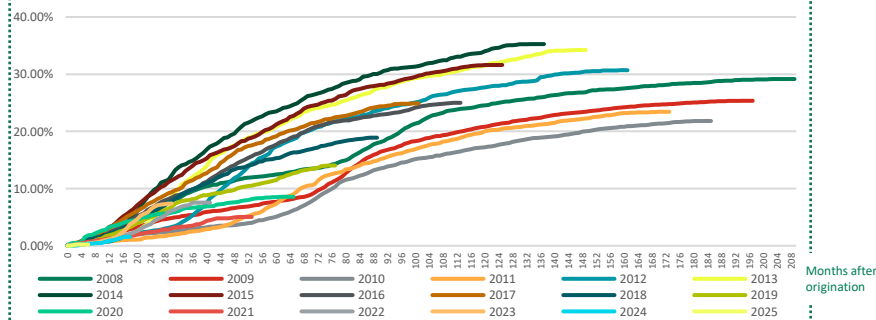
Cumulative Static Default % by Origination Year



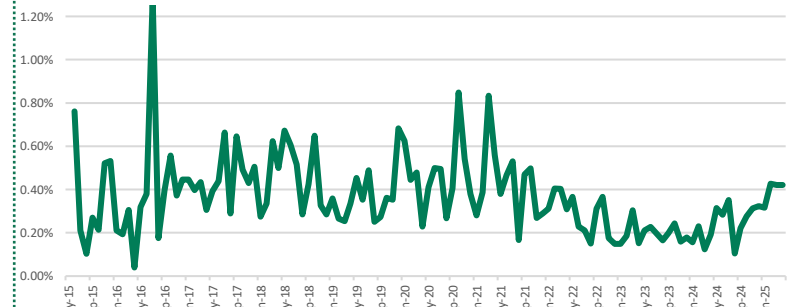
Monthly Dynamic Default % Outstanding Balance¹



Cumulative Static Prepayment % by Origination Year



Monthly Dynamic Prepayment % Outstanding Balance¹



Past Securitizations: Popolare Bari RMBS 2017, 2018 and 2019

2017

Notes class	Issue amount	Size (%)	Interest rate	Rating (M/DBRS)
Class A	€ 597.21m	79.8%	EUR3M+0.5%	Aa2 / AA
Class B	€ 58.264m	7.8%	EUR3M+0.6%	A2 / A (high)
Class J1	€ 76.428m	10.2%	EUR3M+0%	NR
Class J2	€ 16.088m	2.2%	EUR3M+0%	NR
Initial Cash Reserve	€ 19.664m			

2018

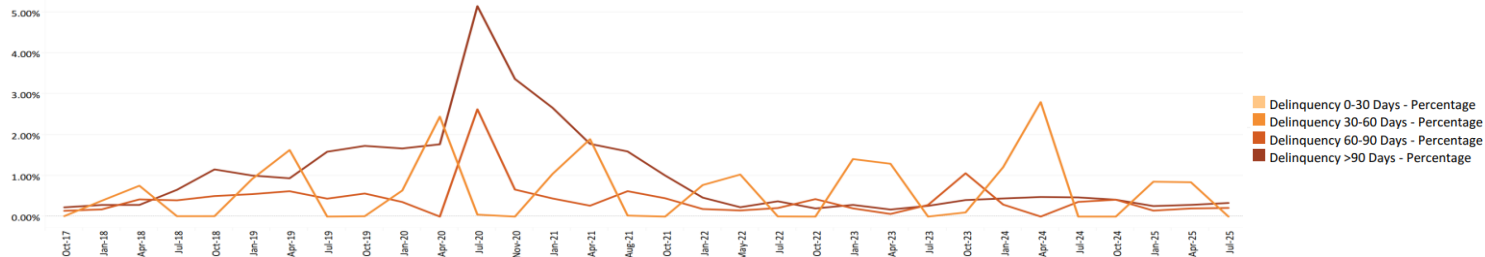
Notes class	Issue amount	Size (%)	Interest rate	Rating (M/DBRS)
Class A	€ 684.237m	82.7%	EUR3M+0.4%	Aa2 / AA
Class B	€ 48.299m	5.8%	EUR3M+0.7%	A3 / A (high)
Class J1	€ 77.534m	9.4%	EUR3M+0%	NR
Class J2	€ 16.911m	2.0%	EUR3M+0%	NR
Initial Cash Reserve	€ 21.976m			

2019

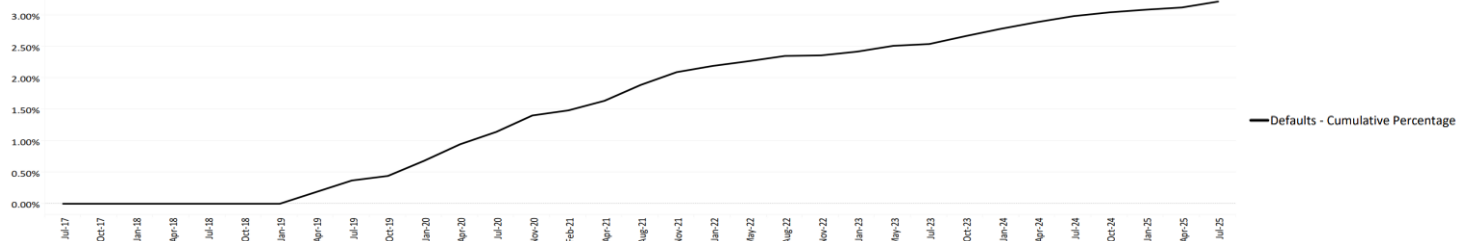
Notes class	Issue amount	Size (%)	Interest rate	Rating (M/DBRS)
Class A1	€ 641.216m	79.2%	EUR3M+0.4%	Aa3 / AA (high)
Class A2	€ 23.749m	2.9%	EUR3M+0.7%	A2 / A (high)
Class B	€ 31.665m	3.9%	EUR3M+1.0%	Baa2 / BBB (high)
Class J1	€ 101.265m	12.5%	EUR3M+0%	NR
Class J2	€ 11.591m	1.4%	EUR3M+0%	NR
Initial Cash Reserve	€ 14.962m			

Past Securitizations: Popolare Bari RMBS 2017

Delinquencies Percentage



Defaults – Cumulative Percentage

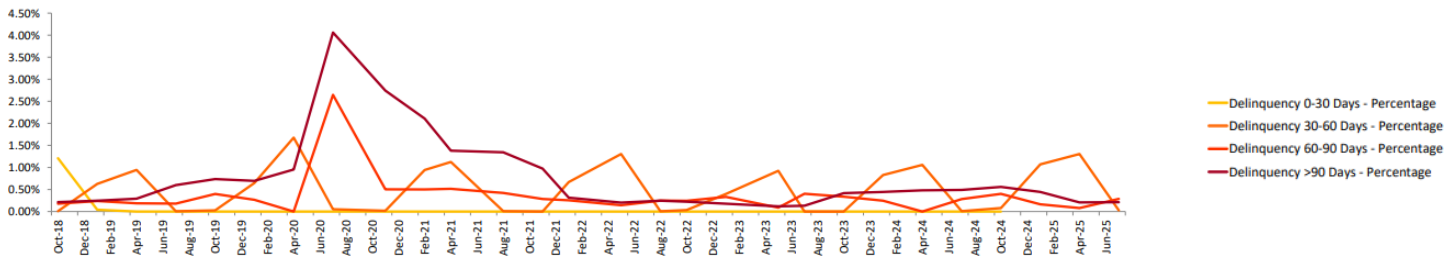


CPR – 3 Month

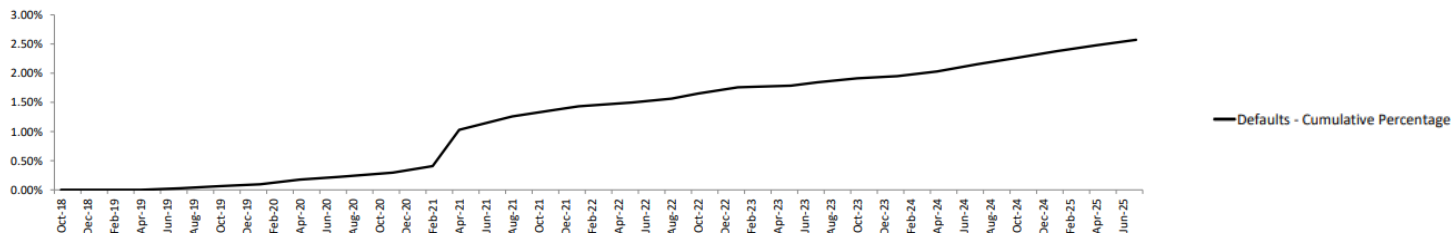


Past Securitizations: Popolare Bari RMBS 2018

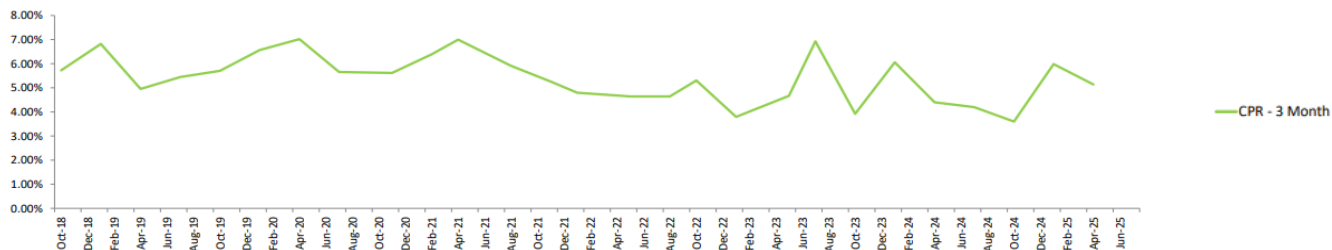
Delinquencies Percentage



Defaults – Cumulative Percentage

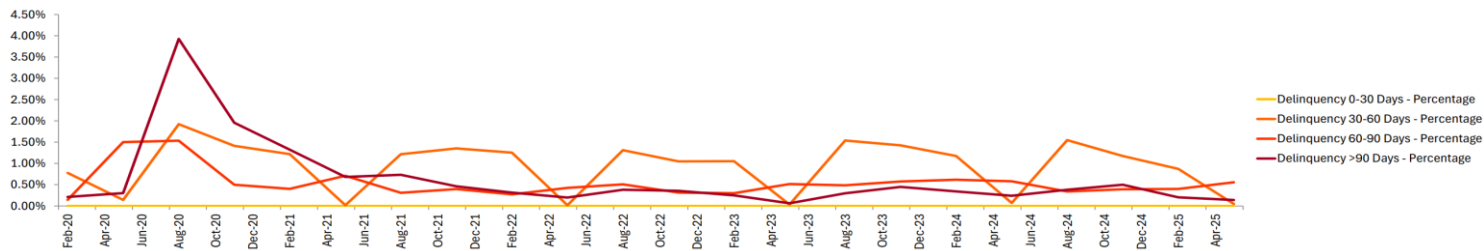


CPR – 3 Month

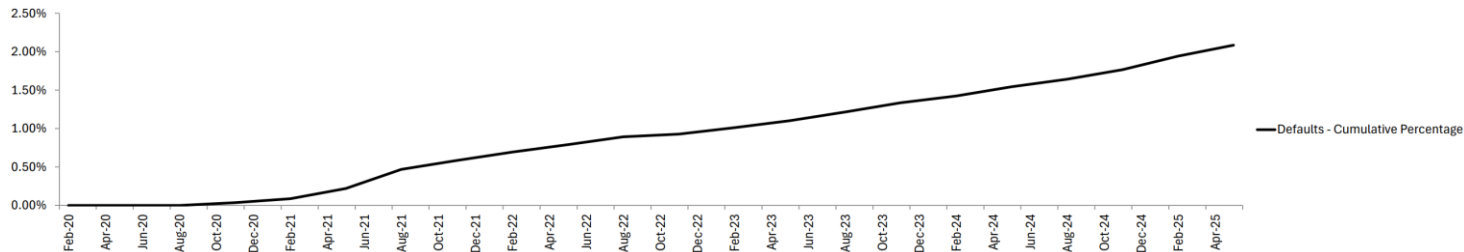


Past Securitizations: Popolare Bari RMBS 2019

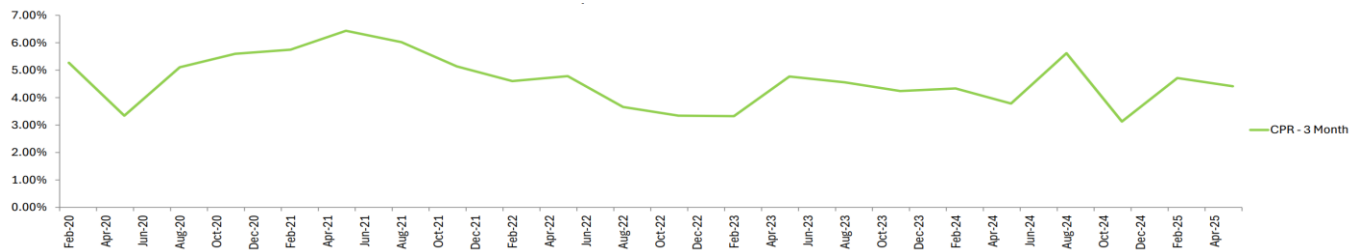
Delinquencies Percentage



Defaults – Cumulative Percentage



CPR – 3 Month



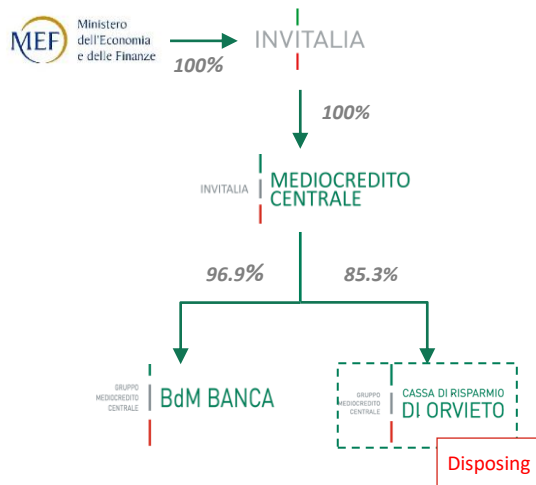


Overview of BDM Banca and MCC Group

Appendix - A

MCC Group - Overview

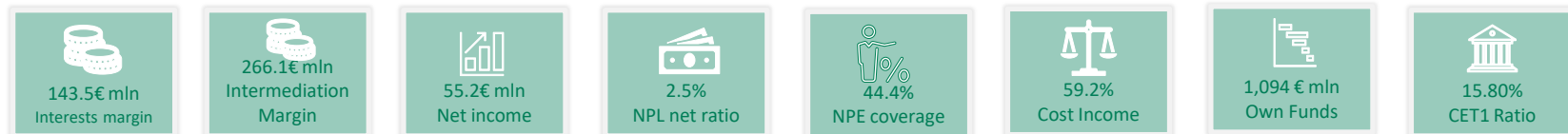
Ownership structure



Group's History and Mission

- Mediocredito Centrale S.p.A. (hereafter also "MCC" or the "Parent Company") was established in 1952 as a public entity. Its mission was focused on delivering public finance and supporting the expansion of Italian companies overseas.
- Since August 2017, the Bank has been owned by Invitalia S.p.A. (formerly Sviluppo Italia S.p.A.) and regulated by the Bank of Italy with a full banking license. MCC Group's structure is characterized by strong government backing.
- From October 15, 2020, with the end of the extraordinary administration, MCC took over the management of Banca Popolare di Bari (now BdM Banca), and on March 12, 2021, the Bank of Italy recognized Mediocredito Centrale as a Banking Group.
- MCC Group includes subsidiaries such as BdM Banca (96.9% owned) and Cassa di Risparmio di Orvieto (CRO, 85.32% owned) whose disposal was announced in January 2025 with an agreement with Banca del Fucino for the sale of the CRO stake.
- MCC Group operates across Italy, with a particular focus on Southern regions, and manages a network of 258 branches (including BdM and CRO), 5 territorial offices, and its headquarters in Rome. The Group's integrated distribution model consolidates a set of skills and realities to support the Italian economy, including:
 - Guarantee Fund management for SMEs and sustainable growth
 - Mid Corporate banking, with a focus on business term loans and factoring
 - Retail and SME banking through locally rooted commercial banks

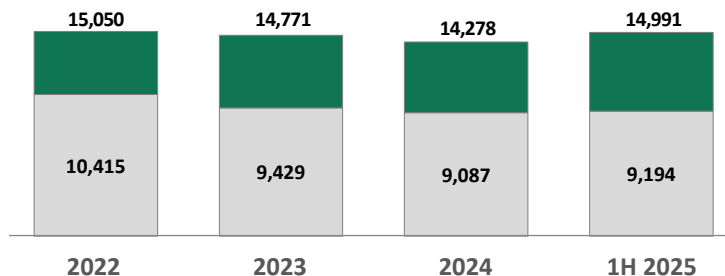
Key Financial Figures (as of 30.06.2025)



MCC Group – Key Figures

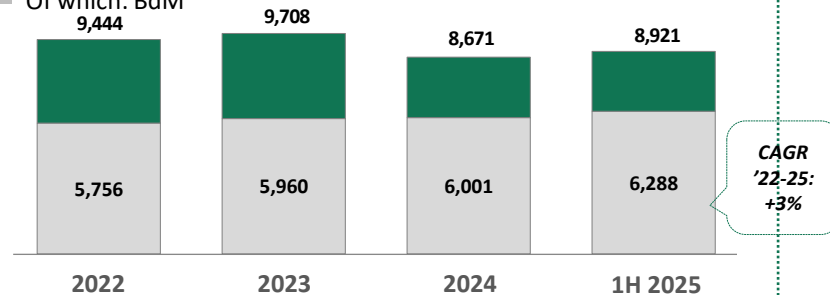
Total Assets (€ m)

■ Of which: BdM

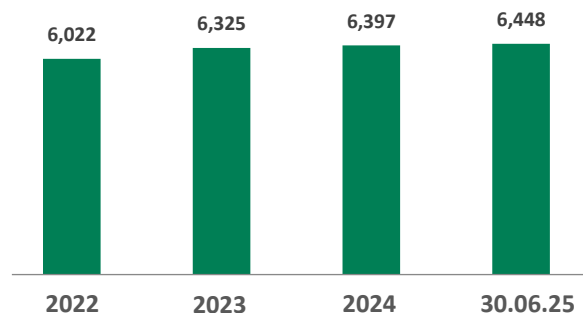


Loans to customers (€ m)

■ Of which: BdM



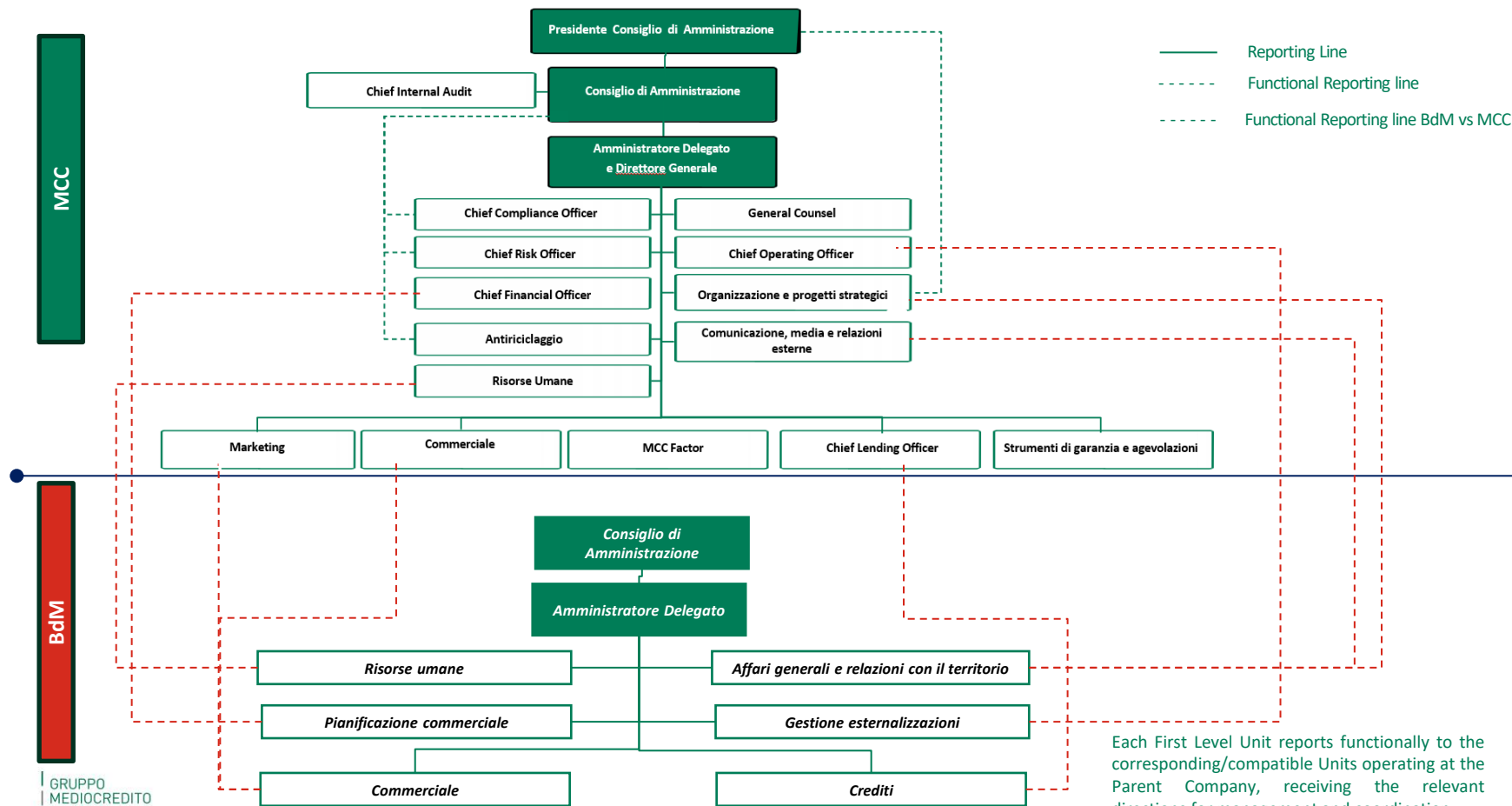
RWA Evolution (€ m)



Main Financial Indicators

€ mln	2022	2023	2024	06.30.2025
Equity	820.6	938.4	1,043.9	1,100.9
CET1	758.0	823.9	959.2	1,018.7
Own Funds	837.0	899.8	1,035.9	1,093.6
CET 1 %	12.59%	13.03%	15.03%	15.80%
TCR	13.90%	14.23%	16.19%	16.96%

Organization Chart MCC Group and BDM banca



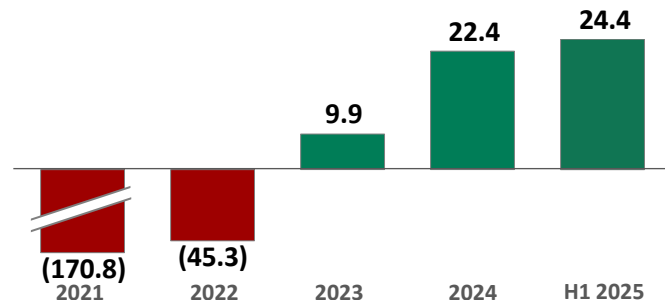
BdM - Overview

Main Highlights

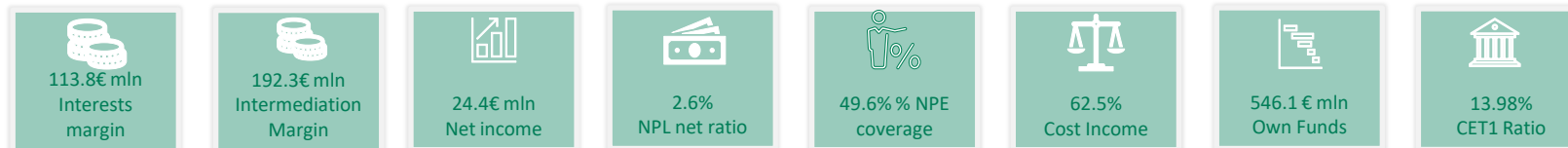
- BdM Banca is a subsidiary of Mediocredito Centrale Group, specializing in retail and SME banking with a strong presence in Central and Southern Italy and offering a comprehensive range of residential mortgage loans, including floating rate, fixed rate, and optional loans, as well as loans with fixed instalments.
- Mortgage products are designed to meet diverse customer needs, with options for state-guaranteed loans and “green loans” for energy-efficient properties.
- Key features of BdM’s residential mortgages include:
 - Terms up to 30 years and LTV ratios up to 100% (with Consap guarantee)
 - Flexible pre-amortization periods and repayment schedules
 - Mandatory fire and explosion insurance, and optional credit risk insurance

Net Result

€ mln

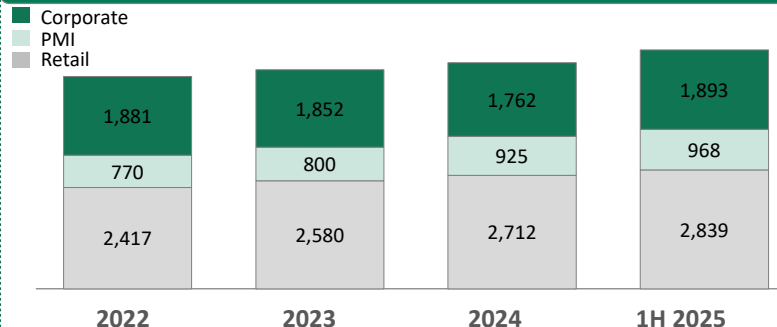


Key Financial Figures (as of 30.06.2025)

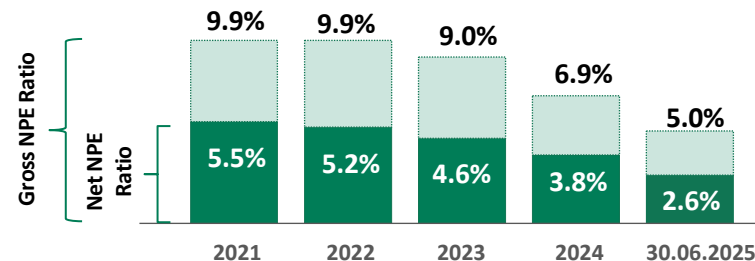


BdM – Key Figures

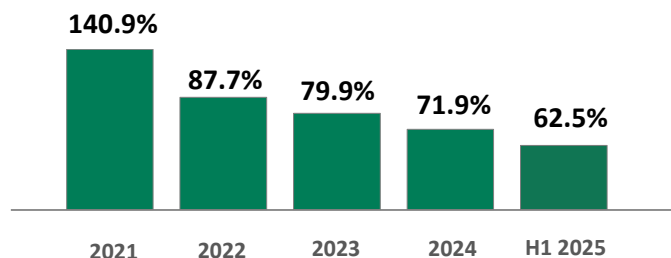
Loans to customers¹ (€ m)



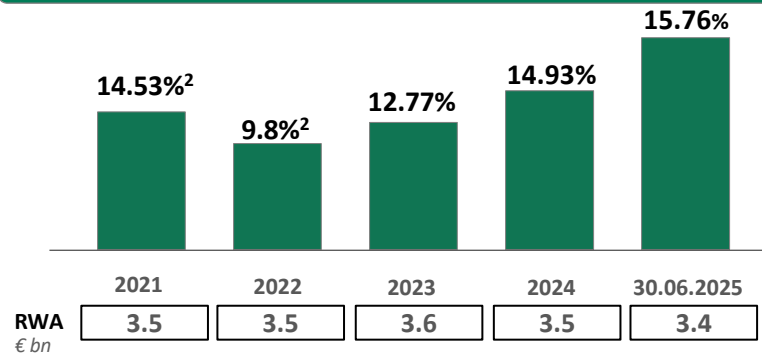
NPE Ratio (net and gross)



Cost - Income¹



Total Capital Ratio



(1) Cost/Income = (Operating Costs – Provisions for Risks and Charges) / Net interest and other operating income

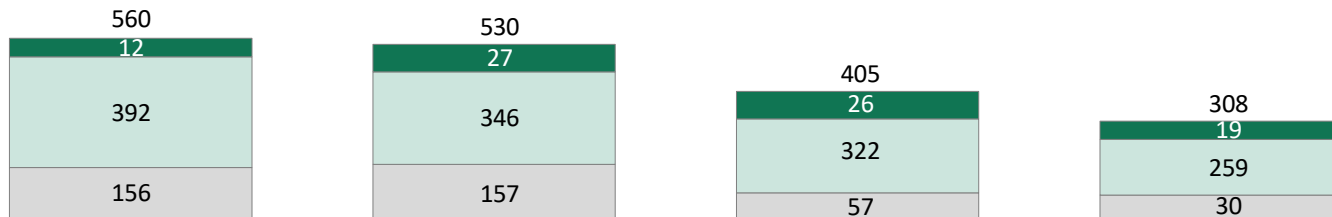
(2) Pro-forma data excluding the effect of the First Time Adoption (FTA) of IFRS 9, which benefited in 2021 from a remaining phase-in amounting to €70.5 million of capital increase. 2021 financial statement figure: 16.57%; 2022: 11.71%

Source: BDM Banca

BdM - NPLs¹ Analysis

€ m

Gross NPLs



Gross NPL Ratio

2022

9.9%

2023

9.0%

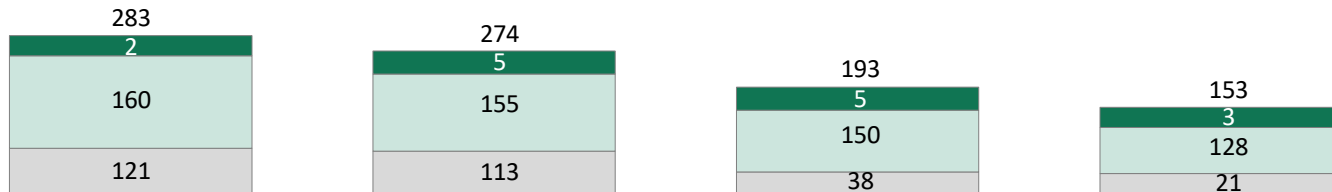
2024

6.9%

1H 2025

5.0%

Provision



% NPLs coverage

2022

50.5%

2023

51.6%

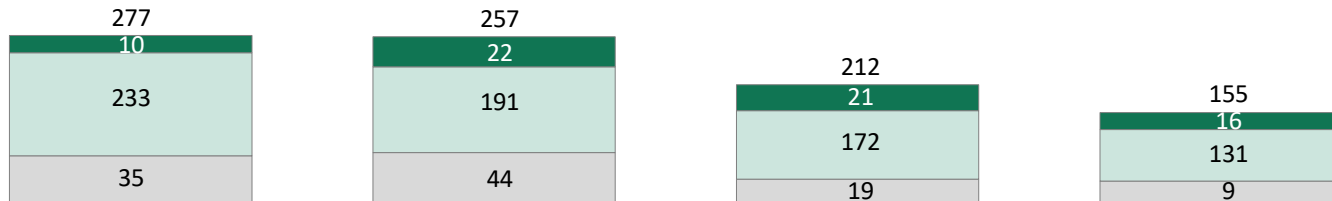
2024

47.6%

1H 2025

49.6%

Net NPLs



Net NPL Ratio

2022

5.2%

2023

4.6%

2024

3.8%

1H 2025

2.6%

BdM Balance Sheet

	2022	2023	2024	1H 2025	Δ Cons YTD vs '24	Δ % Cons YTD vs '24
Cash and cash equivalents	978.3	314.0	453.5	172.2	(281.3)	-62.0%
Assets measured at FV through PL	58.6	80.9	71.7	71.8	0.1	0.1%
Assets measured at FV through OCI	2,020.6	1,876.0	1,257.1	1,649.3	392.1	31.2%
Assets measured at AC	6,773.6	6,492.1	6,639.5	6,621.9	(17.6)	-0.3%
<i>Loans and advances to banks</i>	1,017.9	532.3	638.2	333.5	(304.7)	-47.7%
<i>Loans and advances to customers</i>	5,755.6	5,959.8	6,001.4	6,288.4	287.0	4.8%
Intangible and tangible assets	147.2	140.1	136.0	134.9	(1.1)	-0.8%
Non-current assets and groups of assets held for disposal	0.0	0.0	28.9	58.4	29.4	101.7%
Other assets	436.7	525.6	500.4	485.9	(14.5)	-2.9%
TOTAL	10,414.9	9,428.7	9,087.2	9,194.3	107.1	1.2%

	2022	2023	2024	1H 2025	Δ Cons YTD vs '24	Δ % Cons YTD vs '24
Banking Direct Funding	9,486.6	8,432.2	8,060.5	8,046.5	(14.1)	-0.2%
<i>Due from customers</i>	6,375.7	6,959.1	7,023.4	7,131.8	108.4	1.5%
<i>Securities</i>	40.8	38.4	35.7	19.8	(15.8)	-44.4%
<i>Due to banks</i>	3,070.0	1,434.7	1,001.5	894.8	(106.7)	-10.7%
Liabilities associated with assets held for disposal	0.0	0.0	0.0	0.0	0.0	0.0%
Liabilities for risks and charges	291.5	230.6	183.7	163.8	(19.9)	-10.9%
Other liabilities	209.0	277.6	305.9	420.9	115.0	37.6%
Shareholders Equity	473.1	478.5	514.6	538.8	24.1	4.7%
Net income for the period	-45.3	9.9	22.4	24.4	2.0	9.1%
TOTAL LIABILITIES and EQUITY	10,414.9	9,428.7	9,087.2	9,194.3	107.1	1.2%



Origination, Underwriting, Credit and Collection Policy

Appendix - B

Origination and Underwriting Process

1. Origination

- The origination process occurs through the “Centro Mutui”, a specific product factory that remains the point of contact with the clients
- The relationship manager begins the lending process, which is supported by an online application form that electronically implements the Bank’s policies, thereby guaranteeing greater confidence that the various decision-making processes and evaluation of the creditworthiness of the borrowers, are aligned at the Bank level
- The status color of the application (green or red) affects the commercial proposal phase by triggering the enhanced process, and influences the definition of organizational roles in the subsequent process phases
- The traffic light system is represented by:
 - Strategy One outcome (based on: 1. information collected (i.e. internal data, anti-fraud and records checks, EURISC procedure) on the parties; 2. PD, PA, LTV)
 - Net Monthly Residual Income (calculation of income indicators such as Instalment-to-Income Ratio, Available Income, Subsistence Income, Net Monthly Residual Income)
 - Loan Origination and Monitoring Individual Sociological Indicators (calculation of sociological indicators based on as citizenship, previous negative decisions, presence of Forborne, employment status)

2. Evaluation of the creditworthiness of the loan request

Application evaluation

- Verification of the accuracy and authenticity of the declarations and information on both the borrower and guarantors and cadastral searches
- Qualitative analysis of the borrower
- Quantitative analysis of mortgage sustainability
- Elaboration of a summary document reporting pros and cons of the loan

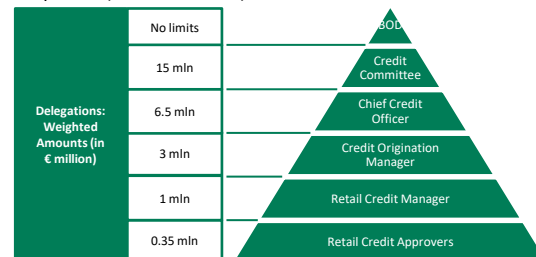
Real estate valuation

- It is carried out by external appraisers according to pre-determined guidelines base on International Valuation Standards (IVS)
- The Bank has delegated all mortgage loans valuation requested by retail clients for residential and/or small commercial properties to a single special service provided by CERVED to have a uniform assessment of applications and to improve the internal management of appraisal reports
- The appraisal also reports all technical and judicial aspects referred to the property which may affect the real estate market value and marketability. It must identify at least the following elements:
 - An accurate asset identification
 - Regulatory framework and the real estate market of reference.
 - Fungibility of the asset

3. Decision making phase and Refinement

The deliberating body is determined based on the calculation of the weighted risk cumulation (existing and assumed risks) and risks assumed to be finalized for all counterparties within the connected client Group of MCC Group, based on:

- Risk category associated with the technical forms of credit facilities / guarantees;
- Counterparty risk profile based on automated evaluation systems (e.g., scoring systems, rating, etc.);
- Counterparty type (Retail/Business/Corporate) and risk profile (Bonis / Default)



The minimum deliberating body for granting the loan is set at the Credit Directorate level.

The Refinement phase is the final stage of the Origination and Underwriting process, managed by the branch or mortgage refinement division, and includes: Contract Preparation, Verification and Authorization for Disbursement, Finalization of Credit Limits and Guarantees, and Disbursement.

Focus on residential mortgages – process overview

The mortgage underwriting process for private individuals is a standardized process that involves the establishment of a center specialized in processing this specific product: the Mortgage Centers (“Centro Mutui”)

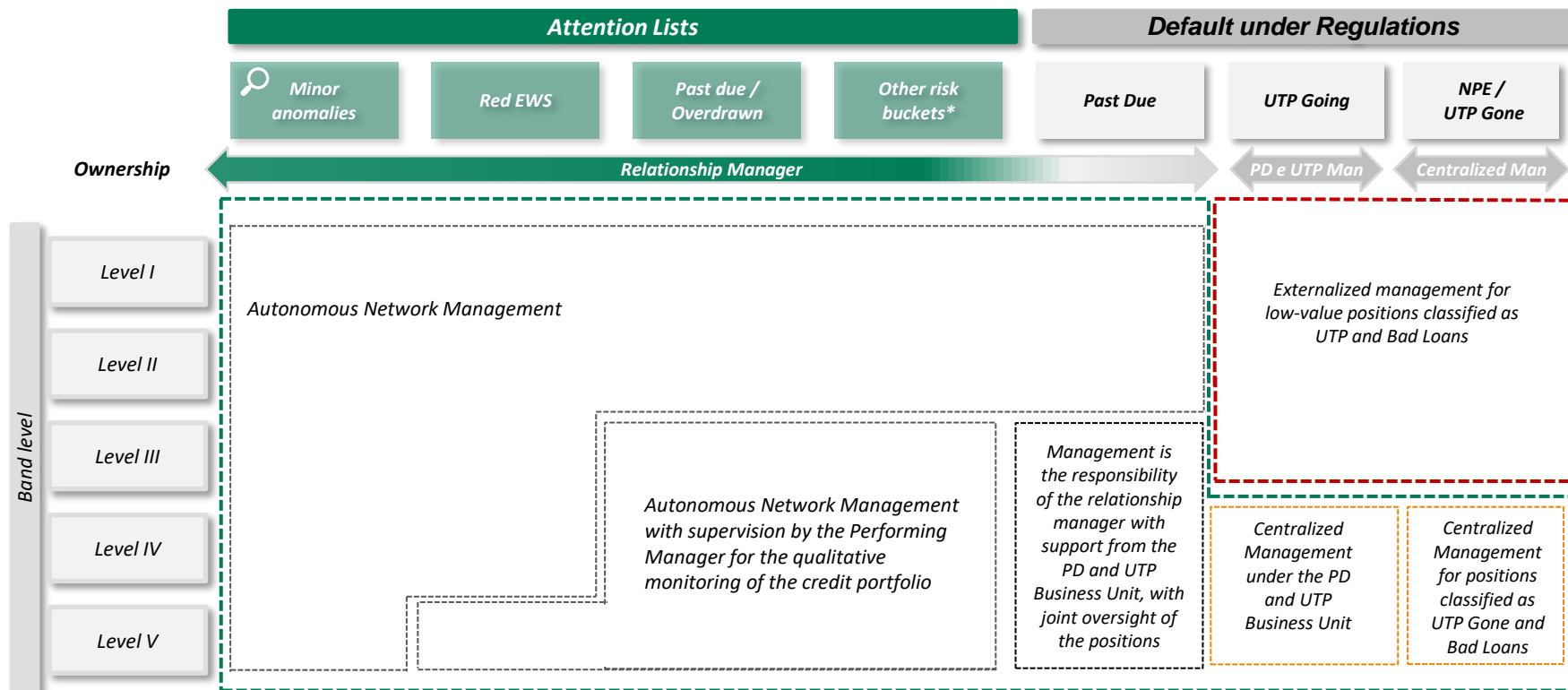
Process phase	Sub phase	Process Owner		
		Green flagged	Red flagged	
			Below Threshold	Above Threshold
A Origination	Practice initiation and Database Query	Mortgage Center	Mortgage Center	
	Branch Endorsement	Branch Manager	Branch Manager	
	1st Override (if application is high-risk / flagged)	-	Mortgage Center Manager	
	2nd Override (if application is high-risk / flagged)	-	Retail Manager	
	Document Collection	Mortgage Center	Mortgage Center	
B Evaluation of the creditworthiness of the loan request	Credit Underwriting	Mortgage Center	Mortgage Center	Retail Credit
	Conditional Approval	Lowest Level of Mortgage Approval is delegated to the Credit Directorate		
	Real Estate Document Collection	Mortgage Center	Mortgage Center	
	Legal and Technical Review	Mortgage Center	Mortgage Center	Retail Credit
C Decision-making phase	Final Approval	Lowest Level of Mortgage Approval is delegated to the Credit Directorate		
D Refinement	Contract Preparation	Branch	Branch	
	Verification and Authorization for Disbursement	Mortgage refinement	Mortgage refinement	
	Finalization of Credit Limits and Guarantees	Mortgage refinement	Mortgage refinement	
	Disbursement	Branch	Branch	

Main features of residential mortgages – general futures

The features that differentiate the loan types listed in the previous slide are summarized as follows:

01. TERM	02. MAXIMUM LTV	03. SECURITY	04. FIRE INSURANCE
UP TO 30 YEARS	UP TO 100%	1 ST LIEN CONSAP GUARANTEE	FIRE AND EXPLOSION INSURANCE
<ul style="list-style-type: none">● Maximum duration of financing	<ul style="list-style-type: none">● LTV 100% are available for products with a Consap Guarantee Fund; ordinary financing offers an LTV of up to 80%	<ul style="list-style-type: none">● 1st lien mortgage plus further collaterals if deemed necessary during the loan underwriting process or Consap guarantee	<ul style="list-style-type: none">● The real estate collateral must be covered by an insurance for damages caused by fire and lightning with an insurance counterparty to be approved by the bank
05. PRE-AMORTISATION	06. REPAYMENT		
UP TO A 24 MONTHS	MONTHLY INSTALMENTS		
<ul style="list-style-type: none">● In case of borrowers' request and according to their needs, it is possible to grant a pre-amortising period (during this period only interests are paid) up to a maximum of 24 months (with the exception of optional rate loans)	<ul style="list-style-type: none">● the repayment frequency can be changed if requested by the borrower		

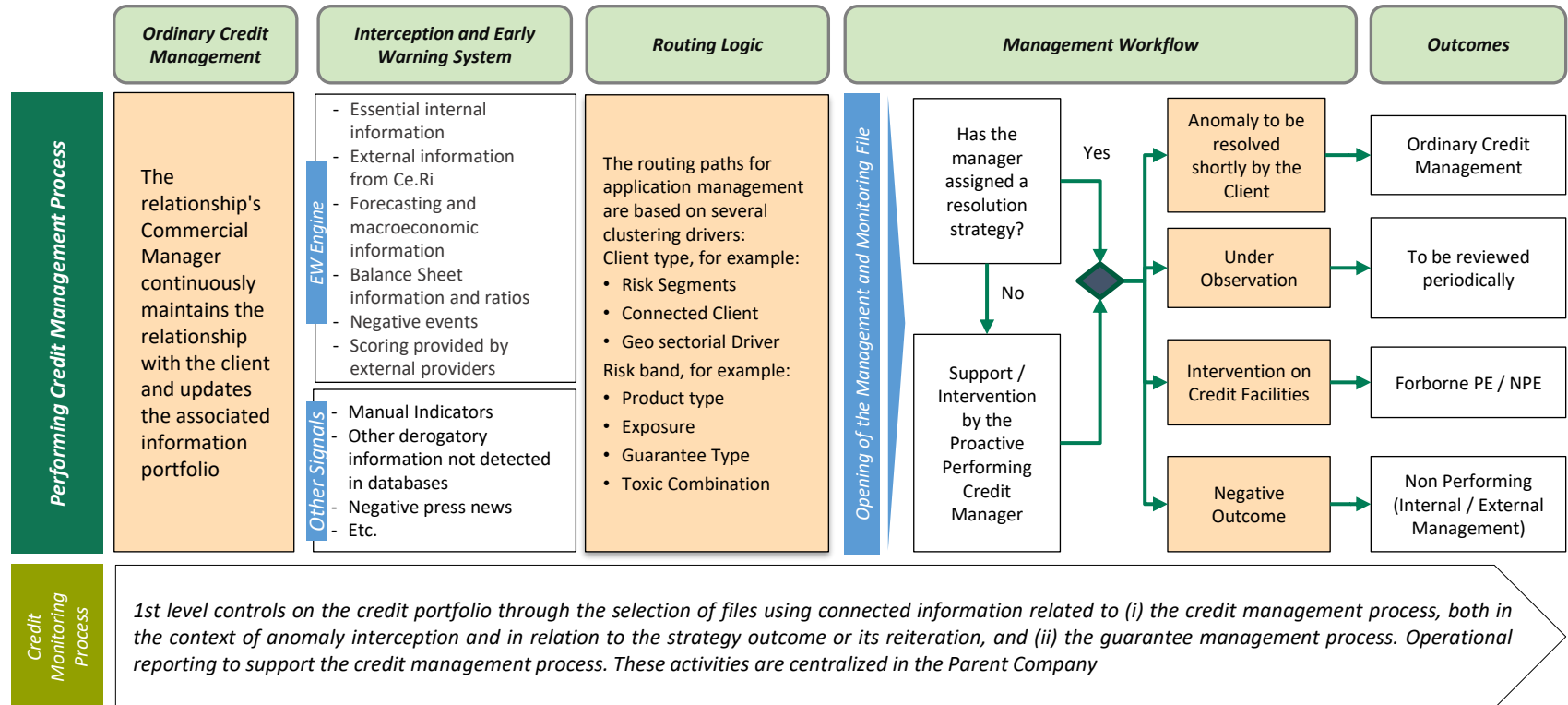
General Management Overview



The minor anomalies included in the "minor anomalies" cluster are: 1) Balance Sheet Anomalies; 2) Yellow EWS (Early Warning System); 3) Manual Entries; 4) Rating Anomalies

Performing Loan Management

Process Overview



Loan Classification

Loans more than 90 days past due

- Overdue receivables (other than non performing or UTP) characterized as follows:
 - The debtor is more than 90 days past due on any material credit obligation to the Bank or the Bank group
 - Overdraft continuously in excess of limit
- These positions can be detected by keeping track of either individual debtors or individual transactions. Property-secured exposures are always detected at individual transaction level. As to debtor-based detection, no compensation is adopted with margins on other credit lines, threshold are applied on the average percentage of past due payments and/or amounts in excess of limit of the borrower's entire exposure detected daily in line with new definition of default (the rules combine absolute and relative threshold to determine if debt is in default)
- Customers' information is automatically (system generated) updated on a daily basis

Unlikely To Pay

- The classification of loans in this category is the result of the judgment of the bank about the debtors' unlikely to fulfill its credit obligations. It is not necessary to have clear symptoms of anomalies (non payment), where there are elements that imply a risk of default
- The classification process is set on new regulation that overhauled Italy's bankruptcy laws ("*Codice della Crisi dell'Impresa e dell'Insolvenza*")
- In addition, loan positions falling within a restructuring agreement have to be included among the category "unlikely to pay"
- In order to classify a loan position between the category "unlikely to pay", it is necessary to verify, inter alia:
 - The debtor's financial difficulties
 - The presence of financial and managerial imbalances due to internal and external factors
- In line with internal organization, UTP are categorized into "gone concern" (managed by the parent company MCC) and "going concern"

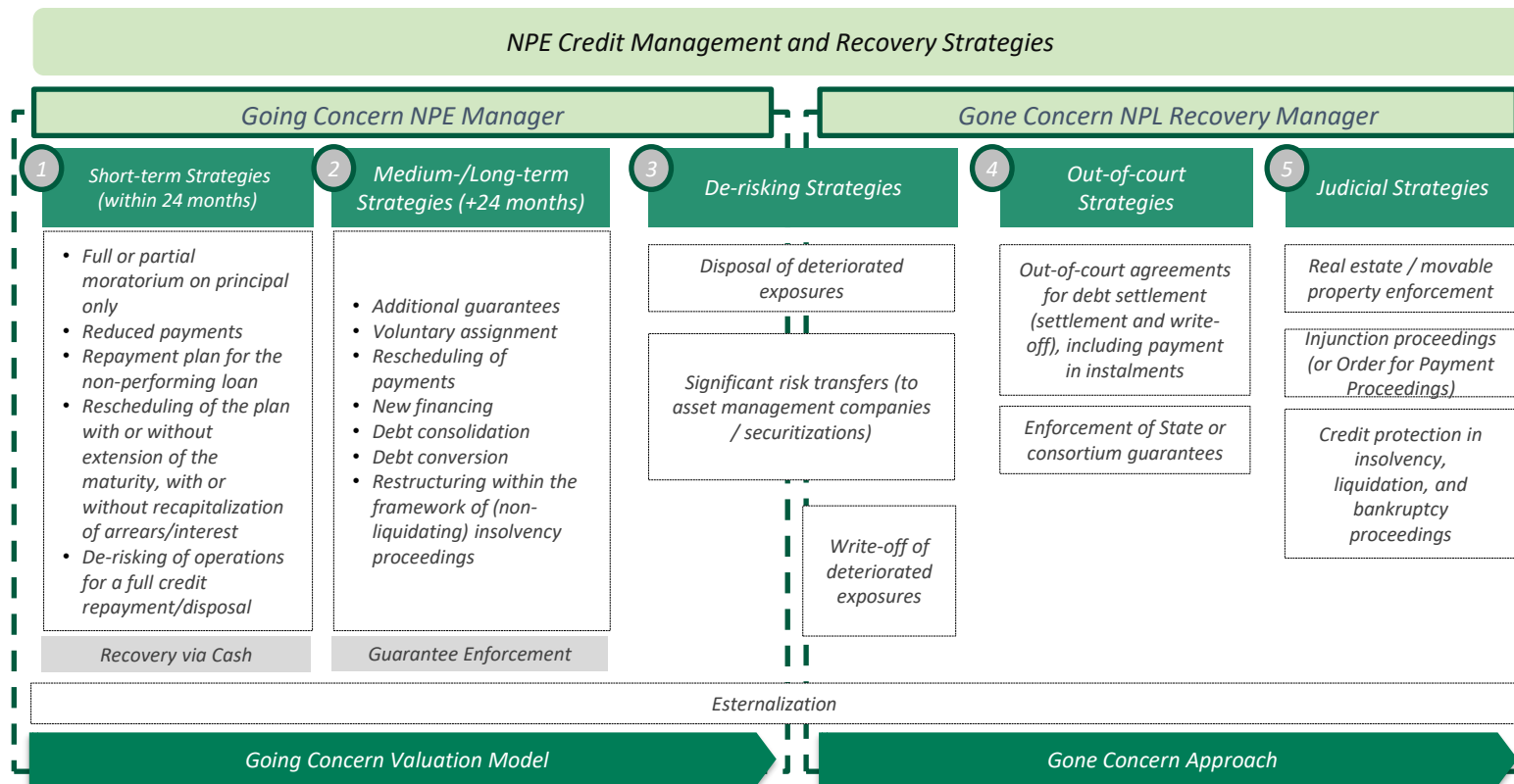
Non Performing Loans (Sofferenza)

- Transition to "sofferenza" usually occurs when negative developments linked to temporary credit impairment combine with administrative evidence of irreversible financial difficulties (business termination, third-party foreclosure, etc.)
- It represents an exposure to a borrower in a position of insolvency (not necessarily recognized by a court) or a substantially similar situation, irrespective of the presence of any collateral
- The NPLs are managed by the parent company MCC ("*Gestione NPE di Gruppo*") and the BoD is kept informed of all ongoing transactions during the first available Board meeting after the transactions in question have been put in place
- Registration to the NPLs category is managed by lending staff or by the Bank Senior Officers in charge of managing credit risk. The Credit Department Director (or his/her delegates) is tasked with checking whether or not a loan meets the requirements to be categorized as NPL
- The Credit Recovery Function promotes, within its powers, all legal actions intended to recover debt. It also subscribes agreements with debtors in terms of extensions, grace periods, or in general payments by instalments according to well-weighted economic-legal valuation of the loans

Loan Management

Early Partial or Total Loan Prepayment	<ul style="list-style-type: none"> In case of partial loan repayment, the borrower can repay part of residual debt keeping the original length of the loan unchanged
Renegotiations	<ul style="list-style-type: none"> Any request put forward by the borrower after loan underwriting to postpone the loan maturity, must be processed for approval Any request to renegotiate other loan terms (e.g. interest rate) must be submitted for approval to the Bank competent bodies
Debt assumption	<ul style="list-style-type: none"> Any request to cancel the original debtor and create a new one through debt assumption/allocation with liability release (a rather unusual event) must be processed through a specific centralized computer-based procedure to be followed by completion and processing of the application for changing the counterparty risk score. In case of collective debt assumption, the information system keeps the link to the original, with recourse remaining to this latter Collective debt assumption is the technical type of loans granted to real estate developers to be then divided into debt fractions assumed by final property purchasers: the developers are not «released» under the original loan agreement even though this latter has been fully assumed by his customers
Partial Release, Transposition and Cancellation of a Mortgage	<ul style="list-style-type: none"> In cases of release (restriction) of the initial mortgage on property or on a fraction of property, or in case of reduction of the initial mortgaged sum (to allow the creation of additional liens), lending managers are required to complete and process a new file for approval supported by updated property appraisal value
Mortgage Insurance Cancellation	<ul style="list-style-type: none"> Mortgage insurance cancellation is not allowed
Default detection process	<ul style="list-style-type: none"> Loan position detection and loan ranking are mainly performed by lending staff with the support of system-generated detection tools (first and foremost “CQM” procedure) To improve both management effectiveness and efficiency, the default detection process spots loan positions based on various levels of risk grading/deterioration Attention Lists (as a function of the type of risk): overdue receivables until 90 days, rating anomalies, early warning indicators (EWS engine powered by Cedacri), balance sheet anomalies, manual entries, positions involved in protests and/or prejudicial with high gravity are performed in a specific sector of CQM procedure Default under Regulations (on the basis of the legislation in force): overdue receivables exceeding 90 days, unlikely to pay (UTP), bad and doubtful debts / non performing loans Default detection procedures and default management vary as a function of the level of default

Non-Performing Loan Management



Collection Management

Arrears Management

- In case of direct debit, if the loan payments is unsuccessful the sum in excess is automatically reported to the lending staff
- In case of loans with unpaid instalments, borrowers are immediately contacted by phone by the lending staff, whereas the first Late Payment Letter is drawn up and automatically sent by Cedacri Information System when the second instalment remains unpaid (in case of monthly instalments) or, in case of non-monthly instalments, after a month from the instalment expiration date
- The second Late Payment Letter is also automatically sent by Cedacri Information System. Customers in default are required to regularize their position within five days from the notice of the letter
- The third Late Payment Letter informs customers in default that their failure to settle the total outstanding amount by the end of a five-day period entitles the Bank, with no further notice, to i) terminate the agreement under the acceleration clause, and ii) take every available legal measure to enforce recovery of the amount due

NPL and UTP positions management

- In order to make the administration of anomalous loans more efficient, the Bank decided to enter a ten-year agreement (expiring in December 2027) for the bad loans management with Cerved Group, a leading Italian player in the credit management. According to this partnership, the Bank will transfer on a monthly basis to Credit Management S.r.l. (a dedicated Cerved Group company) part of the new flows of unlikely to pay and non-performing positions
- For positions exceeding specific amount, the activities are managed internally and out-of-court debt collection is directly carried out by the Credit Recovery Function based on proposals put forward by customers and/or established by the same Function that urges the same customers to reach an out-of-court settlement every time this latter is preferred to a legal action
- After these loans have been registered as uncollectible accounts, customers in default, or their respective guarantors (if any), receive a Letter of Default and/or a Notice of Contract Termination with a clear indication of the time allotted to remedy the default
- If this request is disregarded, the Bank appoints an external lawyer to take legal action
 - Legal actions are activated through a network of lawyers included in the Bank Short List of Lawyers, who are selected for the different cases on a territorial basis. The Credit Recovery Function provides them detailed information on the defaulted and monitors them
- If the debtor replies and proposes either to write-off or reschedule debt, the Unit processes the proposal in question to assess its adequacy and admissibility
 - In case of admissible proposal, a formal “resolution” based on the above proposal is submitted to Bank body with deliberative powers
 - In case of non admissible proposals, the proposal is rejected and customer is asked to review its proposal only if and when improvements are deemed to be helpful
- NPLs are processed through a specific IT procedure (Syges) exclusively utilized by the *Gestione NPE di Gruppo*. This purely accounting procedure covers all the aspects of the position (registration, further cash collections, further debits for legal expenses or other expenses, etc.)