

COMMUNICATION TO THE PUBLIC OF INSIDE INFORMATION PURSUANT TO ART. 17 OF REGULATION (EU) NO. 596/2014 AND REGULATED INFORMATION PURSUANT TO DIRECTIVE 2004/109/EC AS AMENDED

Cassa Centrale Group: Results for the year 2024

The Cassa Centrale Group closed another financial year with improved results while extending its support to the local territories in particular by increasing the amount of new loans granted.

- **Net loans to customers at € 48.6 billion (+1.5% YoY) and increase in loans disbursement¹ (+6.3% YoY) for a total of € 8.6 billion**
- **Direct funding from customers² to over € 71 billion, up 6.7% YoY**
- **Indirect funding up to € 49 billion (+11% YoY)**
- **More than 145,000 new customers during the year³**
- **Maintained a rigorous approach to the management of impaired loans, with the coverage ratio of total impaired loans at 81% and a further reduction in the gross NPL ratio to 3.5% (4.2% at the end of 2023)**
- **Net NPL ratio at 0.7%, below 1% for the third year running**
- **Further capital strengthening with the CET1 ratio rising to 26.8%**
- **Net profit of € 1,168 million (+34% YoY)**
- **Net interest income of € 2,456 million (+2.5% YoY) and net commissions of € 837 million (+5.3% YoY), as a result of the process of gradual revenue diversification**
- **Cost to income ratio⁴, net of extraordinary items, equal to 53%**
- **October 2024 saw the successful placement of the first € 100 million green bond for retail customers**

Trento, 27.02.2025 – The Board of Directors of Cassa Centrale Banca examined the Group's consolidated results as at 31 December 2024.

The Chairman, **Giorgio Fracalossi**, expressed his satisfaction: "In these first 5 years since the Group was established, we have worked on strengthening our bond with the local territories respecting our cooperative values. The excellent results also obtained in 2024 enable us to reaffirm the modernity of our service model, which is rooted in history and makes the relationship-building capacity of our

¹ Management data on consolidated scope

² Without repo funding with Euronext Clearing and bonds issued on wholesale market

³ Management data on the scope of the Cooperative Credit Banks, Casse Rurali and Raiffeisenkassen of the Group

⁴ Operating expenses/(Net interest margin + Net commissions) net of extraordinary items

Cooperative Credit Banks, Casse Rurali and Raiffeisenkassen the key to developing local communities”.

“In a scenario of favourable interest rates for banking activity, we focused on the distinctive factors of the business model of our Cooperative Banking Group. The significant growth in customer savings is a sign of the trust that Shareholders and Customers have in the Group's Banks”, states Chief Executive Officer **Sandro Bolognesi**. “The significant disbursements of new credit also confirm the effectiveness of the distribution model, serving the requests and needs of customers. In this regard, we have recorded a high level of demand for loans to support households and businesses in the green transition process, through products that are cementing their importance in the credit portfolio. We are committed to supporting the progress of the transition also through sustainable asset management products and the funding from green bonds: last October we placed the first issue, which was warmly received by savers”.

Consolidated statement of financial position

Net loans to customers rose to € 48.6 billion (+1.5% YoY), also thanks to an acceleration in the disbursements of new loans⁵, which reached € 8.6 billion (+6.3% YoY), a sign of strong commitment to remain close to the local communities of the Group's Cooperative Credit Banks, Casse Rurali and Raiffeisenkassen.

Direct funding from customers⁶ grew by +6.7% YoY, a higher rate than the industry average of banks operating in Italy⁷, confirming the trust and quality of the relationship with the Group's customers and stakeholders and reached € 71.2 billion.

Indirect funding at the end of December 2024 reached € 49.1 billion, marking an increase of +11% compared to December 2023. The increase was driven by the Asset Management and Funds segment (+15% YoY with assets at € 19.9 billion), accompanied by the growth of the Assets under Administration segment (+11% YoY with assets at € 20.9 billion). The Bancassurance segment recorded an increase of +4% (€ 8.3 billion at the end of 2023).

The Group's territorial presence also increased, with the opening of branches in new municipalities and over 145,000 new customers during the year⁸.

De-risking activities continued in 2024, with priority given to maintaining high rates of coverage also in comparison to the Italian banking system. In December 2024, the **gross NPL ratio** stood at 3.5%

⁵ Management data on consolidated scope

⁶ Without repo funding with Euronext Clearing and bonds issued on wholesale market

⁷ ABI Monthly Outlook (January 2025): total direct funding (deposits from resident customers and bonds) +2.4% YoY as at December 2024

⁸ Management data on the scope of the Cooperative Credit Banks, Casse Rurali and Raiffeisenkassen of the Group

(4.2% in 2023). The **net NPL ratio** stood at 0.7%, staying under 1% for the third year in a row. The **coverage ratio of non-performing loans** was 81% at the end of 2024 (85% in December 2023).

Financial assets amounted to € 32.3 billion, marking a decrease of -9.1% YoY as a result of the repayment of the latest TLTRO-III transactions conducted by the European Central Bank.

The **loans to deposits ratio** fell further in 2024, reaching 68.2%, thanks to the significant increase in direct funding from customers, ensuring ample liquidity to support the Group's development initiatives.

Consolidated income statement

Net interest income for the year 2024 reached € 2,456 million, up by +2.5% compared to 2023, continuing to benefit from a favourable interest rate scenario for the Italian banking industry.

Net commissions maintained a positive trend, recording growth of more than 5% to € 837 million when compared to 2023, confirming the Group's aim to increase the degree of revenue diversification.

Net interest and other banking income amounted to € 3,035 million, up 7.1% compared to the results achieved in 2023, despite the negative impact of more than € -270 million from the sale of financial activities for the repositioning of the securities portfolio.

Operating expenses for 2024 amounted to € 1,773 million, up 2.7% compared to the previous year and reflect the dynamics related to the renewal of the collective labour agreement and the increase in other administrative expenses in relation to the investments envisaged in the Strategic Plan, in particular in technology and digital transformation.

The **cost to income ratio**⁹ net of extraordinary items stood at 53%, in line with the previous year.

Despite the continued application of prudential provisioning policies in 2024, the high levels of impaired loan coverage resulted in **net loan loss reversals** of € 126 million in 2024, thanks above all to internal management activities, which the Group Banks carry out in line with a strategy of continuous customer assistance and support.

The **Group's net profit** amounted to € 1,168 million (€ 871 million in 2023).

Capital ratios and liquidity indicators

The capital ratios as at 31 December 2024 were as follows:

- the Fully Phased **Common Equity Tier 1 ratio (CET1)** stands at 26.8% (24.2% as at 31 December 2023);

⁹Operating expenses/(Net interest income + Net commissions) net of extraordinary items

- the Fully Phased **Total Capital ratio (TCR)** stands at 26.8% (24.2% as at 31 December 2023).

The Group's **consolidated shareholders' equity**, which includes the result for the period, stood at € 9.4 billion (up from € 8.2 billion at the end of 2023).

In December 2024, the **LCR** ("Liquidity Coverage Ratio") was 292% (275% in December 2023) and the **NSFR** ("Net Stable Funding Ratio") was 180% (168% at the end of 2023). Both indicators remain well above the regulatory requirements, indicating a positive liquidity situation that has been a hallmark of the Group since its establishment.

The consolidated financial statements as at 31 December 2024 used to prepare this document were approved by the Board of Directors. It should be noted that the Independent Auditors Deloitte & Touche S.p.A. issued the certification in compliance with the provisions contained in Article 26 (2) of Regulation (EU) no. 575/2013 (ECB 2015/4) for the purposes of including the profit for 2024 in Common Equity Tier 1 Capital as at 31 December 2024. It should be noted that the Independent Auditors are completing the statutory audit of the financial statements. The draft 2024 Financial Statements and the Consolidated Financial Statements will be submitted for approval of the Board of Directors, whose meeting is scheduled for 27 March 2025, and will subsequently be published.

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Reclassified Statement of Financial Position¹⁰ as at 31 December 2024

(Figures in millions of euro)	31/12/2024	31/12/2023	Change	% change
ASSETS				
Cash and cash equivalents	603	579	24	4.1%
Net loans to banks	778	911	(133)	(14.6%)
Net loans to customers	48,614	47,898	716	1.5%
<i>of which at fair value</i>	95	126	(31)	(24.6%)
Financial assets	32,335	35,575	(3,240)	(9.1%)
Equity investments	54	54	-	0.0%
Tangible and intangible assets	1,350	1,306	44	3.4%
Tax assets	421	585	(164)	(28.0%)
Other asset items	2,882	2,671	211	7.9%
Total assets	87,037	89,579	(2,542)	(2.8%)

(Figures in millions of euro)	31/12/2024	31/12/2023	Change	% change
LIABILITIES				
Due to banks	1,291	10,216	(8,925)	(87.4%)
Direct funding	73,287	69,002	4,285	6.2%
<i>of which due to customers</i>	66,309	63,299	3,010	4.8%
<i>of which debt securities in issue</i>	6,978	5,703	1,275	22.4%
Other financial liabilities	23	9	14	155.6%
Provisions (Risks, charges and personnel)	487	522	(35)	(6.7%)
Tax liabilities	57	49	8	16.3%
Other liability items	2,512	1,561	951	60.9%
Total liabilities	77,657	81,359	(3,702)	(4.6%)
Third party minority interests				
Group equity	9,380	8,220	1,160	14.1%
Consolidated equity	9,380	8,220	1,160	14.1%
Total liabilities and equity	87,037	89,579	(2,542)	(2.8%)

¹⁰ In order to provide a better management representation of the results, the reclassified figures differ from the layouts of the Financial statements envisaged by Bank of Italy Circular no. 262 of 2005, 7th update.

Reclassified income statement¹¹ as at 31 December 2024

(Figures in millions of euro)	31/12/2024	31/12/2023	Change	% change
Interest margin	2,456	2,396	60	2.5%
Net commissions	837	795	42	5.3%
Dividends	4	4	0	0.0%
Net revenue from financial activities	(262)	(361)	98	n.m.
Net interest and other banking income	3,035	2,834	201	7.1%
Value adjustments/write-backs	123	(81)	204	n.m.
Income from financial activities	3,158	2,753	405	14.7%
Operating charges	(2,031)	(1,905)	-126	6.6%
Net allocations to provisions for risks and charges	35	(13)	48	n.m.
Other income (charges)	223	195	28	14.4%
Value adjustments to goodwill and other intangible assets				
Profit (loss) from disposal of investments and equity investments	(10)	(3)	-7	n.m.
Gross current result	1,375	1,027	348	33.9%
Income tax	(207)	(156)	-51	32.7%
Profit (loss) for minority interests				
Net result of the Parent Company	1,168	871	297	34.1%

¹¹ In order to provide a better management representation of the results, the reclassified figures differ from the layouts of the Financial statements envisaged by Bank of Italy Circular no. 262 of 2005, 7th update.

Performance indicators

Financial indicators	31/12/2024	31/12/2023
Structural ratios		
Loans to customers/Total assets	58.2%	53.5%
Direct funding/Total assets	81.8%	74.4%
Equity/Total assets	10.8%	9.2%
Net loans/Direct funding from customers	68.2%	71.8%
Profitability ratios		
Net profit/Equity (ROE)	12.4%	10.6%
Net profit/Total assets (ROA)	1.3%	1.0%
Cost to income ratio	53%	52%
Cost of risk ⁱⁱ	-	17 p.b.
Net interest and other banking income/Total assets	3.5%	3.2%
Net commissions/Net interest and other banking income	28%	28%
Prudential supervisory indicators	31/12/2024	31/12/2023
Fully Phased Own Funds (in millions of Euro)		
Common Equity Tier 1 (CET1)	9,049	7,949
Total Own Funds	9,050	7,950
Risk-weighted assets (RWA)	33,823	32,842
Fully Phased capital ratios and liquidity ratios		
CET1 ratio	26.75%	24.20%
Tier 1 ratio	26.76%	24.21%
Total capital ratio	26.76%	24.21%
Liquidity coverage ratio (LCR)	292%	275%
Net stable funding ratio (NSFR)	180%	168%

The **Cassa Centrale – Credito Cooperativo Italiano Group** includes 65 BCC – Casse Rurali (Rural Banks) – Raiffeisenkassen and 1,491 branches across Italy, with more than 12,000 employees and about 490,000 cooperative partners. With balance sheet assets of EUR 87 billion as at 31 December 2024, the Group ranks among Italy's top 10.

ⁱLoans to customers include loans and advances to customers at amortised cost and fair value, thus differing from net loans to customers shown in the financial statements.

ⁱⁱThe Cost of risk index is determined as the ratio between net adjustments and write-backs for credit risk and net customer loans.