

BANCA

SISTEMA

FY 2025 RESULTS

February 6th, 2026

EXECUTIVE SUMMARY

RECORD PROFITS

Adjusted interest income: +93% y/y thanks to the collection of LPI related to several receivables under ECHR ruling, among which 1 position accounted for €40.9m

Fees +3% y/y / Trading Superbonus -13% y/y / Financial Portfolio performance >+100% y/y/ Total income +41% y/y

Total costs: +17% y/y due to some one off and credit related costs

Cost of risk: 39bps (60bps net of writeback on a couple of positions on State-Owned Companies)

Net profit 2025: €42.3m (+68% y/y), all-time high net profit in Bank's history

NPE TREND MOVING DOWNWARD

NPE: +28% y/y due to the new classification of past due loans implemented in 1Q25 as requested by Bank of Italy

Sharp reduction in gross NPEs since 1Q25: **-27% (-31% q/q in 4Q25)**

Net NPE ratio as of YE25: **14.3% (19.4% as of 1Q25)**. **NPE coverage ratio** from 10.5%, as of 1Q25, to **14.4% (4Q25)**.

Credit risk unchanged: 87% of past due loans refer to **Public administration**

STRONGER CAPITAL RATIOS

CET1 and Total Capital ratios phased in as of YE25 were equal to **15.1%** and **17.8%**, well above the level registered at YE24 (**+181bps and +174bps respectively**) despite the increase in NPEs registered in 1Q25 following the Bank of Italy request: faster collections, SRT, insurance, disposals among the initiatives to reduce capital absorption

FUNDING

Retail funding represents **70% of total funding** (70% as of YE24) / **term deposits -12% y/y** due to lower funding needs as a consequence of lower loan book. **Cost of funding** for the first time **below 3%** since 2023

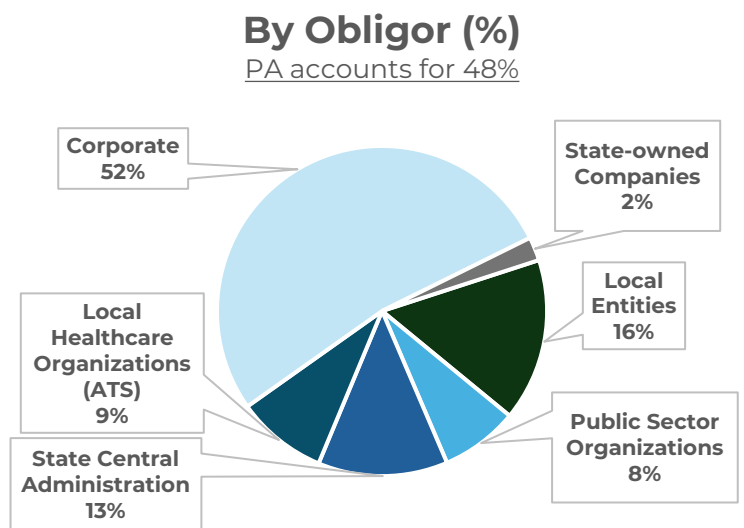
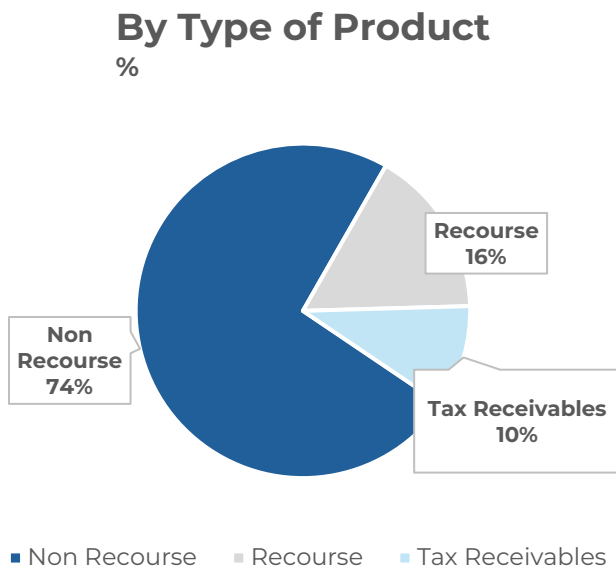
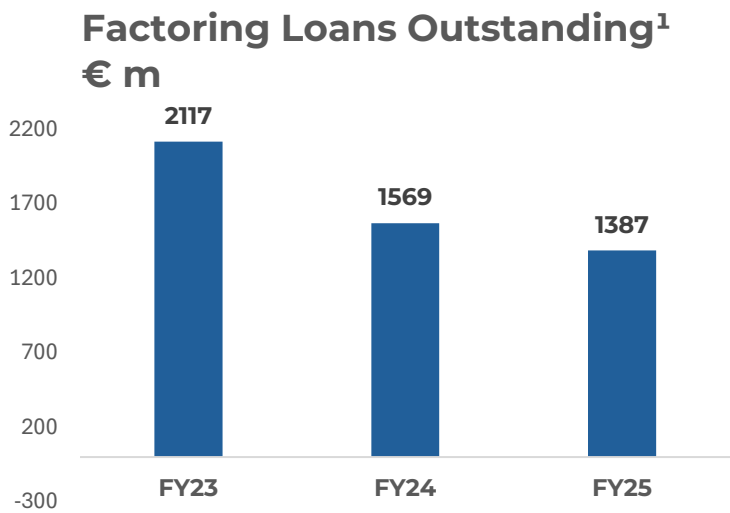
COMMERCIAL PERFORMANCE

FY25 Factoring turnover -13% y/y due to lower receivables related to Superbonus and Private sector

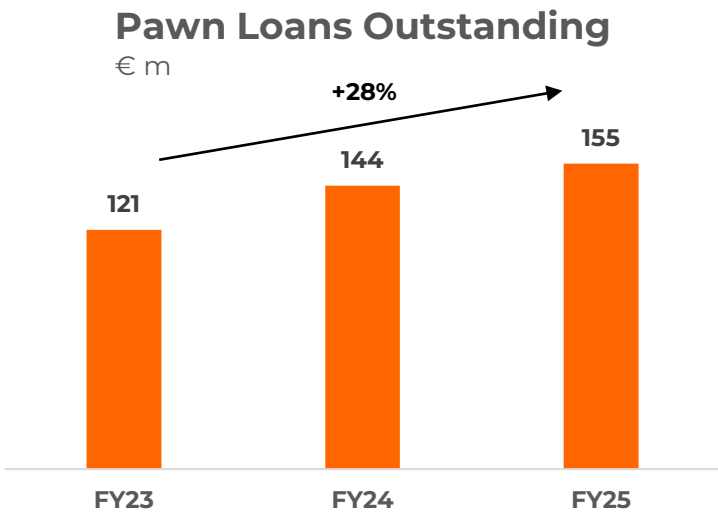
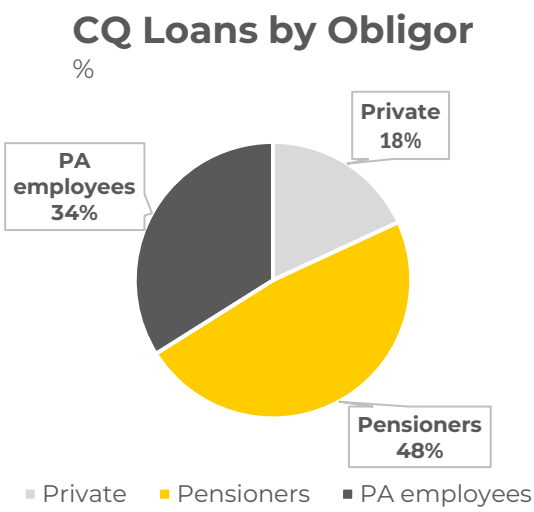
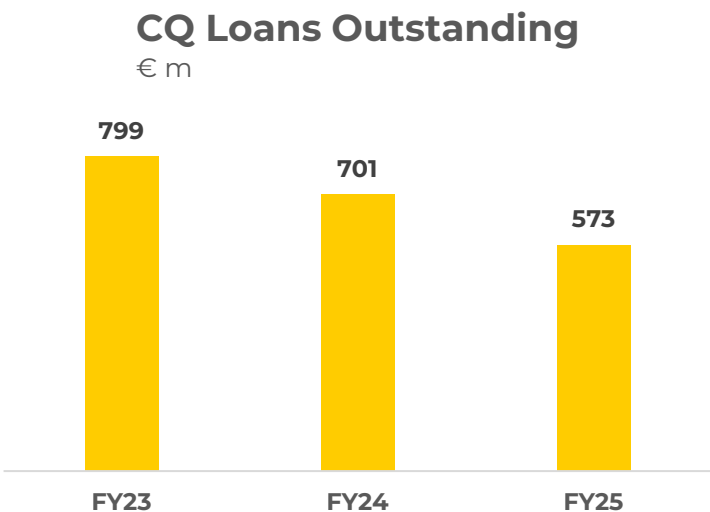
FY25 CQ new loans: -27% y/y / outstanding: -18% y/y, adjusted income margin improving due to decalage of legacy portfolio

FY25 pawn loans stock: +8% y/y thanks also to an Italian portfolio's acquisition and despite higher number of auctions, further widening in asset spread

Outstanding breakdown (31.12.2025)²
€1,363m



Note: (1) Figures exclude Superbonus tax credits, accounted for in other assets and amounting to €314million as of FY25; (2) Factoring outstanding management account. Factoring customer loans, item of the Balance Sheet (slide 5) differ from management account for the following elements: Recourse factoring non-financed portion; Provisions; LPI; deferred income.



• €138 turnover in FY25 (€188m in FY24)

- ~77k contracts (Italy only) (-1% y/y)
- Total turnover as at FY25 (including renewals): €257m (+16% y/y)
- #66 auctions as at FY25, with > 99% of the offers through the APP Krusok Aste

FY25 – BALANCE SHEET

Figures in millions of Euro

**BANCA
SISTEMA**

	31/12/2024	30/09/2025	31/12/2025	Change in % 31/12/2025 vs 31/12/2024
ASSETS				
Cash and cash equivalents	93	261	88	-5%
Financial assets at fair value through P&L [Held to Sell]	-	1	2	nm
Financial assets at fair value through Other Comprehensive Income [Held to Collect and Sell]	1,147	930	1,186	3%
Loans at amortized cost	2,811	2,602	2,561	-9%
Factoring	1,569	1,460	1,387	-12%
CQ	701	619	573	-18%
Pawn loans	144	155	155	8%
SMEs State Guaranteed loans	224	194	188	-16%
Other ⁽¹⁾	172	174	258	50%
Securities at amortized cost [Held to Collect]	62	50	50	-19%
Tangible and Intangible assets	101	101	105	4%
Goodwill	45	44	44	-2%
Equity investments	1	1	1	0%
Other assets ⁽²⁾	488	372	359	-26%
Total assets	4,703	4,318	4,352	-7%
LIABILITIES AND EQUITY				
Due to banks	127	69	69	-46%
Due to customers	3,761	3,467	3,442	-8%
of which term deposits	2,565	2,438	2,261	-12%
of which current accounts	288	291	310	8%
Debt securities issued	221	192	209	-5%
Other liabilities	279	251	266	-5%
Shareholders Equity	315	339	366	16%
Total liabilities and equity	4,703	4,318	4,352	-7%

- **Govies' portfolio slightly increased y/y (nominal value €1,204m vs €1,178m as of YE24)** with an average duration of 16,7 months (16 months as at 31.12.2024), exclusively Italian Government bonds:
 - €1,154m 'Held to Collect and Sell', +€37m y/y, with an average duration of 16.3 months (15.2 months as of 31.12.2024)
 - €50m 'Held to Collect', -€11m y/y, with an average duration of 26.2 months (31 months as of 31.12.2024)
- **Loans at amortized cost €2,561m (-9% y/y):**
 - **Factoring receivables** at €1,387, **-12% y/y** due to faster collections, some disposals and more selective approach (pharma sector)
 - **CQ loans** at €573m, **-18% y/y**, due to maturities, repayments and lower new production (-27% y/y). Loans were originated only through the Direct Channel (€138m)
 - **Pawn Loans** at €155m, **+8% y/y**, thanks also to the acquisition of a loan portfolio at the beginning of 2025 (€8,9m) and despite a higher number of auctions completed in 2025 to reduce the stock of NPEs
- **Due to banks -46% y/y**, due to lower interbank funding and REPOs
- **Due to customers -8% y/y**, driven by a reduction in term deposits (€2,261 vs €2,565 or -12% y/y) while Repos from clients were pretty stable (€810m vs €820m).
- **Debt securities -5% y/y**, driven by lower structured funding with both factoring and CQ receivables collateral

Note: (1) The item include "Loans to banks" respectively as at 31.12.2024, 30.09.2025 and 31.12.2025 equal respectively to €23.0m, €0.1m and €19.2m. (2) Tax credits for 'superbonuses' €435m and €308m and €314m respectively as at 31.12.2024, 30.09.2025 and 31.12.2025.

TOTAL GROSS INCOME AND ADJUSTED INCOME MARGIN EVOLUTION

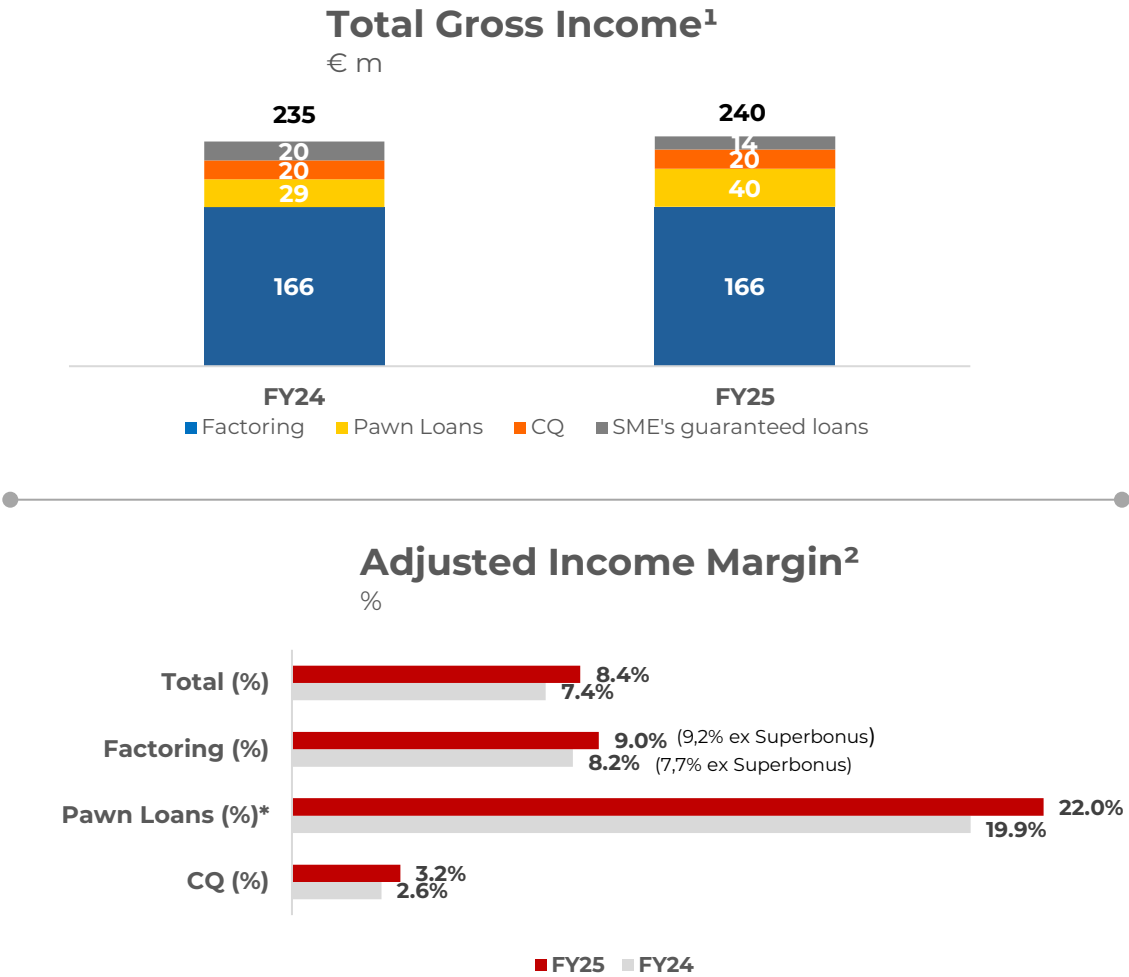
FY25 Total gross income +2% y/y: **a) Factoring:** flat y/y contribution (€166m) as higher NII offset lower fees (big tickets in 2024) and physiological lower revenues from trading superbond; **b) CQ:** slightly higher contribution y/y (€20.2m vs €19.7m) despite lower loans and thanks to decalage of legacy portfolio; **c) Pawn broking:** higher revenues (€40m vs €29m) thanks to acquisition in Portugal, higher spreads and higher number of auctions; **d) SMEs State guaranteed loans:** lower revenues (€13.5m vs €19.7m) due to lower loans

Breakdown of revenues from factoring:

- a) **commercial loans, tax credit** contribution (€102.2m vs 124.9m).
- b) **factoring LPs from legal action** equal to €51.0m (€31.4m as of FY24):
- of which accrual €4.8m (€18.0m as of FY24)
 - of which “extra collection” €48.3m (€13.4m as of FY24).
 - of which loss from disposal €-2.1m
- c) **factoring extra judicial off BS LPI** equal to €13.1m (€10.0m as of FY24).

Factoring gross income and adjusted income margin include **€29.9m** revenues from **Superbonus** of which €28.5m from Trading Superbonus.

Adjusted income margin shows **an increase** (+100bps y/y) thanks to margins’ improvement in all the divisions. The figures are positively impacted by €40.9m LPs off balance sheet booked through P&L linked to a Municipality which exited Conservatorship, was subject to ECHR ruling and paid in full the principal plus most part of LPI.



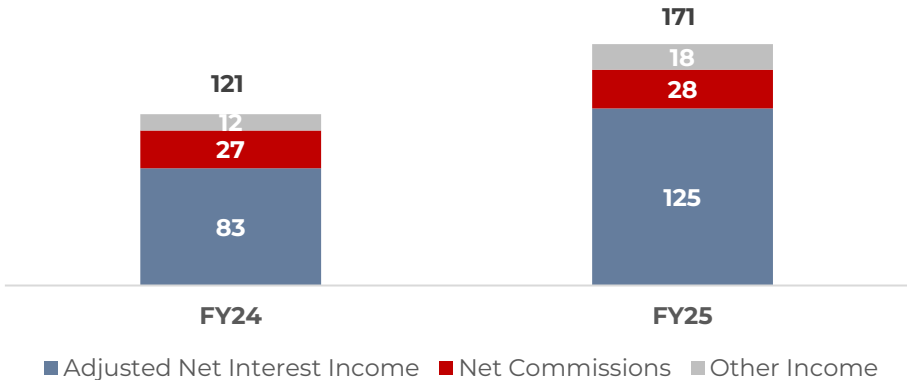
Note: (1) Total gross income calculated as Period Interest Income + Commission Income + Gain for asset disposals + trading Superbonus - excluding the contribution from securities portfolio, PPA, credit due from banks and Repo (Balance Sheet and Financial Statement figures); (2) Calculated as [Period Interest Income + Commission Income + Gain for asset disposals + trading Superbonus] / [Average net customer loans at the end of the period] - excluding the contribution from securities portfolio, PPA, credit due from banks and Repo (Balance Sheet and Financial Statement figures); / * Adjusted income margin calculated ex auction fees.

TOTAL INCOME BREAKDOWN

- **FY25 Total Income up 41% y/y**, thanks to net interest income which benefited from higher LPI from legal actions, higher contribution from financial portfolio and lower cost of funding
- **Adj NII** (NII + trading on Superbonus) **increased by 51% y/y** thanks to higher interest income from factoring (€122.2m in 2025 vs €107.3m in 2024), pawn broking (€18.5m vs €14.9m), financial portfolio (€29.5m vs € 22.7m), backed by lower interest expenses (€113.7m vs €146.2m). The contribution from SME's was lower y/y (€13.6m vs €19.7m) while CQ delivered a pretty flat performance (€17.9m vs €18.0m) despite lower average volumes.
- **Fees increased by 3% y/y** thanks to pawn broking business (higher number of auctions) and servicing and collection fees which offset weaker factoring fees, inflated in 2024 by few big tickets. In details net fees in factoring (-53% y/y), CQ (flat y/y), pawn broking (+52% y/y).
- **Other Income increased by +55% y/y** thanks to the very positive result from our Treasury department (€11m gain from govies portfolio vs €5.0m registered in FY24) and €6.7mn gain from the sale of factoring and CQ ptf (€6.4m as of FY24).
- Total income breakdown by divisions: **Factoring** (€132m vs €105m as of FY24) **CQ** (€3m vs €-8m as of FY24), **Pawn broking** (€36m vs €25m as of FY24).
- **Contribution to total net revenues:** factoring division decreased to 77% (86% as of FY24), pawn broking was flat 21% (20% as of FY24), CQ became positive (1%) from negative 1 year ago. These figures include income generated from treasury portfolio activity allocated to single divisions.

Total Income Breakdown¹

€ m



By Business Line (FY24)

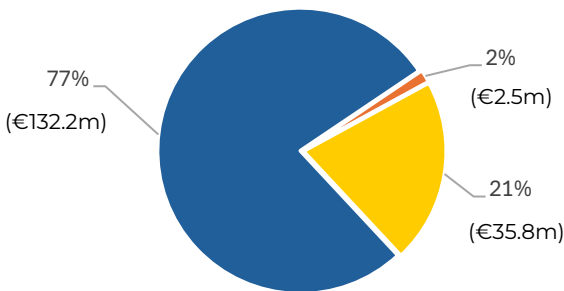
% (€121 m)



■ Factoring ■ CQ ■ Pawn Loans

By Business Line (FY25)²

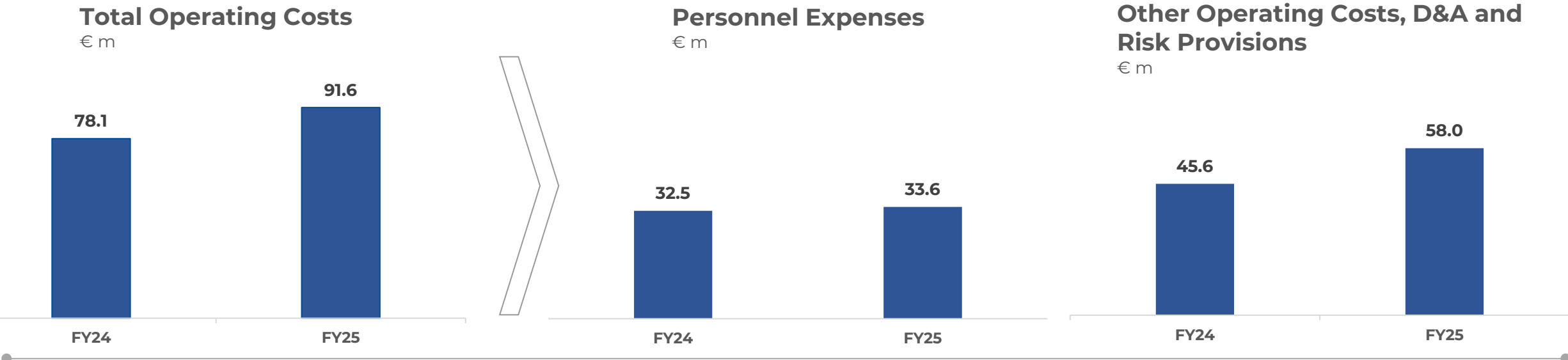
% (€171 m)



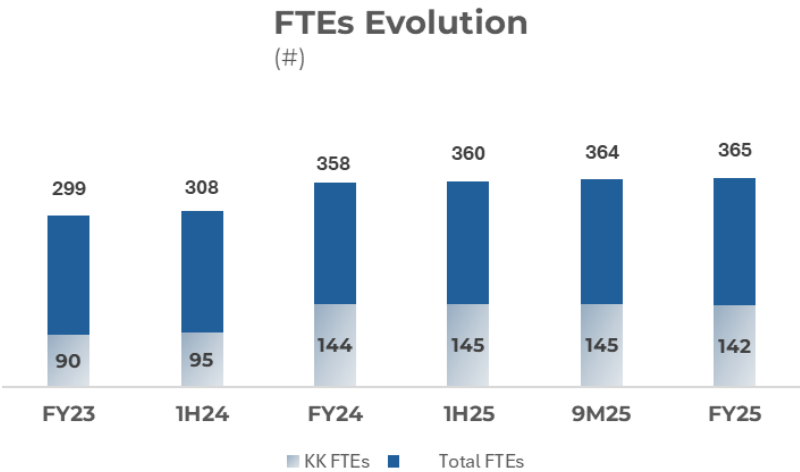
■ Factoring ■ CQ ■ Pawn Loans

1. Adjusted Net Interest Income = Net interest Income + Trading on Superbonus
2. CQ total income was positive as of FY25. The contribution of single divisions to total income include the income generated from treasury portfolio and allocated to single divisions.

ONE-OFFS and MEASURES TO REDUCE RWA AFFECTING THE COST BASE

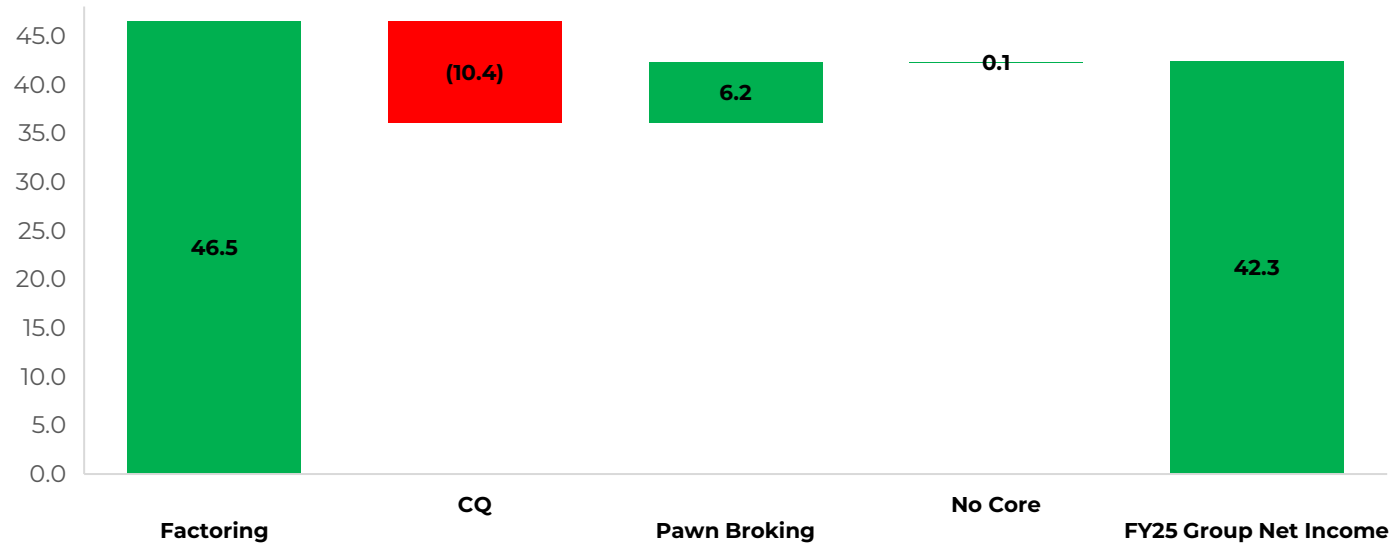


- **Total costs increased by +17% y/y** due to higher administrative costs (+32% y/y) while personnel costs grew at a much lower pace (+4% y/y). Figures include non recurrent consultancy costs, higher credit related costs and finally IT costs.
- **Personnel Expenses increased by +4% y/y** due to headcount growth, primarily in control functions, and the impact in full of the acquisition of the pawn broking business in Portugal completed in 4Q24 (+43 FTEs). Figures include the increase of payrolls in line with labour contract renewal.
- **Administrative costs increased by 30% y/y** due to some non recurrent consultancy costs linked, among the others, to Bank of Italy inspection (i.e. capital plan) and the voluntary public tender and exchange offer promoted by CF+, some credit-related costs (i.e. origination, collection and insurance), SRT and IT costs, higher taxes linked to collections and higher costs linked to Kruso Kapital (i.e. Portugal)



FY25 Net Income Breakdown by BU*

€ m



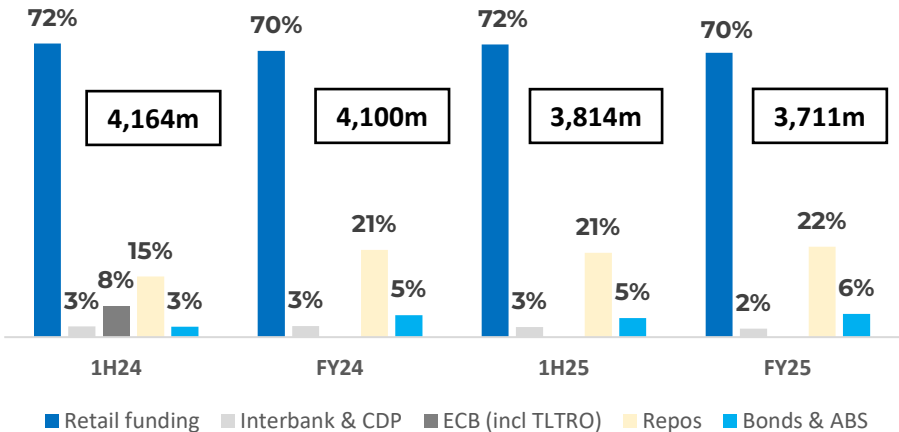
*Net income of each division is calculated by including the Treasury portfolio contribution and SRT cost

- **Factoring:** the division registered a record year posting €46,5m net income (€38,8m as of FY24) or +20% y/y thanks to higher LPI from legal action (in particular those related to collections) and lower cost of funding which together with the elimination of DGS helped the division to enhance profitability despite managerial actions undertaken to improve asset quality and capital ratios with negative impact on earnings (lower LPI from accrual or lower LPI due to disposals).
- **CQ:** Interest income and fees were flat y/y despite lower outstanding thanks to better interest margin due to the decalage of the legacy portfolio; costs were flat y/y, lower cost of funding helped to reduce the loss of the division (-€10,4m vs -€15,8m in FY24).
- **Pawn Broking:** the division kept growing registering a strong increase in net profit (€6,2m vs €3,2m in FY24) thanks to the increase of the outstanding, higher numbers of auctions implemented to reduce NPEs stock and the positive trend in margins.
- **FY25 Net income** was equal to **€42,3m** (+68% y/y).

FUNDING COST CONTINUES TO DECLINE, NOW BELOW 3%

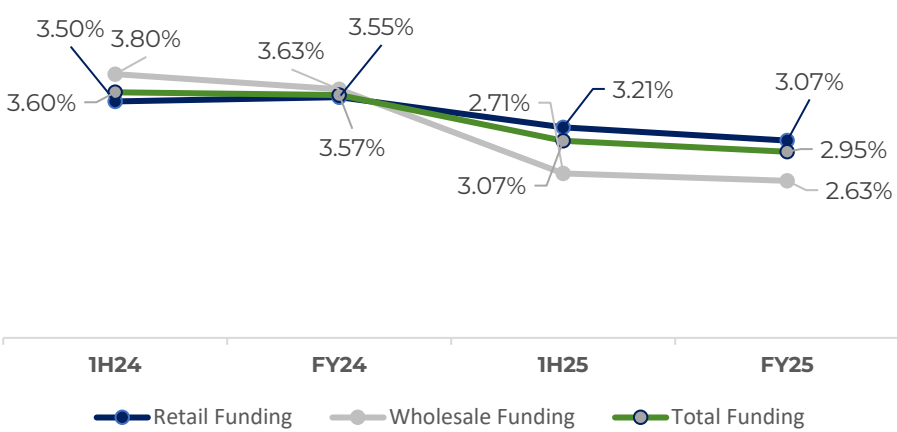
Total Funding Breakdown

(%)



Funding Cost

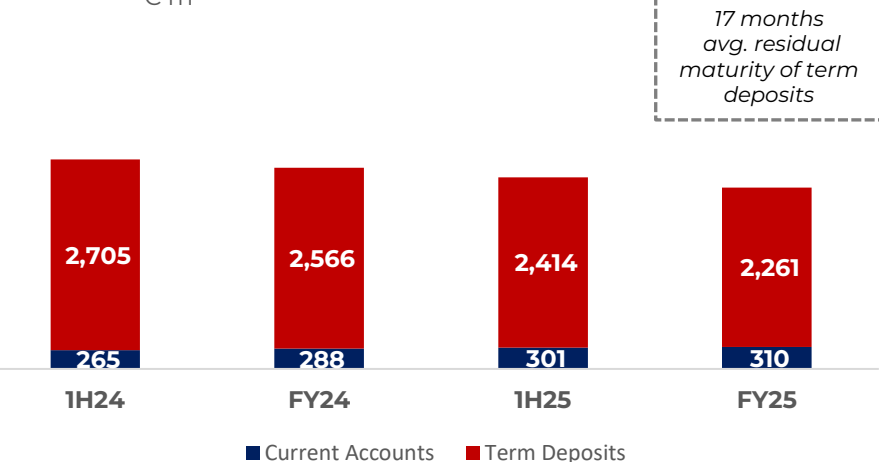
(%)



- **Retail Funding** represents **70% of total funding** as of YE25.
- **Term deposits** decreased by 12% y/y, **Retail funding** decreased by 10% y/y; trend driven by the bank's decision to **optimize the funding structure** given loans decrease registered in FY25. **Average residual maturity of term deposits equal to 17 months** (16 months as of FY24).
- **Term deposits breakdown by geography:** 78% from abroad, 22% from Italy.
- **Net outflows in term deposits from abroad** (-€245m in FY25) and **Italy** (-€71m in FY25).
- **REPOs** were **down y/y**.
- **Cost of funding** down y/y (-62bps), cost of **wholesale funding** (-101bps), cost of **retail funding** (-48bps).

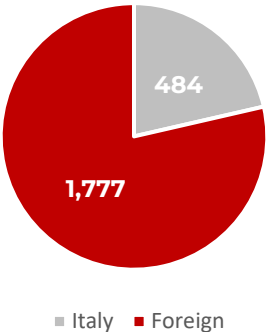
Retail Funding by Instrument

€ m



Term Deposits - Breakdown by Geography

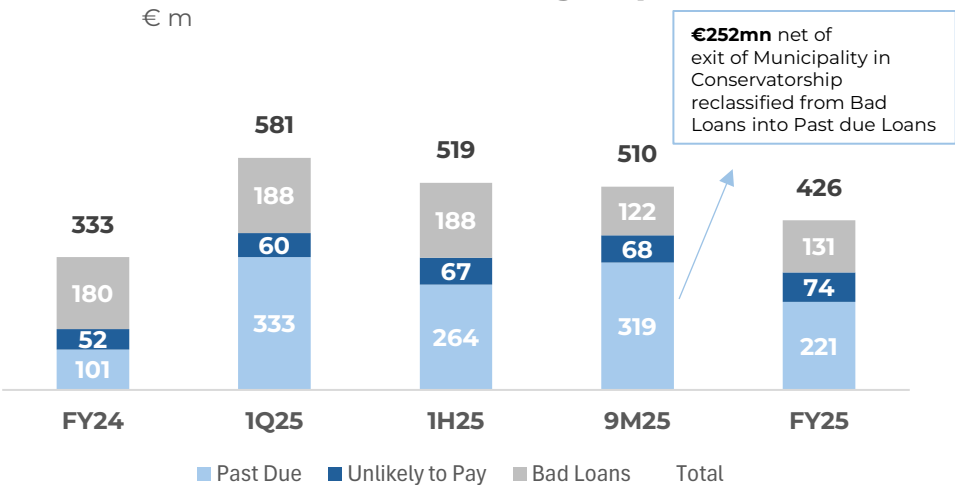
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Gross Non Performing Exposure

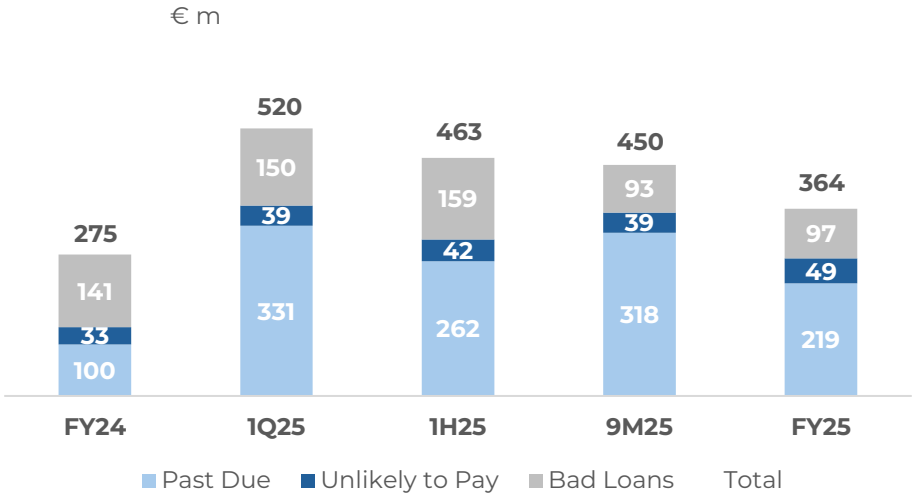
€ m

€252mn net of exit of Municipality in Conservatorship reclassified from Bad Loans into Past due Loans



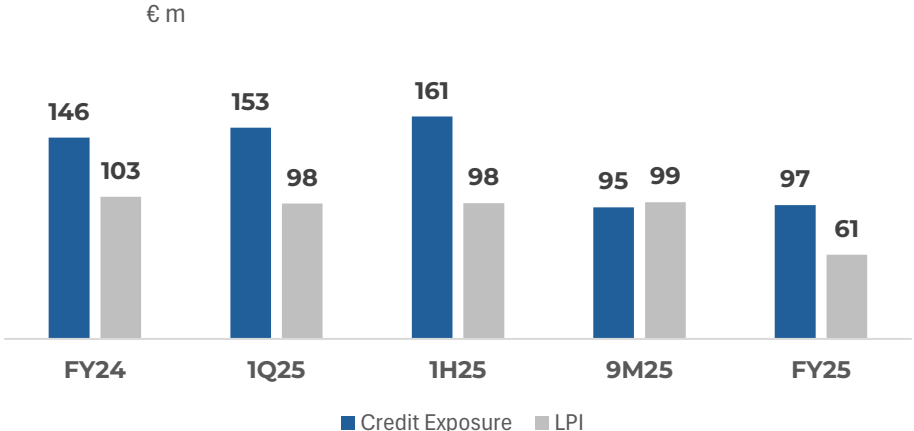
Net Non Performing Exposure

€ m



Exposure to Municipality in Conservatorship & LPI off BS*

€ m



Gross Non Performing Exposures (gross NPEs) increased by **+28% y/y** mainly due to the **new classification** of past due loans, **carried out in 1Q25**, in accordance with Bank of Italy compliance findings on the application of the Definition of Default; **87% of the past due loans portfolio** of the Bank (excl Kruso Kapital) consists of **exposure to Public Administration**, with limited credit risk exposure.

Sharp reduction in gross NPEs since the new classification of past due loans. Several managerial actions undertaken to reduce past due loans after 1Q25 reclassification. **In the 4Q25 past due loans were reduced by €98m (-31% q/q)** thanks also to the **collection of the receivables from a Municipality (€67m)** that exited from Conservatorship and was subject to an ECHR ruling which required the Government to pay the full principal plus LPIs. **The overall reduction of NPEs since 1Q25 stood at -27%.**

NPE ratio is moving in the right direction to regain past due loans level pre-reclassification. Net NPE ratio as of YE25 was equal to **14.3%** well below 1Q25 level (**19.4%**). **NPE coverage ratio improved from 10.5% (1Q25) to 14.4% (4Q25).**

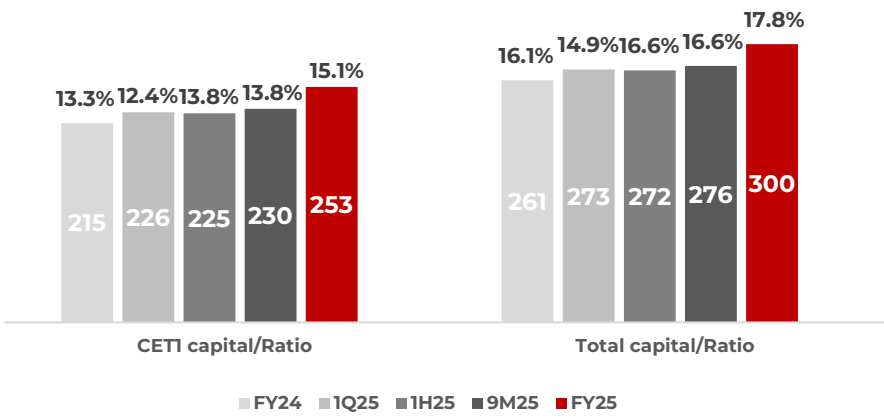
The amount of total LPIs off balance sheet as of YE25 are equal to €61m of which **€42m are eligible for ECHR ruling.** The reduction q/q is due to the collection of €34m net LPI off balance sheet linked to the Municipality which exited the Conservatorship.

Cost of credit equal to **39bps** (60bps net of €5.6m writeback linked to loans which are eligible for ECHR ruling).

*Figures include also LPI belonging to few Municipalities emerged from Conservatorship

CAPITAL IMPACT FROM UPDATED DoD INTERPRETATION FULLY ABSORBED

Capital ratios*
€ m/ %



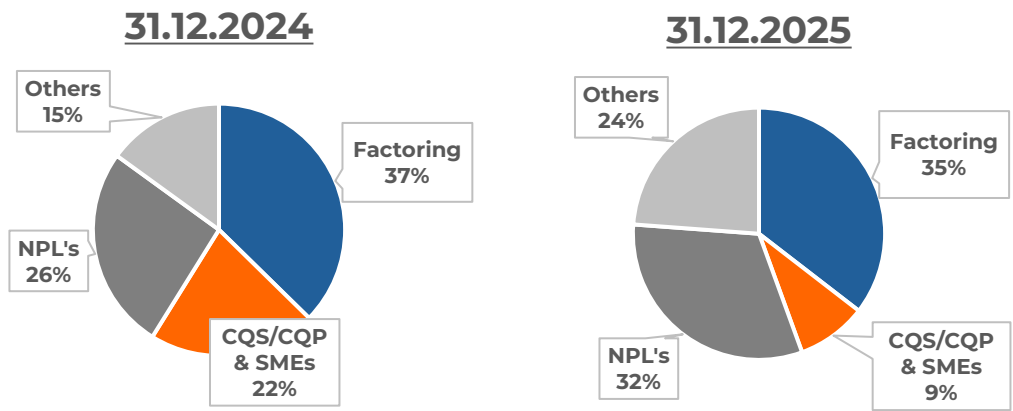
RWA Breakdown
€ m



- **CETI and Total Capital ratios phased in** as of YE25 were equal to **15.1%** and **17.8%**, well above the level registered at YE24 (**+181bps** and **+174bps** respectively) despite the increase in NPEs following the Bank of Italy request to reclassify part of the loans as past due implemented in 1Q25. **The improvement** is the result of **managerial actions** undertaken to reduce the stock of NPEs: SRT, securitization, disposals and faster collections including €103m from a Municipality that exited the conservatorship and was subject to ECHR ruling which enabled the recognition in the 4Q25 of €34m LPI previously off balance sheet (€6.9m already booked in 1Q25).
- **RWA back to FY24 level.** The reduction of NPEs together with lower outstanding and measures to reduce capital absorption of the current loans' portfolio, allowed the Bank to bring RWA back to the level registered pre past-due reclassification. Credit risk is flat YoY, operating risk increased due to better revenues.
- **Ratios do not include dividends' accrual and €4.3mn net of tax positive HTCS reserve.**
- **Capital buffers at ca. 500bps (2024 SREP: CETI ratio 9.4% / TCR 12.9%**)**

Note: *Ratios as of FY25 are calculated applying the prudential filter reintroduced by article 468 CRR which neutralizes securities MTM in the HTCS category. / ** Ratios adjusted for Syrb + CCyB equal to 10.2% (CETI) and 13.7% (TCR). 2026 SREP to be applied from Marc, 31st 2026: CETI ratio 10.1% / TCR 13.6%

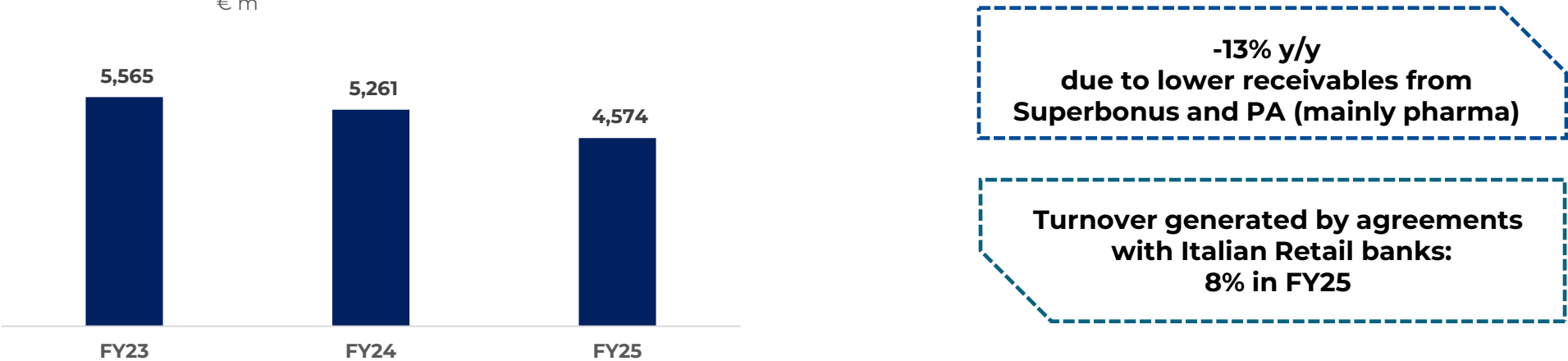
RWA – Credit Risk



ANNEXES

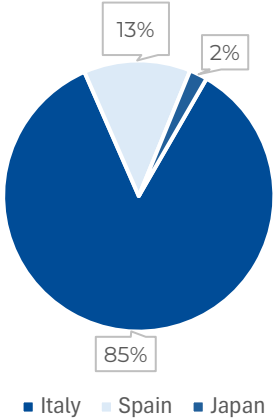
FACTORING: BREAKDOWN BY TYPE AND CUSTOMERS

Factoring Turnover
€ m

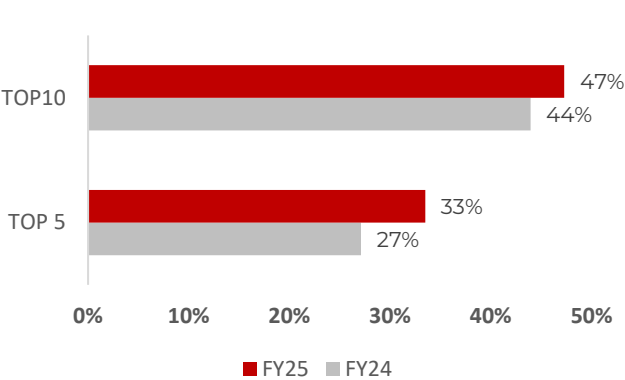


FY25 Factoring Turnover breakdown

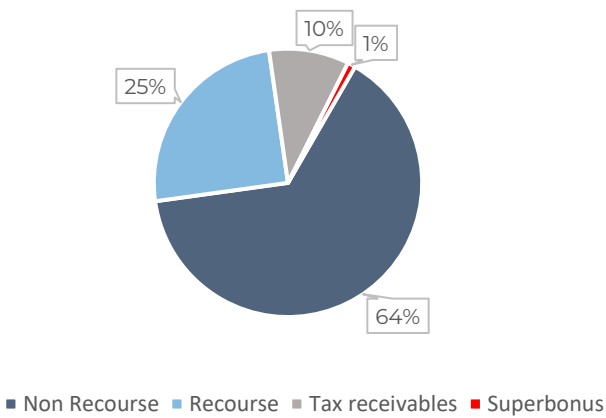
By Geography (FY25)
%



Customer Concentration
%

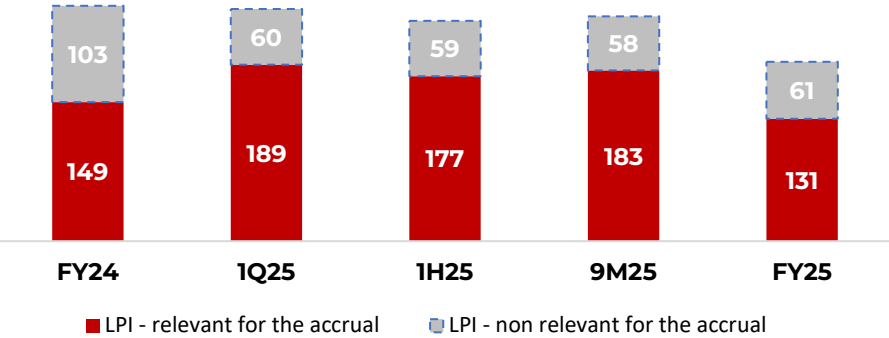


By Type (FY25)
%



Due LPI Stock - Assets in Legal Action

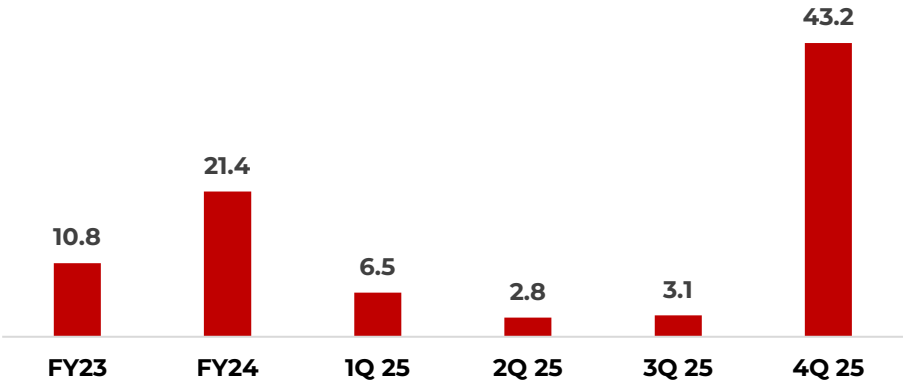
€ m



€80.8m accrual
booked through
P&L

Total Collected Cashed-in LPI

€ m



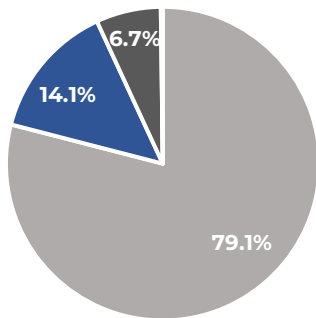
FY25 – INCOME STATEMENT

Figures in millions of Euro

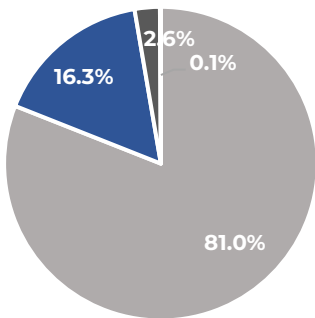
	2024	1Q 2024	2Q 2024	3Q 2024	4Q 2024	2025	1Q 2025	2Q 2025	3Q 2025	4Q 2025	2025 vs 2024 change (%)
Interest income	196.3	48.2	47.6	47.8	52.7	210.4	57.5	33.7	45.4	73.8	7%
Interest expenses	(146.2)	(36.4)	(38.4)	(36.2)	(35.2)	(113.7)	(33.0)	(28.7)	(26.6)	(25.4)	-22%
Net interest income	50.0	11.8	9.2	11.6	17.5	96.7	24.5	5.0	18.8	48.4	93%
Commission income	46.6	14.0	12.7	9.7	10.1	44.5	10.1	11.7	11.7	11.0	-5%
Commission expenses	(19.8)	(5.4)	(5.4)	(4.6)	(4.5)	(16.9)	(4.4)	(3.7)	(4.4)	(4.4)	-15%
Net commission	26.8	8.6	7.3	5.1	5.6	27.6	5.7	8.0	7.3	6.6	3%
Dividends and similar income	0.2	-	0.2	-	-	0.2	-	0.2	-	0.0	0%
Net income from trading	34.2	4.8	7.6	11.5	10.3	28.5	8.8	8.2	6.1	5.4	-17%
Net income from disposal/repurchase assets:	10.0	1.6	3.6	2.0	2.9	17.7	3.8	5.5	4.2	4.2	77%
<i>a) measured at amortised cost</i>	6.4	0.9	2.8	0.9	1.8	6.7	2.9	1.0	1.0	1.8	5%
<i>b) measured at fair value through other comprehensive income</i>	3.6	0.7	0.7	1.1	1.1	11.0	0.9	4.5	3.2	2.4	>100%
Total income	121.4	26.8	28.0	30.2	36.3	170.8	42.8	27.0	36.4	64.6	41%
Net impairment losses on loans	(1.1)	(1.4)	(2.5)	(1.1)	3.7	(10.3)	(3.7)	(0.9)	(3.5)	(2.2)	>100%
Net operating income	120.2	25.4	25.5	29.1	40.0	160.4	39.1	26.1	32.9	62.4	33%
Personnel expenses	(32.5)	(8.1)	(8.3)	(8.5)	(7.6)	(33.6)	(8.6)	(8.1)	(8.1)	(8.8)	3%
Other expenses	(45.7)	(10.4)	(13.5)	(10.1)	(11.6)	(58.1)	(11.5)	(13.2)	(13.3)	(19.9)	27%
Operating expenses	(78.1)	(18.5)	(21.8)	(18.6)	(19.2)	(91.6)	(20.1)	(21.2)	(21.4)	(28.7)	17%
Pre-tax profit from continuing operations	42.1	6.9	3.7	10.5	20.8	69.0	19.0	5.1	11.5	33.7	64%
Taxes on income for the period from continuing operations	(15.4)	(2.6)	(1.4)	(3.9)	(7.5)	(24.2)	(6.9)	(1.3)	(4.2)	(11.8)	57%
Profit (loss) for the period	26.7	4.3	2.3	6.6	13.4	44.7	12.2	3.7	7.3	21.9	67%
Minority interests	(1.3)	(0.2)	(0.3)	(0.3)	(0.5)	(2.6)	(0.6)	(0.7)	(0.5)	(0.8)	100%
Profit (loss) for the period attributable to the shareholders of the Parent	25.3	4.1	1.9	6.4	12.9	42.1	11.6	3.0	6.3	21.2	66%

ASSET QUALITY: BREAKDOWN BY LOANS

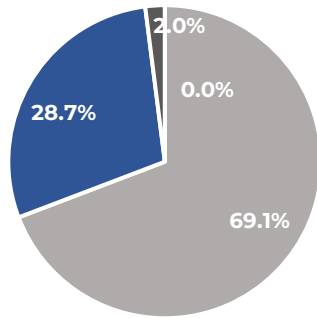
Gross Bad loans



31.12.2023

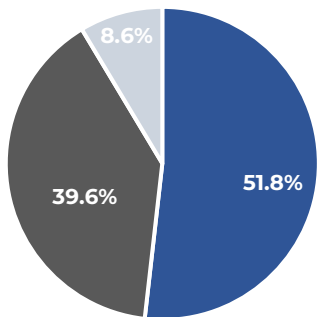


31.12.2024

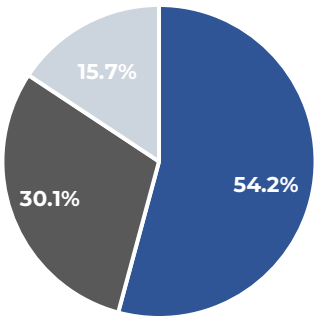


31.12.2025

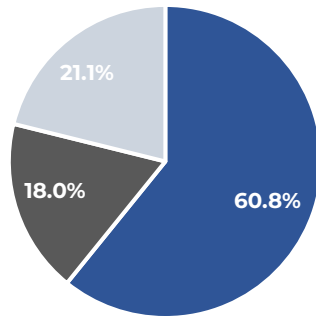
Gross Unlikely to Pay



31.12.2023



31.12.2024



31.12.2025

Conservatorships (factoring) Factoring SME's Other

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