PRESS RELEASE

BANCA SISTEMA:
- DRAFT BUDGET 2022 APPROVED
- "2022 DIVIDEND" PROPOSAL OF € 0.065 PER SHARE (25% OF 2022 PROFIT)

Milano, 10 march 2023

Today, the Board of Directors of Banca Sistema has approved the Bank's draft annual report and the draft consolidated financial statements of Gruppo Banca Sistema as at 31 December 2022, confirming the results that had already been approved by the Board and communicated to the market with the press release dated 10 February, to which you may refer.

The Parent company closed FY 2022 with a net income of euro 20.9 million. At the consolidated level, the financial year closed with a net income attributable to the Parent company of euro 22.0 million.

The Board of Directors, having considered capital strength and business growth outlook resolved to propose to Shareholders at the General Meeting, to be held on 28 April 2023, to allocate euro 15,659,200.61 to retained earnings, and the residual amount of euro 5,227,368.38 euros to dividends, corresponding to euro 0.065 euros per ordinary share (25% of the Parent Company's profit).

On April 28, Shareholders at the Annual General Meeting will be called upon to decide the profit allocation and the distribution of the above dividend. Should Shareholders approve it, the dividend will be paid out on May 10, 2023, with ex-dividend date on May 8, 2023 and record date on May 9, 2023 (coupon No. 10).

Shareholders will be then called to decide on the appointment of a director, the renewal of the Board of Statutory Auditors and the determination of the related compensation as well as on the "Report on Remuneration Policy and on fees Paid," first and second sections, pursuant to TUF, Article 123-ter.

The notice to convene the Shareholders Meeting of 28 April 2023 will be published within the time limits and terms required by law.

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Operational outlook and main risks and uncertainties

The current context characterized by continuous increases in rates operated by the European Central Bank, with consequent gradual increases in funding rates in the various technical forms, has led to an increase in the cost of funding, starting in the fourth quarter of 2022, which is proving to be faster than the change in the yield of loan portfolios, a portion of which is at fixed rates in particular for QC loans, with a consequent contraction in the interest margin, which can be absorbed in the following quarters with the increase in the profitability of loans.

The Group does not have any direct exposures to entities and entities subject to restrictive measures decided by the European Union in response to the situation of the war in Ukraine; the evolution of this conflict not as well as of the aforementioned restrictive measures is constantly and carefully monitored by the Group.

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Statement of the financial reporting officer

The manager in charge of preparing the corporate financial reports, Alexander Muz, in compliance with paragraph two of art. 154 bis of the Consolidated act on 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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Banca Sistema Group
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.