



FINECO. SIMPLIFYING BANKING.

# 1Q21 Results

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Milan, May 11<sup>th</sup> 2021

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# Agenda

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## ✓ **Fineco Results**

☐ Next steps

☐ Fineco UK

☐ Key messages

☐ Focus on product areas

# Executive Summary

1Q21 a turning point in our growth story: becoming more a Platform than a Bank

The Bank has entered a **new dimension of growth driven by structural trends**. Among the main consequences:

- ✓ **acceleration of the deleveraging of the Balance Sheet**: boosting Fees and Commissions to increase revenues with a better mix
- ✓ **new discontinuity in FAM, entering the second wave to take more control of the value chain** to further boost Investing revenues and margins

## Record-high net profit in “a new normal world”

- **1Q21 Net profit at 95mln, +3% y/y<sup>(1)</sup> considering that 1Q20 was the highest in 2020. +21% q/q**, confirming the sustainability of a business model able to deliver consistent results in every market condition
- **1Q21 Gross operating profit at 144mln, +7% y/y<sup>(1)</sup> and 33% q/q**, showing the soundness of our industrial growth
- **1Q21 Revenues at 218mln, +8% y/y<sup>(1)</sup> and 20% q/q** mainly supported by **Investing** (+14% y/y and +6% q/q) thanks to volume effect and to the strong acceleration of AUM flows, and increasing **Brokerage** (+2% y/y and +26% q/q) showing a structural growth even in an environment characterized by much lower volatility compared to 2020
- **Operating Costs well under control at -74mln, +1% q/q and +4.5% y/y**, excluding costs related to the acceleration of the growth of the business<sup>(2)</sup>
- **C/I ratio at 33.8%**, confirming **operating leverage as a key strength of the Bank**

## Strong and safe capital position

- **1Q21 CET1 ratio at 26.5%<sup>(3)</sup> and TCR at 38.4%<sup>(3)</sup>**

## Accelerating commercial activity

- **Net sales in 1Q21 at 3.3bn (+56% y/y), TFA at 97.1bn with Asset under Management at 48.0bn (+35% y/y)** and the penetration of **Guided products on Asset under Management at 74%**
- **Fineco Asset Management retail net sales at 0.7bn in 1Q21 and TFA at 17.9bn.**
- **April: Strong net sales at 0.9bn (in line y/y), o/w 95% in AUM (+36% y/y) and deposits -0.6bn.** Record net sales in **FAM** with 0.5bn retail class. **Brokerage revenues estimated at ~17mln** despite very low volatility (more than 50% vs average monthly revenues in 2017-2019 y/y)

<sup>(1)</sup> FY20 non recurring items: Voluntary Scheme: 1Q20 -1.2mln gross, -0.8mln net

<sup>(2)</sup> Excluding costs strictly related to the growth of the business: marketing expenses (-2.4mln y/y, mainly related to UK), costs related to PFAS Firr and Enasarco (-0.7mln y/y), FAM (-1.0mln y/y), CRM (-0.2mln y/y)

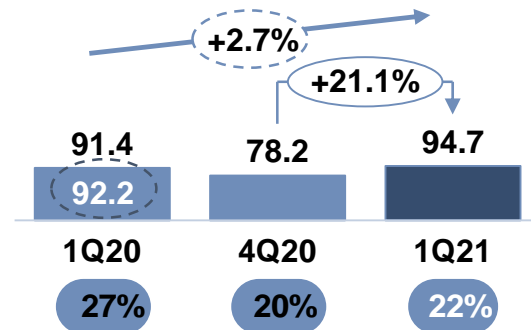
<sup>(3)</sup> Fineco decided to stick to the recommendations of ECB of December 15<sup>th</sup>, 2020 and to the press release of Bank of Italy of December 16<sup>th</sup>, 2020, and the Shareholders' Meeting convened on April 28<sup>th</sup>, 2021 approved the proposal regarding the allocation of 100% of 2020 net profits to reserves

# Record high 1Q Net Profit in a “new normal world”

Adj. Net Profit at 95mIn, +21% q/q boosted by strong acceleration of Investing and consistently high Brokerage revenues. The Bank has entered a new dimension of growth. C/I ratio at 34%, confirming our operating leverage.

## Net Profit, mIn

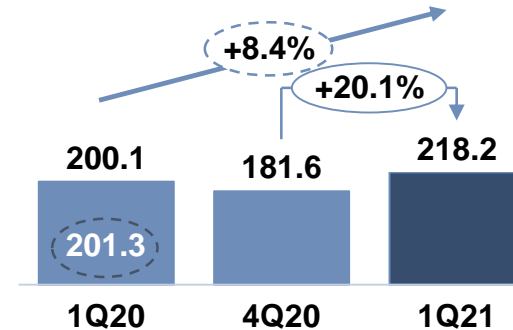
○ excluding non recurring items <sup>(1)</sup> ● Adj. RoE <sup>(2)</sup>



**Single Resolution Fund:**  
5.8mIn (gross) in 1Q21

## Revenues, mIn

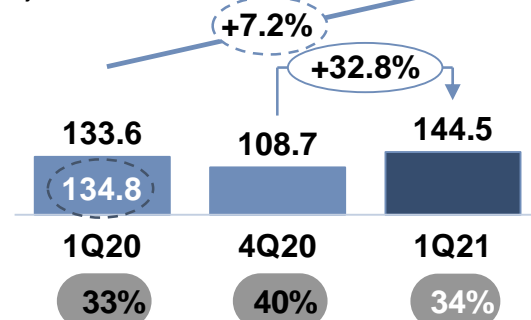
○ excluding non recurring items <sup>(1)</sup>



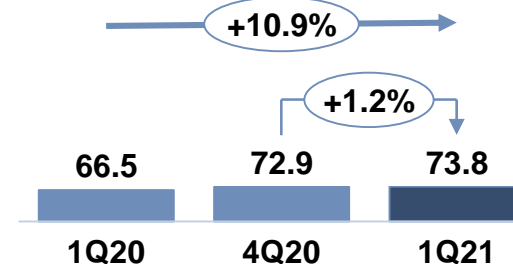
**Record-high revenues** thanks to the **strong acceleration of growth**

## Gross operating profit, mIn

● Adj. Cost/Income <sup>(2)</sup>



## Operating costs, mIn



**1Q21<sup>(3)</sup>: +4.5% y/y**

The yearly increase is mainly linked to costs related to the growth of the business:

- ✓ **marketing expenses** mainly in UK (not in place in 1Q20)
- ✓ **PFAs** for the acceleration of Investing business
- ✓ **FAM**
- ✓ **Customer care** considering that new current accounts almost doubled

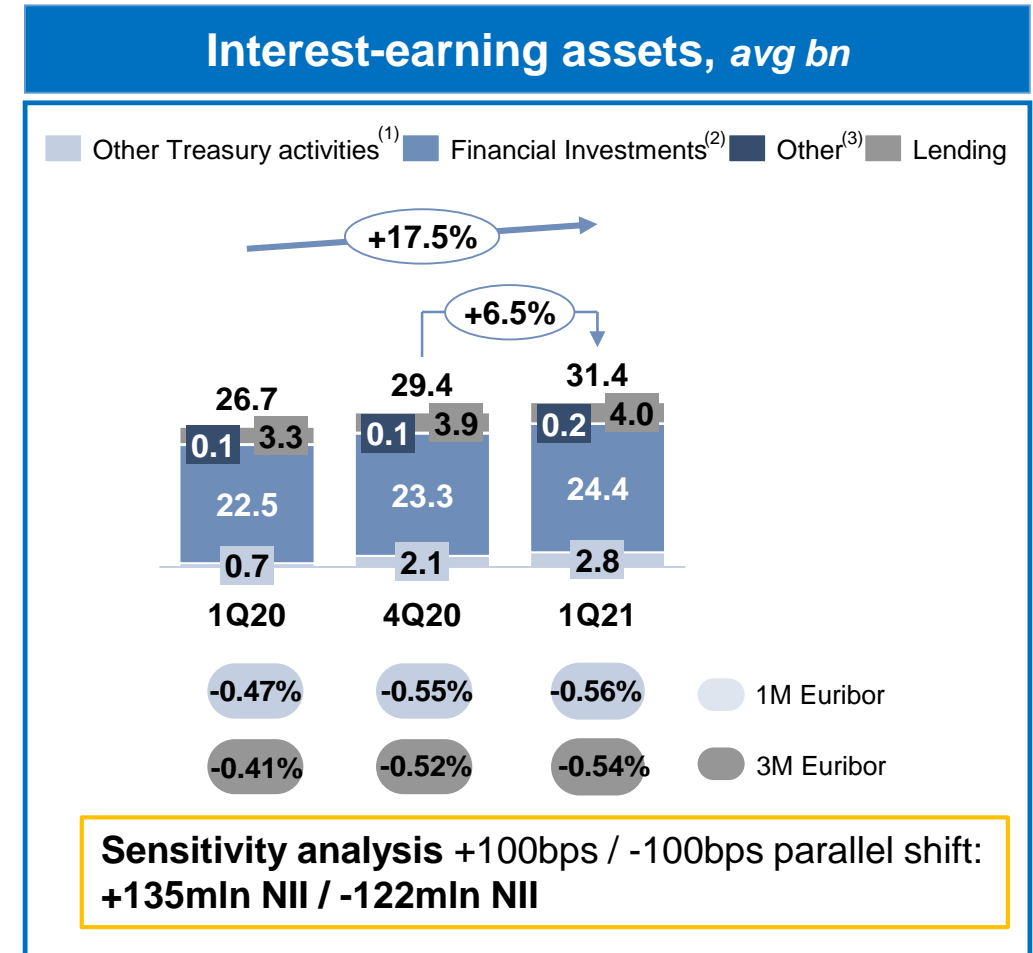
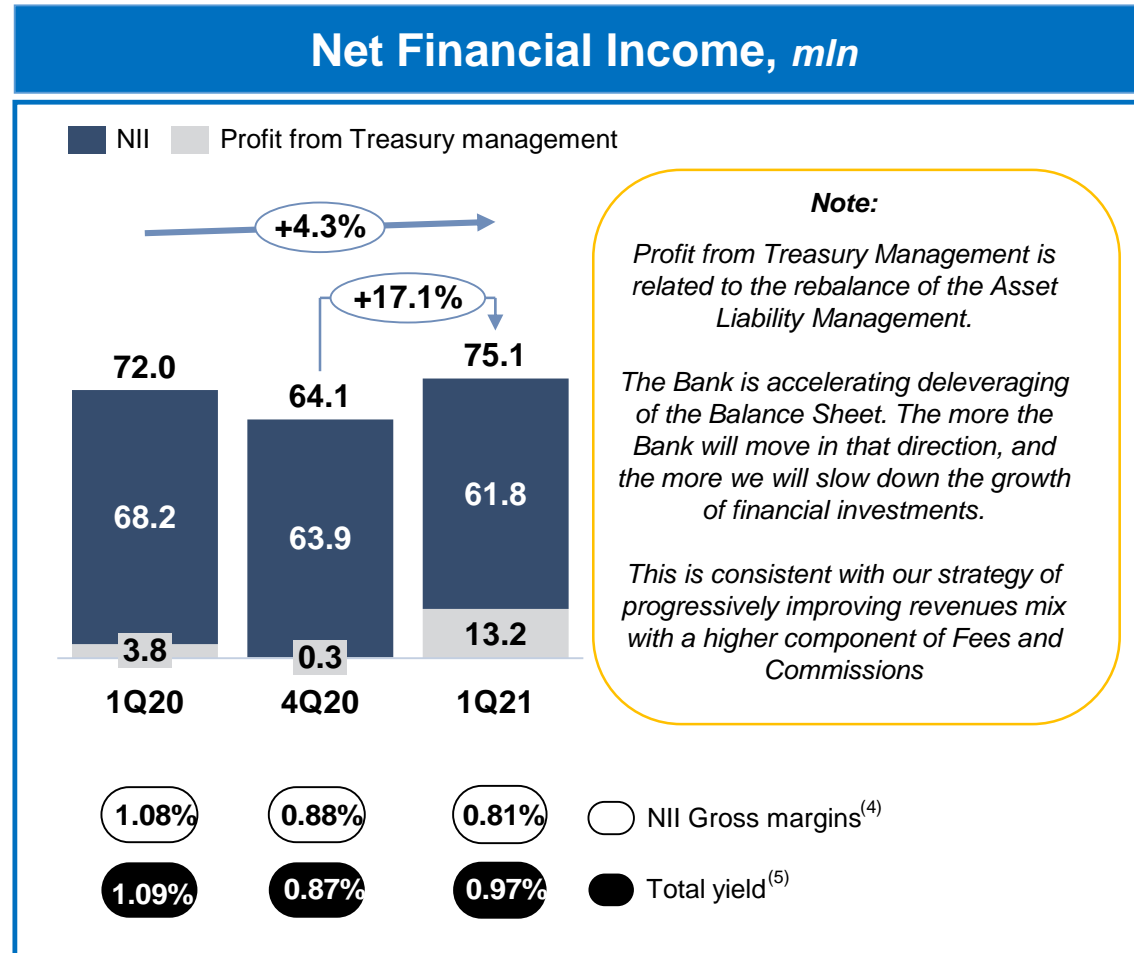
<sup>(1)</sup> FY20 non recurring items: Voluntary Scheme: 1Q20 -1.2mIn gross, -0.8mIn net

<sup>(2)</sup> Adj. Cost/Income and Adj. RoE calculated net of non recurring items. ROE calculated as: annualized adj.net profit divided by average book equity for the period (excl. dividends for which distribution is expected and valuation reserves)

<sup>(3)</sup> Excluding costs strictly related to the growth of the business: marketing expenses (-2.4mIn y/y, mainly related to UK), costs related to PFAS Firr and Enasarco (-0.7mIn y/y), FAM (-1.0mIn y/y), CRM (-0.2mIn y/y)

# Our activity of deleveraging the Balance Sheet is generating also profits from Treasury management...

Net financial Income increasing y/y thanks to a more dynamic Treasury activity combined with high-quality lending



<sup>(1)</sup> Other treasury activities include Security Lending (from Tiering and TLTRO) and yield enhancement strategies (unsecured lending and collateral switch)

<sup>(2)</sup> Financial investments include Government bonds, UC bonds, Covered bonds, Supranational and Agencies and other financial investments (repos and immediate available liquidity)

<sup>(3)</sup> Other interest-earning assets include Leverage.

<sup>(4)</sup> NII gross margins: interest income related to financial investments, lending, leverage, security lending, other trading activities on interest-earning assets

<sup>(5)</sup> Total yield: net financial income related to interest-earning assets

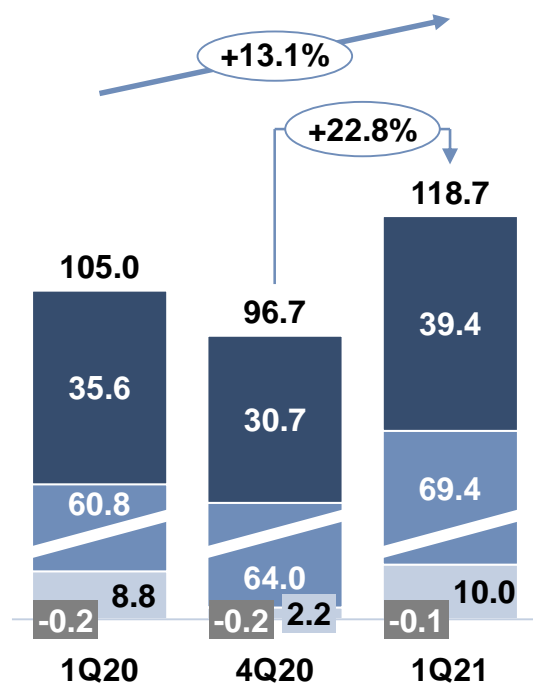
# ...and boosting Fees & Commissions and Brokerage Trading Profit

Fees and commissions +13% y/y and +23% q/q thanks to the positive contribution by all business areas.

Trading Income +1% y/y and +27% q/q thanks to structurally higher Brokerage

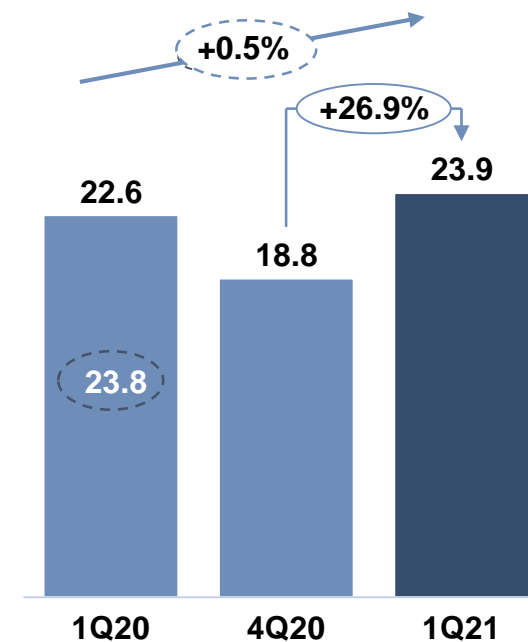
## Fees and commissions, mln

■ Brokerage ■ Investing ■ Banking ■ Other



## Brokerage Trading Income <sup>(1)</sup>, mln

○ excluding non recurring items <sup>(2)</sup>

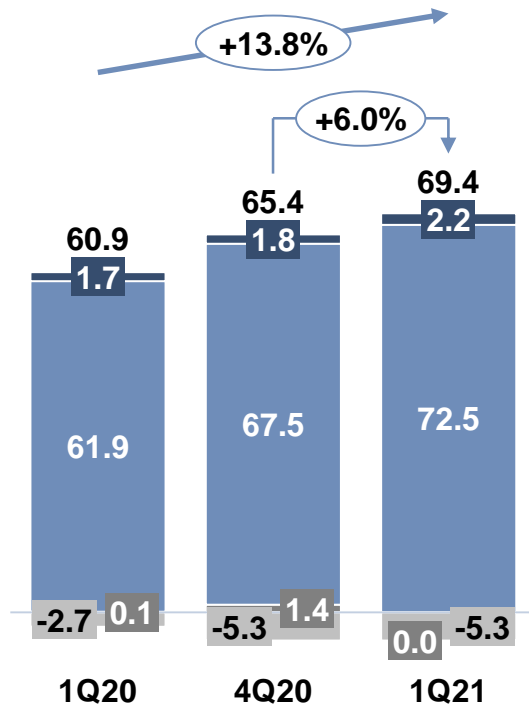


# Our priority: accelerating on Investing

1Q21 revenues increasing thanks to volume effect and strong acceleration in AUM net sales. Margins slightly higher thanks to the operational efficiency given by Fineco Asset Management and a first sign of higher risk appetite by clients

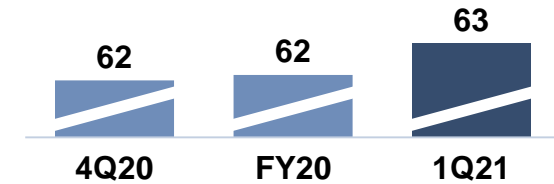
## Investing Revenues, mln

■ Upfront fees ■ Management fees ■ PFA incentives ■ Other income <sup>(1)</sup>

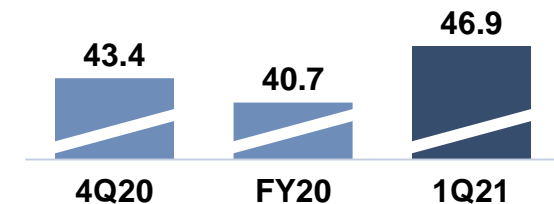


**Management fees:**  
1Q21: +17.3% y/y, +7.4% q/q  
mainly driven by higher volumes

## Management fees Margins, bps



## Average AuM on daily basis, bn



<sup>(1)</sup> Other Income includes revenues coming from FAM costs efficiencies achieved during the year related to fund restructuring



# Cost efficiency and operating leverage confirmed in our DNA

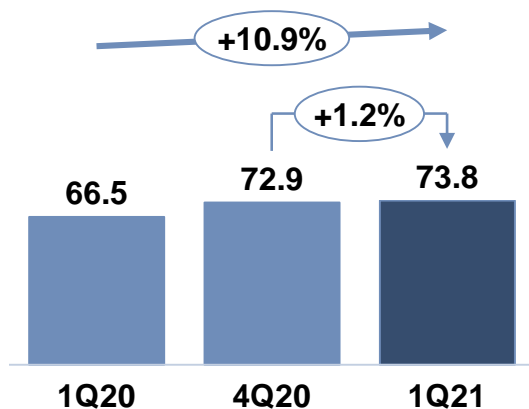
1Q21 characterized by costs directly related to the strong acceleration of growth of the business experienced in the “new normal world”. The yearly comparison affected by 1Q20 strict lock-down (1Q Non HR costs were the lowest of the last 10 years)

## Operating Costs, mln

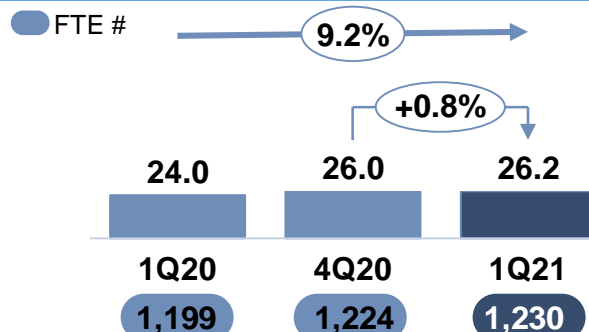
The yearly increase is mainly linked to **costs related to the growth of the business**:

- **marketing expenses** (mainly related to UK, not in place in 1Q20)
- **PFAs** following the strong acceleration of Investing business
- **FAM** as it is preparing to further increase the efficiency of the value chain
- **CRM** considering that new current accounts almost doubled

Net of this items, 1Q21<sup>(1)</sup>: +4.5% y/y



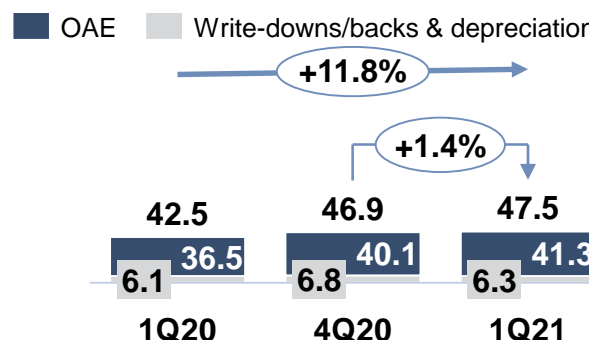
## Staff expenses and FTE, mln



1Q21<sup>(1)</sup>: +5.7% y/y

FAM costs up by 0.8mln y/y as it is preparing to further increase the efficiency of the value chain of the Investing

## Non HR Costs, mln



1Q21<sup>(1)</sup>: +3.8% y/y

Note:

1Q20 has been the lowest 1Q of the last 10 years due to the strict lock-down in place in Italy

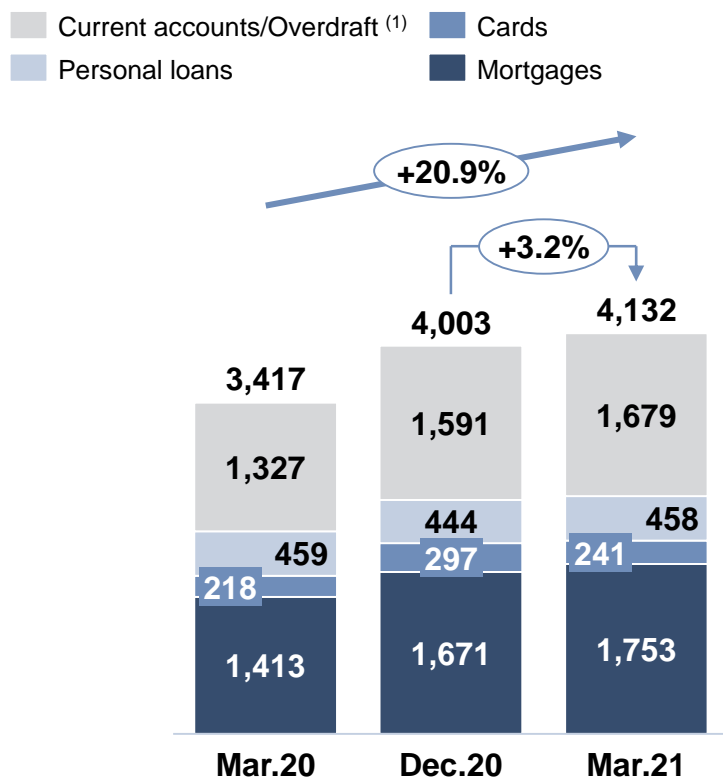
<sup>(1)</sup> Excluding costs strictly related to the growth of the business:

- **Operating costs:** marketing expenses (-2.4mln y/y, mainly related to UK), costs related to PFAs' Firr and Enasarco (-0.7mln y/y), FAM (-1.0mln y/y), CRM (-0.2mln y/y)
- **Staff expenses:** FAM (-0.9mln y/y)
- **Non HR costs:** marketing expenses (-2.4mln y/y, mainly related to UK), costs related to PFAs' Firr and Enasarco (-0.7mln y/y), FAM (-0.1mln y/y), CRM (-0.2mln y/y)

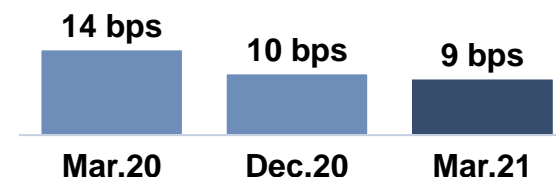
# High quality lending

Offered exclusively to the existing base of clients, leveraging on our internal Big Data analytics

## Commercial Loans Portfolio, eop mln



## Cost of Risk on commercial loans <sup>(2)</sup>



- **Cost of Risk well under control thanks** to the constant improvement in the quality of the credit which is mainly secured and low risk
- **We confirm our strategy aims to build a safe lending portfolio**, offering these products exclusively to our very well known base of clients, leveraging on a deep internal IT culture, powerful data warehouse system and Big Data analytics
- **No change in our FY21 CoR expectations (10-15bps)** thanks to the high quality of our portfolio, even in a difficult context following Covid-19 outbreak
- Less than 300 mortgages moratories have been granted until now. **More details on the quality of our portfolio in the following slide**, with a deep dive on the main products offered

<sup>(1)</sup> Current accounts/overdraft Include Lombard loans

<sup>(2)</sup> Cost of Risk: commercial LLP of the last 12 months on average last 12 months commercial Loans; CoR as of Mar.21 and Dec.20 are pro-forma figures excluding a non recurring write-back

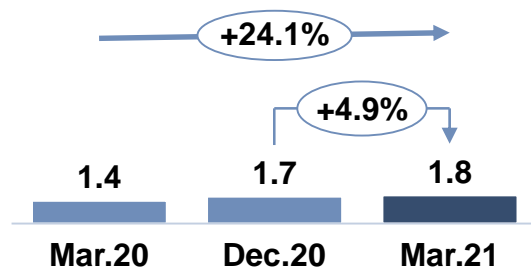
# Lending: solid growth for all our products

High quality portfolio and cautious approach

## 2021 Guidance

### Mortgages

Eop, bn

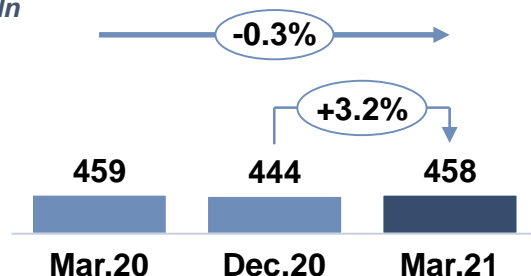


- **18,972 mortgages** granted since December 2016
- Average customer rate: **150 bps**. **1Q21 Yield<sup>(1)</sup> at 47 bps**
- Average Loan to Value **~49%**, average maturity **18 yrs**
- **Low expected credit loss** (~19 bps). Only 10 clients accounted in NPL after 51 months from the launch

- yearly new production: **~ 700-800 mln**
- Expected yield<sup>(3)</sup>: **~ 45-55 bps**

### Personal Loans

Eop, mln

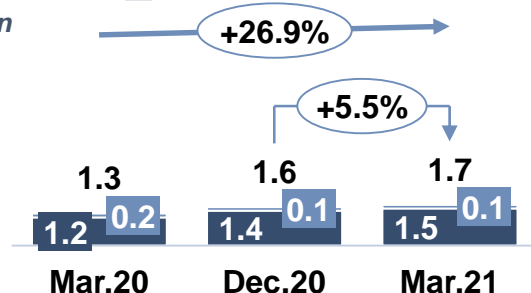


- Average ticket € 9,300 and average maturity 4.7 years
- **1Q21 Yield at 383 bps**
- **Efficient and real time process**, instant approval platform for eligible clients' requests thanks to a deep knowledge of clients.
- **Low expected credit loss** (~62 bps)

- yearly new production: **~ 250-300 mln**  
~ (45-65 mln net)
- Expected yield<sup>(3)</sup>: **~ 370-390 bps**

### Lombard Loans

■ Other lombard ■ Credit lombard  
Eop, bn



**o/w Credit Lombard<sup>(2)</sup>:**

- **Attractive pricing:** retail clients 100bps and private clients 50/65/75bps (on 3M Eur)
- **Differentiated margins** according to the riskiness of the pledged assets
- **Very low expected loss** (~10 bps)

**o/w Credit Lombard<sup>(2)</sup>:**

- Expected growth: **~ 350-400 mln** per year
- Expected yield<sup>(3)</sup>: **~ 70-80 bps**

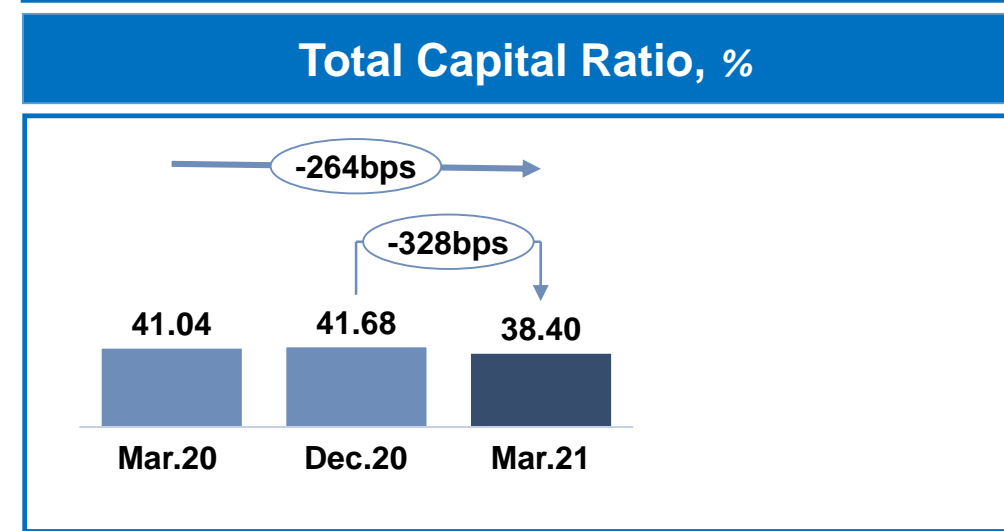
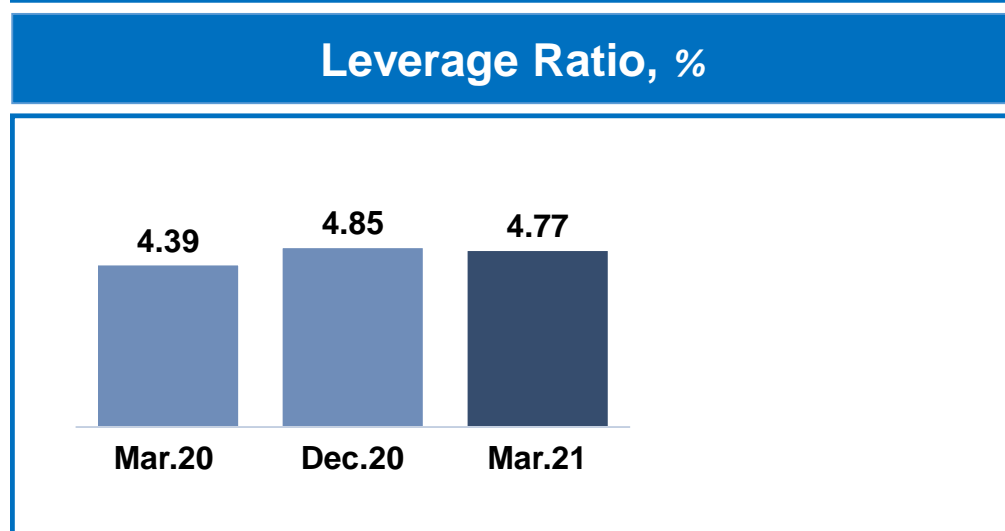
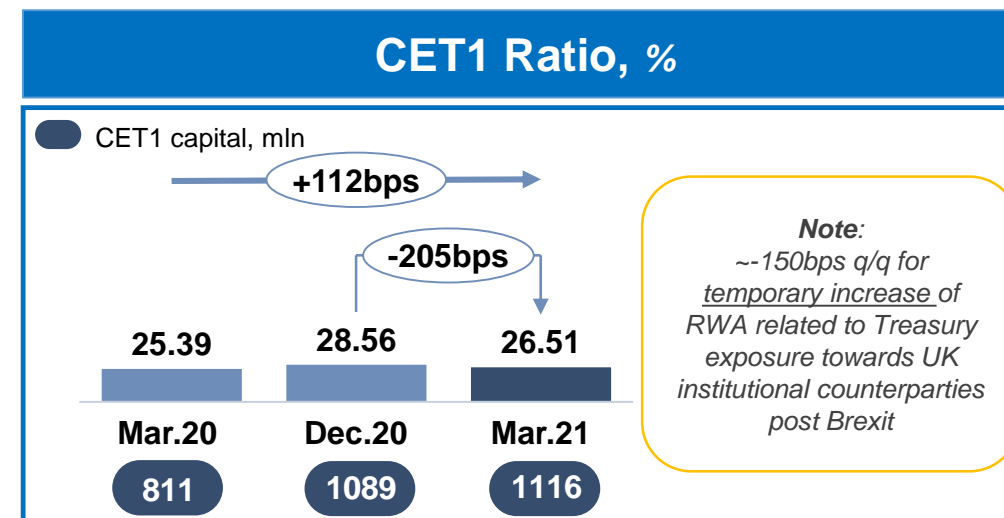
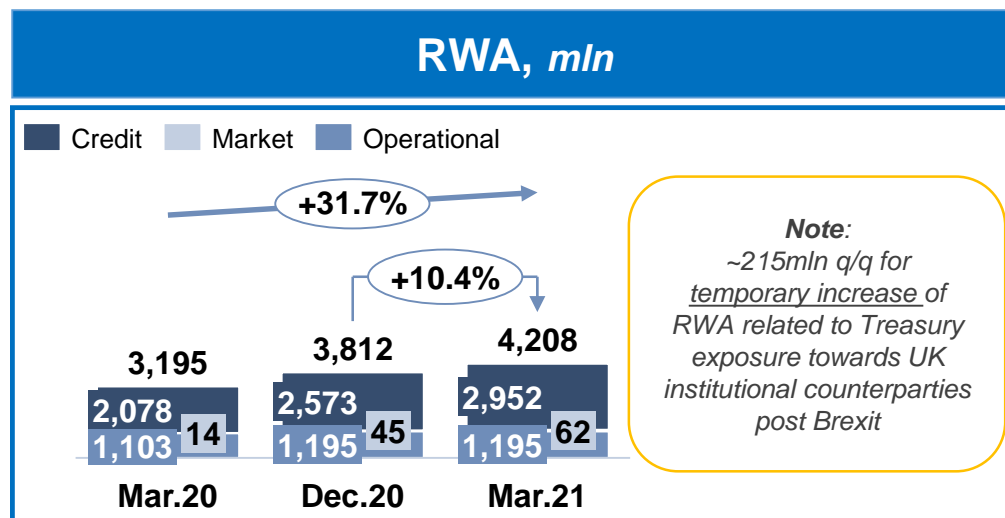
<sup>(1)</sup> Yield on mortgages net of amortized and hedging costs

<sup>(2)</sup> Credit Lombard allows to change pledged assets without closing and re-opening the credit line, allowing more flexibility and efficiency with floor at zero

<sup>(3)</sup> Expected yield are referred to the stock

# Capital Ratios

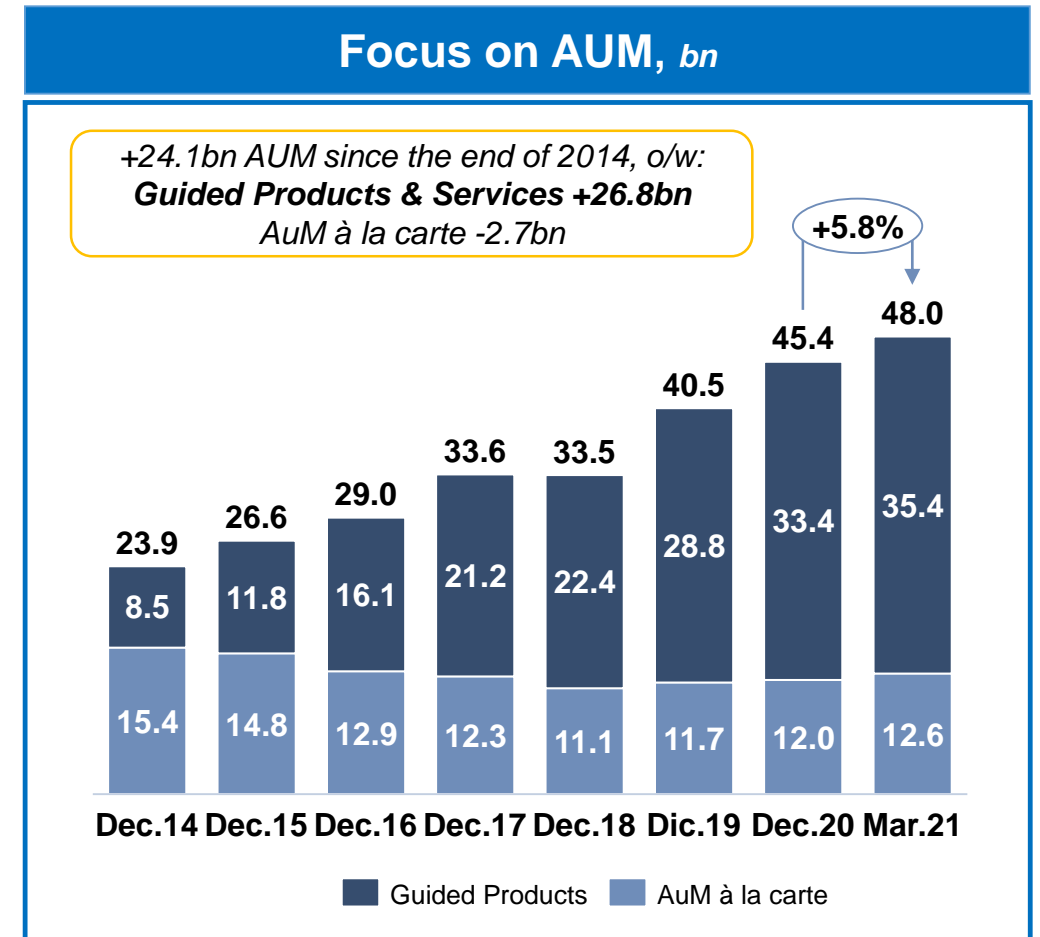
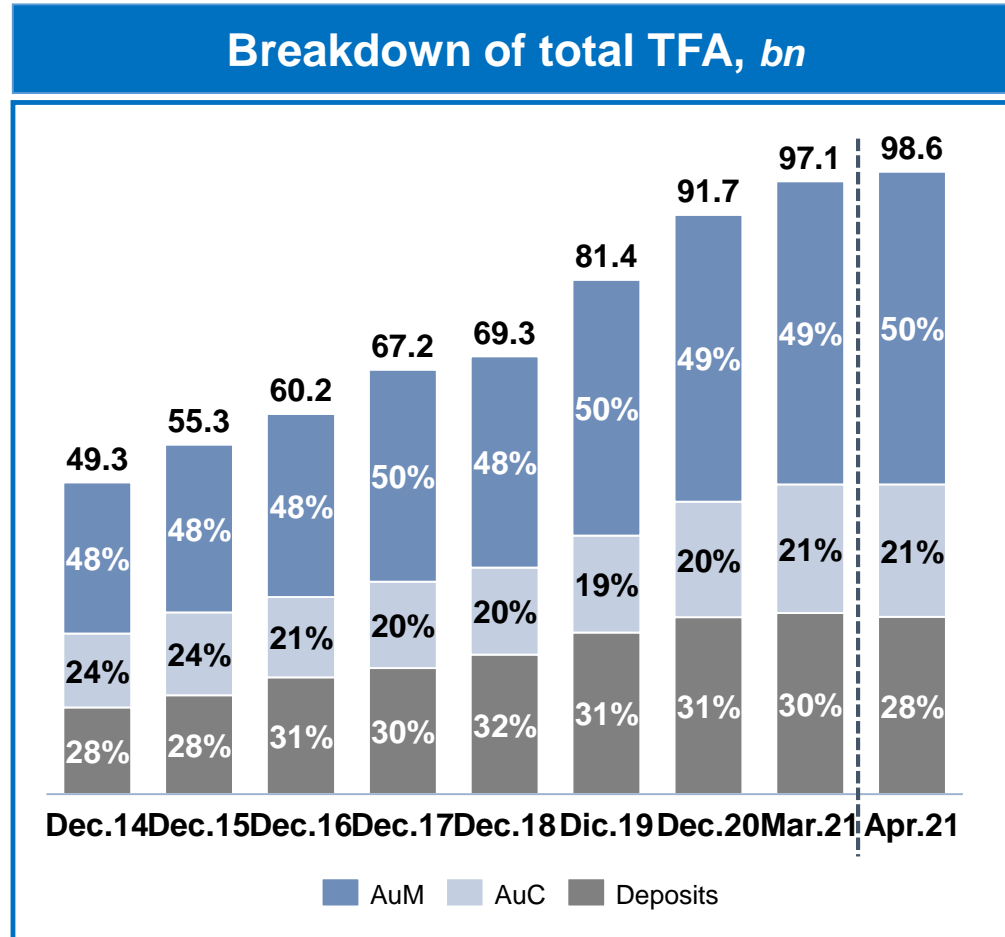
Best in class capital position and low risk balance sheet



Fineco decided to stick to the recommendations of ECB of December 15<sup>th</sup>, 2020 and to the press release of Bank of Italy of December 16<sup>th</sup>, 2020, and the Shareholders' Meeting convened on April 28<sup>th</sup>, 2021 approved the proposal regarding the allocation of 100% of 2020 net profits to reserves

# TFA breakdown

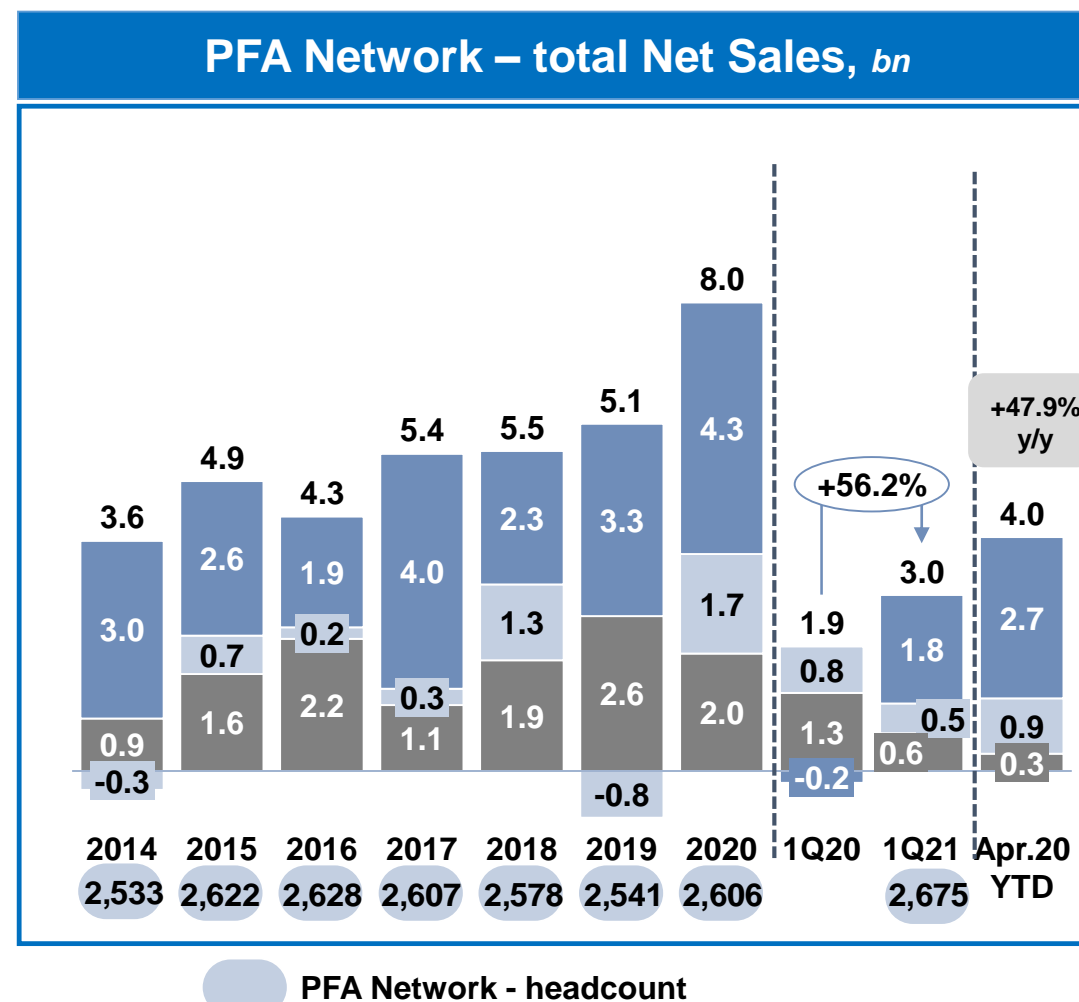
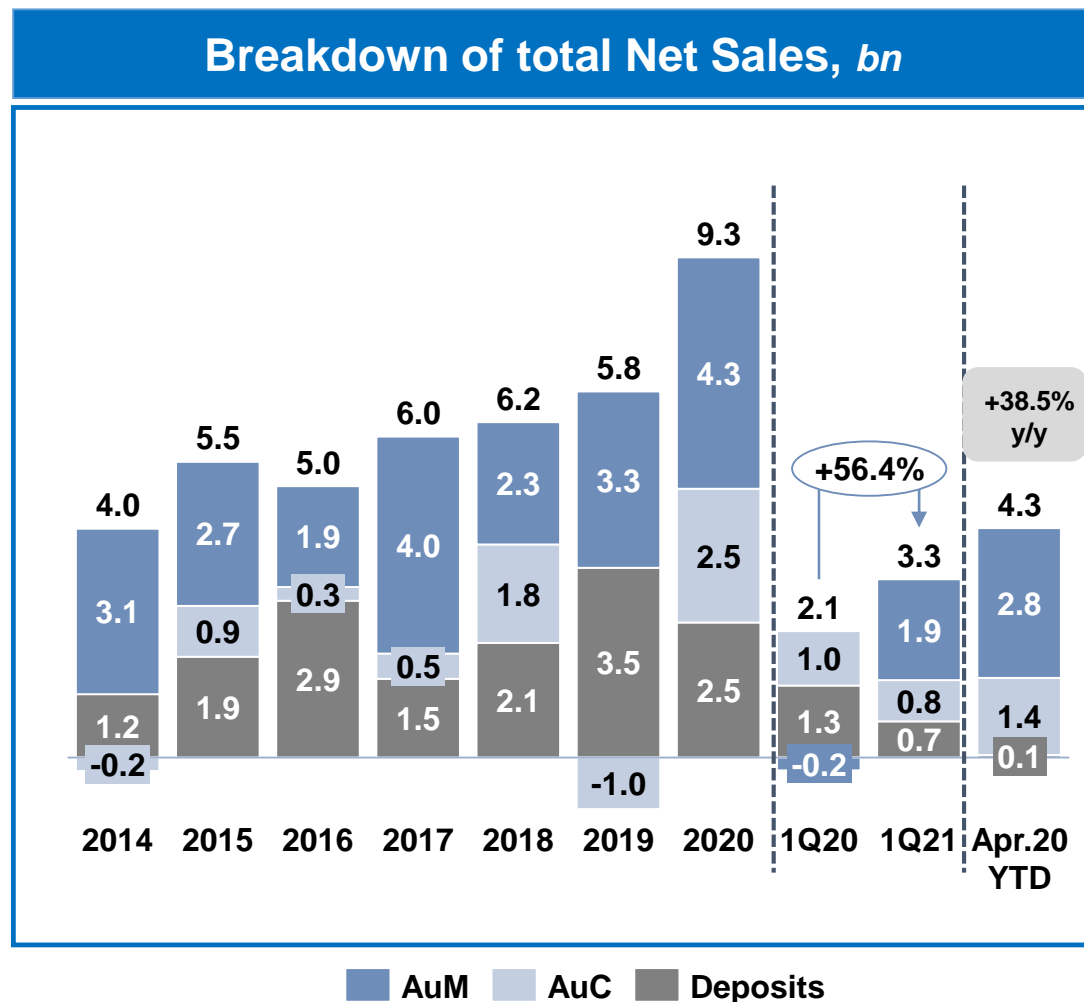
Successful shift towards high added value products thanks to strong productivity of the network



AuC and Deposits under advisory have been reclassified within AuM in order to have a better representation of the advisory nature of Advice and Plus services

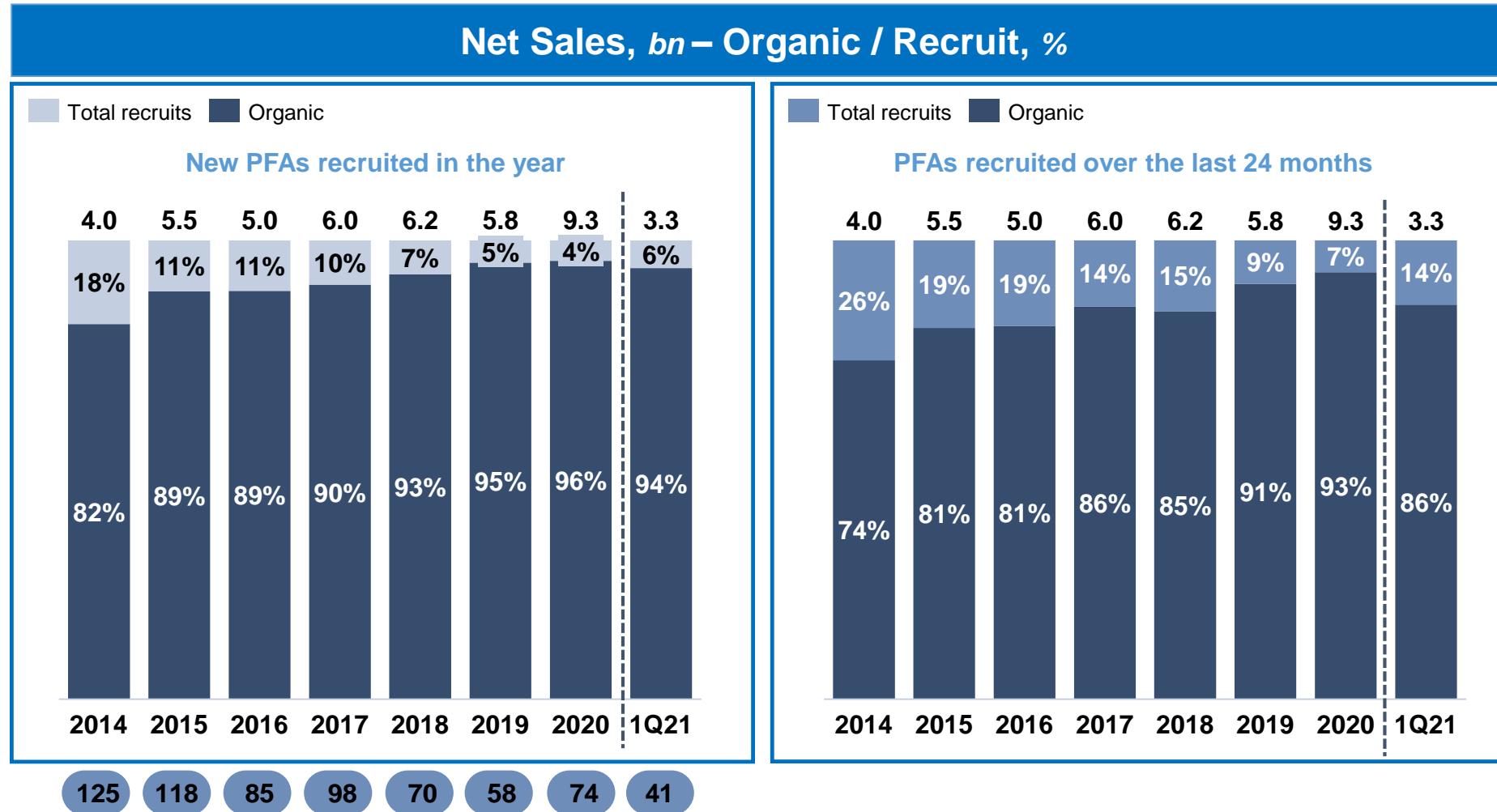
# Net sales breakdown

High quality net sales growth with a better mix, on the wave of structural trends thanks to our diversified business model



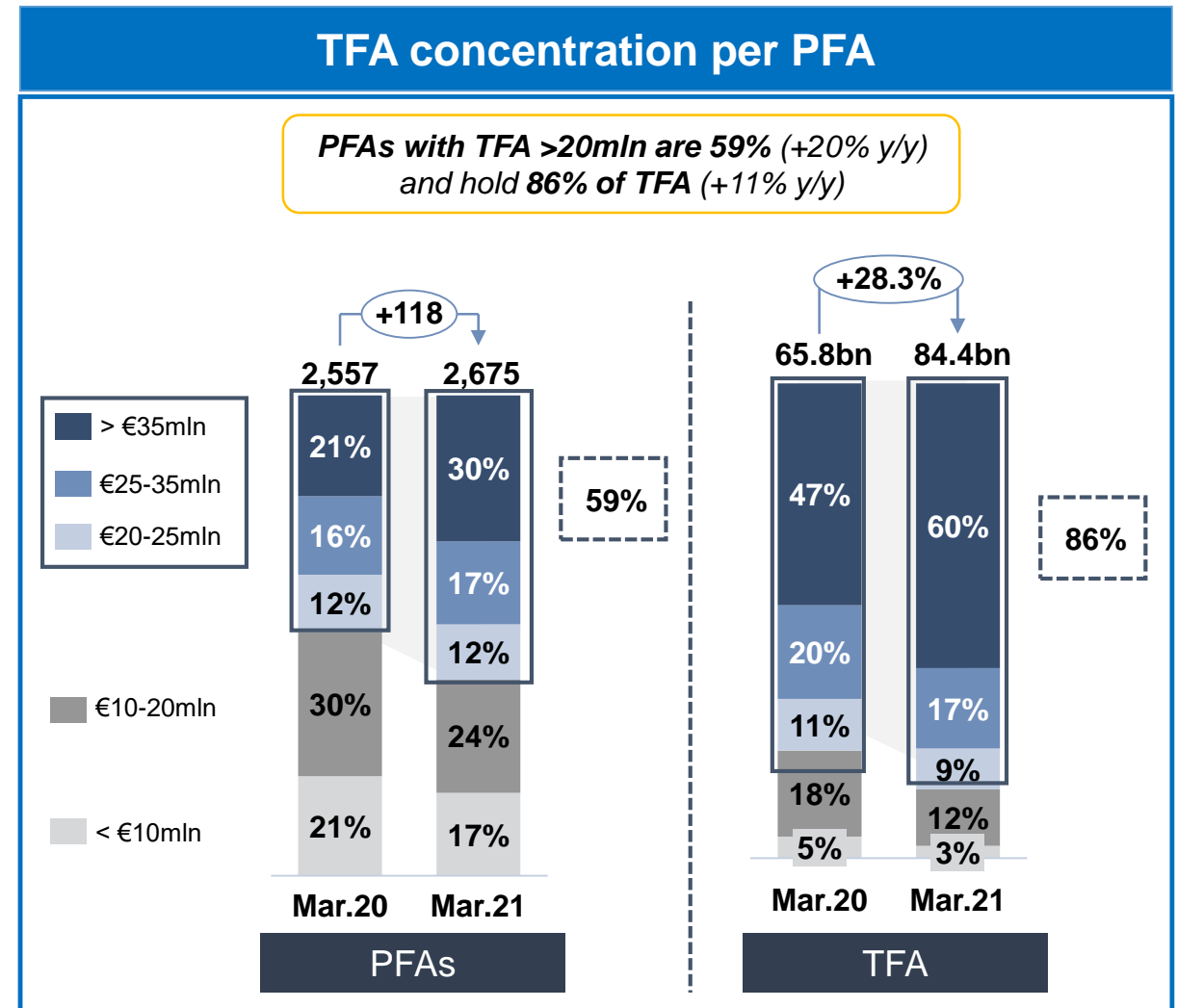
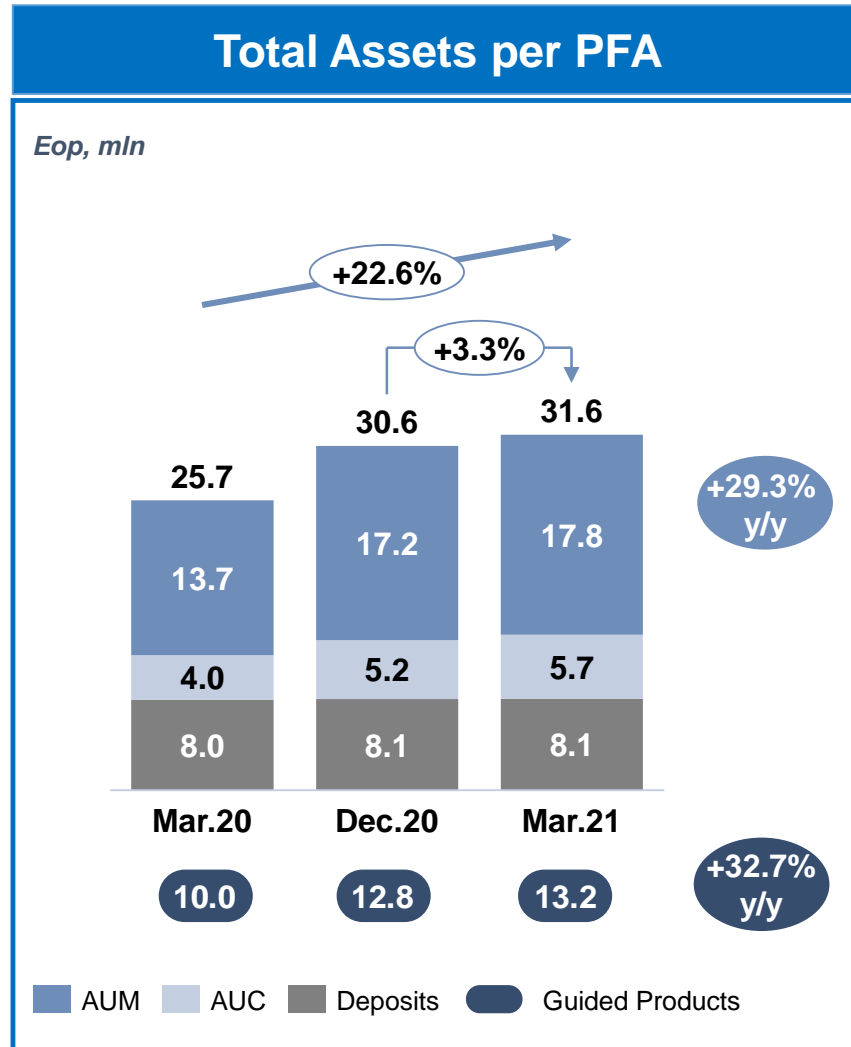
# Net sales organically driven key in our strategy of growth

The structure of recruiting is changing: more interest in the quality of the business model by PFAs



**Recruitment costs**  
(to be amortized)  
**stock 30.9mln**  
as of Mar.21

# Increasing quality and productivity of the Network



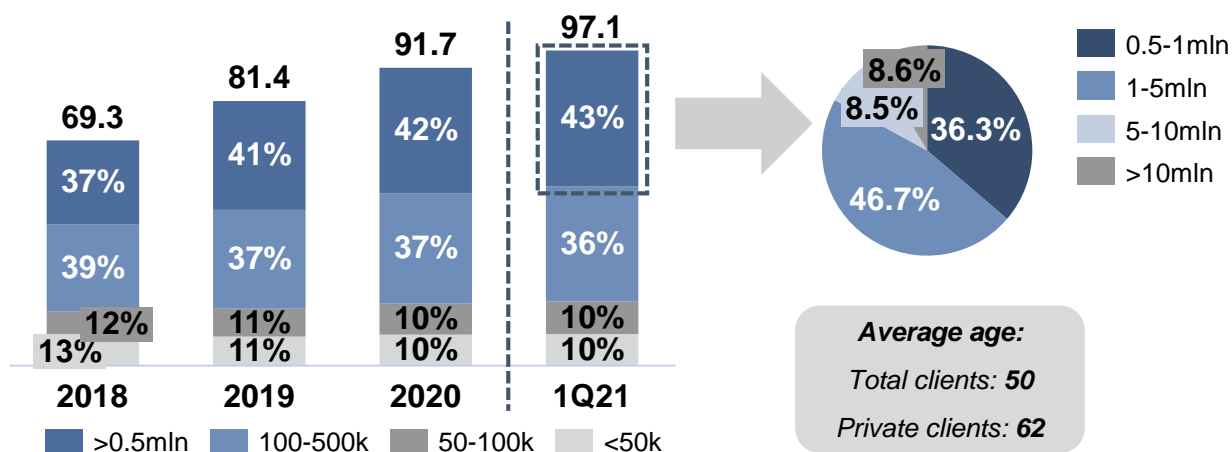


# Clients' profile and focus on Private Banking

## Improving the quality of our client base

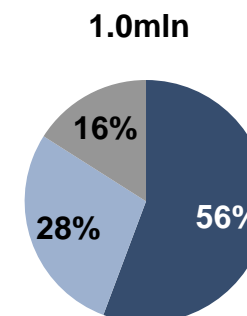
€ bn, TFA

### TFA per client



## Avg TFA per Private client <sup>(1)</sup>

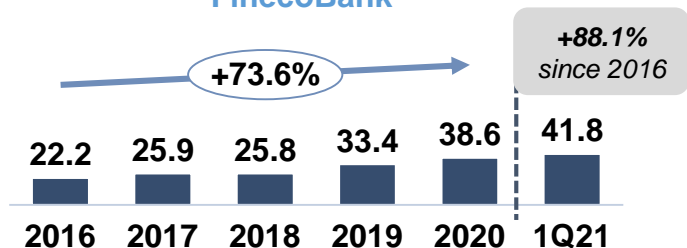
AuM AuC Deposits



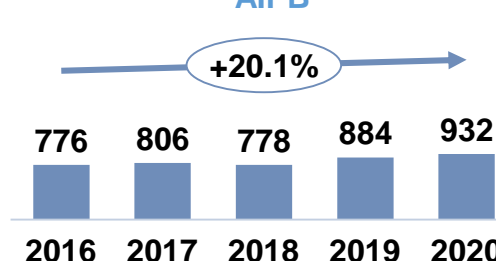
## Outperforming the system in Private Banking growth

€ bn, TFA

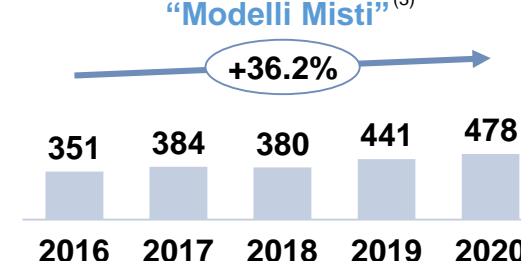
### FinecoBank



### AIPB <sup>(2)</sup>



### AIPB "Modelli Misti" <sup>(3)</sup>



<sup>(1)</sup> Private Banking clients are clients with more than € 0.5mln TFA with the Bank

<sup>(2)</sup> AIPB (Associazione Italiana Private Banking) preliminary figures as of FY20

<sup>(3)</sup> "Modelli Misti" include the following players: Allianz Financial Advisors, Banca Euromobiliare, Banca Generali PB, Banca Mediolanum, Banca Patrimoni Sella, Widiba, CheBanca!, Deutsche Bank, Fideuram ISPB, Fineco (preliminary figures as of FY20)

# Agenda

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☐ Fineco Results

☒ **Next steps**

☐ Fineco UK

☐ Key messages

☐ Focus on product areas

# Current environment is further enlarging our growth opportunities

Current situation is accelerating the structural trends reshaping our society...

## DEMAND FOR ADVICE

Increasing participation in financial markets by Italians is building up a **bridge among investing and brokerage**

## DIGITALIZATION

Society **structurally moving** towards a **more digitalized world**: a way of non-return

## DISRUPTION IN TRADITIONAL BANKS

Traditional banks not ready for the new paradigm: **flight-to-quality** is gaining momentum

...and strengthening our long term growth opportunities

**Fintech DNA:**  
we were born already digital

**Strengths of our business model:**  
quality, efficiency, innovation

**Cyborg advisory:**  
our PFAs already used to assist clients in a digital world

- ✓ **Robust Net sales** with **good asset mix**
- ✓ **Boost in Investing** supported by FAM growth
- ✓ **Structurally higher Brokerage**
- ✓ Acceleration in **high-end clients' acquisition**
- ✓ **Decreasing Cost/Income**

# 2021 Guidance and outlook going forward

Given current outlook<sup>(1)</sup>, our assumptions for **2021** are:

## ■ **Banking:**

- **Net financial income (net interest income and Profit from Treasury management):** we expect for FY21 a net financial income flat y/y. Going forward we expect Net financial income to stabilize thanks to the combination of the deleveraging of the balance sheet, the improvement of the steepening of the curve and the new initiatives in place
- **Banking fees:** ~40-45mIn thanks to the smart repricing launched in 2020, to the additional fees from the new pricing on new current accounts

■ **Investing:** we expect revenues increasing around 20% vs 2020 with resilient / slightly higher margins compared to 2020. Going forward we expect a strong acceleration on Investing for a further increase in our Network productivity leading to higher volumes and for the implementation of the second wave in **Fineco Asset Management, which is going to take even more control of the value chain** and will give a boost to margins and revenues

■ **Brokerage:** countercyclical business, it is expected to remain strong with a floor definitely higher than in the past

■ **Operating costs:** confirmed to grow in a range between 4.5-5% y/y. Please note that there might be additional costs related to FAM as we are introducing a strategic discontinuity to improve the efficiency of the value chain in the Investing business. **Going forward we confirm our guidance on a continuously declining cost/income** in the long-run thanks to the scalability of our platform and to the strong operating gearing we have

■ **Systemic charges:** ~35-37mIn of DGS+SRF in provisions for risk and charges. The more we will be effective with our deleveraging activity, the more we can decrease our contribution to systemic charges

■ **Capital Ratios:** CET1 floor at 17%, **Leverage Ratio** very well under control and above 3.5%

■ **Cost of Risk:** confirmed in the range between 10 and 15 basis points thanks to the quality of our portfolio

■ **Net sales:** robust, high quality net sales with a lower deposits component thanks to the new initiatives we are undertaking (see next slide)

# Focus on quality growth leveraging on our FinTech DNA

Initiatives to deleverage our Balance Sheet and improve our quality revenues mix, by taking advantage from the acceleration of structural trends

1

## STRONG COMMERCIAL FOCUS ON AUM:

- targeting **only AUM net sales and solutions** with a **strong RISK MANAGEMENT**. FAM already best-positioned thanks to the high-transparency and **daily look-through** on its solutions

2

## ROBUST ACCELERATION IN PFAs PRODUCTIVITY through:

- **New software developments** to improve PFAs productivity in **transforming deposits in AUM** leveraging on Big Data Analytics capabilities.
- Coming soon: sophisticated **marketing campaigning** tool

3

## FAM: STRATEGIC DISCONTINUITY TO IMPROVE EFFICIENCY OF THE VALUE CHAIN

- **improve the efficiency of the vertical integration in the Investing business**, in line with our strategy of taking control of the value chain across all our businesses

4

## IMPROVE THE QUALITY OF OUR CLIENT BASE:

- More selective client acquisition through a **new pricing on new current accounts** that are priced € 6.95 per month<sup>(1)</sup> with the possibility of a full bonus on the fee according to their activity with the Bank
- we will **increase our efforts to reduce liquidity** also leveraging on our Big Data Analytics

5

## LAUNCH OF 2 NEW PLATFORMS:

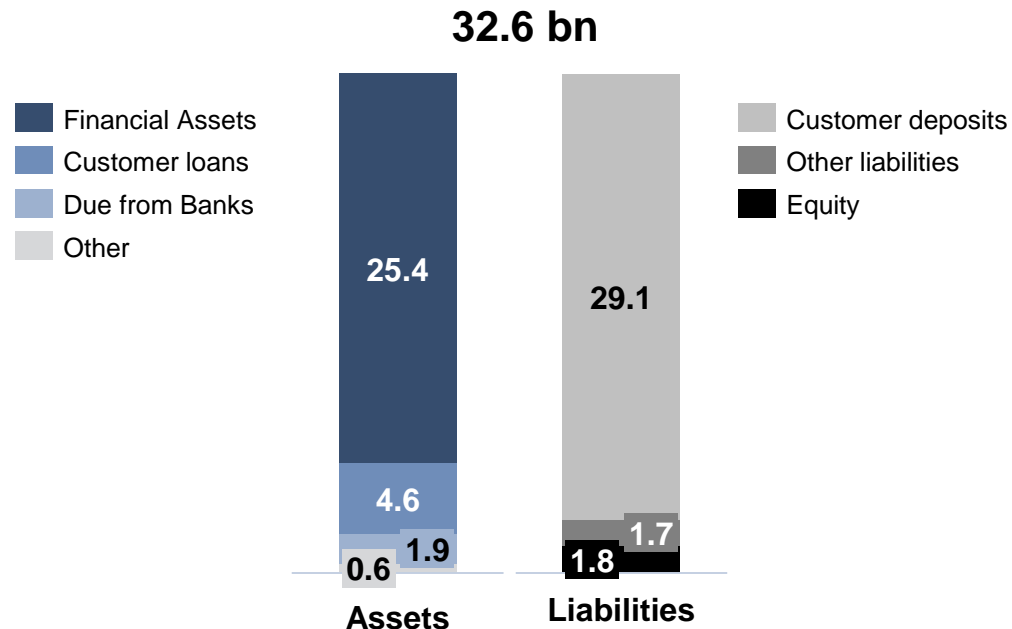
- **Distribution of third-parties savings accounts** (live in June 2021) to lower the amount of clients' liquidity with us and generate revenues without increasing the Balance Sheet. This platform can be considered a perfect example of open banking
- **Tax credit** (Ecobonus / Superbonus): we are using **our liquidity position to buy tax credit towards the State**. This way, we are sustaining the NII with an interesting yield and with no use of capital

# Banking: our features

## OUR FEATURES

### High quality balance sheet

#### ✓ SAFE, ROBUST, LOW RISK AND HIGHLY LIQUID



### No change in our low-risk strategy

- ✓ **DIVERSIFIED AND LOW RISK INVESTMENT PORTFOLIO:** run-off of UniCredit bonds invested in a blend of diversified govies, covered bonds, supranational and agencies
- ✓ **~100% OF OUR FINANCIAL INVESTMENTS IN HTC:** no impact in our P&L and BS by the widening of spreads
- ✓ **AVG MATURITY UNCHANGED** at ~5 years
- ✓ **EXPOSURE TO ITALY UNCHANGED** at ~5-5.5bn
- ✓ **LOW COST OF RISK ON COMMERCIAL LOANS** thanks to the quality of our portfolio

### FinTech DNA

- ✓ **OWNERSHIP AND CONTROL of critical infrastructure**
- ✓ **INNOVATION fully IN-HOUSE**
- ✓ **INTERNAL IT CULTURE** resulting in unmatched user experience
- ✓ **HIGH CUSTOMER SATISFACTION**

# Banking: Further combining Treasury and Business to boost growth

## INDUSTRIAL ACTIONS TO MANAGE LIQUIDITY



### MORE DYNAMIC TREASURY MANAGEMENT:

- ✓ **yield enhancement strategies** (unsecured lending, collateral switch)
- ✓ full **ADVANTAGE OF ECB's TIERING AND TLTRO**
- ✓ **ENLARGING THE SCOPE OF OUR INVESTMENTS** to investment grade non-EU govies and financial corp. senior bonds



**PROFIT FROM TREASURY MANAGEMENT:** related to the rebalance of the Asset Liability Management within the acceleration of the deleveraging of the Balance Sheets. The more the Bank will move in that direction, and the more we will slow down the growth of financial investments.



**INCREASING LENDING** without changing our cautious and conservative approach, as low interest rate environment increases the appetite for lending products



**NEW PLATFORM TO DISTRIBUTE THIRD PARTIES SAVINGS ACCOUNTS** leveraging on our **FinTech DNA**



**SMART REPRICING ON CURRENT ACCOUNTS AND NEW PRICING ON NEW CURRENT ACCOUNTS:** given the acceleration of flight to quality towards our Bank, we can afford to be more selective in our base of clients



**NEW PLATFORM FOR TAX CREDIT (Ecobonus and Superbonus):** we are very active within the framework of the Law Decree no.34/2020, allowing homeowners to have a tax credit up to 110% for a list of interventions on their houses (i.e. increasing energy efficiency of buildings, reducing seismic risk, etc.)

# Acceleration of Investing expected going forward

Investing revenues expected to keep on growing mainly driven by volumes effect and resilient / slightly higher margins y/y.  
Strategic discontinuity in FAM to take more control of the value chain, improving operational efficiency

We expect increasing revenues with resilient / slightly higher margins y/y thanks to:

## STRONG VOLUME EFFECT

- **INCREASING PFAs PRODUCTIVITY** thanks to our **cyborg-advisory approach** and to **our technology**
- **ROBUST AUM NET SALES** as we are in the sweet spot to capture the acceleration of structural trends already in place
- **NEW PFA INCENTIVE SCHEME** based on inflows in:
  - **Asset Under Management**
  - **quality solutions with a strong focus on RISK MANAGEMENT**
- **Clients starting to increase their RISK APPETITE**

## FAM OPERATIONAL EFFICIENCY

- FAM new initiatives to **improve efficiency of the value chain**
- FAM is core for **extracting additional operational efficiency** (on fund administration costs, custodian, etc)
- FAM **margins contribution** expected to grow in a geometrical way with the increase of FAM volumes as institutional products can be used as underlying of Investing solutions
- New FAM **product range based on advisory service by third parties**: this will give FAM even more flexibility and will make the value chain even more efficient
- Progressively **widening equity strategies offer** on the back of the increasing demand by customers



# FAM: record net sales in April confirming its growth potential

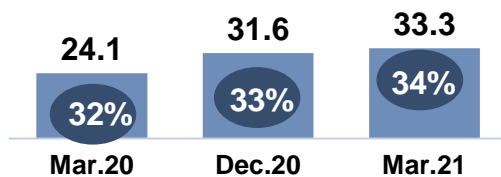
Key to sustain AUM margins thanks to its strong operating leverage and to a more efficient value chain

## FAM growth potential and new opportunities

- ✓ Strong room to increase FAM's penetration on Fineco's funds stock:
- FAM strongly positioned in terms of **RISK MANAGEMENT** thanks to the daily look-through: we expect a solid acceleration towards FAM products under the 2021 PFAs incentive scheme

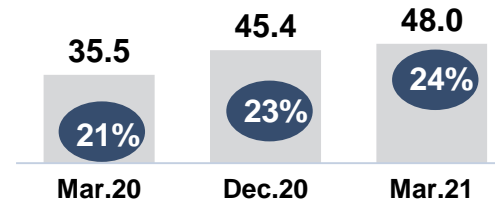
### FAM retail class penetration on:

Fineco AUM funds, bn



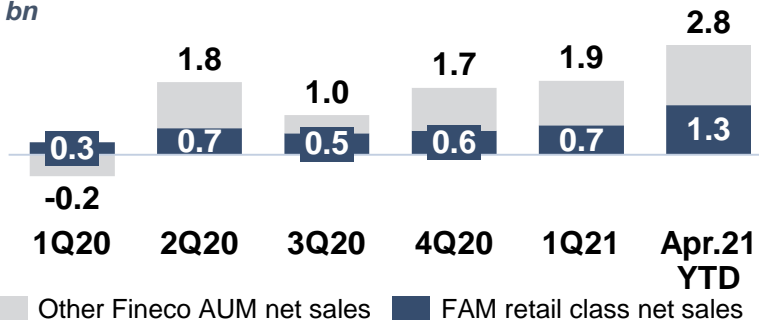
FAM retail class penetration

Fineco total AUM, bn



## FAM contribution to Fineco AUM net sales

bn



### Record FAM retail class net sales in April: 0.5bn

FAM is strongly and consistently contributing to Fineco's AUM net sales in every market condition thanks to its ability to create modern and innovative multimanager solutions

## FAM 2021 priorities

- ✓ In 2021 FAM will focus on further widening its product offer by adding **new solutions focused on equity and sustainability**
- ✓ Strong commercial success by the launch of FAM brand new solution on **China** thanks to its innovative **structure** combining a coupon offer, a decumulation engine and equity exposure

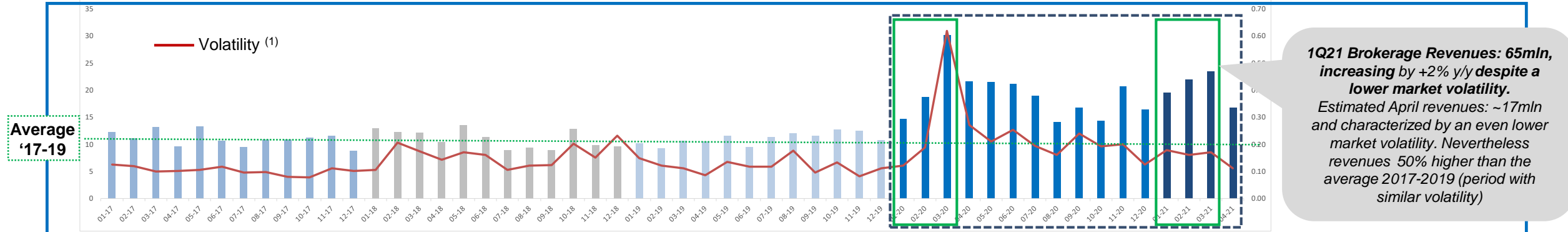


- ✓ FAM is adding a new product range based on an advisory service by third parties. FAM will be even more flexible, with a more efficient value chain and a further alignment with clients and investors' interests

# Brokerage: higher floor as the structure of the market is changing

Increased interest in financial markets by clients and big jump into a more digitalized society

## Structural growth in brokerage revenues: the floor has gone up in a clear way regardless of volatility



### Continuous reshape of brokerage offer Next step: certificates

- ✓ We are live with a **new US options platform** allowing clients to further catch opportunities on foreign markets
- ✓ Other recent releases: repricing of the derivatives offer, optimization of our systematic internalizer, Multicurrency available 24/7, wider currencies' basket, repricing of futures, wider OTC product offer

#### COMING SOON:

- ✓ **Launch of Leveraged certificates in 1H21** (see slide 58 for more details)
- ✓ Continuous revamp of our option offer, Asian markets, new release and re-design of active traders' platform (PowerDesk)

### Enlargement of client base and increasing market share

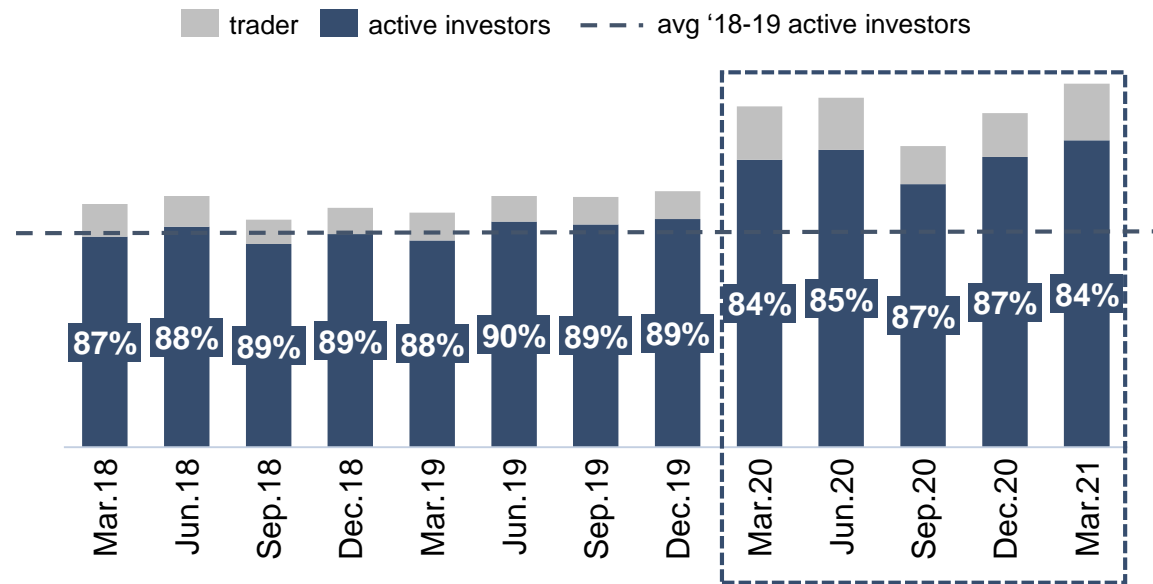
- **>85% of new active clients investing on plain vanilla instruments** (i.e. listed equity, ETFs) and not leveraged products
- **Avg client profile:** avg age 50 year old, avg TFA > € 200k, mostly linked to a PFA who manages his wealth
- **Increasing market share** in Italy on equity traded volumes at 27.8% in 2020 (+0.8 p.p. y/y) (Assosim)
- See next slide for more details

(1) Volatility calculated as avg weekly volatility of BUND, BTP, SP, EUROSTOXX, MINIDAX, DAX, FIB, MINIFIB, NASDAQ, DOW weighted on volumes related to futures traded by our clients

# Brokerage: enlargement of client base and increased market share

Client base growth mainly driven by “Active investors” starting to use brokerage platform and “sleeping” clients back on the market. New clients are coming from traditional banks

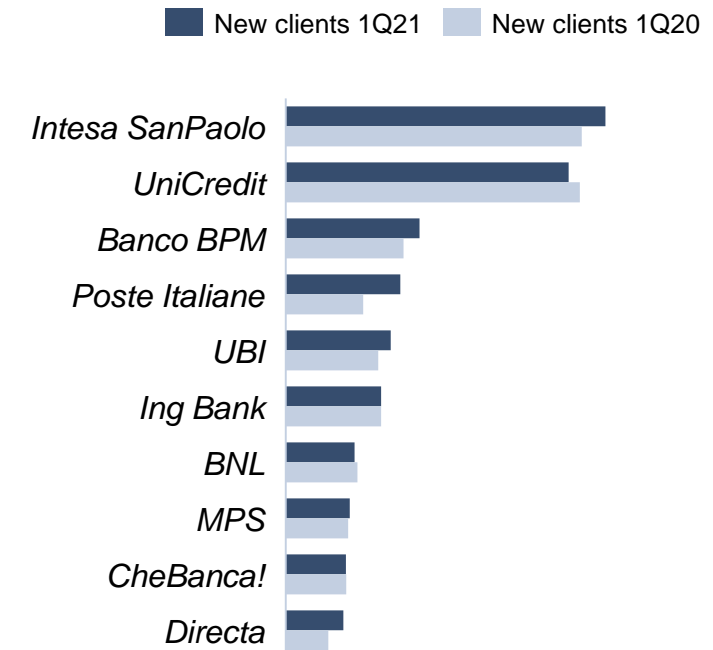
## Brokerage clients evolution



### ACTIVE INVESTORS PROFILE:

- Avg **executed orders** per month: **5**
- Avg age: **50 years old**
- Mostly **linked to a PFA to manage their savings**
- Avg TFA: **> €200k**

## New brokerage clients from Top 10 banks of origin



# Agenda

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☐ Fineco Results

☐ Next steps

☒ **Fineco UK**

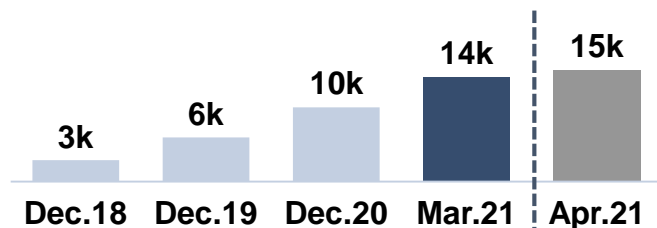
☐ Key messages

☐ Focus on product areas

# Fineco UK: our quality one-stop-solution proves to work

Strong acceleration in our customer acquisition. Already profitable excluding marketing expenses in March 2021

## # Current accounts keep accelerating strong pace of growth

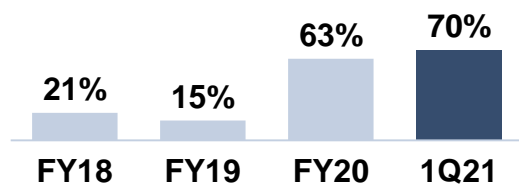


STICKINESS RATE  
on active clients in 2020

~90%

First target:  
**30-35k** good clients  
critical number for a  
“word of mouth strategy”

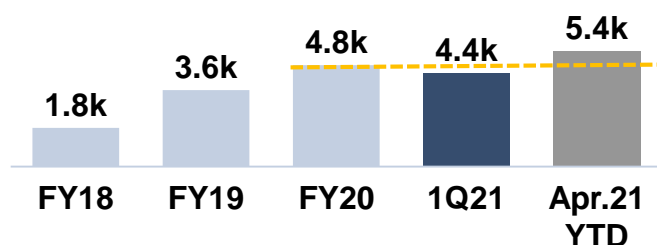
## Targeting quality clients with the right offer...



Boost in active current  
accounts<sup>(1)</sup> on Brokerage

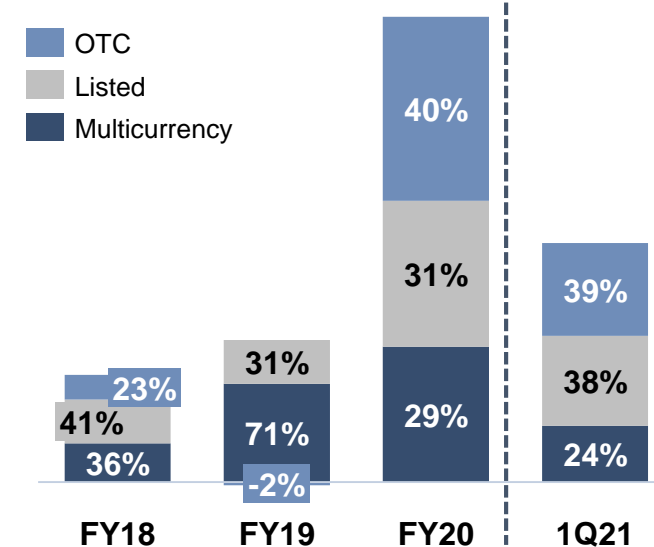
■ active on brokerage / active current accounts

## ...and accelerating our attractiveness



In the first 4 months of 2021  
new current accounts  
already above FY20

## Further improving revenues mix



Strong improvement in the underlying dynamics  
of our customer acquisition thanks to:

- **Smarter onboarding process** now integrated in the APP with a dedicated CRM chat
- **Improved brand perception** after first marketing campaign at the end of 1Q20

★ Trustpilot ★★★★★

<sup>(1)</sup> Active current accounts have done at least one operation among Listed or OTC services.  
Source: internal elaboration GB Department

# Fineco UK: Investing in the spotlight

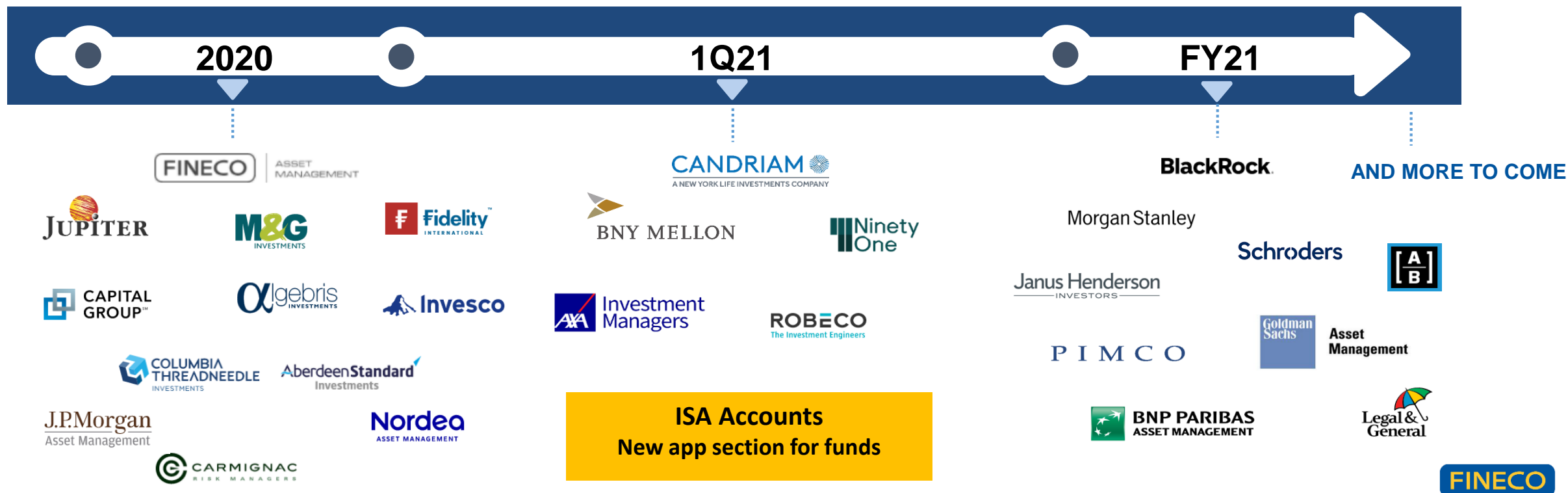
ISA accounts offer, already 680+ subscriptions in just 2 months

## ISA WITH ZERO% PLATFORM FEES

Until the end of the 2021/22 tax year if you open a standard account and get your ISA by 30 June 2021.

0.25% max when promo ends.

- **New ISA promo launched** to attract clients from traditional banks
- **684 subscriptions** in March and April – almost 20 new accounts per day
- **Further enlargement of our fund offer**
- **New section for funds in our APP**



# Agenda

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☐ Fineco Results

☐ Next steps

☐ Fineco UK

☒ **Key messages**

☐ Focus on product areas

# Long term sustainability at the heart of Fineco business model (1/3)

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

**Our corporate purpose: to offer clients a quality and multichannel one-stop-solution with a fair pricing leveraging on our 3 pillars**



## TRANSPARENCY

**Fairness** and respect for all our stakeholders

- ✓ FAM as a champion of ESG: **PERFORMANCE FEES FREE** trademark
- ✓ **FAIR PRICING**
- ✓ **LOW UPFRONT FEES** (only ~3% of Investing fees)



## EFFICIENCY

**Fintech DNA:** strong focus on IT & Operations, more flexibility, less costs

- ✓ Delivering **BEST-IN-CLASS CUSTOMER EXPERIENCE**
- ✓ **SHARING FAM BENEFITS WITH CLIENTS:** better quality and timely products with lower TER



## INNOVATION

Quality offer for highly **SATISFIED CLIENTS**

- ✓ **NO short-term AGGRESSIVE COMMERCIAL OFFERS** and **ZERO REMUNERATION** on current accounts
- ✓ Focus on **ORGANIC GROWTH**



# Long term sustainability at the heart of Fineco business model (2/3)

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

## We have an ESG-friendly model by being sustainable since inception



### ✓ MARKET FRIENDLY CORPORATE GOVERNANCE:

- Up to 3 lists for Board renewal
- 10 independent Board members out of 11, o/w 6 women



- ✓ In 2020 AGM, 86% voted for the outgoing Board list proposal
- ✓ In 2021 AGM, 97% voted for 2021 remuneration policy



### ✓ Ramping up the GOVERNANCE OF SUSTAINABILITY:

- Sustainability Committee at Board and Managerial level
- Sustainability Team within CFO Department



### ✓ FOCUS on Cyber-Security and ESG risks leveraging on FINTECH DNA



- ✓ Broad **ESG product offer**: both on **Investing** (i.e. ~57% of funds have ESG rating Morningstar) and **Lending** ("Green mortgages", Ecobonus and Sismabonus)



- ✓ **FinecoBank** is signatory of **UN Global Compact** and **UN PRB** (UN Principles for Responsible Banking)
- ✓ **Fineco AM** is signatory of **UN PRI** (UN Principles for Responsible Investing)

# Long term sustainability at the heart of Fineco business model (3/3)

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

## ESG RATINGS



One of the 2 banks in the world with rating **“EE+”** (very strong)  
(range from “F” to “EEE”)



**“A”**  
(range from “CCC” to “AAA”)



Among the best banks internationally  
**17.7 (Low risk)**



Better than direct peers  
**83/110**

## ESG INDICES

Fineco **included** in:



FTSE4Good



Nasdaq CRD Global Sustainability Index

## AWARDS



**Top Employer Italy 2021**



**Excellence in Customer Experience**



**Private Banking Awards**  
«Innovation in customer Experience»



**MF Innovazione Awards**  
with the Remix Mortgage



**Best ESG Rating**  
assigned by Standard Ethics

# Fineco as a profitable Fintech Bank

Leveraging on a deep-rooted internal know-how to expand platform scalability and operating gearing



A PROPRIETARY,  
INTEGRATED BACK-END

## OUR INTERNAL IT KNOW-HOW

A STRATEGIC CHOICE  
resulting in unmatched  
user experience for  
both our clients and  
PFAs

Senior management experienced in IT  
No external consultants nor system integrator

17% FTEs in IT Department

23% FTEs in Back-Office

### FOCUS ON IT OPERATIONS

- ✓ Extreme **process automation**
- ✓ Critical processes always **in-house**
- ✓ **Time to market** and **cost reduction**
- ✓ Continuous innovation fully **in-house** developed

### FULLY INTEGRATED BUSINESS STRUCTURE

- ✓ **Core system** internally managed
- ✓ **Internal DWH** to exploit our **Big Data Analytics**
- ✓ **CRM** dedicated team for **all clients needs**

### IT SECURITY

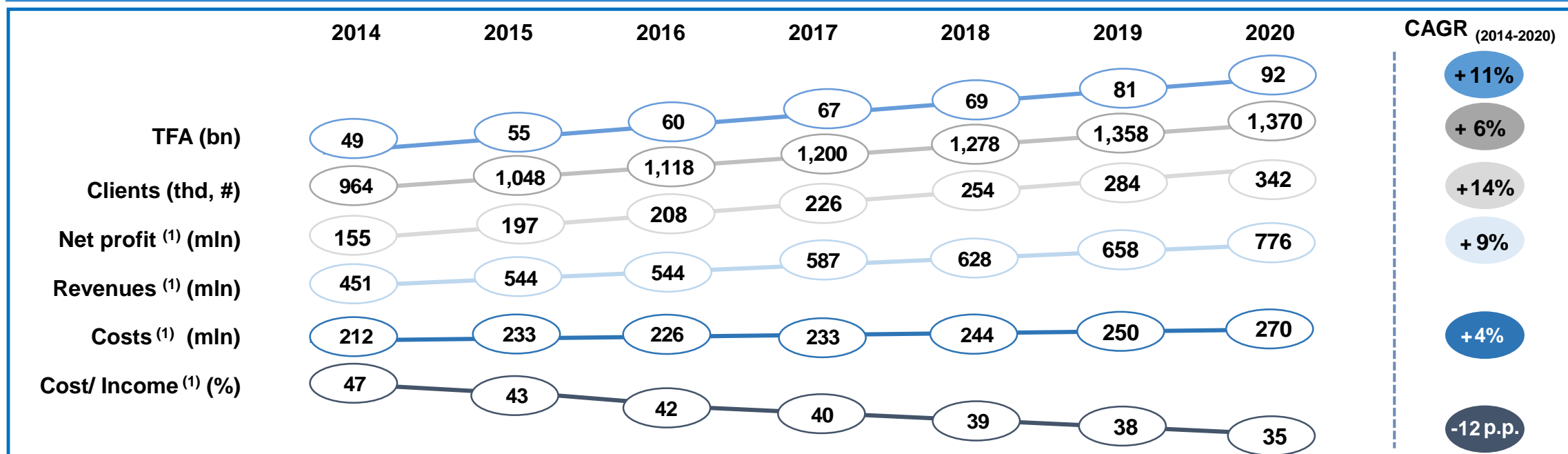
- ✓ Governance, implementation and operations for **cybersecurity & anti-fraud** internally managed
- ✓ **Ownership and control of critical infrastructure**, relying on cloud for massive, scale-out workload needs only



A SINGLE  
DATABASE  
POWERING  
A STRONG DATA  
MANAGEMENT

# Healthy and sustainable growth with a long term horizon

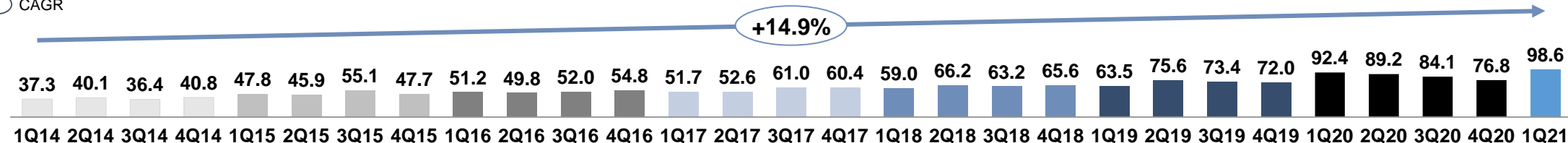
## Highly scalable operating platform...



## ...with a diversified revenues mix leading to consistent results in every market conditions

### Net Profit adjusted (net of systemic charges) <sup>(1)</sup>, mln

○ CAGR



<sup>(1)</sup> Figures adjusted by non recurring items and Net Profit adjusted net of systemic charges: (FY15: -3.1mln net, FY16: -7.1mln net, FY17: -7.1mln net, FY18: -9.6mln net, FY19: -12.1 mln net, 1Q20: -0.3mln gross, -0.2mln net, 2Q20: -0.7mln gross, -0.4mln net; 3Q20: -28.0mln gross, -18.7mln net; 4Q20: +2.1mln gross, +1.4mln net; 1Q21: -5.8mln gross, -3.9mln net)

# Safe Balance Sheet: simple, highly liquid

## Diversified investment portfolio

- **Investment strategy announced during FY17 results unchanged:** UC bonds run-offs, blend of government bonds diversified across countries, covered bonds, supranational and agencies
- **99.6% not exposed to volatility:** HTC classification since November 2016

## High-quality lending growth

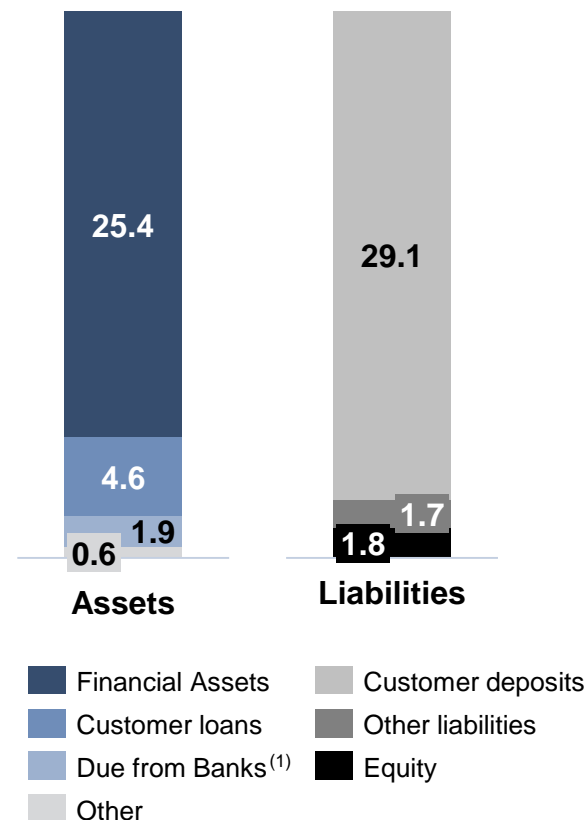
- Lending offered exclusively to our **well-known base of clients**
- **Low-risk:** CoR at 9bps, cautious approach on mortgages (LTV ~49%, avg maturity 18 yrs)
- **Strong competitive advantage leveraging on Big Data Analytics and continuous innovation** (i.e. look-through implementation with significant benefits on CET1 ratio)

## High-quality lending growth

CET1 **26.5%**    LCR **~900%**    NSFR<sup>(2)</sup> **~323%**

TCR **38.4%**    LEVERAGE RATIO **4.77%**

32.6 bn



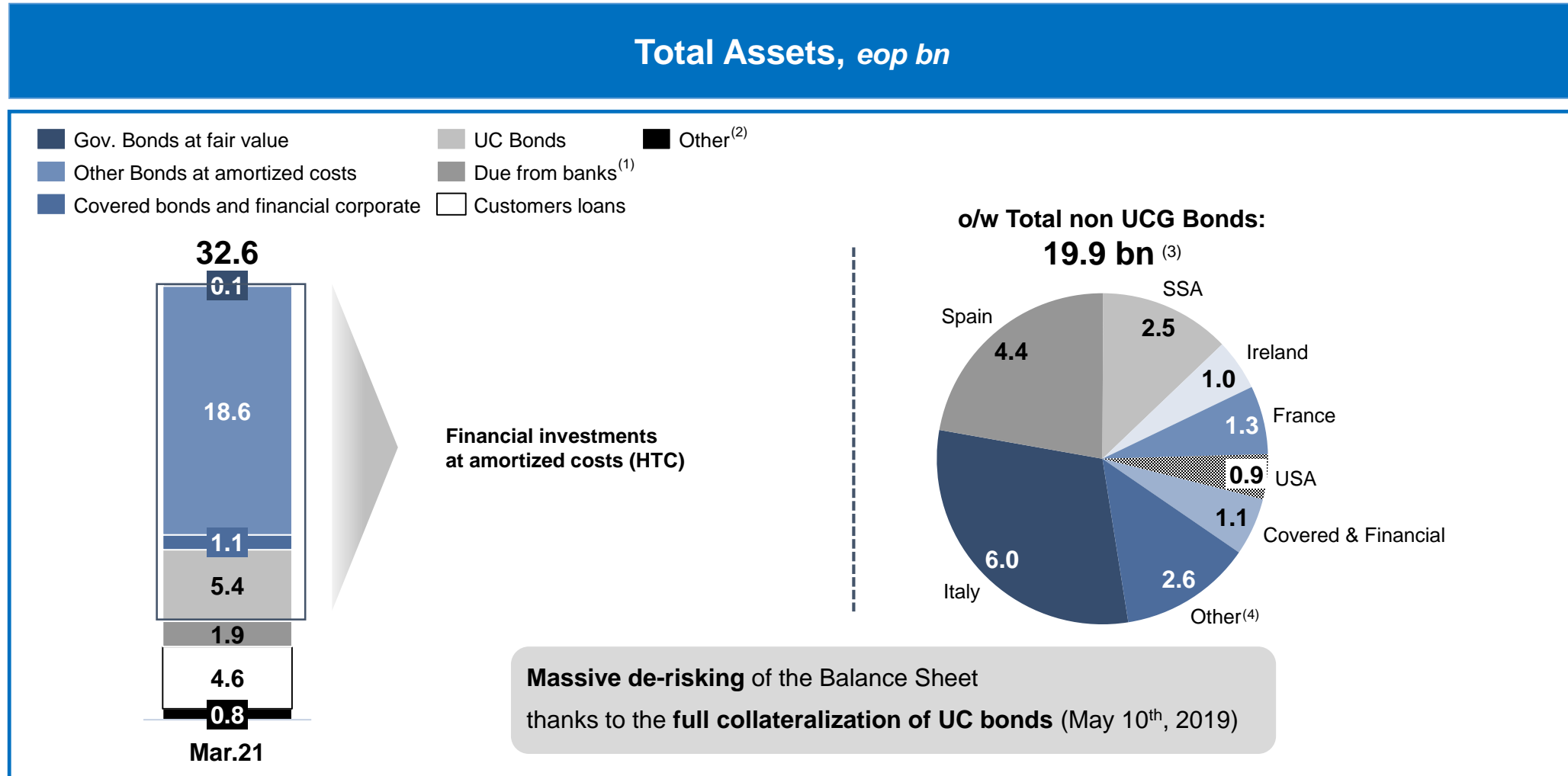
Figures as of March 2021

<sup>(1)</sup> Due from banks includes 1.3bn cash deposited at Bank of Italy as of March 2021

<sup>(2)</sup> NSFR: preliminary figures

# Total assets: 99.6% not exposed to volatility in the Balance Sheet

Out of 32.6bn, only 0.14bn of assets at fair value with very limited impacts on Equity reserve



<sup>(1)</sup> Due from banks includes 1.3bn cash deposited at Bank of Italy as of Mar.21

<sup>(2)</sup> Other refers to tangible and intangible assets, derivatives and other assets

<sup>(3)</sup> 19.9bn equal to 18.9bn nominal value, o/w Italy 5.6bn nominal value

<sup>(4)</sup> Other: Austria, Belgium, Germany, Poland, Portugal, United Kingdom, Switzerland, Chile, Israel, Saudi Arabia, China, Island, Latvia

# Agenda

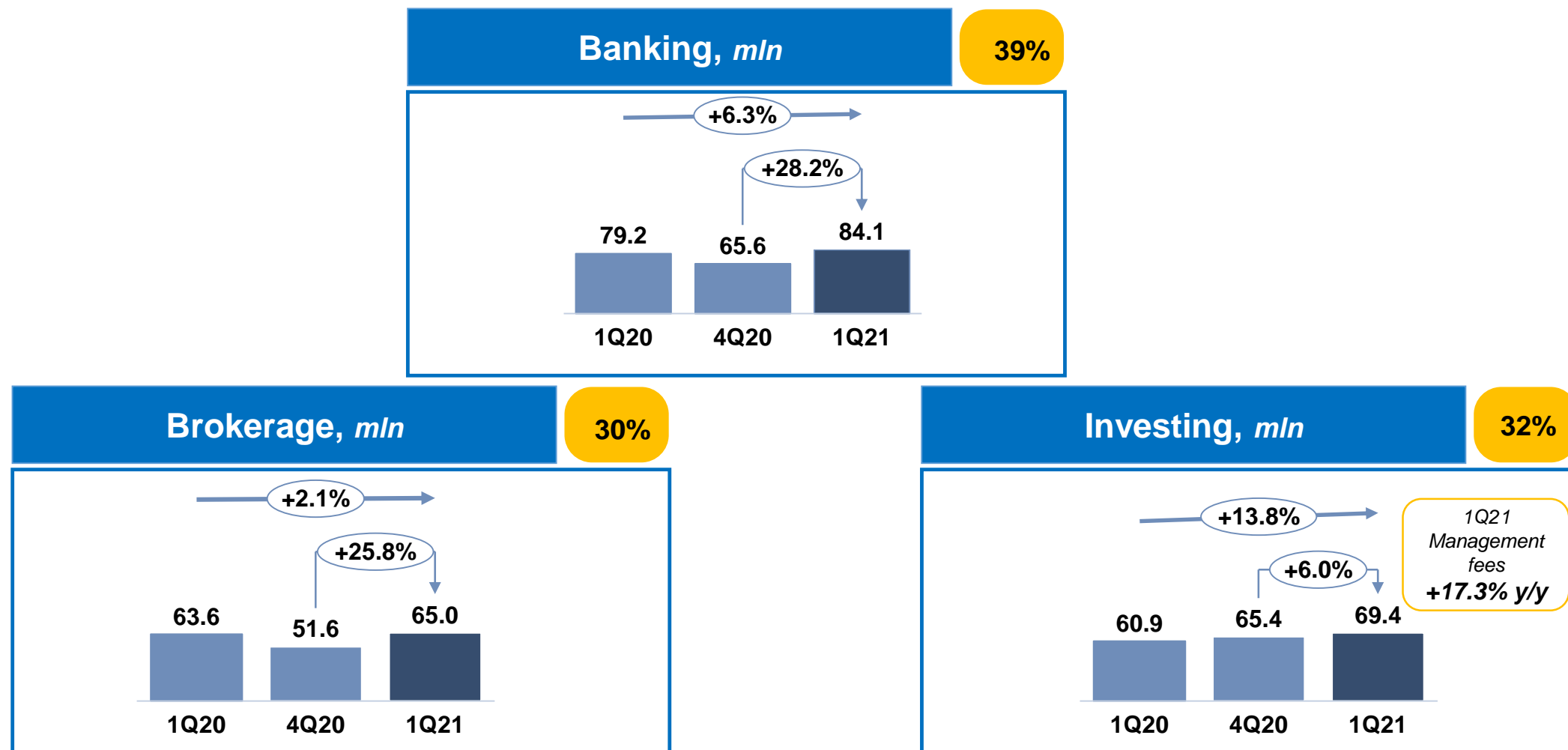
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- ☐ Fineco Results
- ☐ Next steps
- ☐ Fineco UK
- ☐ Key messages
- ☒ **Focus on product areas**



# Revenues by Product Area

Well diversified stream of revenues allow the bank to successfully face any market environment



1Q21 weight on total revenues for each product area

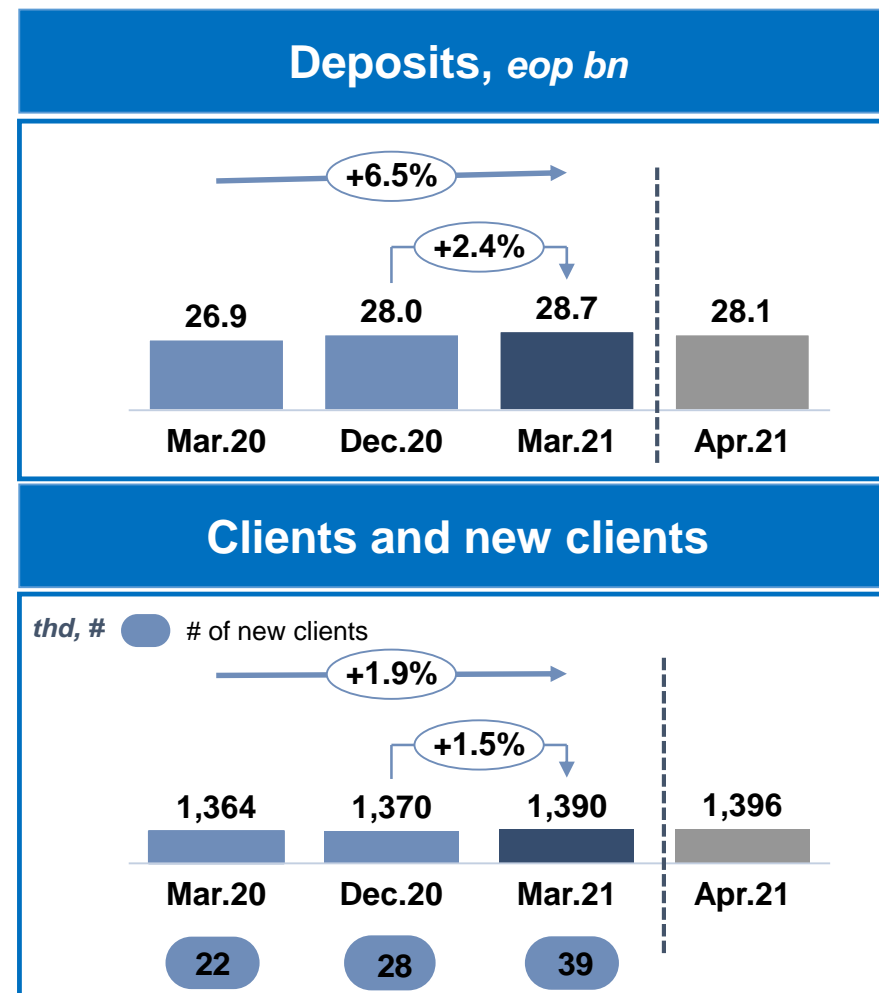
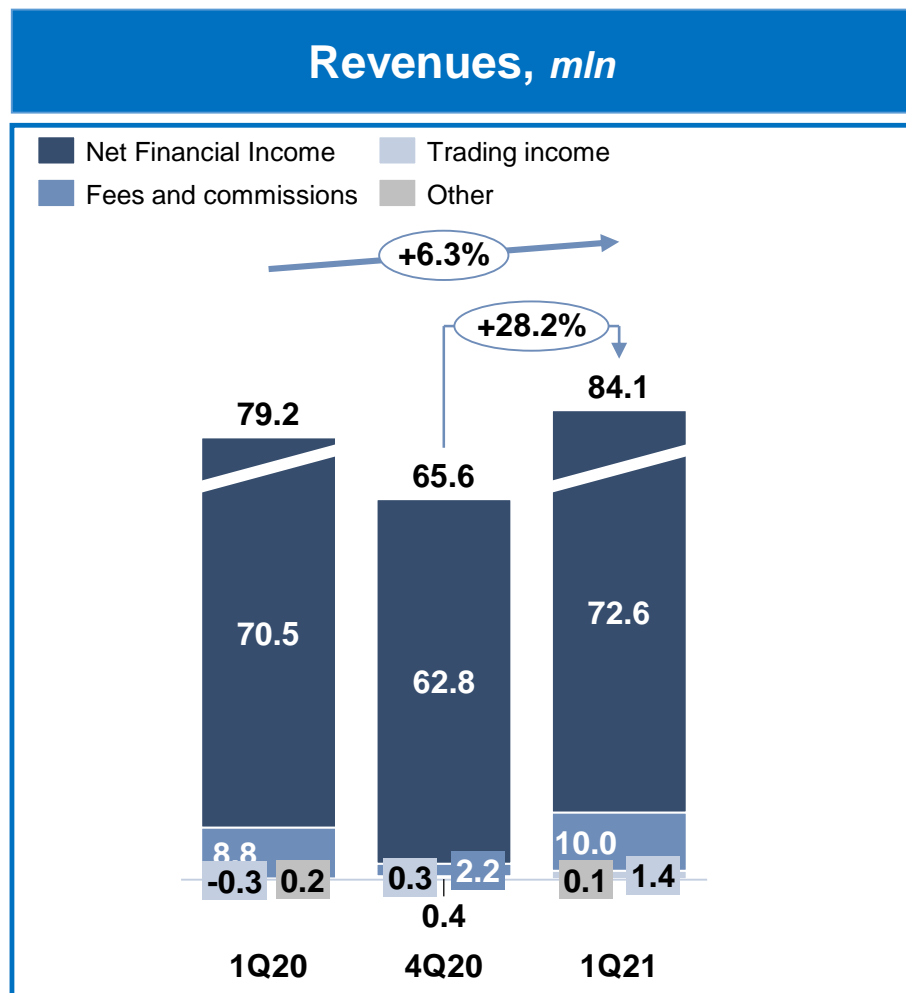
Managerial Data. Revenues attributable to single each product area, generated by products / services offered to customers according to the link between products and product area. Banking includes revenues generated by deposits, treasury and credit products. Investing includes revenues generated by asset under management products; Brokerage includes revenues from trading activity.

Banking has been recasted to include profits from treasury activity (moved from Corporate Center to Banking) : 18.2mln in 1Q21, 4.5mln in 1Q20 and 3.0mln in 4Q20



# Banking

Sound performance and relentless clients' acquisition, thanks to high quality services and best-in-class customer satisfaction

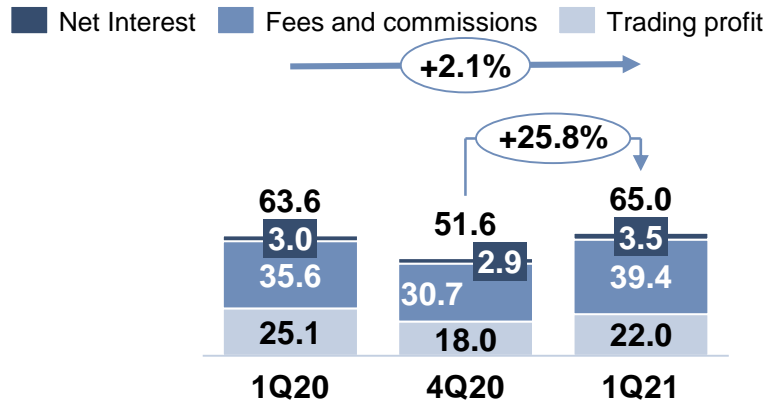


Managerial Data

# Brokerage

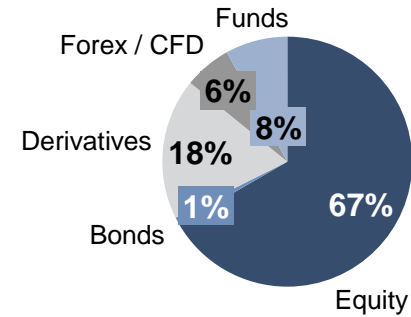
Strong Brokerage thanks to market growing in size, increasing market share in Italy and continuous enlargement of product offer

## Revenues, mln

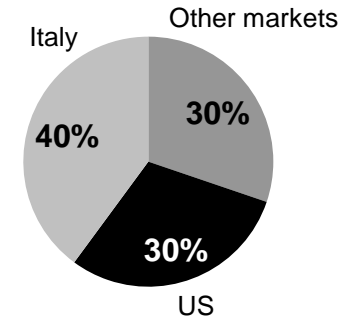


## Well-diversified brokerage offer

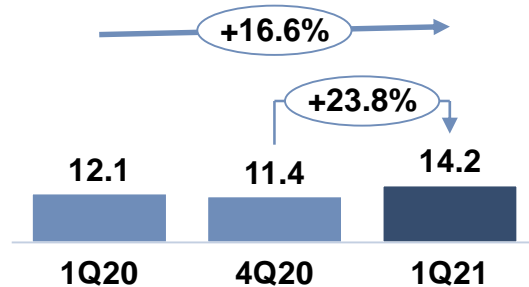
### among products...



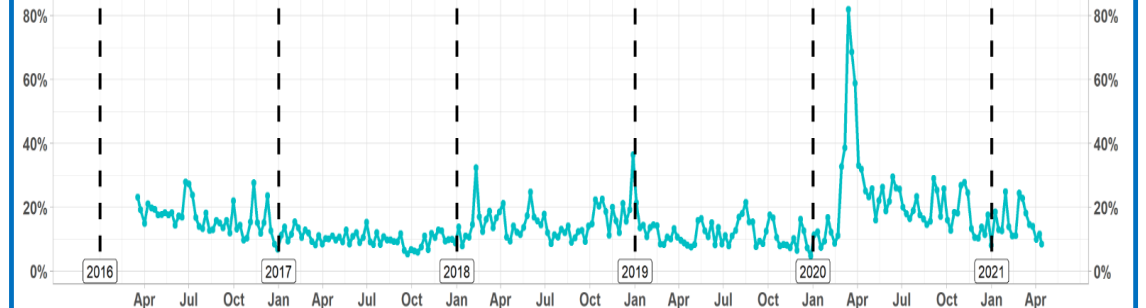
### ...and geographies



## Executed orders, mln

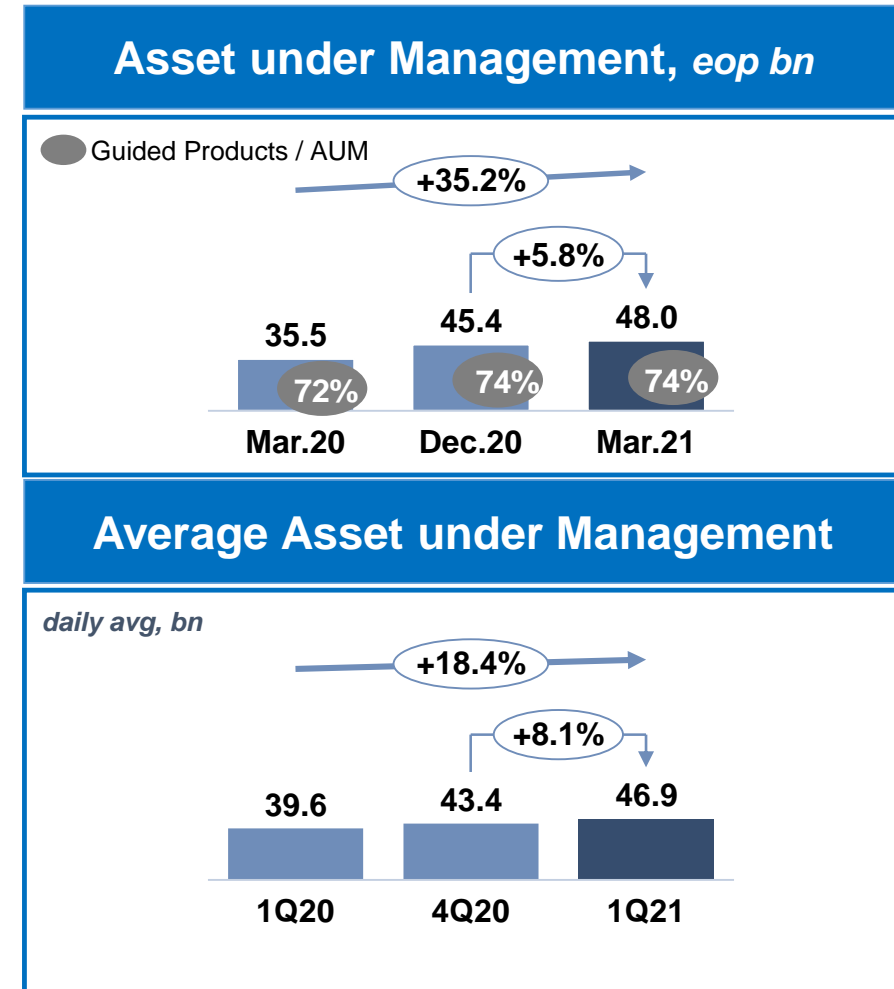
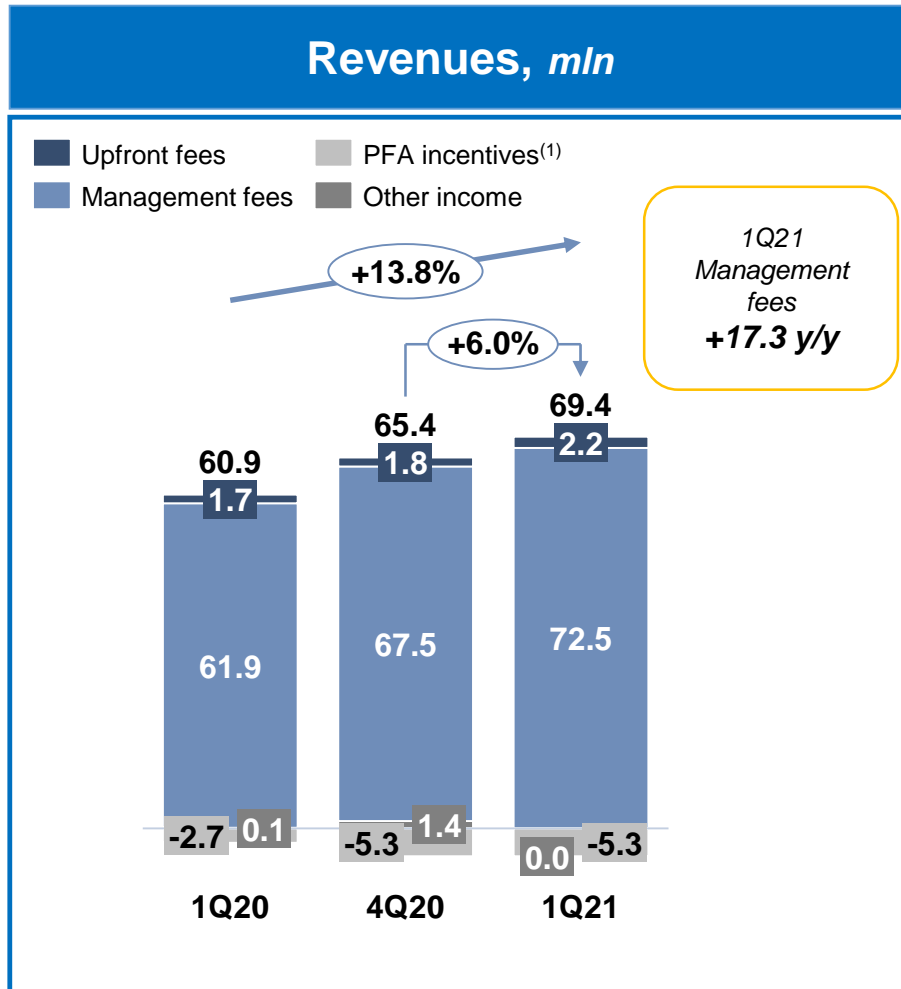


## Volatility <sup>(1)</sup>



# Investing

Increasing revenues y/y thanks to a successful strategy based on our cyborg advisory approach. Very limited upfront fees, representing only ~3% of Investing fees



# Annex

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# P&L

## P&L pro-forma

mln	1Q20	2Q20	3Q20	4Q20	FY20	1Q21
Net financial income	72.0	75.1	68.6	64.1	279.7	75.1
o/w Net Interest Income	68.2	70.1	68.6	63.9	270.7	61.8
o/w Profit from treasury management	3.8	5.0	-0.1	0.3	9.0	13.2
Net commissions	105.0	104.8	97.9	96.7	404.3	118.7
Trading profit	22.6	25.1	20.3	18.8	86.8	23.9
Other expenses/income	0.6	0.8	0.2	2.0	3.6	0.5
<b>Total revenues</b>	<b>200.1</b>	<b>205.8</b>	<b>186.9</b>	<b>181.6</b>	<b>774.4</b>	<b>218.2</b>
Staff expenses	-24.0	-24.9	-24.6	-26.0	-99.5	-26.2
Other admin.exp. net of recoveries	-36.5	-34.6	-33.4	-40.1	-144.6	-41.3
D&A	-6.1	-6.2	-6.4	-6.8	-25.4	-6.3
<b>Operating expenses</b>	<b>-66.5</b>	<b>-65.7</b>	<b>-64.4</b>	<b>-72.9</b>	<b>-269.6</b>	<b>-73.8</b>
<b>Gross operating profit</b>	<b>133.6</b>	<b>140.0</b>	<b>122.4</b>	<b>108.7</b>	<b>504.8</b>	<b>144.5</b>
Provisions	-1.1	-6.5	-32.0	5.5	-34.1	-8.2
LLP	-1.0	-2.7	0.1	0.2	-3.3	-0.5
Profit from investments	-0.1	-3.7	-0.2	-2.3	-6.3	-0.6
<b>Profit before taxes</b>	<b>131.4</b>	<b>127.1</b>	<b>90.4</b>	<b>112.2</b>	<b>461.1</b>	<b>135.2</b>
Income taxes	-40.0	-38.3	-25.3	-34.0	-137.5	-40.4
<b>Net profit for the period</b>	<b>91.4</b>	<b>88.7</b>	<b>65.2</b>	<b>78.2</b>	<b>323.6</b>	<b>94.7</b>
<b>Net profit adjusted <sup>(1)</sup></b>	<b>92.2</b>	<b>88.7</b>	<b>65.3</b>	<b>78.2</b>	<b>324.5</b>	<b>94.7</b>
<b>Non recurring items (mln, gross)</b>	<b>1Q20</b>	<b>2Q20</b>	<b>3Q20</b>	<b>4Q20</b>	<b>FY20</b>	<b>1Q21</b>
Extraord systemic charges (Trading Profit) <sup>(2)</sup>	-1.2	0.0	-0.2	0.0	-1.4	0.0
<b>Total</b>	<b>-1.2</b>	<b>0.0</b>	<b>-0.2</b>	<b>0.0</b>	<b>-1.4</b>	<b>0.0</b>
<b>Reconciliation (mln)</b>	<b>1Q20</b>	<b>2Q20</b>	<b>3Q20</b>	<b>4Q20</b>	<b>FY20</b>	<b>1Q21</b>
Net financial Income	3.8	5.0	-0.1	0.3	9.0	13.2
Trading Profit	-3.8	-5.0	0.1	-0.3	-9.0	-13.2

<sup>(1)</sup> Net of non recurring items  
<sup>(2)</sup> Voluntary Scheme valuation

## P&L

mln	1Q20	2Q20	3Q20	4Q20	FY20	1Q21
Net interest income	68.2	70.1	68.6	63.9	270.7	61.8
Net commissions	105.0	104.8	97.9	96.7	404.3	118.7
Trading profit	26.4	30.1	20.2	19.1	95.8	37.1
Other expenses/income	0.6	0.8	0.2	2.0	3.6	0.5
<b>Total revenues</b>	<b>200.1</b>	<b>205.8</b>	<b>186.9</b>	<b>181.6</b>	<b>774.4</b>	<b>218.2</b>
Staff expenses	-24.0	-24.9	-24.6	-26.0	-99.5	-26.2
Other admin.exp. net of recoveries	-36.5	-34.6	-33.4	-40.1	-144.6	-41.3
D&A	-6.1	-6.2	-6.4	-6.8	-25.4	-6.3
<b>Operating expenses</b>	<b>-66.5</b>	<b>-65.7</b>	<b>-64.4</b>	<b>-72.9</b>	<b>-269.6</b>	<b>-73.8</b>
<b>Gross operating profit</b>	<b>133.6</b>	<b>140.0</b>	<b>122.4</b>	<b>108.7</b>	<b>504.8</b>	<b>144.5</b>
Provisions	-1.1	-6.5	-32.0	5.5	-34.1	-8.2
LLP	-1.0	-2.7	0.1	0.2	-3.3	-0.5
Profit from investments	-0.1	-3.7	-0.2	-2.3	-6.3	-0.6
<b>Profit before taxes</b>	<b>131.4</b>	<b>127.1</b>	<b>90.4</b>	<b>112.2</b>	<b>461.1</b>	<b>135.2</b>
Income taxes	-40.0	-38.3	-25.3	-34.0	-137.5	-40.4
<b>Net profit for the period</b>	<b>91.4</b>	<b>88.7</b>	<b>65.2</b>	<b>78.2</b>	<b>323.6</b>	<b>94.7</b>
<b>Net profit adjusted <sup>(1)</sup></b>	<b>92.2</b>	<b>88.7</b>	<b>65.3</b>	<b>78.2</b>	<b>324.5</b>	<b>94.7</b>
<b>Non recurring items (mln, gross)</b>	<b>1Q20</b>	<b>2Q20</b>	<b>3Q20</b>	<b>4Q20</b>	<b>FY20</b>	<b>1Q21</b>
Extraord systemic charges (Trading Profit) <sup>(2)</sup>	-1.2	0.0	-0.2	0.0	-1.4	0.0
<b>Total</b>	<b>-1.2</b>	<b>0.0</b>	<b>-0.2</b>	<b>0.0</b>	<b>-1.4</b>	<b>0.0</b>

P&L pro-forma includes «Profits from treasury management» within «**Net financial income**» and excludes it from «Trading Profit»

# P&L net of non recurring items

## P&L pro-forma net of non recurring items

<i>mln</i>	1Q20 Adj. <sup>(1)</sup>	2Q20 Adj. <sup>(1)</sup>	3Q20 Adj. <sup>(1)</sup>	4Q20 Adj. <sup>(1)</sup>	FY20 Adj. <sup>(1)</sup>	1Q21 Adj. <sup>(1)</sup>
Net financial income	72.0	75.1	68.6	64.1	279.7	75.1
<i>o/w Net interest income</i>	68.2	70.1	68.6	63.9	270.7	61.8
<i>o/w Profit from treasury</i>	3.8	5.0	-0.1	0.3	9.0	13.2
Net commissions	105.0	104.8	97.9	96.7	404.3	118.7
Trading profit	23.8	25.1	20.5	18.8	88.2	23.9
Other expenses/income	0.6	0.8	0.2	2.0	3.6	0.5
<b>Total revenues</b>	<b>201.3</b>	<b>205.8</b>	<b>187.1</b>	<b>181.6</b>	<b>775.8</b>	<b>218.2</b>
Staff expenses	-24.0	-24.9	-24.6	-26.0	-99.5	-26.2
Other admin.expenses	-36.5	-34.6	-33.4	-40.1	-144.6	-41.3
D&A	-6.1	-6.2	-6.4	-6.8	-25.4	-6.3
<b>Operating expenses</b>	<b>-66.5</b>	<b>-65.7</b>	<b>-64.4</b>	<b>-72.9</b>	<b>-269.6</b>	<b>-73.8</b>
<b>Gross operating profit</b>	<b>134.8</b>	<b>140.0</b>	<b>122.7</b>	<b>108.7</b>	<b>506.2</b>	<b>144.5</b>
Provisions	-1.1	-6.5	-32.0	5.5	-34.1	-8.2
LLP	-1.0	-2.7	0.1	0.2	-3.3	-0.5
Profit from investments	-0.1	-3.7	-0.2	-2.3	-6.3	-0.6
<b>Profit before taxes</b>	<b>132.6</b>	<b>127.1</b>	<b>90.7</b>	<b>112.2</b>	<b>462.5</b>	<b>135.2</b>
Income taxes	-40.4	-38.3	-25.3	-34.0	-138.0	-40.4
<b>Net profit adjusted <sup>(1)</sup></b>	<b>92.2</b>	<b>88.7</b>	<b>65.3</b>	<b>78.2</b>	<b>324.5</b>	<b>94.7</b>

<b>Reconciliation (mln)</b>	1Q20 Adj. <sup>(1)</sup>	2Q20 Adj. <sup>(1)</sup>	3Q20 Adj. <sup>(1)</sup>	4Q20 Adj. <sup>(1)</sup>	FY20 Adj. <sup>(1)</sup>	1Q21 Adj. <sup>(1)</sup>
Net financial Income	3.8	5.0	-0.1	0.3	9.0	13.2
Trading Profit	-3.8	-5.0	0.1	-0.3	-9.0	-13.2

## P&L net of non recurring items

<i>mln</i>	1Q20 Adj. <sup>(1)</sup>	2Q20 Adj. <sup>(1)</sup>	3Q20 Adj. <sup>(1)</sup>	4Q20 Adj. <sup>(1)</sup>	FY20 Adj. <sup>(1)</sup>	1Q21 Adj. <sup>(1)</sup>
Net interest income	68.2	70.1	68.6	63.9	270.7	61.8
Net commissions	105.0	104.8	97.9	96.7	404.3	118.7
Trading profit	27.6	30.1	20.4	19.1	97.2	37.1
Other expenses/income	0.6	0.8	0.2	2.0	3.6	0.5
<b>Total revenues</b>	<b>201.3</b>	<b>205.8</b>	<b>187.1</b>	<b>181.6</b>	<b>775.8</b>	<b>218.2</b>
Staff expenses	-24.0	-24.9	-24.6	-26.0	-99.5	-26.2
Other admin.expenses	-36.5	-34.6	-33.4	-40.1	-144.6	-41.3
D&A	-6.1	-6.2	-6.4	-6.8	-25.4	-6.3
<b>Operating expenses</b>	<b>-66.5</b>	<b>-65.7</b>	<b>-64.4</b>	<b>-72.9</b>	<b>-269.6</b>	<b>-73.8</b>
<b>Gross operating profit</b>	<b>134.8</b>	<b>140.0</b>	<b>122.7</b>	<b>108.7</b>	<b>506.2</b>	<b>144.5</b>
Provisions	-1.1	-6.5	-32.0	5.5	-34.1	-8.2
LLP	-1.0	-2.7	0.1	0.2	-3.3	-0.5
Profit from investments	-0.1	-3.7	-0.2	-2.3	-6.3	-0.6
<b>Profit before taxes</b>	<b>132.6</b>	<b>127.1</b>	<b>90.7</b>	<b>112.2</b>	<b>462.5</b>	<b>135.2</b>
Income taxes	-40.4	-38.3	-25.3	-34.0	-138.0	-40.4
<b>Net profit adjusted <sup>(1)</sup></b>	<b>92.2</b>	<b>88.7</b>	<b>65.3</b>	<b>78.2</b>	<b>324.5</b>	<b>94.7</b>

P&L pro-forma includes «Profits from treasury management» within «**Net financial income**» and excludes it from «Trading Profit»

# 1Q21 P&L FinecoBank and Fineco Asset Management

<i>mln</i>	Fineco Asset Management	FinecoBank Individual	FinecoBank Consolidated
Net interest income		61.9	61.8
Dividends		0.0	
Net commissions	19.1	99.6	118.7
Trading profit	0.0	37.1	37.1
Other expenses/income	0.0	0.6	0.5
<b>Total revenues</b>	<b>19.0</b>	<b>199.2</b>	<b>218.2</b>
Staff expenses	-1.7	-24.6	-26.2
Other admin.exp. net of recoveries	-1.2	-40.1	-41.3
D&A	-0.1	-6.2	-6.3
<b>Operating expenses</b>	<b>-2.9</b>	<b>-70.9</b>	<b>-73.8</b>
<b>Gross operating profit</b>	<b>16.2</b>	<b>128.3</b>	<b>144.4</b>
Provisions		-8.2	-8.2
LLP		-0.5	-0.5
Profit on Investments		-0.6	-0.6
<b>Profit before taxes</b>	<b>16.2</b>	<b>119.0</b>	<b>135.2</b>
Income taxes	-2.0	-38.4	-40.4
<b>Net profit for the period</b>	<b>14.1</b>	<b>80.6</b>	<b>94.7</b>

# Details on Net Interest Income

<i>mln</i>	1Q20	Volumes & Margins	2Q20	Volumes & Margins	3Q20	Volumes & Margins	4Q20	Volumes & Margins	FY20	Volumes & Margins	1Q21	Volumes & Margins
Financial Investments	54.8	22,543	56.3	22,676	53.0	22,491	49.0	23,334	213.1	22,761	44.6	24,417
<i>Net Margin</i>		0.98%		1.00%		0.94%		0.84%		0.94%		0.74%
<i>Gross margin</i>	56.8	1.01%	57.1	1.01%	53.1	0.94%	49.1	0.84%	216.1	0.95%	44.8	0.74%
Treasury activities <sup>(1)</sup>	0.9	703	2.1	1,916	2.4	2,114	2.5	2,103	7.9	1,709	3.9	2,791
<i>Net Margin</i>		0.50%		0.44%		0.45%		0.47%		0.46%		0.57%
Leverage - Long	2.9	137	2.4	117	3.1	150	2.8	138	11.1	136	3.4	171
<i>Net Margin</i>		8.42%		8.13%		8.13%		8.10%		8.20%		8.12%
Lending	11.0	3,094	11.4	3,393	11.6	3,582	11.1	3,670	45.0	3,435	10.8	3,805
<i>Net Margin</i>		1.42%		1.35%		1.28%		1.20%		1.31%		1.15%
<i>o/w Current accounts</i>	3.4	1,316	3.6	1,375	3.6	1,453	3.7	1,527	14.3	1,418	3.6	1,632
<i>Net Margin</i>		1.05%		1.04%		0.99%		0.97%		1.01%		0.90%
<i>o/w Cards</i>	1.2	43	1.1	40	1.1	39	1.1	38	4.5	40	1.0	36
<i>Net Margin</i>		11.41%		11.40%		11.43%		11.45%		11.42%		11.40%
<i>o/w Personal loans</i>	4.5	462	4.4	448	4.2	437	4.2	439	17.4	447	4.2	447
<i>Net Margin</i>		3.93%		3.93%		3.86%		3.82%		3.88%		3.83%
<i>o/w Mortgages</i>	1.8	1,273	2.3	1,530	2.6	1,653	2.1	1,666	8.8	1,530	2.0	1,690
<i>Net Margin</i>		0.57%		0.61%		0.63%		0.49%		0.57%		0.47%
Other <sup>(2)</sup>	-1.3		-2.1		-1.4		-1.5		-6.3		-0.9	
<b>Total</b>	<b>68.2</b>		<b>70.1</b>		<b>68.6</b>		<b>63.9</b>		<b>270.7</b>		<b>61.8</b>	
<b>Gross Margin</b>		<b>1.08%</b>		<b>1.04%</b>		<b>0.98%</b>		<b>0.88%</b>		<b>0.99%</b>		<b>0.81%</b>
<b>Cost of Deposits</b>		<b>-0.03%</b>		<b>-0.01%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>-0.01%</b>		<b>0.00%</b>

Volumes and margins: average of the period  
Net margin calculated on real interest income and expenses

<sup>(1)</sup> Treasury activities: Unsecured lending, collateral switch, tiering, TLTRO, other repos (moved from «Other» to «Treasury activities».

<sup>(2)</sup> Other includes mainly marketing costs. 2020 figures recasted (NII from other repos moved from «Other» to «Treasury Activities»): 1Q20 0.0mln, 2Q20 0.0mln, 3Q20 -0.1mln, 4Q20 -0.2mln, FY20 -0.4mln



# UniCredit bonds underwritten

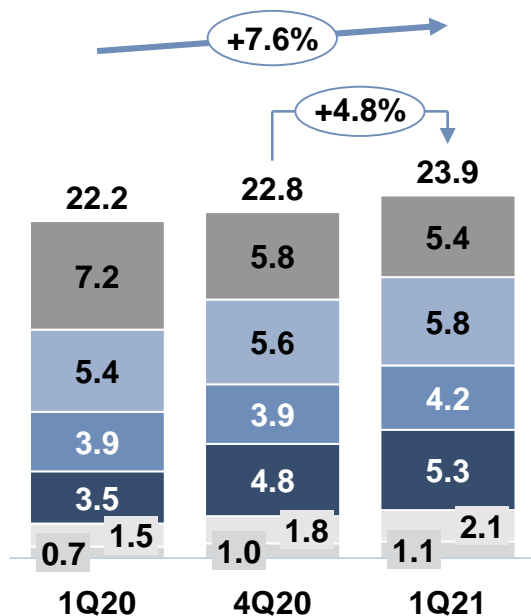
	ISIN	Currency	Amount (€ m)	Maturity	Indexation	Spread
1	IT0005010316	Euro	382.5	6-Apr-21	Euribor 1m	2.56%
2	IT0005010340	Euro	382.5	5-Jul-21	Euribor 1m	2.58%
3	IT0005010225	Euro	382.5	18-Oct-21	Euribor 1m	2.60%
4	IT0005040099	Euro	100.0	24-Jan-22	Euribor 1m	1.46%
5	IT0005057994	Euro	200.0	11-Apr-22	Euribor 1m	1.43%
6	IT0005083743	Euro	300.0	28-Jan-22	Euribor 1m	1.25%
7	IT0005114688	Euro	180.0	19-May-22	Euribor 1m	1.19%
8	IT0005120347	Euro	700.0	27-Jun-22	Euribor 1m	1.58%
9	IT0005144065	Euro	450.0	14-Nov-22	Euribor 3m	1.40%
10	IT0005144073	Euro	350.0	15-Nov-21	Euribor 3m	1.29%
11	IT0005158412	Euro	250.0	23-Dec-22	Euribor 3m	1.47%
12	IT0005163180	Euro	600.0	11-Feb-23	Euribor 3m	1.97%
13	IT0005175135	Euro	100.0	24-Mar-23	Euribor 3m	1.58%
14	IT0005217606	Euro	350.0	11-Oct-23	Euribor 3m	1.65%
15	IT0005241317	Euro	622.5	2-Feb-24	Euribor 3m	1.52%
<b>Total</b>		<b>Euro</b>	<b>5,350.0</b>		<b>Euribor 1m</b>	<b>1.76%</b>

# Financial Investments

Further improvements for a diversified asset side

## Bond Portfolio, avg bn

UC bonds   Spain   SSA <sup>(1)</sup>  
 Italy   Other Govies <sup>(2)</sup>   Covered & Corporate



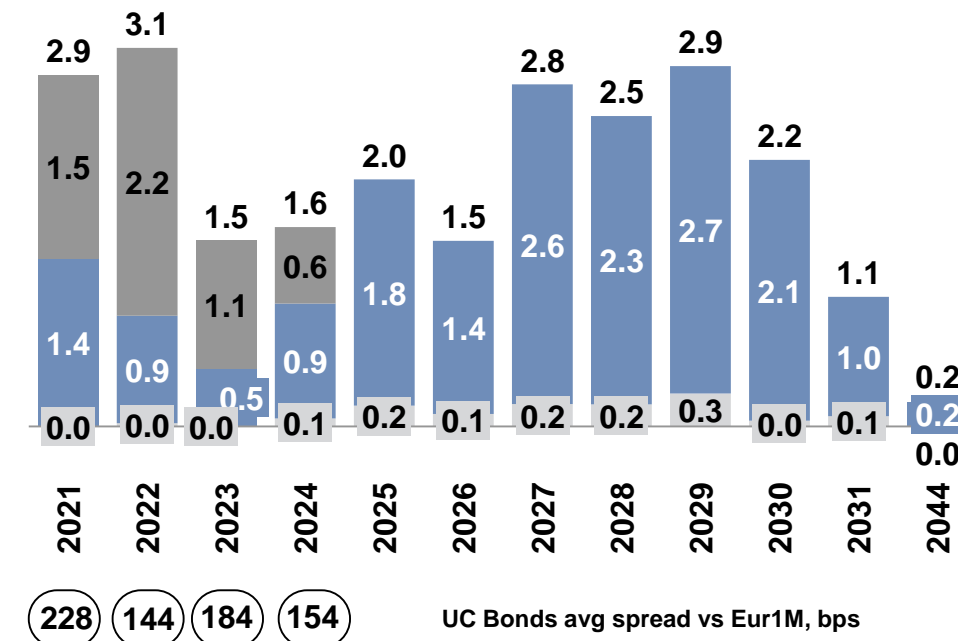
**Avg Bond portfolio 1Q21 (excl. UC Bonds):**

**18.5bn, +22.9% y/y**

**66% at fixed rate, avg yield: 55bps <sup>(3)</sup>**

## Bond portfolio run-offs, eop bn

UC Bonds   Govies & SSA   Covered & Corporate



**Residual maturity total portfolio: 5.1 yrs**

*o/w UC Bonds: 1.4 yrs*

*o/w bonds (excl. UC bonds): 6.2 yrs*

<sup>(1)</sup> Sovereign Supranational and Agencies

<sup>(2)</sup> Avg 1Q21 "Other" includes: 1.2bn France, 1.0bn Ireland, 0.8bn USA, 0.6bn Belgium, 0.5bn Austria, 0.4bn Portugal, 0.1bn Germany, 0.2bn Israel, 0.5bn other (UK, Poland, Switzerland, Saudi Arabia, Chile, China, Iceland, Latvia)

<sup>(3)</sup> Calculated on nominal value as of Mar 31<sup>st</sup> 2021

# Details on Net Commissions

<i>mln</i>	1Q20	2Q20	3Q20	4Q20	FY20	1Q21
<b>Banking</b>	<b>8.8</b>	<b>10.3</b>	<b>9.7</b>	<b>2.2</b>	<b>31.0</b>	<b>10.0</b>
<b>Brokerage</b>	<b>35.6</b>	<b>37.6</b>	<b>26.5</b>	<b>30.7</b>	<b>130.4</b>	<b>39.4</b>
o/w						
Equity	30.0	31.0	21.7	26.5	109.2	36.1
Bond	1.0	3.8	2.2	1.9	9.0	0.8
Derivatives	4.5	3.7	2.6	2.7	13.5	2.9
Other commissions <sup>(1)</sup>	0.0	-0.9	0.1	-0.4	-1.3	-0.4
<b>Investing</b>	<b>60.8</b>	<b>57.1</b>	<b>61.8</b>	<b>64.0</b>	<b>243.7</b>	<b>69.4</b>
o/w						
Placement fees	1.7	1.4	1.5	1.8	6.3	2.2
Management fees	61.9	58.9	64.2	67.5	252.5	72.5
to PFA's: incentives	-2.5	-2.6	-3.1	-4.7	-12.9	-4.7
to PFA's: LTI	-0.2	-0.7	-0.7	-0.6	-2.2	-0.6
<b>Other</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.8</b>	<b>-0.1</b>
<b>Total</b>	<b>105.0</b>	<b>104.8</b>	<b>97.9</b>	<b>96.7</b>	<b>404.3</b>	<b>118.7</b>

<sup>(1)</sup> Other commissions include security lending and other PFA commissions related to AuC

# Revenues breakdown by Product Area

P&L by Product Area Recasted

<i>mln</i>	1Q20	2Q20	3Q20	4Q20	FY20	1Q21
Net financial income	70.5	74.8	66.9	62.8	275.0	72.6
<i>o/w Net interest income</i>	66.6	69.8	67.0	62.6	266.0	59.3
<i>o/w Profit from Treasury Management</i>	3.8	5.0	-0.1	0.3	9.0	13.2
Net commissions	8.8	10.3	9.7	2.2	31.0	10.0
Trading profit	-0.3	-0.6	0.3	0.3	-0.3	1.4
Other	0.2	0.3	-0.3	0.4	0.6	0.1
<b>Total Banking</b>	<b>79.2</b>	<b>84.9</b>	<b>76.6</b>	<b>65.6</b>	<b>306.3</b>	<b>84.1</b>
Net interest income	3.0	2.5	3.1	2.9	11.5	3.5
Net commissions	35.6	37.6	26.5	30.7	130.4	39.4
Trading profit	25.1	24.2	20.1	18.0	87.4	22.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Brokerage</b>	<b>63.6</b>	<b>64.2</b>	<b>49.7</b>	<b>51.6</b>	<b>229.2</b>	<b>65.0</b>
Net interest income	0.0	0.0	0.0	0.0	0.0	0.0
Net commissions	60.8	57.1	61.8	64.0	243.7	69.4
Trading profit	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.1	-0.2	0.2	1.4	1.6	0.0
<b>Total Investing</b>	<b>60.9</b>	<b>56.9</b>	<b>62.0</b>	<b>65.4</b>	<b>245.3</b>	<b>69.4</b>

<b>Reconciliation total Banking (<i>mln</i>)</b>	<b>1Q20</b>	<b>2Q20</b>	<b>3Q20</b>	<b>4Q20</b>	<b>FY20</b>	<b>1Q21</b>
Net Financial Income	3.8	5.0	-0.1	0.3	9.0	13.2
Trading Profit	-3.8	-5.0	0.1	-0.3	-9.0	-13.2

P&L by Product Area (old)

<i>mln</i>	1Q20	2Q20	3Q20	4Q20	FY20
Net Interest Income	65.8	67.7	64.5	60.1	258.1
Net commissions	8.8	10.3	9.7	2.2	31.0
Trading profit	-0.1	-0.1	0.0	0.1	-0.1
Other	0.2	0.3	-0.3	0.4	0.6
<b>Total Banking</b>	<b>74.6</b>	<b>78.3</b>	<b>73.9</b>	<b>62.7</b>	<b>289.5</b>

<b>Reconciliation from Corporate Center to Banking (<i>mln</i>)</b>	<b>1Q20</b>	<b>2Q20</b>	<b>3Q20</b>	<b>4Q20</b>	<b>FY20</b>
Net financial income	4.7	7.1	2.3	2.7	16.9
<i>o/w Net interest income</i>	0.9	2.1	2.4	2.5	7.9
<i>o/w Profit from Treasury Management</i>	3.8	5.0	-0.1	0.3	9.0
Net commissions	0.0	0.0	0.0	0.0	0.0
Trading profit	-0.2	-0.5	0.4	0.2	-0.1
Other	0.0	0.0	0.0	0.0	0.0
<b>Total Banking</b>	<b>4.5</b>	<b>6.6</b>	<b>2.7</b>	<b>3.0</b>	<b>16.7</b>

## Note:

### Profits related to treasury activity moved from Corporate Center to Banking:

- **NII** moved from Corporate Center to Banking includes: Unsecured Lending, Collateral Switch, Tiering, TLTRO, other repos
- **Trading Profit** moved from Corporate Center to Banking includes: Profits from treasury management and hedging from financial instruments

In addition, **Banking has been recasted to include profits from treasury activity** within the “**Net financial income**” (= Net interest income + profits from treasury activity)

Managerial Data

Banking has been recasted to include profits from treasury activity (moved from Corporate Center to Banking) : 18.2mln in 1Q21, 4.5mln in 1Q20, 6.6mln in 2Q20, 2.7mln in 3Q20 and 3.0mln in 4Q20.  
Net financial income includes NII + Profits from Treasury Management (moved from trading income to net financial Income): 13.2mln in 1Q21, 3.8mln in 1Q20, 5.0mln in 2Q20, -0.1in 3Q20 and 0.3mln in 4Q20

# Breakdown Total Financial Assets

<i>mln</i>	Mar.20	Jun.20	Sep.20	Dec.20	Mar.21
<b>AUM</b>	<b>35,516</b>	<b>40,083</b>	<b>41,744</b>	<b>45,381</b>	<b>48,018</b>
o/w Funds and Sicav	24,122	27,657	28,929	31,578	33,271
o/w Insurance	9,961	10,676	11,020	11,819	12,659
o/w GPM	127	169	185	209	238
o/w AuC + deposits under advisory	1,307	1,580	1,610	1,776	1,850
<i>o/w in Advice</i>	516	550	554	561	572
<i>o/w in Plus</i>	792	1,030	1,056	1,215	1,278
<b>AUC</b>	<b>13,485</b>	<b>16,486</b>	<b>16,821</b>	<b>18,314</b>	<b>20,347</b>
o/w Equity	8,308	10,565	11,006	12,614	14,503
o/w Bond	5,147	5,878	5,766	5,637	5,772
o/w Other	30	43	49	63	72
<b>Direct Deposits</b>	<b>26,925</b>	<b>26,077</b>	<b>26,432</b>	<b>28,014</b>	<b>28,687</b>
o/w Sight	26,924	26,077	26,432	28,014	28,687
o/w Term	1	1	0	0	0
<b>Total</b>	<b>75,927</b>	<b>82,646</b>	<b>84,997</b>	<b>91,709</b>	<b>97,052</b>
<i>o/w Guided Products &amp; Services</i>	<b>25,486</b>	<b>28,984</b>	<b>30,331</b>	<b>33,420</b>	<b>35,381</b>
<i>o/w TFA FAM retail</i>	<b>7,626</b>	<b>8,920</b>	<b>9,465</b>	<b>10,542</b>	<b>11,465</b>
<i>o/w TFA Private Banking</i>	<b>28,844</b>	<b>33,024</b>	<b>34,438</b>	<b>38,614</b>	<b>41,844</b>

AuC and Deposits under advisory have been reclassified within AuM in order to have a better representation of the advisory nature of Advice and Plus services

# Balance Sheet

<i>mln</i>	Mar.20	Jun.20	Sep.20	Dec.20	Mar.21
Due from Banks	1,801	1,633	1,761	2,541	1,902
Customer Loans	3,741	4,204	4,320	4,528	4,639
Financial Assets	23,414	22,961	22,988	23,957	25,398
Tangible and Intangible Assets	280	280	278	281	277
Derivatives	76	76	76	74	84
Other Assets	207	259	298	374	287
<b>Total Assets</b>	<b>29,519</b>	<b>29,412</b>	<b>29,721</b>	<b>31,755</b>	<b>32,588</b>
Customer Deposits	27,202	27,021	27,297	28,360	29,102
Due to Banks	331	113	105	1,065	1,149
Derivatives	144	207	212	232	140
Funds and other Liabilities	365	515	487	411	413
Equity	1,477	1,556	1,620	1,687	1,783
<b>Total Liabilities and Equity</b>	<b>29,519</b>	<b>29,412</b>	<b>29,721</b>	<b>31,755</b>	<b>32,588</b>

<sup>(1)</sup> Due from banks includes cash deposited at Bank of Italy: 1.3bn as of Mar.21, 1.8bn as of Dec.20, 1.0bn as of Sep.2020, 0.9bn as of June 2020, 1.2bn as of Mar.2020

# Main Financial Ratios

	Mar.20	Jun.20	Sep.20	Dec.20	Mar.21
<b>PFA TFA/ PFA (mln) <sup>(1)</sup></b>	<b>25.7</b>	<b>27.9</b>	<b>28.7</b>	<b>30.6</b>	<b>31.6</b>
<b>Guided Products / TFA <sup>(2)</sup></b>	<b>34%</b>	<b>35%</b>	<b>36%</b>	<b>36%</b>	<b>36%</b>
<b>Cost / income Ratio <sup>(3)</sup></b>	<b>33.0%</b>	<b>32.5%</b>	<b>33.1%</b>	<b>34.7%</b>	<b>33.8%</b>
<b>CET 1 Ratio</b>	<b>25.4%</b>	<b>24.1%</b>	<b>23.3%</b>	<b>28.6%</b>	<b>26.5%</b>
<b>Adjusted RoE <sup>(4)</sup></b>	<b>26.5%</b>	<b>26.0%</b>	<b>23.4%</b>	<b>21.2%</b>	<b>22.2%</b>
<b>Leverage Ratio</b>	<b>4.39%</b>	<b>4.41%</b>	<b>4.35%</b>	<b>4.85%</b>	<b>4.77%</b>

<sup>(1)</sup> PFA TFA/PFA: calculated as end of period Total Financial Assets related to the network divided by number of PFAs eop

<sup>(2)</sup> Calculated as Guided Products eop divided by Total Financial Assets eop

<sup>(3)</sup> C/I ratio net of non recurring items (see page 45 for details) calculated as Operating Costs divided by Revenues net of non recurring items

<sup>(4)</sup> RoE: annualized Net Profit, net of non recurring items (see page 45 for details) divided by the average book shareholders' equity for the period (excluding dividends expected to be distributed and the revaluation reserves)

# Fineco - a fully independent public company starting from May 2019

## Strategy and Business model

**Fineco exit from the UniCredit Group has no implications on its strategy and business model:** Fineco enjoyed limited synergies with UniCredit and, as a fully independent company, continues to **focus on maximizing shareholders' value via healthy, sustainable and organic growth**

## Transitional Arrangements with UniCredit Group

**Fineco and UniCredit have agreed to enter into certain transitional arrangements to ensure full continuity** and an orderly and smooth transition from a regulatory, liquidity and operational standpoint

### INVESTMENT STRATEGY

- **No change in the investment policy** envisaging an increasing diversification of financial investments as the existing stock of UniCredit bonds progressively runs off by 2024
- **UniCredit has granted a financial collateral** in favor of Fineco to secure the credit risk exposures towards UniCredit and **neutralize the capital impacts and risk concentration limits**

### INFRAGROUP SERVICES

- **UniCredit will continue to provide, on an interim basis, certain services** in order to allow Fineco to act in full operational continuity. **The contract for customers' access to banking services through smart ATMs and physical branches has been extended for 20 years**

### TRADEMARK

- **Fineco has exercised at the end of 2019** the option for the purchase of its brand at the **price of €22.5mln plus VAT**



# Fineco Asset Management in a nutshell

AUM at €18.6bn, of which €12.1bn retail classes<sup>(1)</sup>

## FUNDS OF FUNDS

## FAM SERIES (sub-advised funds)

## INSTITUTIONAL BUSINESS

### FAM EVOLUTION (46 strategies)

- ✓ **FAM Megatrend**: multi-thematic fund investing in secular trends
- ✓ **New building blocks** both vertical and based on risk profile
- ✓ **FAM Target**: decumulation products for customers who want to take advantage of bear market phases

### CORE SERIES (30 strategies)

- ✓ Release of **Premium Share Classes**

- ✓ **Additional sub-advisory mandates in pipeline** to further enlarge the offer through **quality and exclusivity agreements** for Fineco clients only
- ✓ **FAM Global Defence**: new capital preservation solution
- ✓ **FAM Target China Coupon 2026**: new investment solution to build up exposure towards China
- ✓ 40 strategies

- ✓ Underlying funds for advisory solutions (both funds of funds and Insurance wrappers) allowing a better control of the value chain **to retain more margins and lower customers' TER**
- ✓ 49 strategies, including also Passive and new Smart Beta funds

## BENEFITS

**Quality improvement and time to market for customers and distribution needs**

**Several efficiencies** leveraging on a vertically integrated business model combined with the strong operating efficiency which is in Fineco's DNA

**Better risk management** thanks to the look-through on daily basis on funds' underlying assets

**Win-win solution**: lower price for clients, higher margins

# Brokerage: extracting value from the vertical integration

After the successful integration of our asset management business through FAM, we are now applying the same strategy with the launch of Leveraged Certificates thanks to our strong operating leverage and to the consistently increasing volumes

## Leveraged Certificates

In 1H21 we will launch our offer and become issuer, market maker and distributor.

Thanks to the **vertical integration** of the business and the **full control in the relationship with clients**, over time we are going to convert low-value flows on other issuers' certificates into our own.

**Market size** in Italy: 13 bn<sup>(1)</sup> volumes and 100 mln revenues<sup>(2)</sup>. **We are also targeting flows on leveraged ETFs and covered warrants**

**Step 1:** launch within June 2021 of first certificates on FTSE MIB, DAX and US indexes, forex and commodities

## Hi-MTF

The Board of Directors approved the binding for the acquisition of a 20% stake (cost around 1.25mln)


**Rationale:** to increase our ability to extract value from the vertical integration of the business thanks to our clients' strong volumes

<sup>(1)</sup> ACEPI (Italian Association of Certificates and Investment Products)

<sup>(2)</sup> Internal estimates

# Fineco UK vs competitors

## Products and services

					
BANKING	Bank Account	✓	✗	✗	✓
	Multi Currency	✓	✗	✗	✓
	Debit Cards	✓	✗	✗	✓
TRADING	Shares	✓	✓	✓	✓
	Bonds	✓	✗	✓	✗
	Futures & Options	✓	✗	✗	✗
	CFDs	✓	✓	✗	✗
	FX	✓	✓	✗	✗
	Analytic tools	✓	✗	✗	✗
INVESTING	Funds	✓	✗	✓	✗
	ISA	✓	✓	✓	✗
	SIPP 	✓	✗	✓	✗

 Coming Soon

## Platform features

*Usability, reliability and advanced tools*

					
Free Basic Market Data	✓	✓	✓	✓	✓
Free Real time DMA	✓	✗	✗	✗	✗
Advanced Charting tool	✓	✗	✗	✗	✗
Recurring investments	✓	✗	✓	✗	✓
Trading order strategies	✓	✓	✗	✗	✗
Stock screener	✓	✗	✗	✗	✗
Payments	✓	✗	✗	✓	✓
Budget track	✓	✗	✗	✓	✗
Open banking	✓	✗	✗	✓	✓

# Fineco UK: Premium service without premium price

Disruptive pricing 100% sustainable thanks to our strong operating leverage

## OTC: zero commission, no added spreads

Share CFD\Broker Buy 100 units	<b>FINECO</b> BANK	IG	CMIC cmc markets	SAXO BANK	Plus500
HSBC * 498.20 GBP	0	£10	£9	£8	£0.67
APPLE * 225.64 USD	0	£15	\$10	\$10	\$9.5
BMW * 42.61 EUR	0	€10	€9	€10	€10.75

	<b>FINECO</b> BANK	IG	CMIC cmc markets	SAXO BANK
CFD on UK INDEX	PIPS	PIPS	PIPS	PIPS
Ftse100	0.6	1	1	0.8

## Multicurrency: best spreads, no commissions

£ ↔ €	<b>FINECO</b> BANK	Revolut	TransferWise	STARLING BANK	HSBC	HARGREAVES LANSDOWN	interactive investor
£2,000	£4.46	£4.99 Saving: -12%	£7.49 Saving: -68%	£8.02 Saving: -80%	£14.98 Saving: -236%	£16.94 Saving: -280%	£29.95 Saving: -572%
£10,000	£22.3	£44.93 Saving: -101%	£37.44 Saving: -68%	£40.7 Saving: -83%	£74.88 Saving: -236%	£84.7 Saving: -280%	£150 Saving: -573%
£500,000	£668.63	£2,491.22 Saving: -273%	£1,872.16 Saving: -180%	£2,005.88 Saving: -200%	£3,744.32 Saving: -460%	£4,234.64 Saving: -533%	£2,496.21 Saving: -273%
£1,000,000	£1,114.4	£4,987.43 Saving: -348%	£2,852.8 Saving: -156%	£4,011.77 Saving: -260%	£7,488.6 Saving: -572%	£8,470 Saving: -660%	£2,496.21 Saving: -124%

## Platform fees: the most competitive

Portfolio size	<b>FINECO</b> BANK	HARGREAVES LANSDOWN	AJBell	BARCLAYS	Fidelity INTERNATIONAL	HSBC
£10,000.00	0.25%	0.45%	0.25%	0.20%	0.35%	0.25%
£50,000.00	0.25%	0.45%	0.25%	0.20%	0.35%	0.25%
£100,000.00	0.25%	0.45%	0.25%	0.20%	0.35%	0.25%
£250,000.00	0.25%	0.45%	0.25%	0.20%	0.35%	0.25%

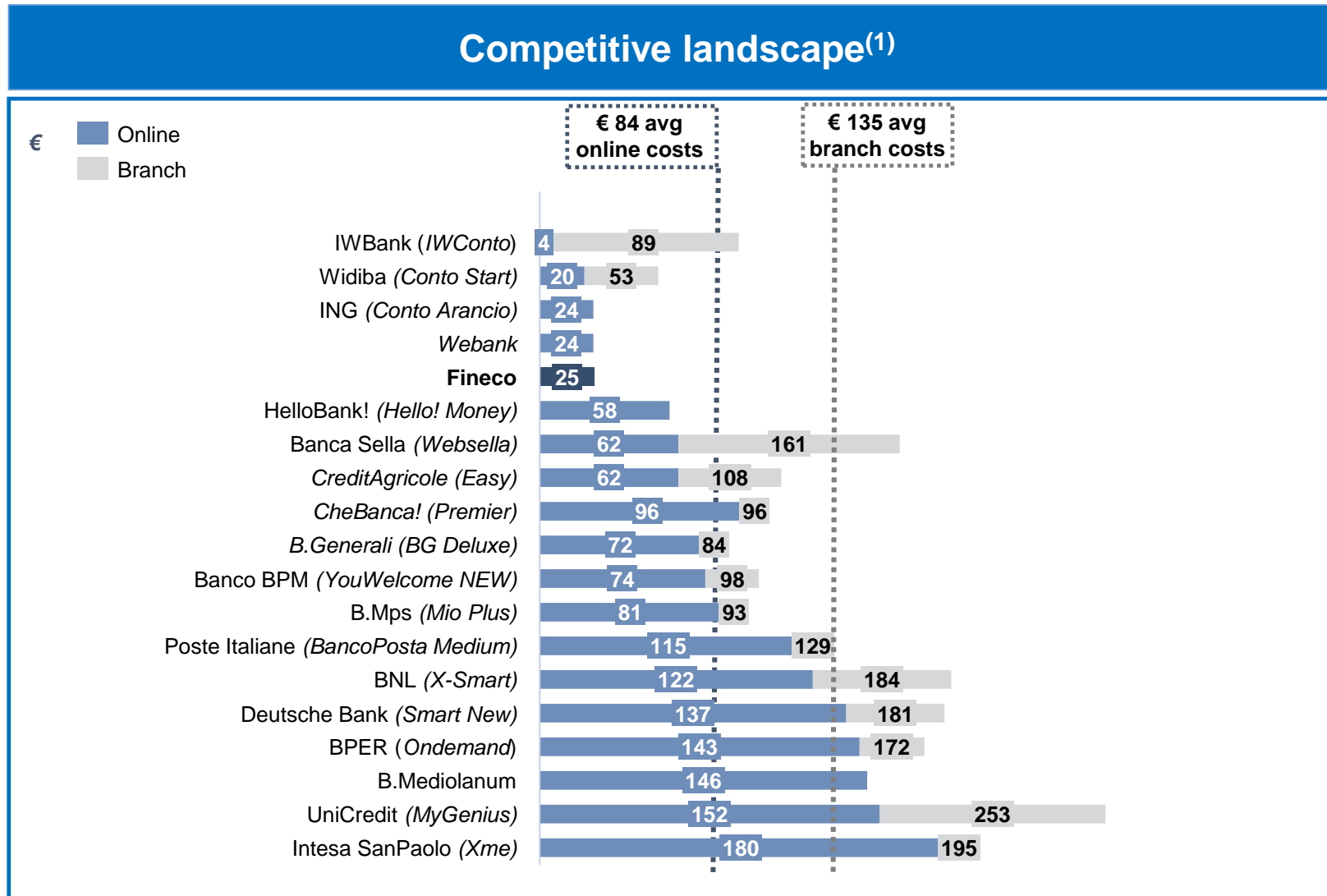
## Stock broking: flat fees

	<b>FINECO</b> BANK	HARGREAVES LANSDOWN	interactive investor	AJBell	IG	SAXO BANK	Interactive Brokers
London Stock Exchange							
Stock for £5,000	£2.95	£11.95	£7.99 <sup>(1)</sup>	£9.95 <sup>(1)</sup>	£8	£8	£6
Stock for £20,000	£2.95	£11.95	£7.99 <sup>(1)</sup>	£9.95 <sup>(1)</sup>	£8	£20	£6

## Transaction fees

	<b>FINECO</b> BANK	HARGREAVES LANSDOWN	AJBell	BARCLAYS	Fidelity INTERNATIONAL	HSBC
£0.00	£0.00	£0.00	£1.50	£3.00	£10.00	No online Phone dealing only

# Preserving our best price/quality ratio



# Additional Tier 1

First public placement successfully issued with strong demand (9x the offer)

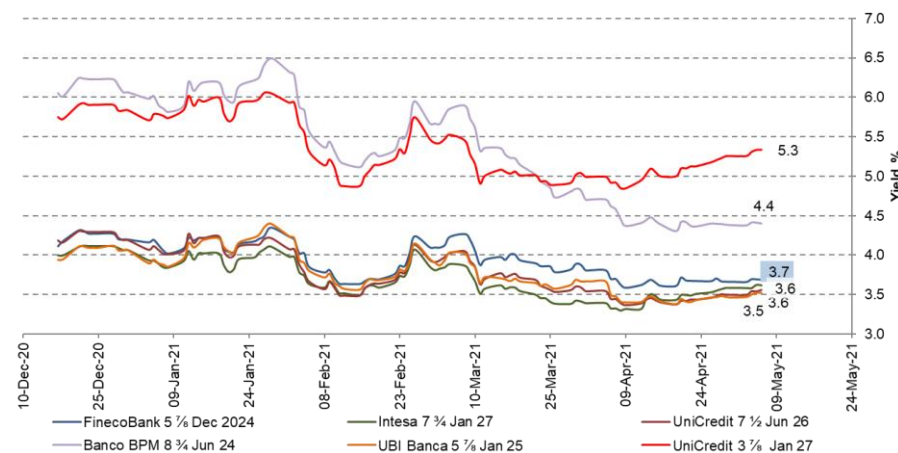
## €200 mln AT1 issued in January 2018

- On January 23<sup>rd</sup>, 2018 the Bank issued a **€200mln** perpetual AT1
- Coupon fixed at **4.82%** for the initial **5.5 years**
- **Private placement**, fully subscribed by UniCredit SpA
- **Semi-annual coupon**
- Coupon (net of taxes) will impact directly Equity reserves

## €300 mln AT1 issued in July 2019

- On July 11<sup>th</sup>, 2019 Fineco issued a **€300mln** perpetual AT1 in order to maintain the Leverage Ratio above 3.5% after the exit from the UniCredit Group
- Coupon fixed at **5.875%** (initial guidance at 6.5%) for the initial **5.5 years**
- **Public placement**, with strong demand (9x, €2.7bn), listed in Euronext Dublin
- **Semi-annual coupon**
- Coupon (net of taxes) will impact directly Equity reserves
- The instrument was assigned a **BB- rating by S&P**

## Italian AT1 yield at first call date



On Oct. 29<sup>th</sup>, 2020

**S&P Global Ratings  
upgraded Fineco's outlook  
to Stable and affirmed  
ratings at BBB/A-2**