

December 2024

The Italian NPE Market

The times they are a-changin'



The times they are a-changin'

After nearly a decade of steady improvement, the declining trend in non-performing exposures (NPEs) on Italian banks' balance sheets came to a halt in the first half of 2024, marking an inflection point for the industry. The increase is considered a natural adjustment following the sharp reductions of recent years. Total NPE stock increased slightly to €54.8bn, up from €52.6bn at the end of 2023. This rise was accompanied by annual inflows of €17.0bn, an uptick after several years of stabilization at historically low levels of €12-14bn.

The annual default rate for 1H 2024 rose to 1.14% from 0.88% in 2023, remaining below pre-2019-2020 levels (1.33% in 2018). Corporate defaults drove this increase, rising to 1.74% (from 1.35%), largely due to challenges in the manufacturing sector (default rate: 1.90% vs. 1.19% in 2023). Household defaults also grew modestly, reaching 0.69% from 0.63%.

Default rates in the Italian market are expected to rise modestly over the next 12 months, potentially reflecting broader trends observed across Europe. Between June 2023 and June 2024, NPE levels in Germany and France grew by 23% (from €34bn to €41bn) and 5% (from €116bn to €121bn), respectively, among significant banks. In Germany, this increase was driven almost entirely by the Commercial Real Estate sector (accounting for 90% of the growth), while in France, the SME sector faced mounting difficulties. A general deterioration in credit quality is further evidenced by the rise in Stage 2 exposures, which grew from €212bn to €274bn in Germany and from €435bn to €466bn in France.

Amid these challenges, Italy continues to perform strongly. Notably, Stage 2 loans in Italy decreased by 17% in the first half of 2024, dropping from €211bn to €177bn, and its share of total loans fell from 9.6% to 8.2%. The state guarantees provided to small and medium-sized enterprises during the Covid emergency, which had peaked at over €200 billion, have now more than halved (€91 billion as of May 2024) due to the repayment of installments. The average default rate for these loans is around 1.6 percent, in line with the trend observed for bank loans. This resilience highlights the effectiveness of proactive credit management strategies put in place by the Italian banking system.

In 2024, the Italian market for non-performing loans experienced a decline in both the number of transactions and the gross book value (GBV) traded. Annual transactions are expected to close below €11bn in 2024, reverting to pre-2017 levels. An increasing share of these transactions occurs in the secondary market (30% of total transactions) and a significant portion involves in-kind contribution funds (€1.6bn as of today).

Having addressed the immediate challenge of large-scale NPE deleveraging, Italian banks are now prioritizing proactive derisking or risk-sharing strategies. These include optimizing risk-weighted assets, and adopting originate-to-distribute models. This shift aligns with the ECB's efforts to simplify securitization processes, enabling banks to expedite regulatory approvals for significant risk transfer and free up capital for lending. Moreover, an increasing number of players are collaborating with banks from the origination phase, strategically positioning themselves to capture new NPE inflows. The ability to scale operations across the entire credit management value chain, starting from the initial stages, will be essential for sustaining a competitive advantage.

While structural factors may continue to temper the growth of the primary NPE sales market, as seen over the past 24 months, the secondary market is rapidly gaining traction. Its significant untapped potential is poised for expansion, driven by the Secondary Market Directive (SMD) and the broader liberalization of the debt purchasing landscape. These shifts open new avenues for specialized players to innovate, diversify their portfolios, and strengthen their competitive positioning.

The debt purchasing and servicing markets are undergoing significant transformation. Several regulated players are shifting towards capital-light business models or diversifying into other sectors. At the same time, the emergence of "Specialized Debt Restructurers" promises to enhance secondary NPL markets by introducing stable buy-side participants.

In the Italian debt servicing sector, following recent consolidations, larger players are positioned to take the lead, facing the dual challenge of expanding their

services across the credit lifecycle and achieving operational excellence through advanced technologies. With lower inflows, investors and servicers should prioritize either extracting value from managed assets or exploring opportunities in new asset classes.

In the first scenario, servicers must adopt strategies to enhance the value of underlying assets, whether through revitalizing businesses or redeveloping real estate properties. In the second, identifying and leveraging emerging asset classes can secure new inflows, diversify revenue streams, and strengthen portfolio resilience—key factors for maintaining competitiveness and maximizing returns. Notably, tax credits have emerged as a significant potential asset class, particularly following the reforms introduced by Legislative Decree 110/24. Among its provisions, the decree mandates the reassignment of uncollected tax credits to original creditor entities, which may delegate their servicing to private entities through public tender processes.

Regulatory pressures, including the implementation of the Secondary Market Directive, may reshape the long tail of debt servicers present in the market. Compliance requirements are increasingly stringent and particularly burdensome for smaller players. This situation could lead to a gradual alignment among various players, not necessarily through aggregations but via alliances and innovative coordination models that preserve the specific expertise and excellence of each player while mitigating regulatory burdens.

As the non-performing loans landscape evolves, industry players face a dual challenge: adapting to shifting market dynamics while seizing opportunities for growth. By embracing innovation, strengthening partnerships, and responding proactively to regulatory shifts, the sector can transform these challenges into sustainable value creation for clients and the broader economy.

Indeed, "The Times They Are A-Changin'," and those who can adapt to these changes will be best positioned to drive growth and innovation in the years ahead.

Contents

Key highlights on the Italian NPE Market	4
Italian banking system overview	28
The Debt Servicing Market	38
Regulatory framework update	48
Appendix: Top 10 banks	54

Cover: Roma, Lazio



Key highlights on the Italian NPE Market

Evolution on NPEs on banking books	6
An update on NPE transactions	12
Stage 2 credits	24



Arezzo, Toscana

Key Message

The stock of Non-Performing Exposures (NPEs) in Italy remains significant. The deleveraging process by banks and the activities of specialized operators

have consistently reduced the overall stock, starting from almost €400bn in 2015 to below €300bn in June 2024. However, the stock of credits under

scrutiny is worth over €470 billion when considering €177 billion of credits classified as stage 2.

The stock of NPEs in Italy is estimated to have reached the peak in 2015 with approx. €400bn in the market.

The process of de-risking that followed the 2015 peak of NPE allowed the banking system to constantly reduce the NPE stock, which reached historical minimum levels in 2023 (€53bn).

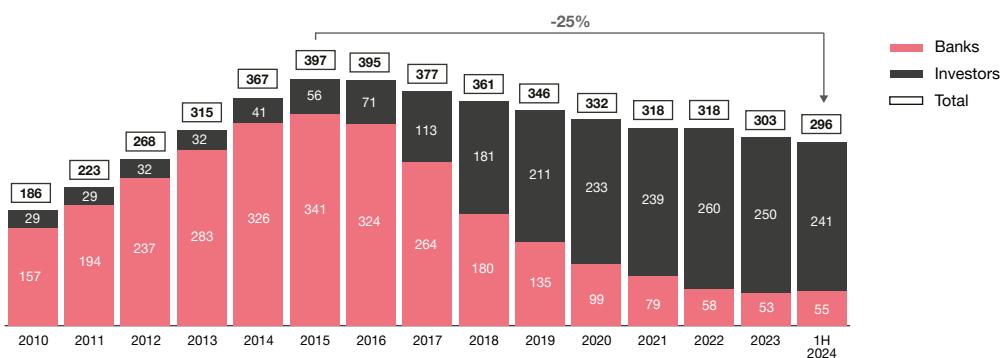
However, NPEs have been actually shifted from banking to investors' books.

The total NPE stock in the market decreased from €397bn in 2015 to €296bn in 2023 (-25% in 8.5 years, vs. -84% of the NPEs on banking books).

In the Italian market, there are still approximately €300bn billion of NPEs that need to be managed and recovered, which could fuel a significant secondary market in the future.

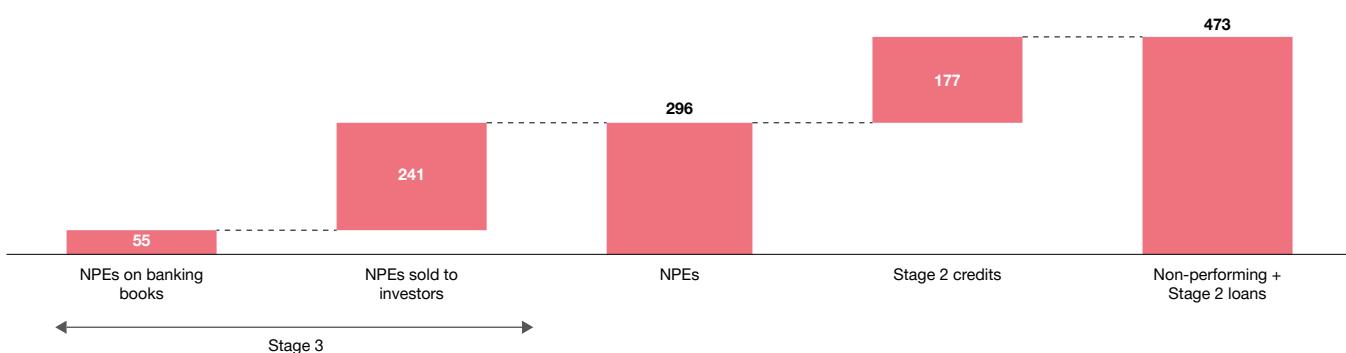
The Stage 2 loans on banking books amount to €177bn as of June 2024, bringing the total value of credits under scrutiny to over €470bn.

Chart 1: NPE trend in the Italian market (GBV, €bn)



Source: PwC analysis/ estimate on Banca d'Italia, public information and market rumours

Chart 2: Stock of NPEs and Stage 2 credits in the Italian system (1H 2024, GBV, €bn)



Source: PwC analysis/ estimate on Banca d'Italia, public information and market rumours.

Evolution on NPEs on banking books

Key Message

NPEs on Italian banking books landed at €54.8bn at the end of June 2024 from €56.0bn at the end of June 2023. UtPs remain the main component (53.8%) of deteriorated loans.

The stock of Bad Loans decreased to €19.6bn from €21.1bn at the end of June 2023, while the Past Due stock slightly increased from €4.4bn to €5.7bn.

Asset Quality

European financial institutions continue to enhance their balance sheets in accordance with the directives outlined by both the European Banking Authority ("EBA") and the European Central Bank ("ECB"), and with the related Calendar Provisioning measures. The objective of those guidelines is to establish robust procedures and systems for assessing, overseeing, and monitoring credit risk, to achieve higher standards of credit quality.

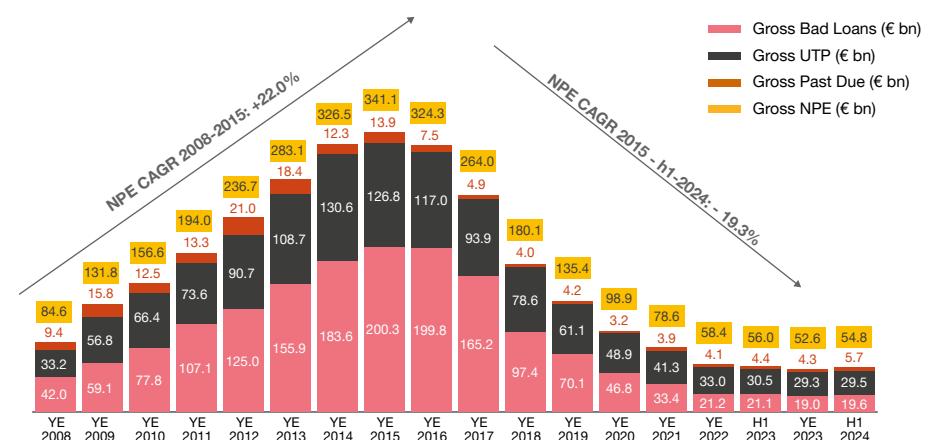
Chart 3 shows the Gross NPE stock evolution in the Italian banking system, with NPE stock continuously decreasing since YE-2015, when the stock reached a peak of 341.1bn. The actual €54.8bn balance at the end of June 2024 confirms the decreasing trend, even if at a slower pace compared to the previous years. The stock reduction between H1-2023 and H1-2024 was driven by a decrease of €1.5bn in Gross Bad Loans and of €1.0bn in Gross UtP. The Gross Past Due stock shows an increase of €1.3bn from the end of June 2023.

Since YE-2020, the Gross UtP stock has always exceeded the Gross Bad Loans stock; not surprisingly the NPE market has been more focused on UtP transactions in recent years.

The new annual inflows to non-performing exposures decreased from €41.6bn in 2015 to €13.1bn in 2020. Over the last three years, the value has stabilized and reached its minimum level (€12.0bn) at the end of 2022.

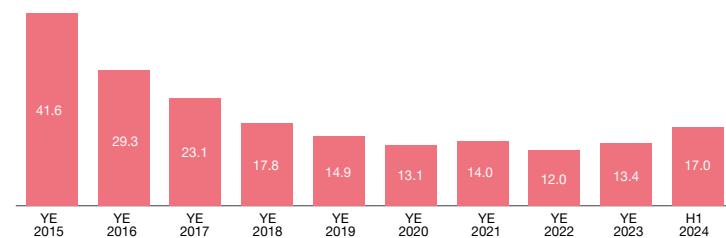
In H1-2024, the inflows of exposures classified as NPE has increased to €17.0bn.

Chart 3: Gross NPE trend



Source: PwC analysis on Banca d'Italia "Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori", September 2024.

Chart 4: New annual inflows to NPE (€bn)



Source: PwC analysis on Bank of Italy data, June 2024.

Focus: Bad Loans

Chart 5a and 5b show the distribution of Gross Bad Loans by region.

In terms of Gross Bad Loans ratio, the highest percentages are recorded in the Islands and the Southern of Italy, mainly in Calabria (2.3%), Sicilia (2.2%), Puglia and Basilicata (2.1%) and Campania (2.2%). The lowest percentages are recorded in Trentino- Alto Adige (0.7%), Lazio (0.7%), Lombardia (0.9%) and Friuli Venezia Giulia (0.9%).

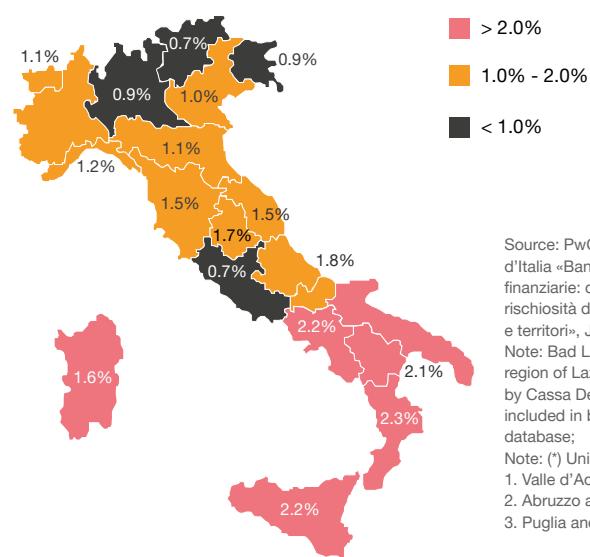
Lombardia and Lazio, because of the high share of the total loans to customer, are the top two Italian regions in terms of incidence of Bad Loans over the total Italian stock at H1-2024 (20.5% and 13.8% respectively). On the other hand, Friuli Venezia Giulia, Trentino-Alto Adige and Umbria show the lowest incidence of Gross Bad Loans over total (they register respectively 1.4%, 1.5% and 1.5%).

As shown in **Chart 6** (next page), the “Corporate & SME” sector is the main component of Italian Gross Bad Loans as of H1- 2024, with a share of 65.0%, followed by “Consumer loans” sector with 25.7%, decreasing from 27.1% in H1-2023, but still significantly higher than the historical average incidence (18.9% from 2008 to 2020).

The percentage of Secured Bad Loans reached its minimum level since YE-2008 at 28.8%.

Chart 7 (next page) shows that more than half of Secured Bad Loans are related to “Corporate & SME” (56.6%), followed by 33.4% of “Retail”.

Chart 5a: Gross Bad Loans ratio by region* (H1-2024)

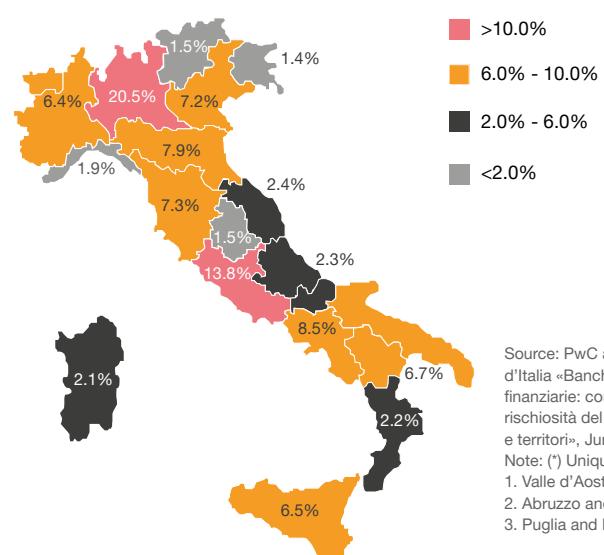


Source: PwC analysis on Banca d'Italia «Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori», June 2024.

Note: Bad Loans ratio in the region of Lazio is influenced by Cassa Depositi e Prestiti, included in bank of Italy database;

Note: (*) Unique percentage for
1. Valle d'Aosta and Piemonte.
2. Abruzzo and Molise.
3. Puglia and Basilicata.

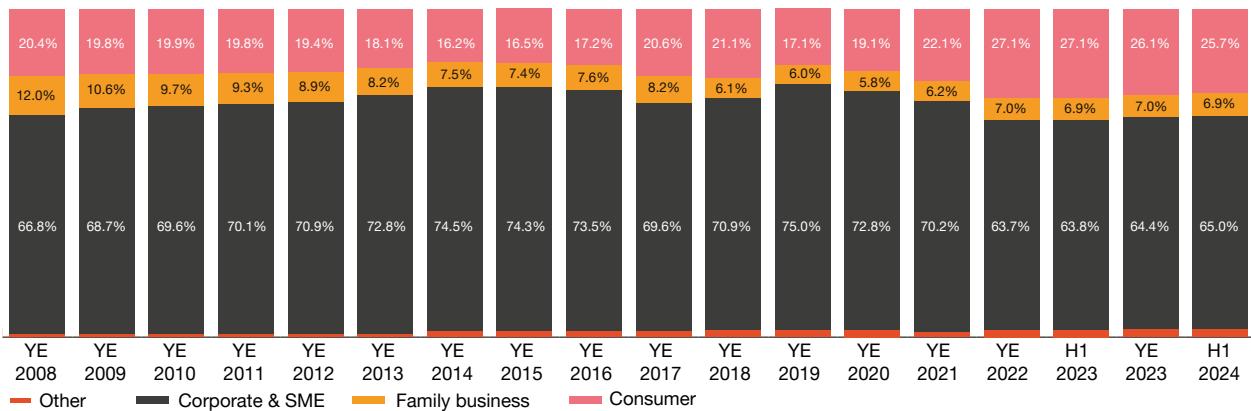
Chart 5b: Breakdown of Gross Bad Loans by region* (H1-2024)



Source: PwC analysis on Banca d'Italia «Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori», June 2024.

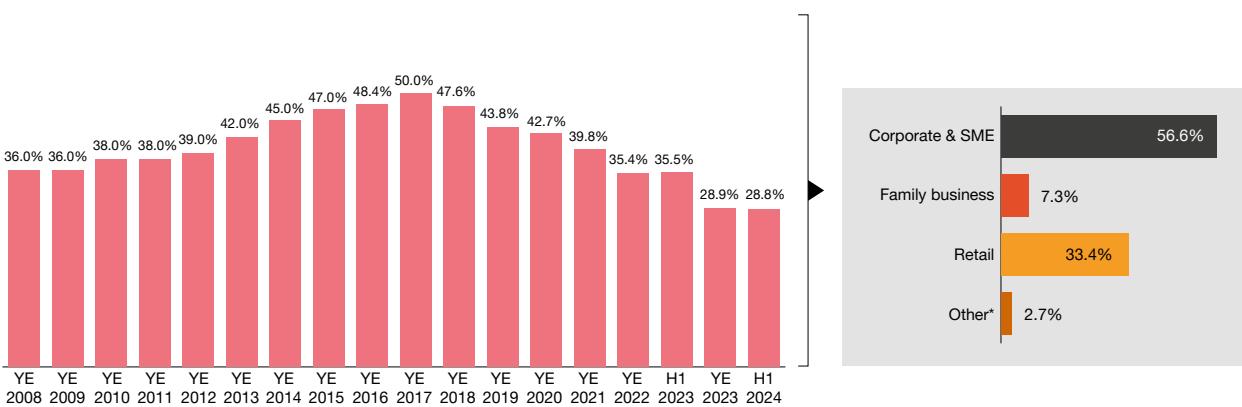
Note: (*) Unique percentage for
1. Valle d'Aosta and Piemonte.
2. Abruzzo and Molise.
3. Puglia and Basilicata.

Chart 6: Breakdown of Gross Bad Loans by counterparty (H1-2024)**



Source: PwC analysis on Banca d'Italia "Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori", September 2024. Note: (**) "Other" includes PA and financial institutions.

Chart 7: Secured Gross Bad Loans trend (% on total Bad Loans) (H1-2024)**



Source: PwC analysis on Banca d'Italia "Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori", September 2024. Note: (*) "Other" includes PA and financial institutions.



Chart 8 shows the breakdown of Gross Bad Loans by economic sector. The largest share of the NPE stock is represented by exposures related to debtors belonging to the Manufacturing sector (35.9%) followed by the Real Estate and Construction sector (together 26.4%). The remaining balance includes Professional Services, Industrial, Wholesale and retail trade, and other aggregate economic sectors.

Chart 9 shows the Gross Bad Loans by ticket size. It can be observed that loans with a ticket size higher than €1.0m (i.e., large-size exposures) represents 42.9% of the total Bad Loans stock. More in detail, 19.2% refers to loans with a ticket size higher than €5.0m, while the remaining 23.7% is divided between size clusters of €1.0-2.5m (14.3%) and €2.5-5.0m (9.4%).

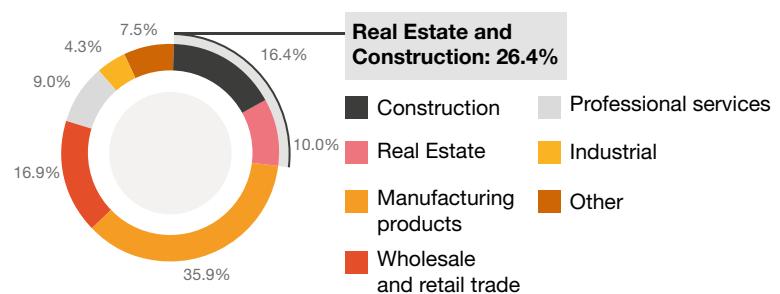
This cluster is followed by the medium- size exposures, which are the €250k-1m cluster (20.2%) and the €75k-250k cluster (19.4%). The remaining proportion is represented by small-size exposures, with a ticket size smaller than €75k, that have an overall share of 17.4%.

Focus: UtP

Charts 10a and 10b (next pages), show that at H1-2024 only in Trentino-Alto Adige the UtP ratio is higher than 2.5% (2.6%).

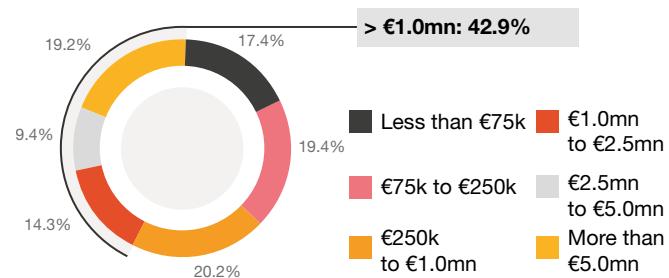
The other regions stand between 1.0% and 2.5%. More in depth, the areas with the lowest UtP ratio are Lazio (1.0%), and Piemonte and Valle d'Aosta (1.4%). In terms of stock breakup, the highest UtP concentration is in Lombardia and Lazio (respectively 24.7% and 13.8% of total), the lowest in Umbria (1.3%).

Chart 8: Breakdown of Gross Bad Loans by economic sector (H1-2024)



Source: PwC analysis on Banca d'Italia «Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori», June 2024.

Chart 9: Breakdown of Gross Bad Loans by ticket size (H1-2024)



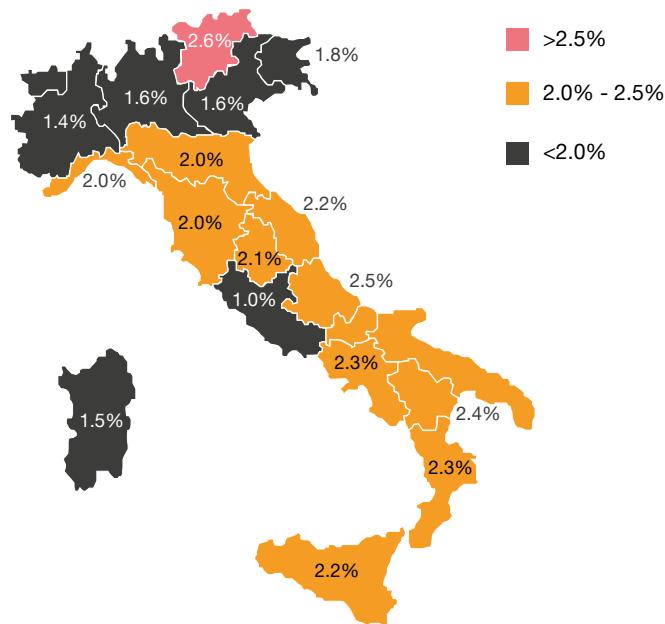
Source: PwC analysis on Banca d'Italia «Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori», June 2024.

...



Marzamemi, Sicilia

Chart 10a: UtP ratio by region* (H1-2024)

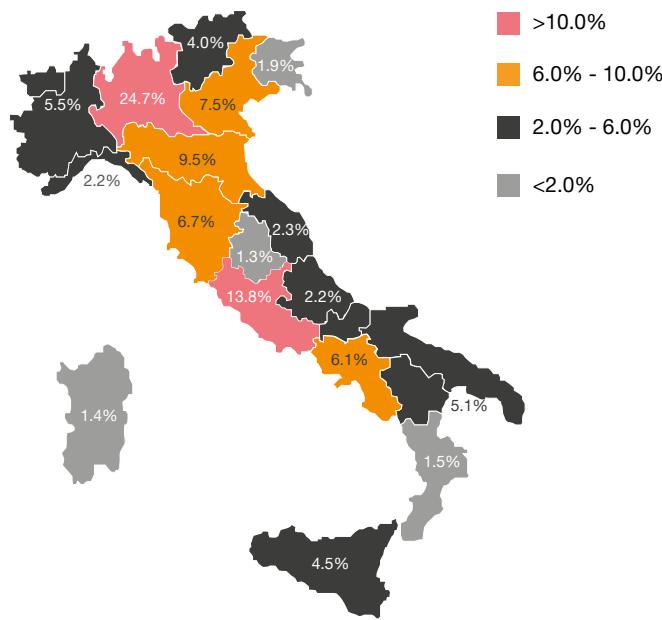


Source: PwC analysis on Banca d'Italia «Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori», June 2024.

Note: (*) UtP ratio in the region of Lazio is influenced by Cassa Depositi e Prestiti, included in bank of Italy database; (**) Unique percentage for
1. Valle d'Aosta and Piemonte.
2. Abruzzo and Molise.
3. Puglia and Basilicata.



Chart 10b: Breakdown of UtP by region* (H1-2024)



Source: PwC analysis on Banca d'Italia «Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori», June 2024.

Note: (*) Unique percentage for
 1. Valle d'Aosta and Piemonte.
 2. Abruzzo and Molise.
 3. Puglia and Basilicata.



An update on NPE transactions

Key Message

In 2024, transactions totaling €7.7bn GBV were completed. Among these, €2.1bn are related to transactions closed on the secondary market. Announced transactions for both Bad

Loans and UtP are expected to add approximately €3.2bn. Overall, 2024 closes with a transacted GBV lower than in 2023 (€20.8bn).

In 2024, the Italian market for non-performing loans recorded a lower number of transactions for a lower GBV. The sold portfolios maintained a stable average size between 2023 and 2024 (€0.3m). The reduction in volumes is likely due to several factors:

On one hand, it is due to the prevailing macroeconomic conditions; on the other hand, it is a consequence of the lower NPE stock in the banking system. Regarding the former, the ECB in the post-COVID era raised interest rates to combat inflation, increasing the cost of financing for investors.

We are currently awaiting a reduction in these rates to stimulate the European economy, which is experiencing slowdowns in several countries.

At the same time, the stock of NPEs in banks' portfolios is relatively low, both in € terms and as a percentage of their loan portfolios (NPE Ratio), with new inflows under control. Banks continue to sell NPE portfolios on the primary market albeit with less urgency than in the past.

In this context, the secondary market, consisting of investors seeking opportunities in portfolios

not owned by banks and financial intermediaries and in single-name credits, comes into play.

In terms of macro asset class, approximately €3.0bn of the closed transactions refer to Bad Loans portfolios, €1.2bn to UtP portfolios, and €3.4bn refers to other transactions with mixed underlying asset classes. The announced transactions for both Bad Loans and UtP loans are expected to add approximately €3.2bn by the end of 2024 and the beginning of 2025.

Key Highlights 2024 transactions

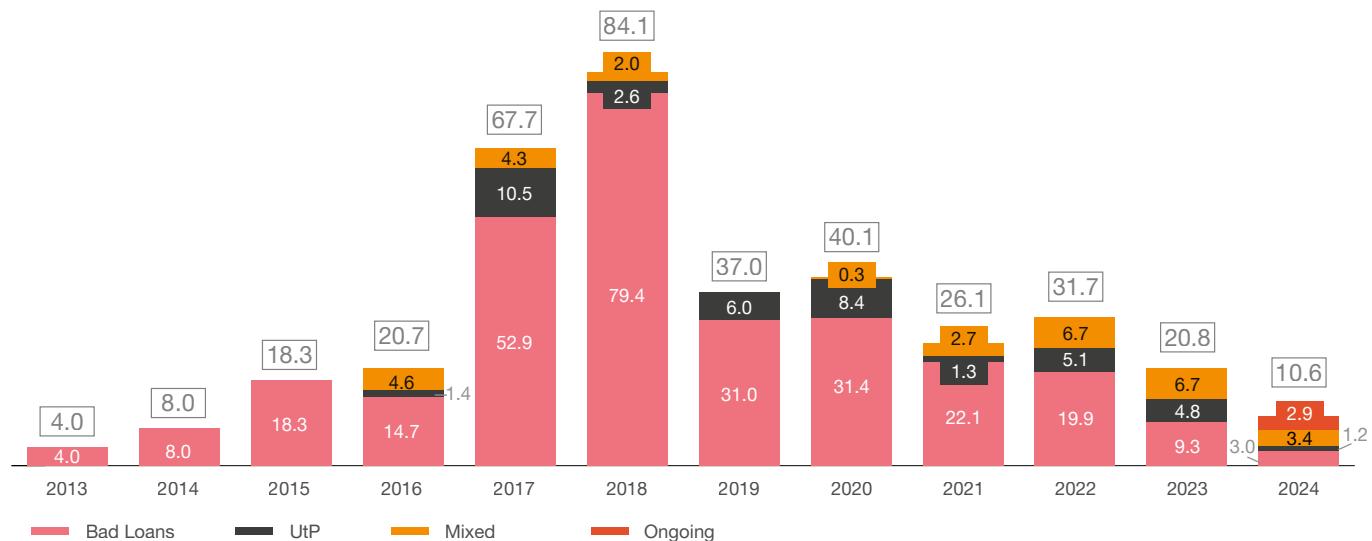
In 2024, a transaction involving credits guaranteed by the State through the Central Guarantee Fund for a GBV of €0.3bn was concluded¹. That was the first transaction of its kind and could open the door to new sales by banks of MCC and SACE-guaranteed NPEs.

Focus on In-kind Contribution Funds

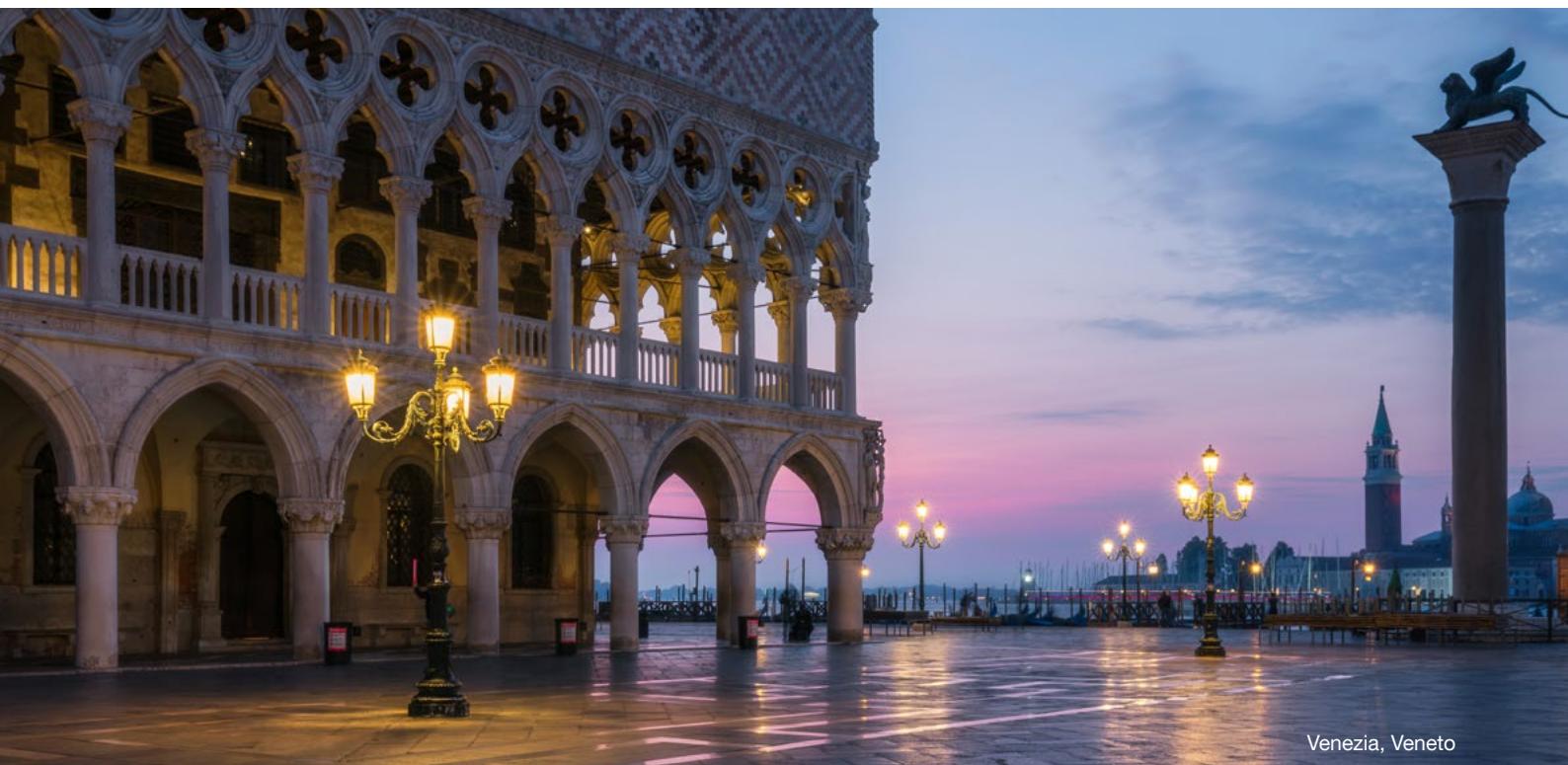
In 2024, the role of In-kind Contribution Funds was confirmed. Indeed, of the €7.7bn of GBV sold, about 21% (€1.6bn) involved contributions to funds. Among these, one of the most active remains Efesto Credit Fund which saw contributions totaling €0.3bn GBV. In total, Efesto Credit Fund reached an AuM of approximately €2.4bn.

1. Source: "Osservatorio Nazionale NPE Market - Credit Village", July 2024.

Chart 11: NPL transactions trend in the Italian market (€bn)



Source: PwC estimates on public information and market rumours.



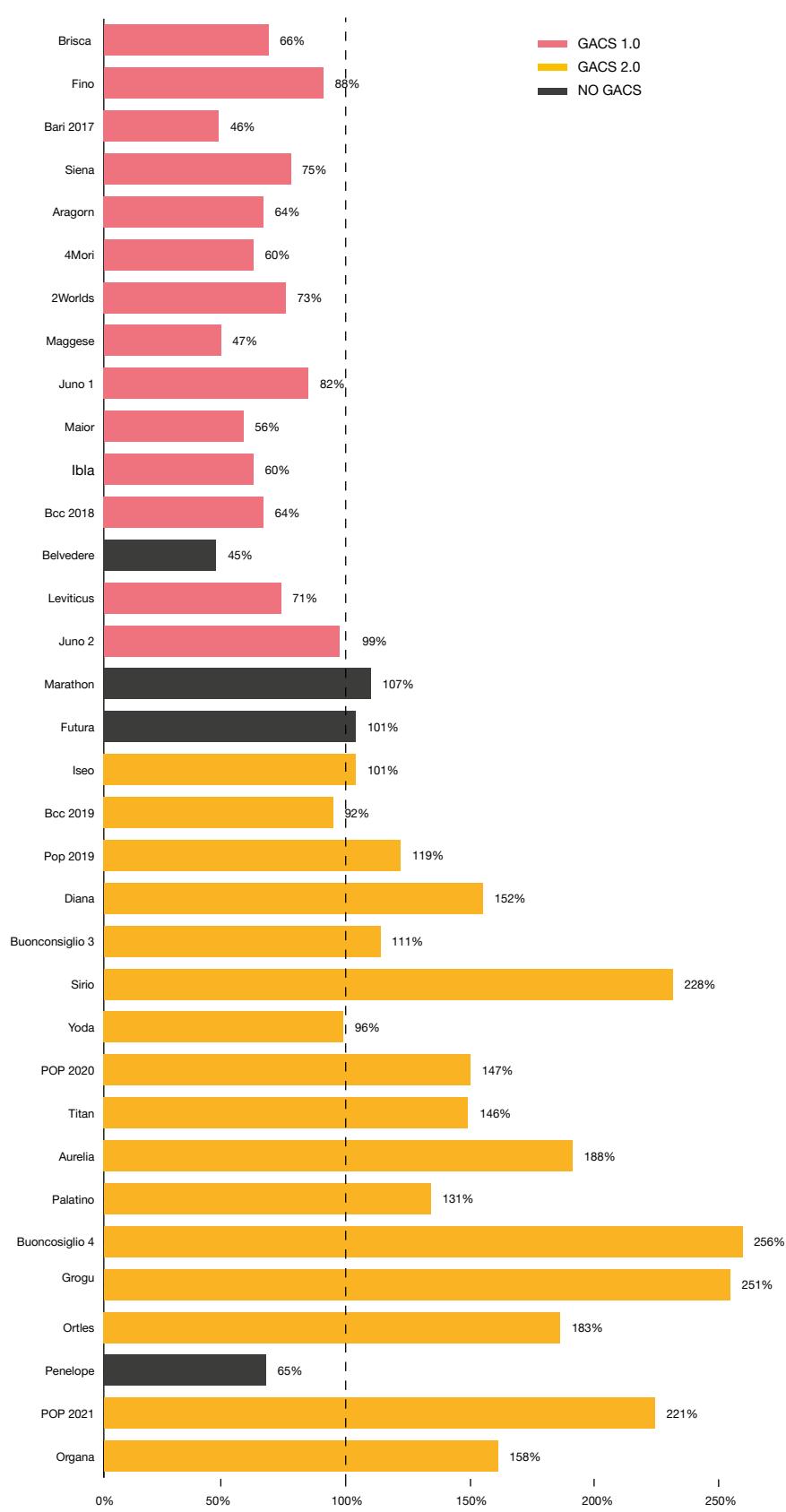
Venezia, Veneto

Focus on GACS performance

According to the DBRS Morningstar assessment published in May 2024, out of the 34 Italian Securitisations rated by the Agency, 18 GACS (Guaranteed Asset- Backed Securities) have recorded performances above or close to their initial business plans. 14 GACS (all issued under GACS 2.0) have recorded overperformance compared to their initial business plans.

From the **chart 12** many GACS 2.0 transactions were outperforming the servicers' initial expectations, except for BCC 2019 at -8% and Yoda at -4%. The best performance was recorded by Buonconsiglio 4, closed in December 2021, followed by Grogu, closed by Intesa Sanpaolo in December 2021. On the other hand, the poorest performance in terms of actual collections versus expected collections was observed in Bari 2017, which was closed in December 2017 by Banca Popolare di Bari, followed by Maggese, closed in July 2018 by Cassa di Risparmio di Asti & di Biella e Vercelli.

Chart 12: Cumulative net collection actual data compared with business plan forecasts



Source: PwC analysis on DBRS Morningstar's report "Italian NPL Securitisations Performance – Q1 2024 Update" - May 2024; transactions sorted by issue date from oldest to most recent.



Napoli, Campania

Main GACS transactions

Table 1 1/2: List of NPE securitisations with GACS since 2016

Main banks involved	SPV	Servicer	Issuing date	GBV (€/bn)	% Secured	Rated Notes (at nominal value)						Buyer
						"Senior (% GBV)"	"Mezzanine (% GBV)"	"Junior (% GBV)"	"Senior* Yield (%)"	Mezzanine* Yield (%)		
Banca Popolare di Bari	Popolare Bari NPLs 2016 S.r.l.	Prelios	Aug-16	0.5	63.4%	26.4%	2.9%	2.1%	3.2%	8.7%		n.a
Carige	Brisca Securitisation S.r.l.	Prelios	Jul-17	0.9	77.2%	28.5%	3.3%	1.3%	3.3%	8.7%		n.a
Creval	Elrond NPL 2017 S.r.l.	Cerved	Jul-17	1.4	73.5%	33.0%	3.0%	1.4%	3.2%	8.7%		n.a
UniCredit	FINO 1 Securitisation S.r.l.	doValue	Nov-17	5.4	52.0%	12.1%	1.3%	0.9%	4.4%	8.1%		n.a
Banca Popolare di Bari	**Popolare Bari NPLs 2017 S.r.l.	Prelios	Dec-17	0.3	56.1%	25.3%	3.2%	4.2%	3.0%	8.7%		n.a
MPS	Siena NPL 2018 S.r.l.	Cerved, Prelios, doValue, Credito Fondiario	Jan-18	24.1	41.6%	12.1%	3.5%	2.3%	4.4%	10.9%		n.a
Creval	Aragorn NPL 2018 S.r.l.	Cerved, Credito Fondiario	Jun-18	1.7	75.4%	30.5%	4.0%	0.6%	1.5%	9.7%	"Banco BPM / Senior Elliott / Mezzanine e Junior"	
BPER	4Mori Sardegna S.r.l.	Prelios	Jun-18	1.0	53.0%	22.2%	1.2%	0.8%	1.4%	10.7%		n.a
Banco Desio e Brianza	2Worlds S.r.l.	Cerved	Jun-18	1.0	71.6%	28.8%	3.0%	0.9%	3.1%	10.7%		n.a
Banco BPM	Red Sea SPV S.r.l.	Prelios	Jul-18	5.1	76.6%	32.5%	3.0%	1.0%	3.3%	8.7%		n.a
ICCREA	BCC NPLs 2018 S.r.l.	Prelios	Jul-18	1.0	72.0%	27.0%	3.0%	1.0%	2.9%	8.7%		n.a
Cassa di Risparmio di Asti	Maggese S.r.l.	Prelios	Jul-18	0.7	63.4%	24.5%	3.5%	1.6%	1.5%	8.7%		n.a
BNL (BNP Paribas)	Juno 1 S.r.l.	Prelios	Jul-18	1.0	30.4%	14.2%	2.7%	0.2%	3.3%	10.7%		n.a
UBI	Maior SPV S.r.l.	Prelios	Aug-18	2.7	46.6%	22.9%	2.2%	1.0%	1.8%	8.7%		n.a
Banca Popolare di Ragusa	Ibla S.r.l.	doValue	Sep-18	0.3	81.8%	24.4%	2.6%	1.0%	3.3%	10.7%		n.a
BPER	Aqui SPV S.r.l.	Prelios	Nov-18	2.1	59.5%	26.2%	3.0%	0.5%	2.0%	9.7%		n.a
Banca Popolare di Bari	POP NPLs 2018 S.r.l.	Cerved	Nov-18	1.6	65.7%	27.0%	3.2%	1.0%	1.8%	8.7%		n.a
Carige	Riviera NPL S.r.l.	Credito Fondiario, doValue	Dec-18	1.0	39.4%	18.2%	3.1%	1.0%	1.0%	9.7%		n.a
ICCREA	BCC NPLs 2018-2 S.r.l.	doValue	Dec-18	2.0	58.4%	23.8%	3.0%	1.0%	1.3%	8.7%		n.a
Banco BPM	Leviticus SPV S.r.l.	Credito Fondiario	Feb-19	7.4	66.9%	19.5%	3.0%	3.4%	2.1%	10.7%		n.a
BNL (BNP Paribas)	Juno 2 SPV S.r.l.	Prelios	Feb-19	1.0	60.7%	21.1%	5.0%	1.3%	3.3%	10.7%	SPF Investment Management	
UniCredit	Prisma SPV S.r.l.	doValue	Oct-19	6.1	64.0%	20.0%	1.3%	0.5%	4.2%	11.7%		n.a
UBI	Iseo SPV S.r.l.	Credito Fondiario, doValue	Dec-19	0.9	92.2%	39.1%	2.9%	1.6%	3.2%	8.7%		Elliott

Table 1 2/2: List of NPE securitisations with GACS since 2016

Main banks involved	SPV	Servicer	Issuing date	GBV (€/ bn)	% Secured	Rated Notes (at nominal value)					
						"Senior (% GBV)"	"Mezzanine (% GBV)"	"Junior (% GBV)"	"Senior" Yield (%)"	Mezzanine* Yield (%)	Buyer
ICCREA	BCC NPLs 2019 S.r.l.	doValue	Dec-19	1.3	65.9%	26.8%	4.0%	1.0%	3.0%	9.2%	n.a
Banca Popolare di Bari	POP NPLs 2019 S.r.l.	Prelios, Fire	Dec-19	0.8	46.9%	20.9%	3.0%	0.6%	3.0%	12.2%	n.a
BPER	Spring SPV S.r.l.	Prelios	Jun-20	1.4	52.5%	23.2%	1.5%	0.2%	3.2%	12.2%	n.a
Banca Popolare di Sondrio	Diana SPV S.r.l.	Prelios	Jun-20	1.0	64.7%	23.5%	3.5%	0.4%	3.2%	11.7%	n.a
ICCREA	BCC NPLs 2020 S.r.l.	doValue	Nov-20	2.3	59.8%	22.2%	1.7%	1.0%	2.9%	10.7%	n.a
UniCredit	Relais SPV S.r.l.	doValue	Dec-20	1.6	86.5%	29.4%	5.7%	0.6%	4.2%	12.2%	n.a
Cassa Centrale	Buonconsiglio 3 S.r.l.	Guber	Dec-20	0.7	65.5%	22.7%	3.1%	0.7%	3.2%	12.2%	n.a
UBI	Sirio NPL S.r.l.	Prelios	Dec-20	1.2	53.7%	23.6%	2.8%	0.8%	3.2%	12.2%	Investitore Istituzionale
Intesa Sanpaolo	Yoda SPV S.r.l.	Intrum	Dec-20	6.0	41.2%	16.7%	3.5%	0.3%	3.4%	12.4%	n.a
Banca Popolare di Bari	POP NPLs 2020 S.r.l.	Credito Fondiario, Fire	Dec-20	0.9	55.9%	26.3%	2.7%	1.1%	3.0%	14.7%	n.a
Alba Leasing	Titan SPV S.r.l.	Prelios	Dec-20	0.3	87.7%	27.0%	4.5%	3.0%	3.2%	10.7%	n.a
BPER	Summer SPV S.r.l.	Fire	Dec-20	0.3	44.4%	26.5%	3.1%	0.3%	3.2%	14.7%	Investitori istituzionali
Banco BPM	Aurelia SPV S.r.l.	Credito Fondiario	Jun-21	1.5	50.3%	22.6%	2.6%	0.8%	3.2%	10.7%	Investitori istituzionali
UniCredit	Olympia SPV S.r.l.	Italfondiario, doValue	Nov-21	2.2	35.0%	12.0%	1.2%	0.1%	4.2%	12.2%	Italian Recovery Fund
Iccrea	BCC NPLs 2021	doValue	Nov-21	1.3	63.5%	21.6%	3.0%	1.0%	3.0%	10.7%	n.a
Intesa Sanpaolo/BPER	Grogu SPV S.r.l.	Intrum, Prelios	Dec-21	3.1	51.0%	15.0%	1.2%	0.1%	3.7%	12.4%	Fortress
Cassa Centrale	Buonconsiglio 4 S.r.l.	Prelios	Dec-21	0.6	54.1%	20.3%	2.9%	1.0%	3.1%	17.7%	Waterfall Asset Management
Banca Popolare di Sondrio	Luzzatti POP NPLs 2021 Srl	doValue	Dec-21	0.8	53.7%	24.2%	3.2%	1.3%	n.a.	n.a.	n.a
Credit Agricole Italia	Ortles 21 S.r.l.	doValue, Cerved, Italfondiario	Dec-21	1.8	44.7%	18.5%	2.2%	0.8%	3.0%	12.2%	n.a
ICCREA	BCC NPLS 2022 S.r.l.	doValue	May-22	0.6	n.a.	22.0%	3.0%	1.0%	3.2%	12.2%	n.a
Intesa Sanpaolo	Organa SPV S.r.l.	Intrum	May-22	8.5	28.8%	11.4%	1.5%	0.2%	3.4%	12.4%	CRC & Bayview
UniCredit	Itaca SPV S.r.l.	doValue	Jun-22	1.1	29.0%	11.1%	2.1%	0.5%	3.7%	12.2%	CRC
Total				108.6							
Weighted average					52.9%	19.1%	2.8%	1.3%	3.4%	10.9%	

Source: DBRS Morningstar's report and other Rating Agencies' reports.

Note: (*) Annual yield of notes has been calculated as interbank rate as of December 2024 plus applicable spread and considering caps when applicable to variable rates.

Table 2.1: Main closed transactions as of December 2024

Date	Seller	Volume (€m)	NPE category	Macro asset class	Buyer	Primary / Secondary market
Transactions closed in 2024						
2024 Q4	Barclays	639	Bad loans & UtP	Mixed secured / unsecured	Bayview & SPF	Primary
2024 Q4	Confidential	150	Bad loans	n.a.	Confidential	Primary
2024 Q3	Various sellers	1,300	Bad loans & UtP	Mixed secured / unsecured	Hoist Finance	Primary
2024 Q3	Banco BPM	360	Bad loans & UtP	Secured	Confidential	Primary
2024 Q3	Confidential	244	n.a.	Unsecured	Kruk	Secondary
2024 Q3	Confidential	350	Bad Loans	Mixed secured / unsecured	Cerberus & Intrum	Primary
2024 Q3	Confidential	220	UtP	n.a.	Keystone Fund	Primary
2024 Q3	Various sellers	300	UtP	Mixed secured / unsecured	UTP Restructuring Corporate Fund	Primary
2024 Q3	Confidential	300	Bad Loans	Unsecured	ISCC Fintech	Secondary
2024 Q2	Pinkerton SPV	244	Bad Loans	Mixed secured / unsecured	Kruk	Secondary
2024 Q2	Hoist Finance	840	Bad loans	Unsecured	Cherry Bank	Secondary
2024 Q2	Hoist Finance	430	Bad loans	Unsecured	Sorec	Secondary
2024 Q2	Various sellers	300	UtP	MCC	Efesto Credit Fund	Primary
2024 Q2	Various sellers	300	UtP	n.a.	Persefone Fund	Primary
2024 Q2	Unicredit	460	n.a.	Unsecured	Kruk	Primary
2024 Q2	Confidential	140	Bad loans & UtP	Secured	Confidential	Primary
2024 Q1	Iccrea	300	Bad loans	n.a.	Confidential	Primary
2024 Q1	Confidential	250	Bad loans	Unsecured	Confidential	Primary
2024 Q1	Unicredit	212	n.a.	Unsecured	Kruk	Primary
Other transactions with deal value < €100m		375				
Total (2024)		7,714				

Source: PwC estimates on public information and market rumours of primary and secondary market. Data refer to transactions closed from January 2024 to December 2024. Some transactions involved groups of different investors; the volumes of these transactions have been allocated to each player, when possible. Otherwise, they have been assigned to the main investor. In case of securitization transactions, the total volume has been allocated to the main buyer, without taking into account eventual notes subscribed by the banks themselves and/ or third parties (e.g. senior). Source: PwC estimates on public information and market rumours.

Table 2.2: Main closed transactions as of December 2023

Date	Seller	Volume (€m)	NPE category	Macro asset class	Buyer	Primary / Secondary market
Transactions closed in 2023						
2023 Q4	Confidential	2,210	Mixed secured / unsecured	Bad loans	Cherry Bank	Mixed Primary / Secondary
2023 Q4	UniCredit & illimity	2,000	Mixed secured / unsecured	UtP	Olympus Fund 1 SPV and Olympus Fund 2 SPV	Primary
2023 Q4	Intesa Sanpaolo	1,320	Mixed secured / unsecured	Bad Loans	Andor spv srl	Primary
2023 Q4	Confidential	864	Mainly Unsecured	Bad loans	Cherry Bank	Secondary
2023 Q4	Banco BPM	700	Secured	UtP	Esino Securitisation S.r.l.	Primary
2023 Q4	Cassa Rurale ed Artigiana di Cantù, illimity, Banca Pop. Sondrio	450	Secured	UtP	iREC Fund	Primary
2023 Q4	Banche Popolari (L. Luzzatti)	313	Mixed secured / unsecured	Bad loans	Luzzatti POP NPLS 2023 srl	Primary
2023 Q4	Deutsche Bank	280	Unsecured	n.a.	Kruk Italia	Primary
2023 Q4	IFIS NPL Investing S.p.A.	250	Unsecured	n.a.	SPV Project 2301 S.r.l.	Secondary
2023 Q4	Pool of Italian banks	200	Secured	UtP	Keystone Fund	Primary
2023 Q4	MyCredit	190	Secured	Bad loans	Brenta SPV	Secondary
2023 Q4	Iccrea	145	Secured	Bad Loans	Confidential	Primary
2023 Q4	Nebula SPE S.r.l.	140	Unsecured	n.a.	Marte SPV S.r.l.	Secondary
2023 Q4	Credit Factor S.p.A.	121	Mixed Secured/Unsecured	n.a.	Marte SPV S.r.l.	Secondary
2023 Q3	Veld Capital	2,000	Unsecured	Bad Loans	Credit Factor S.p.A.	Secondary
2023 Q3	Various sellers	570	Secured	Bad loans & UtP	Confidential	Primary
2023 Q3	Next Generation Collection	450	n.a.	Bad Loans	SPV Project 2301 S.r.l.	Primary
2023 Q3	Banca Ifis and Investing SPA	450	Unsecured	Bad loans & UtP	SPV Project 2312 S.r.l.	Primary
2023 Q3	IFIS NPL Investing S.p.A.	450	Unsecured	Bad Loans	SPV Project 2301 S.r.l.	Secondary
2023 Q3	UniCredit	271	Mixed secured / unsecured	Bad loans & UtP	Back2Bonis Fund	Primary
2023 Q3	Banco di Sardegna	185	n.a.	Bad loans & UtP	Gaia SPV	Primary
2023 Q3	Confidential	144	Unsecured	Bad Loans	Credit Factor S.p.A.	Secondary
2023 Q3	Banco BPM	115	n.a.	n.a.	Confidential	Primary
2023 Q3	Confidential	100	Unsecured	Bad Loans	Sorec	Secondary
2023 Q2	Acerospv/Elipso Finance S.r.l.	1,376	"Mixed secured / unsecured"	n.a.	Credit Factor S.p.A.	Secondary
2023 Q2	Confidential	500	Mixed secured / unsecured	Bad loans & UtP	Confidential	Primary
2023 Q2	BP PER	470	n.a.	UtP	Elliot	Primary
2023 Q2	BP PER	430	n.a.	UtP	AMCO	Primary
2023 Q2	Iccrea and Others	415	n.a.	UtP	UTP Italia	Primary
2023 Q2	BNL	360	Unsecured	Bad Loans	IBL-CF SPV S.r.l.	Primary
2023 Q2	Confidential	360	"Mixed secured / unsecured"	Bad Loans	Credit Factor S.p.A.	Primary
2023 Q2	Confidential	350	n.a.	n.a.	Europa Investimenti	Primary
2023 Q2	BNL	213	Unsecured	n.a.	Marte SPV S.r.l.	Primary
2023 Q2	Intesa Sanpaolo	100	Secured	n.a.	ACO SPV S.r.l.	Primary
2023 Q2	Italo Sicav	100	Unsecured	n.a.	Hoist Finance	Secondary
2023 Q1	Confidential	400	n.a.	n.a.	Efesto Credit Fund	Primary
2023 Q1	Iccrea	390	Mainly Secured	Bad loans & UtP	AMCO	Primary
2023 Q1	Various sellers	200	n.a.	n.a.	Creditchange	Secondary
2023 Q1	Iccrea	105	Mainly Secured	Bad loans & UtP	UTP Italia	Primary
Other transactions with deal value < €100m		1,141				
Total (2023)		20,828				

Source: PwC estimates on public information and market rumours of primary and secondary market. Data refer to transactions closed from January 2023 to December 2023. Some transactions involved groups of different investors; the volumes of these transactions have been allocated to each player, when possible. Otherwise, they have been assigned to the main investor. In case of securitization transactions, the total volume has been allocated to the main buyer, without taking into account eventual notes subscribed by the banks themselves and/or third parties (e.g. senior). Source: PwC estimates on public information and market rumours.

Table 2.3: Main closed transactions as of December 2022

Date	Seller	Volume (€m)	NPE category	Macro asset class	Buyer	Primary / Secondary market
Transactions closed in 2022						
2022 Q4	Banche Popolari (L. Luzzatti)	545	Bad Loans	"Mixed secured / unsecured"	Luzzatti POP NPLS 2022 srl	Primary
2022 Q4	Intesa Sanpaolo	570	Bad Loans	Mainly Unsecured	Intrum	Primary
2022 Q4	Deutsche Bank Mutui	297	Bad loans & UtP	Secured	Italian Npl Opportunities Fund, Banca Finint	Primary
2022 Q4	Confidential	160	n.a.	n.a.	Sagitta sgr	Primary
2022 Q4	Pool of banks	143	UtP	Mainly Secured	Keystone	Primary
2022 Q4	BBPM, Credite Agricole; Banco Desio & Banco di Sardegna	600	UtP	n.a.	Finint Investments SGR	Primary
2022 Q3	BPER	1,500	Bad Loans	Mixed secured / unsecured	Gardant	Primary
2022 Q3	UnipolReC	2,600	Bad Loans	Mixed secured / unsecured	Amco	Primary
2022 Q3	Monte dei Paschi di Siena	208	Bad Loans	Secured	Amco	Primary
2022 Q3	Monte dei Paschi di Siena	366	Bad Loans	Unsecured	Intrum	Primary
2022 Q3	Monte dei Paschi di Siena	344	UtP	n.a.	Illimity	Primary
2022 Q2	UniCredit	1,300	Bad Loans	Unsecured	illimity	Primary
2022 Q2	Intesa Sanpaolo	120	UtP	n.a.	AMCO	Primary
2022 Q2	Intesa Sanpaolo	1,400	Bad Loans	Secured	AMCO	Primary
2022 Q2	Intesa Sanpaolo	1,800	UtP	n.a.	CRC	Primary
2022 Q2	UniCredit	1,900	UtP	Mixed secured / unsecured	CRC	Primary
2022 Q2	Illimity, Aporti S.r.l., Doria SPV S.r.l.	500	n.a.	n.a.	Illimity, Other	Secondary
2022 Q2	Various sellers	724	n.a.	n.a.	Ifis Npl Investing	Primary/Secondary
2022 Q2	MBCredit Solutions	676	Bad Loans	Unsecured	Ifis Npl Investing	Secondary
2022 Q2	Guber	126	UtP	n.a.	Arrow Global	Primary
2022 Q2	UniCredit	1,129	NPE	Mixed secured / unsecured	ITACA SPV SrL	Primary
2022 Q2	Iccrea	650	Bad Loans	n.a.	BBC NPLs 2022	Primary
2022 Q2	Intesa Sanpaolo	8,500	Bad Loans	Mixed secured / unsecured	CRC and Bayview	Primary
2022 Q2	Illimity	475	Bad Loans	Mixed secured / unsecured	Confidential	Secondary
2022 Q2	Banco BPM	700	Bad loans & UtP	Mixed secured / unsecured	Gardant	Primary
2022 Q1	Confidential	600	Bad Loans	Unsecured	Sorec	Secondary
2022 Q1	Società gestione crediti Delta (SGCD)	134	Bad Loans	n.a.	Cassa di Risparmio della repubblica di San Marino	Primary
2022 Q1	Arrow Global	1,000	Bad loans & UtP	Mainly Unsecured	Exacta, Banco Azzoaglio	Secondary
2022 Q1	Apollo Global Management	1,800	n.a.	n.a.	illimity	Secondary
2022 Q1	UniCredit	222	Bad loans & UtP	Mixed secured / unsecured	Kruk Italia	Primary
2022 Q1	Banco Desio, BPER Banca, Banca del Fucino e Cassa di Risparmio di Volterra	127	n.a.	Mixed secured / unsecured	Keystone	Primary
Other transactions with deal value < €100m		494				
Total (2022)		31,709				

Source: PwC estimates on public information and market rumours of primary and secondary market. Data refer to transaction from January 2022 to December 2022. Some transactions involved groups of different investors; the volumes of these transactions have been allocated to each player, when possible. Otherwise, they have been assigned to the main investor. In case of securitization transactions, the total volume has been allocated to the main buyer, without taking into account eventual notes subscribed by the banks themselves and/or third parties (e.g. senior).



Recanati, Marche

Table 3: Main announced NPE transactions as of December 2024

Status	Seller	Volume (€m)	NPE category	Macro asset class	Primary / Secondary market
Ongoing	AMCO	500.0	UtP / Bad Loans	Mixed	Secondary
Ongoing	BPER	60.0	UtP / Bad Loans	Mixed	Primary
Ongoing	ICCREA	n.a.	Bad Loans	Leasing	Primary
Ongoing	Confidential	n.a.	n.a.	n.a.	Primary
Ongoing	Algebris	100.0	n.a.	Loans	Secondary
Ongoing	Monte dei Paschi di Siena	300.0	UtP / Bad Loans	Loans	Primary
Ongoing	Confidential	148.0	n.a.	Mixed	Primary
Ongoing	ICCREA	100.0	n.a.	n.a.	Primary
Ongoing	BNL	500.0	Bad Loans	Leasing	Primary
Ongoing	BBPM	500.0	Bad Loans	Loans	Primary
Ongoing	ICCREA	300.0	n.a.	n.a.	Primary
Ongoing	Gardant	400.0	n.a.	n.a.	Secondary
Pipeline	illimity	300.0	n.a.	Loans	Secondary
Total		3,208			

Source: PwC estimates on public information and market rumours of primary and secondary market. Data refer to announced transactions as of December 2024. Some transactions involved groups of different investors; the volumes of these transactions have been allocated to each player, when possible. Otherwise, they have been assigned to the main investor. In case of securitization transactions, the total volume has been allocated to the main buyer, without taking into account eventual notes subscribed by the banks themselves and/or third parties (e.g. senior).

Source: PwC estimates on public information and market rumours.



Genova, Liguria

Table 4: Table of the main In-kind Contribution Funds

SGR	Fund Name	Servicer	GBV conferred (€m)	Date GBV	Inception Date	Main Distressed Type	Recent transactions of conferred receivables	
							Date	GBV (€m)
Krylos	Keystone Fund	n.a.	770.00	Q4 2024	1Q 2022	UtP	Q4 2022	220
Prelios	Back2Bonis	Prelios	2,500.00	Q3 2023	3Q 2019	UtP	Q3 2023	295
Finint Investments	Efesto Credit Fund	doValue	2,400.00	Q4 2024	4Q 2020	NPL, UTP e Leasing	Q4 2024	300
Sagitta	UTP Italia	Intrum	700.00	Q2 2023	3Q 2021	UtP Granulari Corporate	Q2 2023	520
Illimity	Illimity Credit Corporate Turnaround	ARECneprix	350.00	Q4 2021	1Q 2021	UtP Corporate	n.a.	n.a.
Illimity	illimity Real Estate Credit (iREC)	ARECneprix	270.00	Q1 2023	3Q 2022	UtP e Leasing Corporate	Q1 2023	95
Castello	Fondo Raiffeisen	n.a.	17.00	Q4 2022	n.a.	n.a.	n.a.	n.a.
Castello	Fondo Masaccio	n.a.	121.00	Q4 2022	n.a.	NPL, UTP	n.a.	n.a.
Castello	Fondo Perugino	n.a.	129.00	Q4 2022	n.a.	n.a.	n.a.	n.a.
Castello	Fondo Canova	n.a.	367.20	Q4 2023	n.a.	NPL, UTP	n.a.	n.a.
DeA Capital	Idea CCR comparto Shipping	n.a.	264.30	Q3 2022	n.a.	n.a.	n.a.	n.a.
DeA Capital	Idea CCR comparto crediti	n.a.	450.00	Q4 2021	n.a.	n.a.	n.a.	n.a.
Finint Investments	Olympus Fund 1 & 2	ARECneprix	2,000.00	Q4 2023	Q4 2023	"UtP e Leasing Corporate, Asset RE"	n.a.	n.a.
Prelios	Eleuteria	Prelios	70.00	Q1 2022		UtP PMI/Corporate	n.a.	n.a.
P&G	Persefone	Fire	300.00	Q1 2024		Retail & Sme	n.a.	n.a.

Source: PwC analysis on public data

Note: GBV is related to the entire Fund and not just to the credit contributions to the Fund.



Stage 2 credits

Key Message

The stock of Stage 2 loans on the bank books amounts to €212 billion at the end of December 2023, 7% lower compared to the previous year-end figure (€227 billion). The portfolio

is primarily composed of medium to small-sized positions, thus requiring a management approach that is as industrialized as possible and based on insightful data analysis.

Stage 2 perspective in Europe

Share of loans showing significant increase in credit risk (stage 2 loans) fell to 9.45% (from 9.73% at the end of 2023). The stage 2 ratio decreased to 13.57% for loans to Non-financial corporations and 8.80% for loans to households (from 13.73% and 8.89% respectively at the end of 2023).

Stage 2 loans include assets that have seen a significant increase in credit risk since initial recognition.

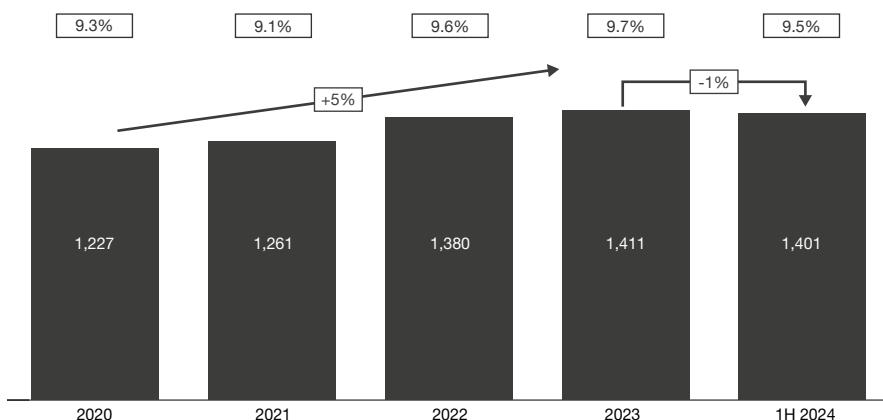
The stock of stage 2 loans on European Significant banks' books amounted to €1,401 billion at 1H2024 (compared to €1,411 billion at the end of 2023).

The level of Stage 2 exposures is still high throughout all European countries and reflects the different classification and management approaches adopted.

In particular, France shows the highest levels of Stage 2 stocks in absolute

Chart 13: Stage 2 stock evolution at European level (FY20 – 1H24)
Significant banks only

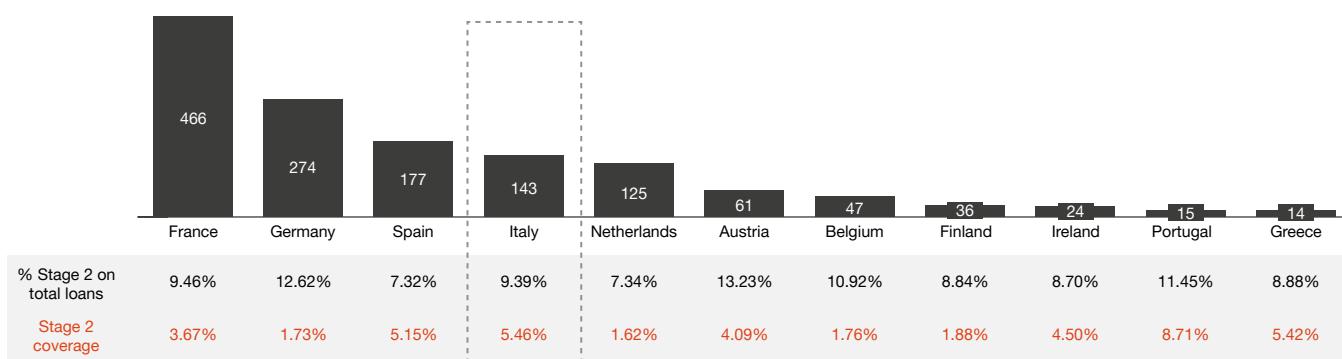
Share of total loans and advances subject to impairment review



value with €466 billion (increasing also in the last half of 2024), representing 9.46% of the total loans exposure subject to impairment review. Germany follows France with € 274 bn (+14% vs. Dec23).

Austria has still the highest incidence of Stage 2 on total loans (above 13%).

Chart 14: Stage 2 stock per country – Significant banks only (1H24, data in €/bn)



Source: ECB – European Banking Statistics data on Significant Institutions (Second Quarter 2024)



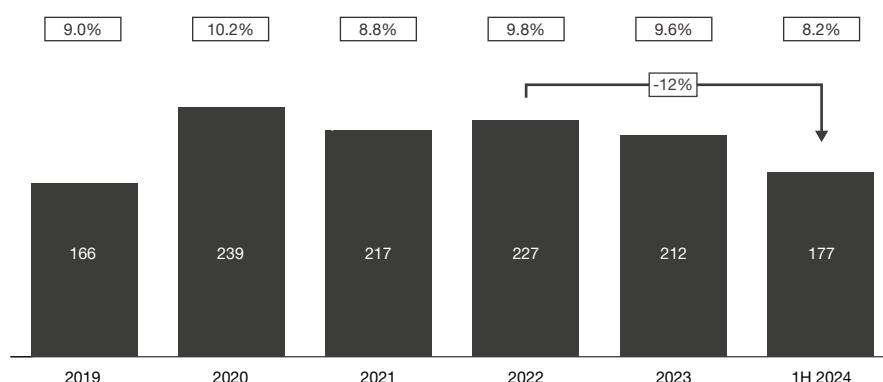
Stage 2 loans in Italy

Since December 2023, the amount of loans classified under Stage 2 of IFRS 9 has decreased. As a proportion of total performing loans, the percentage has dropped by approximately 1.4 percentage

points to 8.2 percent, a level lower than that observed before the onset of the pandemic (9.0 percent in December 2019). The share of Stage 2 loans is higher for less significant banks compared to significant ones.

Chart 15: Stage 2 stock of Italian banks (data in €/bn)

Share of total loans and advances

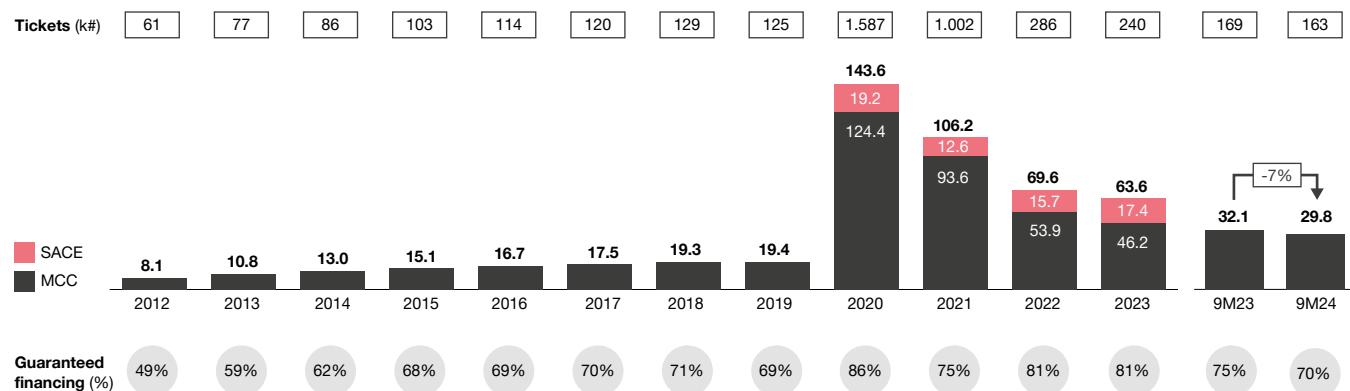


Focus on Guaranteed Lending

In the first nine months of 2024 amounts €29.8 billion in loans were disbursed with public guarantees (including only MCC), reflecting a 7.3% decrease compared to the previous year (€32.1 billion in 2023). The guaranteed amount

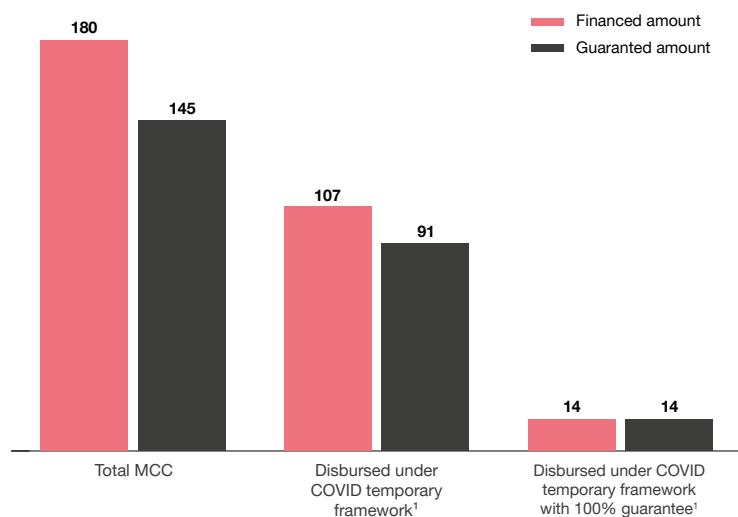
stands at €20.8 billion, marking a 14.1% reduction from 2023 (€24.2 billion). This decline aligns with the updated regulations effective from January 2024, which reduced the average coverage percentages compared to 2023.

Chart 16: Financed amount yearly evolution (€bn, 2012- 2023; 1H2023-1H2024)



Source: MCC balance sheets 2013-2014; FdG – “Reports 2015-2024”; FdG web page; SACE balance sheets 2020-2023, DEF 2024 (MEF). Audizione preliminare all'esame del DEF 2024 (Bankit).

Chart 17: Stock of MCC guaranteed lending (€bn, May 2024)



Source: Il Sole 24 Ore (5 July 2024)

¹ Disbursed during the period April 2020 and June 2022

Focus on loans disbursed under COVID temporary framework

The guarantees provided by the SME Fund under the COVID Temporary Framework have decreased to €91 billion by the end of May 2024, down from the €107 billion in loans originally disbursed. At their peak, between spring 2020 and June 2022, these guaranteed loans totaled €253 billion, with €200 billion covered by guarantees.

Since the introduction of these liquidity measures over three years ago, the total guaranteed amount has more than halved. The average remaining term for existing loans is now three and a half years, compared to an initial six-year duration.

Guarantee enforcements by banks, triggered by debtor defaults, have reached €3.3 billion (1.65% of the initial total). For loans of €30,000, enforcements stand at €600 million, indicating a deterioration rate of approximately 2.6%, based on a peak loan stock of €23 billion.

Source: Il Sole 24 Ore (5 July 2024)

Chart 18: Evolution of the stock of MCC guaranteed amount and cumulated enforcements (€bn)

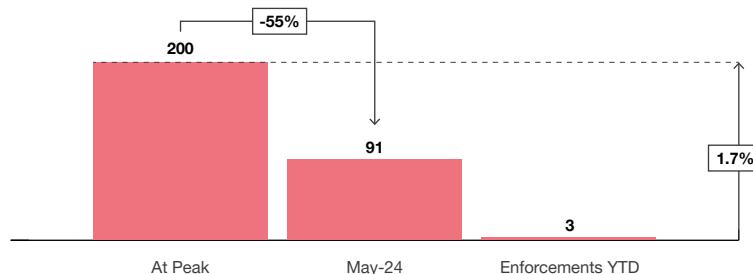
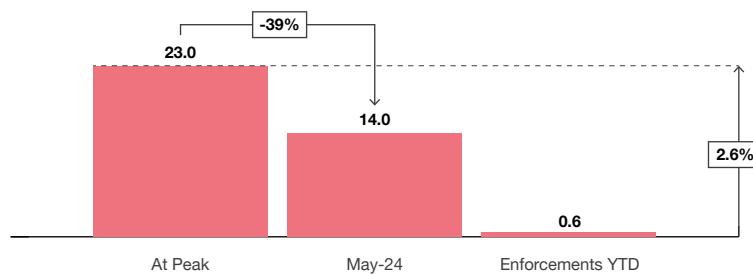


Chart 19: Loans with 100% guarantee ONLY



Vercelli, Piemonte

Italian banking system overview

Top 10 banks results	29
A look through the new ESG Reporting framework	36



Siracusa, Sicilia

Key Message

The Top 10 Italian banks have been continuing to deleverage their balance sheet also in the first half of 2024, even if at a lower pace than in the past years as the stock of non-performing

exposure is stabilizing at a low level. The average of the banks' NPE ratio has been constantly decreasing from year to year, landing to 3.2% at H1-2024.

BPER announced its new industrial plan, setting the gross NPE ratio targets for YE-2027 at 2.8%, while the others left their existing targets plans unchanged.

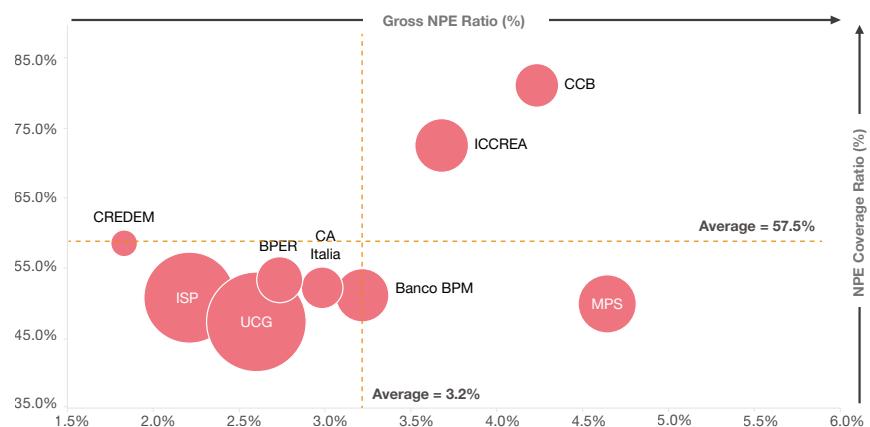
This report covers the following top 10 Italian banks:

- Intesa Sanpaolo ("ISP")
- UniCredit ("UCG")
- Banco BPM ("BBPM")
- BPER Banca ("BPER")
- Credito Emiliano ("CREDEM")
- Banca Monte dei Paschi di Siena ("MPS")
- Crédit Agricole Italia ("CA ITALIA")
- Banca Nazionale del Lavoro ("BNL")
- Iccrea Banca ("ICCREA")
- Cassa Centrale Banca ("CCB")

Chart 19 shows the relationship between Gross NPE ratio and NPE Coverage ratio for the Top 10 Italian banks. Comparing H1-2024 to H1-2023, the average Gross NPE ratio decreased from 3.3% to €3.2%, while the NPE coverage ratio decreased from 58.2% to 57.5%.

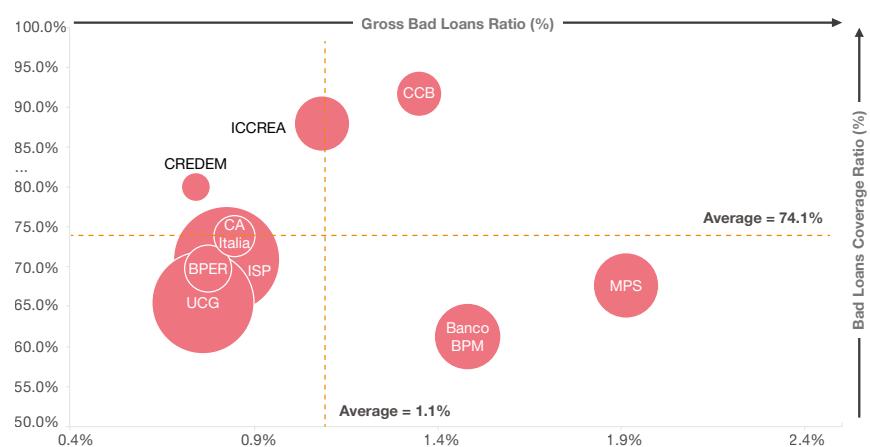
Chart 20 represents the relationship between Gross Bad Loans ratio and Bad Loans Coverage ratio, and their average stands at 1.1% and 74.1% respectively. MPS has the highest Gross Bad Loans ratio at 1.9% and UCG the lowest at 0.7%. CCB has the highest value of Bad Loans Coverage Ratio at 91.5% and BBPM has the lowest value at 61.1%.

Chart 19: Top 10 Italian banks – NPE Peer Analysis as of H1-2024 (Bubble size: Gross NPE)

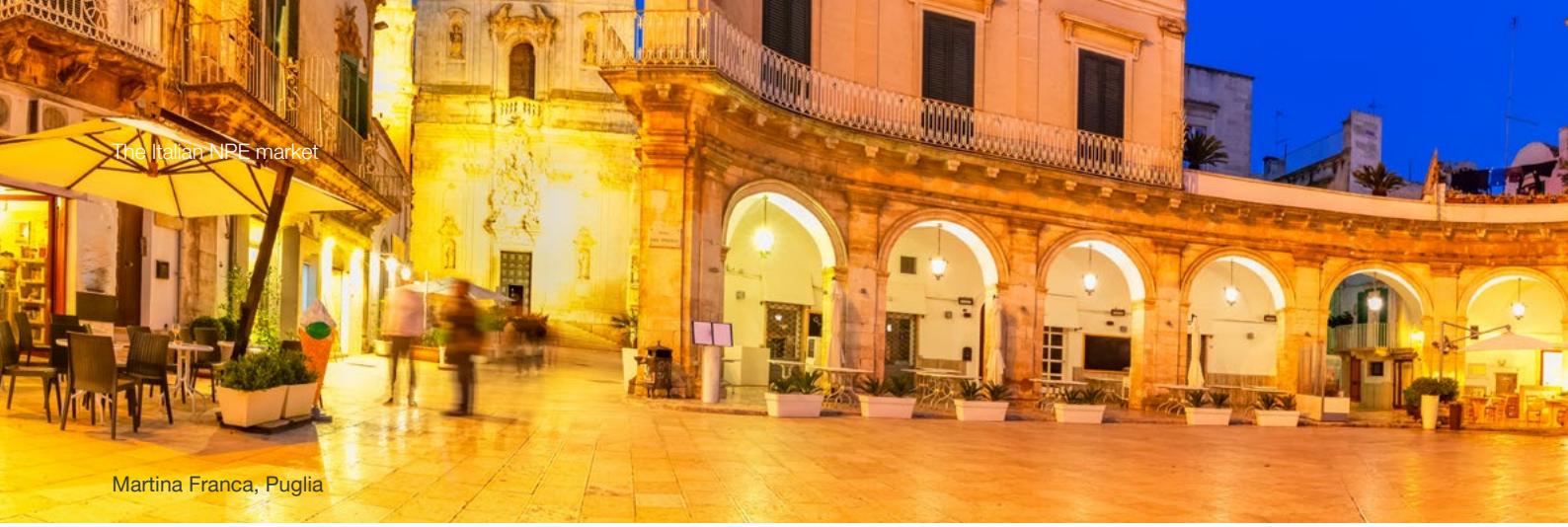


Source: PwC analysis on financial statements and analysts' presentations; Financial statements as of H1-2024. Data affected by different write-off policies.

Chart 20: Top 10 Italian banks – Bad Loans Peer Analysis as of H1-2024 (Bubble size: Gross Bad Loans)



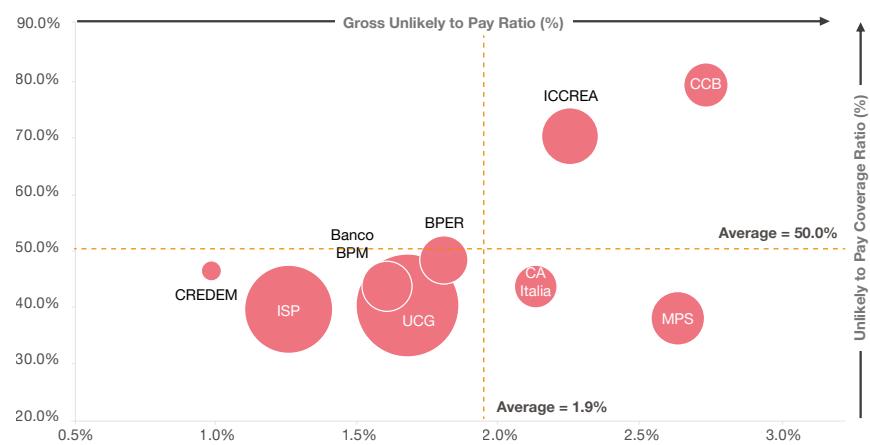
Source: PwC analysis on financial statements and analysts' presentations; Financial statements as of H1-2024. Data affected by different write-off policies.



Martina Franca, Puglia

Chart 21 provides an overview of the Unlikely to Pay ratio combined with its Coverage ratio for the Top 10 Italian banks. The average Gross UtP ratio is 1.9% (higher than the average of Bad Loans ratio), with CCB showing the highest value (2.7%) and CREDEM the lowest one (1.0%). The average Unlikely to Pay Coverage ratio is 50.0%. CCB shows the highest level at 79.0%, while MPS the lowest (38.1%).

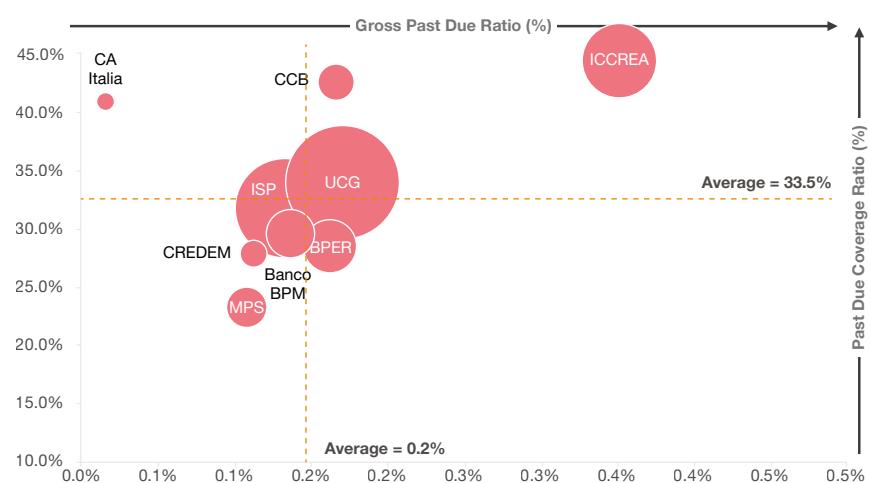
Chart 21: Top 10 Italian banks – Unlikely to Pay Peer Analysis as of H1-2024
(Bubble size: Gross Unlikely to Pay)



Source: PwC analysis on financial statements and analysts' presentations; Financial statements as of H1-2024.
Data affected by different write-off policies.

Chart 22 illustrates the Gross Past Due ratio and the Past Due Coverage ratio for the banks analyzed. The averages are respectively 0.2% and 33.5%. The gross past due ratio is characterized by a low dispersion around the average (except for ICCREA, peaking at 0.35%, and CA Italia, recording the lowest ratio at 0.02%), while the Coverage ratio indicates two peaks: the upward peak is ICCREA with 44.2%, while the lowest value is MPS with 23.1%.

Chart 22: Top 10 Italian banks – Past Due Peer Analysis as of H1-2024
(Bubble size: Gross Past Due)



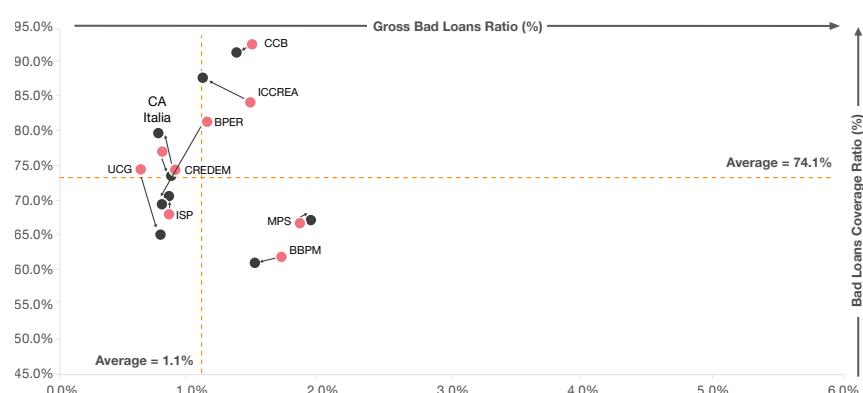
Source: PwC analysis on financial statements and analysts' presentations; Financial statements as of H1-2024.
Data affected by different write-off policies.



The following three charts show the changes between H1-2023 and H1-2024.

Chart 23 analyzes, for the banks in the sample, the movements in the Gross Bad Loans ratio and the Bad Loans Coverage ratio. BPER presents the most significant shift in the chart, decreasing in terms of Gross Bad Loans ratio (-30.1%) and decreasing in terms of Bad Loans Coverage ratio (-14.5%), reaching 0.8% and 69.6% respectively. Also UCG shows a major movement, with an increase of 24.1% in the Gross Bad Loans ratio and a decrease of 12.4% in the coverage ratio.

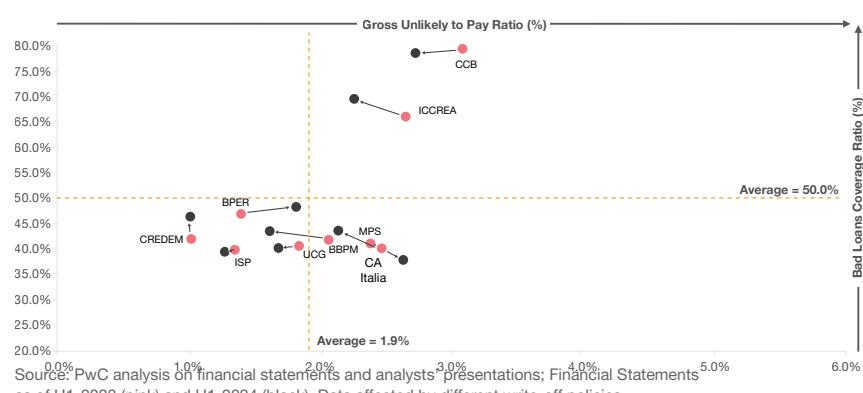
Chart 23: Top 10 Italian banks – Bad Loans movements (H1-2024 vs H1-2023)



Source: PwC analysis on financial statements and analysts' presentations; Financial Statements as of H1-2023 (pink) and H1-2024 (black). Data affected by different write-off policies.

Chart 24 shows that all the Italian banks in the sample experienced a decrease in terms of Gross Unlikely to Pay ratio. Banco BPM and ICCREA present the most relevant decrease (-21.2% and -14.6% respectively) and BPER the highest increase (30.0%). In terms of Unlikely to Pay Coverage ratio, CREDEM shows the highest increase (+10.1%) and MPS the highest decrease (-8.1%).

Chart 24: Top 10 Italian banks – Unlikely to Pay movements (H1-2024 vs H1-2023)



Source: PwC analysis on financial statements and analysts' presentations; Financial Statements as of H1-2023 (pink) and H1-2024 (black). Data affected by different write-off policies.

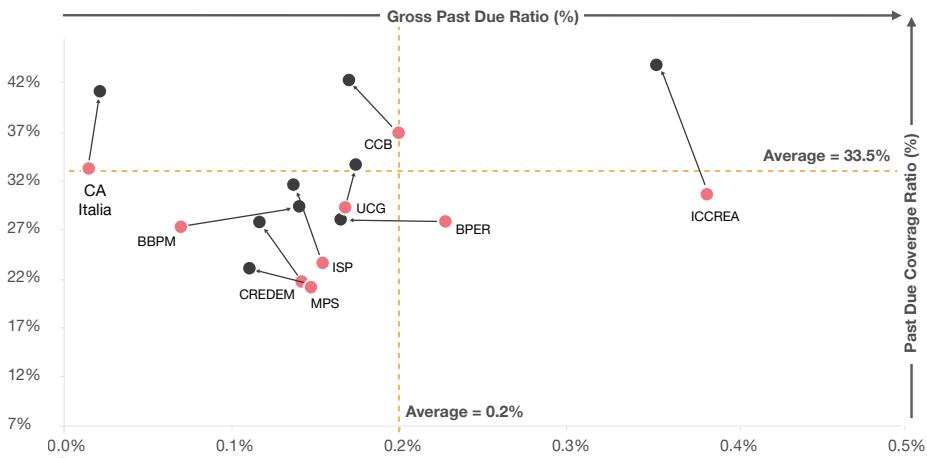
Chart 25 illustrates the movements of the Gross Past Due ratio and of the Past Due Coverage ratio.

UCG, Banco BPM, and Credit Agricole Italia increased their Gross Past Due ratio. In particular, Banco BPM increased its ratio by 100.8%. On the other hand, BPER recorded

a -27.0% change in the Gross Past Due ratio. ICCREA experienced the highest increase in Past Due coverage ratio (+43.4%), while BPER shows the least significant increase (0.6%).

Considering both the variables, ICCREA (left upward shift) and Banco BPM (right upward shift) are the ones that show the most relevant shifts.

Chart 25: Top 10 Italian banks – Past Due



Source: PwC analysis on financial statements and analysts' presentations; Financial Statements as of H1-2023 (pink) and H1-2024 (black). Data affected by different write-off policies.





Ravenna, Emilia-Romagna

Focus on UtP

The UtP stock on the Italian banking books adds up to €29.5bn at H1-2024, higher than YE-2023 (+0.7%).

Chart 26 shows that €24.9bn, out of €29.5bn of the current UtP stock, belong to the Top 10 Italian banks.

Such banks have maintained the average Gross UtP ratio at 2.0% during H1-2024. BBPM and

Credit Agricole are the Italian banks showing the strongest decrease in UtP stock, with a reduction equal to -18.0% and -8.0% respectively, while BNL (+38.2%) and BPER (+22.4%) show the higher increase.

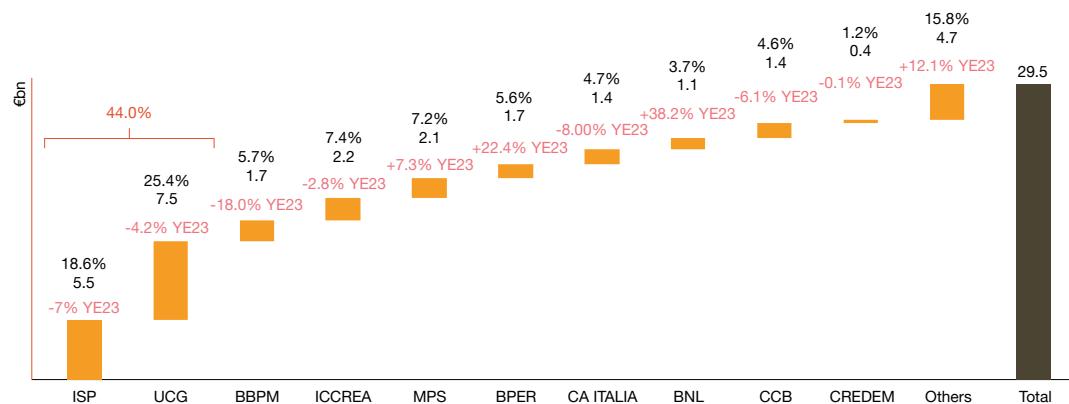
The chart below shows the current UtP stock allocation through the Top 10 banks. Comparing Gross UtP exposures at H1-2024 to those of YE-2023.

Intesa Sanpaolo and UniCredit hold almost half of the outstanding UtP stock (44.0%).

The decrease of UtP stock has been possible also thanks to the interest demonstrated by main NPE investors for that specific asset class.

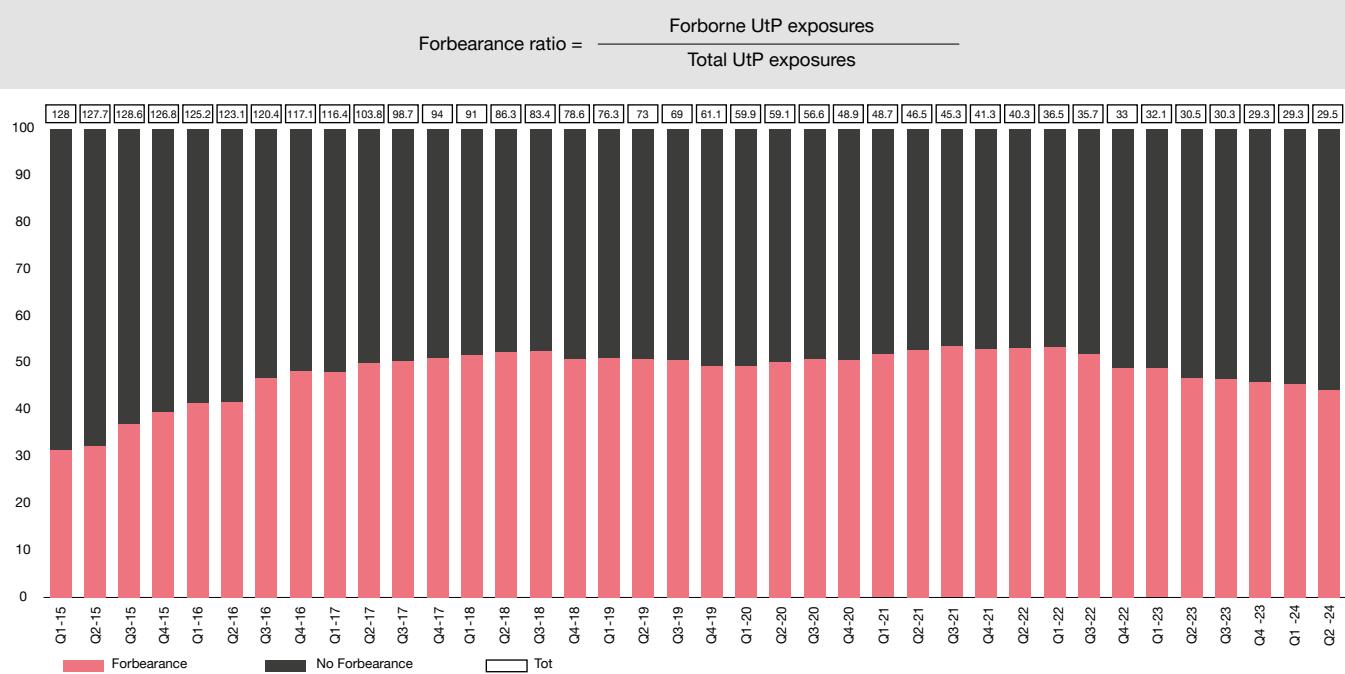
In terms of UtP stock composition, **Chart 27** shows that as of H1-2024 the portion of exposures subject to forbearance measures equals 44.3%.

Chart 26: Top 10 Italian banks – UtP distribution (€bn and %) as of H1-2024



Source: PwC analysis of financial statements and analysts' presentations. The list of Top 10 Italian banks is based on the Total Asset as of H1-2024.

Chart 27: Italian banks' forbearance UtP exposures (€bn and %)



Source: PwC analysis on Banca d'Italia «Banche e istituzioni finanziarie: condizioni e rischiosità del credito per settori e territori», June, 2024.

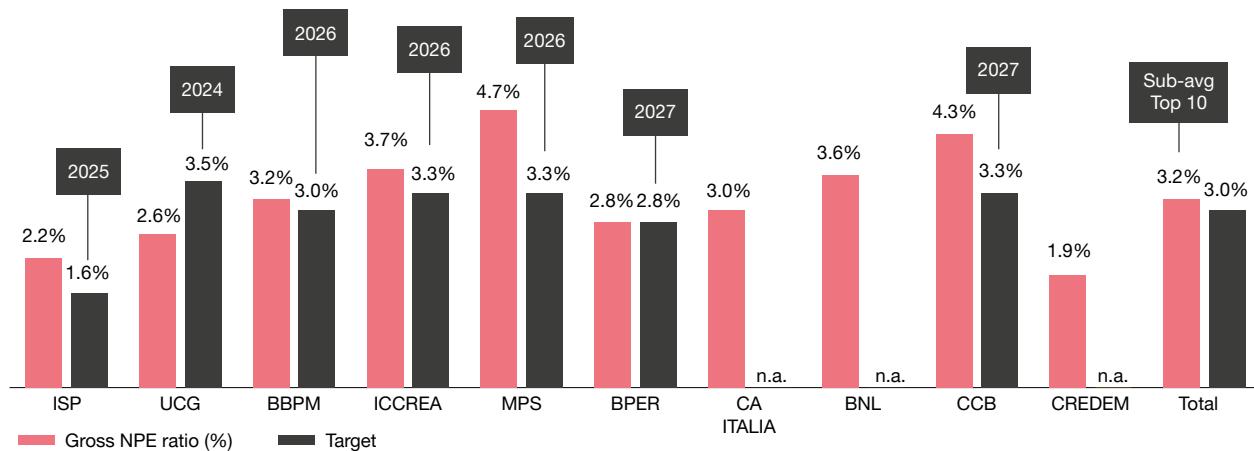
Compared to YE-2023, no substantial updates have been communicated in relation to the strategic plan of the Italian banks that are still committed to keep the incidence of NPE exposures in their banking books at the lowest level.

BPER has disclosed its new Industrial Plan setting the new Gross NPE ratio target at 2.8%.

Chart 28 provides an overview of the targets disclosed by the Top 10 Italian banks in terms of Gross NPE ratio and their actual ratios as of H1-2024.

Intesa Sanpaolo target at 1.6% for 2025 continues to be the lowest among the Top 10 Italian banks. Unicredit and BPER have already reached their target.

Chart 28: Top 10 Italian banks – Target Gross NPE ratio vs current as of H1-2024



Sources: PwC analysis on financial statements and analysts' presentations.

Milano, Lombardia



A look through the new ESG Reporting framework

Key Message

Further to the publication of the EBA Final Implementing Technical Standards on prudential disclosures on Environmental, Social and Governance risks (ESG) in accordance with the

CRR2 Article 449a, emphasizing the urgency for financial intermediaries, major Italian banks are gathering - starting from December 2022 - quantitative tables detailing financial

exposures to climate change risks. These risks are crucial to be addressed due to their significant impact on financial activities.

The contemporary banking industry is facing a transformative era where

Environmental, Social, and Governance considerations are integrated within the banking strategy and risk management disclosure. The EBA is keeping the pace with the new ESG framework, and its roadmap includes well-defined steps to ensure alignment with evolving sustainability standards.

developed into three pillars addressing minimum capital requirements (Pillar I), supervisory review (Pillar II), and market discipline (Pillar III). The EBA, through the technical standards published in January 2023, has required banks to disclose qualitative and quantitative information on ESG risks through Pillar III Disclosure. The technical standards require the submission of 10 templates with quantitative information that will enable the calculation of comparable indicators (for e.g., the GAR¹, which become mandatory in 2024).

Data has been gathered for 7 of the Top 10 Italian banks and are as of H1-2024 (last available data); special attention has been given to Template 1. Coherently with European Taxonomy, this template requires banks to disclose information about their exposure towards non-financial corporates

in sectors contributing to climate change. The disclosure also covers the quality of these exposures, with critical information on non-performing exposures, stage 2, and associated impairments and provisions.

1. GAR stands for Green Asset Ratio, i.e. the proportion of credit assets financing activities aligned with the EU Taxonomy ("Aligned Assets") in relation to the total ("Eligible Assets").

Chart 29: Total Loans towards sectors that highly contribute to climate change

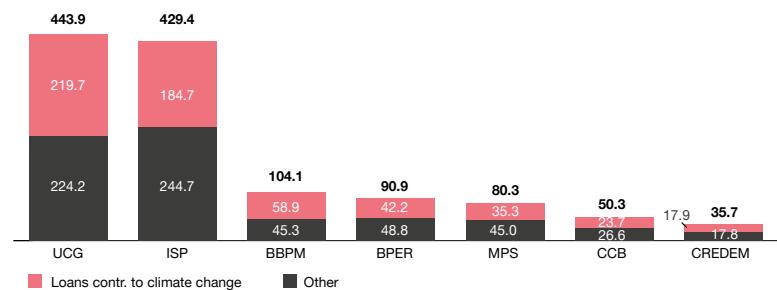


Chart 30: Gross NPE towards sectors that highly contribute to climate change

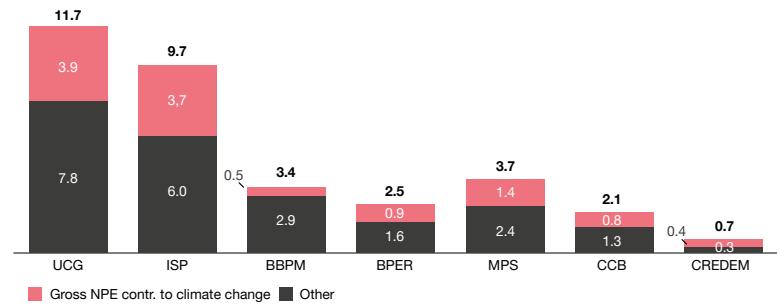
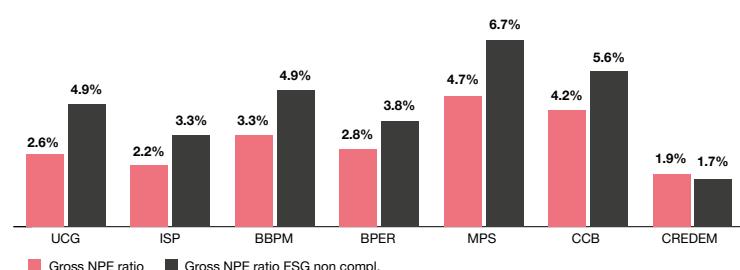


Chart 31: Gross NPE ratio vs Gross NPE ratio towards sectors that highly contribute to climate change



Sources: PwC analysis on financial statements and analysts' presentations.



Domodossola, Piemonte

The Debt Servicing Market

Key Message

In the Italian debt servicing segment, following recent consolidations, larger players are positioned to take lead, facing the challenge of broadening their services across the credit lifecycle while ensuring operational excellence through advanced technologies.

Regulatory pressures, including the implementation of the Secondary Market Directive, may reshape the long tail of debt servicers present in the market. Compliance requirements are increasingly stringent and particularly burdensome for smaller players.

This situation could lead to a gradual alignment among various players, not necessarily through aggregations but via alliances and innovative coordination models that preserve the specific expertise and excellence of each player while mitigating regulatory burdens.



Perugia, Umbria

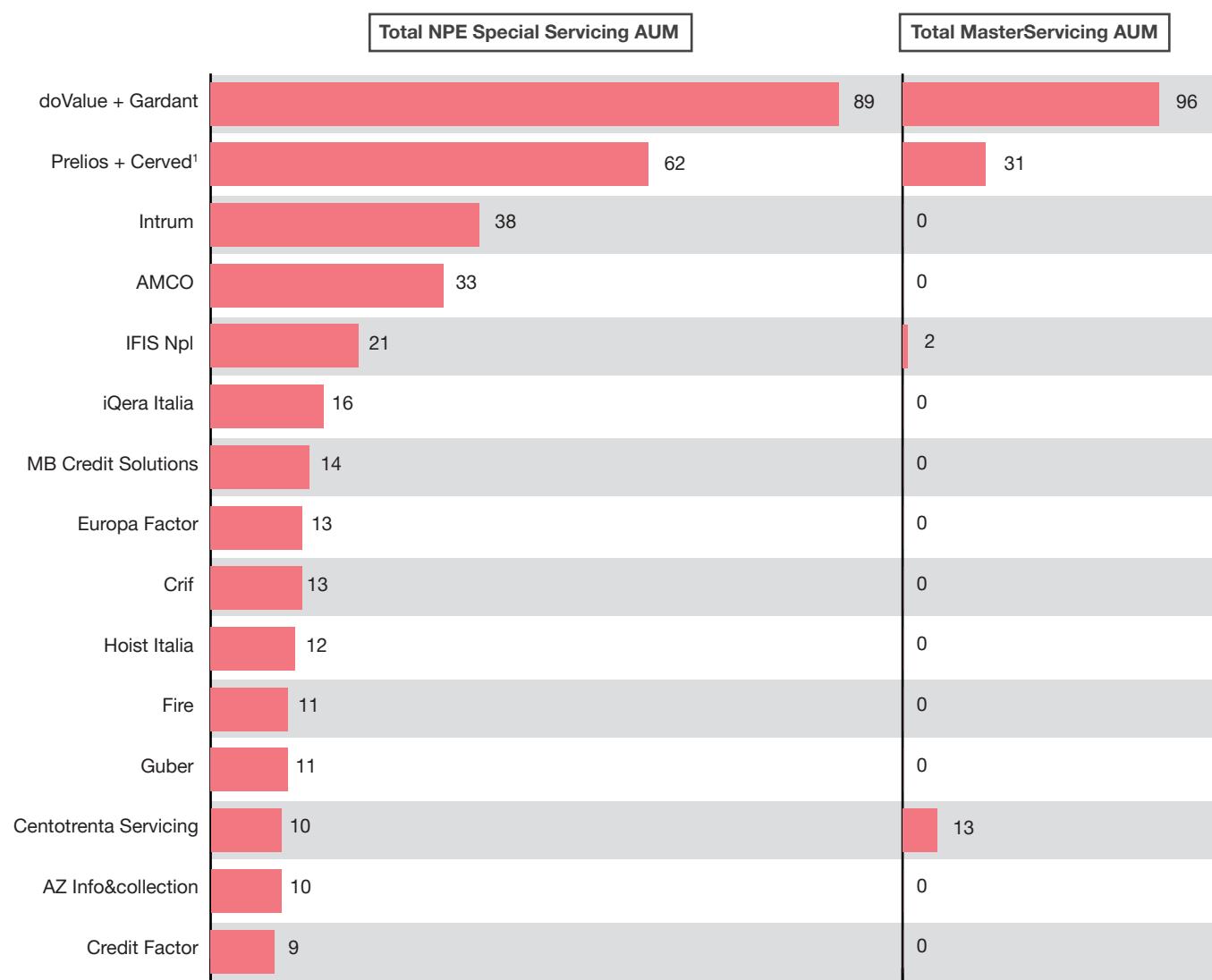
Debt servicing competitive arena

Throughout 2024, the non-performing loan servicing sector witnessed a significant restructuring. Two major transactions have been completed: the acquisition of Gardant by doValue and the acquisition of Prelios by ION, which

already controls Cerved. Meanwhile, other players have not stood idle. With its 2024-2028 Plan, AMCO—an active participant in many of the most significant transactions in recent years—announced a strategic focus on creating value from its

existing portfolio. Overall, industry players are pursuing consolidations, cost reductions, and increased assets under management. The landscape of non-performing loans and debt recovery in Italy is undergoing a phase of profound transformation.

Chart 32: Top 15 servicers by AuM (€ bn)



1. At present, there have been no indications of an intention to combine the two entities.

Source: PwC analysis on data provided by Servicers as of 30/06/2024; data have been directly provided by Servicers and have not been verified by PwC

UtP Debt servicing

At H1-2024, AMCO continues to lead the ranking of debt servicers specialized in UtP management, with a valuable combination of both corporate and retail expertise. Similarly, ARECneprix confirms its position in the Large Corporate secured segment.

Looking at Corporate UtP, Prelios Credit Servicing remains first in the ranking, thanks to long-term agreements with Intesa Sanpaolo and UniCredit regarding UtP management

Multiple players that are historically focused on retail positions and mainly work on small tickets occupy the rest of the positions in the ranking, namely Crif, Gardant, doValue, Advancing Trade, Cerved credit Management, Covision Credit Management and Fire.

UtP is the most significant area for the future of the credit management player with a high growth potential. Specialized advisory and structuring services could represent the key areas to support the resolution of distressed situation.

Table 5: Top 10 Corporate UtP Debt Servicers by AuM at 30/06/2024

Company	Corporate UtP AuM (€Bn)	Corporate UtP AuM (% tot UtP)
Prelios Credit Servicing ¹	9.2	100%
AMCO	7.2	73%
ARECneprix S.r.l.	2.3	98%
Gardant	2.1	66%
Crif	1.9	41%
doValue	1.5	76%
Cerved Credit Management	0.9	58%
Fire	0.8	25%
Advancing Trade	0.7	25%
Covision Credit Management	0.7	27%

Table 6: Top 10 Retail UtP Debt Servicers by AuM at 30/06/2024

Company	Retail UtP AuM (€Bn)	Retail UtP AuM (% tot UtP)
AMCO	2.7	27%
Crif	2.7	59%
MB Credit Solutions	2.4	96%
Fire	2.4	75%
Advancing Trade	2.2	75%
Covision Credit Management	1.7	73%
Gardant	1.1	34%
iQera Italia	1.0	82%
Fides	0.7	94%
Cerved Credit Management	0.7	42%

Source: PwC analysis on data provided by Servicers as of 30/06/2024; data have been directly provided by Servicers and have not been verified by PwC.

1. Information captured from "market rumors and not directly provided by PRelios Credit Management.



Trieste, Friuli-Venezia-Giulia

Table 7: Main transactions in the servicing sector

2014	Hoist Finance Acquisition of 100% of TRC from private shareholders. Specialized in consumer finance.	Banca Sistema Acquisition of 2 servicing platform Candia & Sting from private shareh and merger (CS Union).	Cerved Acquisition of 80% of Recus. Specialized in collection for telcos and utilities.	
2015	Fortress Acquisition of UniCredit captive servicing platform (UCCMB).	Lonestar Acquisition of CAF a servicing platform with €7 bn AuM from private shareholders.	Cerved Acquisition of 100% of Fin. San Giacomo part of Credito Valtellinese group.	
2016	Cerved + BHW Bausparkasse Long-term industrial partnership for the management of 230 €m of NPL originated by the Italian branch of BHV Bausparkassen AG.	Axactor Acquisition of CS Union from Banca Sistema.	Lindorff Acquisition of CrossFactor, a small factoring and credit servicing platform.	Arrow Acquisition of 100% of Zenith Service, a master servicing platform.
	Kruk Acquisition of 100% of Credit Base.	doValue Acquisition of 100% of Italfondiario.	Dea Capital Acquisition of 66,3% of SPC Credit Management.	
2017	Kkr Acquisition of Sistemia.	Lindorff Acquisition of Gextra, a small ticket player from doValue.	Bain Capital Acquisition of 100% of HARIT, servicing platform specialized in secured loans.	Varde Acquisition of 33% of Guber.
	Davidson Kempner Acquisition of 44.9% of Prelios and launch of a mandatory tender offer.	Cerved + Quaestio Acquisition of the credit servicing platform (a.k.a. "Juliet") of MPS.	Intrum/ Lindorff cquisition of 100% of CAF.	Credito Fondiario Acquisition of NPL servicing platform of Carige.
2018	Lindorff / Intrum Acquisition of 100% of PwC Mass of Credit Collection (MCC) department.	Arrow Acquisition of 100% Parr Credit and Europa Investimenti.	IBL Banca + Europa Factor Joint venture for the creation of the new Servicer Credit Factor (106 vehicle).	Anacap + Pimco Acquisition of a majority stake in Phoenix Asset Management.
	Intesa + Lindorff / Intrum Joint venture for the NPL platform of Intesa Sanpaolo.	Kruk Acquisition of 51% of Age-credit.	Banca IFIS Acquisition of 90% of FBS.	Cerberus Acquisition of 57% of Officine CST.
	Cerved + Studio legale La Scala Joint venture for the creation of a specialized NPL law firm.	Hoist Finance Acquisition of 100% of Maran.	Link Financial Group Acquisition of Generale Gestione Crediti and his controlled company Se.Tel. Servizi.	iQera (a BC Partners company) Acquisition of 80% of Serfin.
2019	Credito Fondiario + Banco BPM Creation of a Joint venture for the management and disposals of Banco BPM NPLs.	iQera (a BC Partners company) Acquisition of Sistemia.	IBL Banca Acquisition of 9.9% of Frontis NPL.	doValue + Aurora RE Launch of a multi-originator platform to manage UTP portfolios secured by real estate.
2020	Cerved Credit Management Acquisition of 100% of Quaestio Cerved Credit Management.	Bain Capital Credit Acquisition of Hypo Alpe Adria rebranded as Julia Portfolio Solutions.	FBS + Tinexta Creation and launch of FBS Next a new NPL Servicer which will leverage on innovative technologies.	
2021	Hipoges Acquisition of a majority stake in AXIS.	Axactor Acquisition of 100% of Credit Recovery Service S.r.l.	Gardant Group Spin-off from Credito Fondiario of the NPL investment and management business area.	Cherry Bank Merger between Cherry 106 spa and Banco delle Tre Venezie.
2022	Consultinvest Group Acquisition of 50% of Borgosesia Gestioni SGR.	Zolva Acquisition of 100% of Euro Service Spa.	Intrum Italy Acquisition of a participation of i-law, a law firm specialized in NPL servicing.	Team Evolution (Gruppo Exacta) Acquisition of 100% of Creden.
	Collection Acquisition of Whitestar (former Parr Credit).	Gardant Creation of a joint venture with the BPER Group for NPE management.	Prelios - UniCredit Signing of a partnership for management of Unlikely-To Pay loans.	Illicity Bank S.p.A. Acquisition of 100% of Aurora Recovery Capital S.p.A.
	iQera Acquisition of the 33% of MFLaw (STA).	Sesa Acquisition of the 51% of Centrorenta Servicing spa.	Cherry Bank Merger of Banca Popolare Valconca into Cherry Bank.	Banca Finint Acquisition of Deutsche Bank Mutui NPE servicing platform.
2023	ION / Prelios Acquisition of Prelios from Davidson Kempner.	IPV Investing Launch of a new player focused on NPL purchasing/ servicing owned by S. Inguscio, C. Palla and ViviBanca.	A-Zeta Acquisition of the legal division of Officine CST-	Covisian Credit Management Purchase of 100% of Credires.
2024	doValue Acquisition of 100% of Gardant.	Cherry Bank Acquisition of minority share in Banca Macerata.	Arrow Global Agreement in principle to become the controlling shareholder in iQera through a partial equitization of the Notes.	

Source: Mergermarket, companies annual reports and websites.

Table 8 1/2: Overview of main servicers (data at 30/06/2024) – Ranking by AuM

Company	Bank of Italy Surveillance	Special Servicing					Master Servicing AuM ³ (€bn)
		Total NPE AuM ¹ (€bn)	o/w Bad Loans AuM (€bn)	o/w Other NPLs AuM ² (€bn)	Performing AuM (€bn)		
doValue	106/115	67.5	65.3	2.3	0.5		59.1
Intrum	115	37.6	35.7	2.0	1.5		-
Cerved Credit Management	106/115	35.2	33.6	1.6	3.8		6.8
AMCO	106	33.5	23.5	10.0	-		-
Prelios Credit Servicing	106/115	27.3 ⁴	18.1	9.2	-		23.9
Gardant	106/115	21.3	18.2	3.1	0.2		37.0
IFIS Npl	106/115	20.5	20.4	0.1	-		1.9
iQera Italia	115	16.0	14.8	1.2	0.9		-
MB Credit Solutions	106/115	13.6	7.1	6.4	2.7		-
Europa Factor	106/115	12.9	12.9	0.0	0.1		-
Crif	115	12.8	4.1	8.7	3.3		-
Fire	115	12.4	8.6	3.8	10.6		-
Hoist Italia	115	11.3	11.1	0.2	1.5		-
Guber	Bank	10.8	10.5	0.4	0.0		-
Centotrenta Servicing	106	10.0	8.2	1.8	3.4		13.4
AZ Info&collection	115	9.8	9.0	0.8	-		-
Credit Factor	106	8.8	8.8	0.0	-		-
Advancing Trade	106/115	8.3	5.4	2.9	-		-
ARECNeprix S.r.l.	115/Bank	6.6	4.2	2.4	2.3		-
Link Financial	115	5.7	5.7	-	0.1		-
Covisian Credit Management	115	5.1	1.8	3.3	-		-
Phoenix Asset Management	115	4.6	4.6	-	-		-
J-Invest	106/115	4.0	4.0	-	-		-
Blue Factor	106	3.7	3.7	-	-		0.5
Fides	115	3.1	0.4	2.6	1.3		-
Duepuntozero	115	2.8	2.8	-	-		-
Si Collection	115	2.5	2.5	-	-		-
Fbs Next	115	2.2	1.9	0.3	0.0		-
Finint Revalue	115	2.1	1.6	0.5	0.0		-
AXIS S.p.A.	115	1.8	1.8	0.0	-		-
Bayview Italia 106 S.p.A.	106	1.6	1.4	0.2	-		0.2
Zenith Global Spa	106	1.2	1.0	0.2	3.6		46.1
Spirbridge	115	1.0	1.0	-	-		-
Banca Finint – Divisione Securitisation Services	106	0.9	0.7	0.2	5.0		77.7
BCMGlocal	115	0.8	0.7	0.1	0.2		-
Officine CST	115	0.8	0.3	0.5	0.2		-
PARR Credit	115	0.7	0.1	0.7	-		-
Aquileia Capital Services	106/115	0.5	0.5	-	-		1.2
GMA S.r.l.	115	0.5	0.5	-	0.0		1.9
Certa Credita	115	0.3	0.2	0.0	0.1		-
Wibeats	115	0.3	0.3	-	2.0		-
ARC Real Estate	115	0.0	0.0	-	-		-

Source: PwC analysis on data provided by Servicers as of 30/06/2024; data have been directly provided by Servicers and have not been verified by PwC. Servicers present highly heterogeneous organizational, industrial and operating structures. Comparing the information presented above requires a correct analysis and understanding of the competitive landscape and servicers' business model.

1. Includes both owned and third parties' portfolios.

2. Includes Unlikely to Pay + Past Due more than 90 days.

3. Please consider that Master and Special Servicing portfolios are in most cases overlapped.

4. Includes €9.0bn of Unlikely to Pay captured from "market rumors"; information not directly provided by Prelios Credit Servicing.

Note: Double counting may arise when adding NPL AuM as some servicers outsource part of their portfolios to others due to capacity and/ or specialization issues.

Table 8 2/2: Overview of main servicers (data at 30/06/2024) – Ranking by AuM

Company	Net Financial Margin (€m)	PBT (€m)	Main Activities					Operating Margin (%)	Owned Portfolio
			Debt servicing & collection	Debt purchasing	Master servicing	Rating			
doValue	216.5	65.0	✓		✓	✓	30%	0%	
Intrum	n.a.	n.a.	✓			✓	n.a.	n.a.	
Cerved Credit Management	64.2	14.3	✓		✓	✓	22%	-	
AMCO	218.7	121.0	✓	✓		✓	55%	52%	
Prelios Credit Servicing	107.6	63.0	✓		✓	✓	59%	-	
Gardant	62.7	9.0	✓	✓	✓	✓	14%	2%	
IFIS Npl	19.7	3.1	✓	✓	✓	✓	16%	-	
iQera Italia	33.1	9.8	✓			✓	29%	1%	
MB Credit Solutions	18.4	1.4	✓	✓		✓	8%	0%	
Europa Factor	22.0	5.2	✓	✓			24%	23%	
Crif	13.5	n.a.	✓			✓	n.a.	5%	
Fire	28.5	0.6	✓	✓		✓	2%	1%	
Hoist Italia	19.1	(3.7)	✓	✓		✓	(19%)	30%	
Guber	43.9	24.1	✓	✓	✓	✓	55%	35%	
Centotrenta Servicing	8.1	0.6			✓	✓	8%	n.a.	
AZ Info&collection	9.3	2.8	✓				30%	17%	
Credit Factor	24.3	13.5		✓			56%	100%	
Advancing Trade	14.8	1.0	✓	✓			7%	17%	
ARECNeprix S.r.l.	22.8	9.2	✓	✓		✓	41%	-	
Link Financial	4.2	0.9	✓				22%	n.a.	
Covisian Credit Management	9.8	2.0	✓				20%	-	
Phoenix Asset Management	11.0	7.1	✓				64%	11%	
J-Invest	9.3	n.a.	✓	✓			n.a.	3%	
Blue Factor	3.4	1.6	✓	✓	✓		48%	38%	
Fides	8.9	1.5	✓				17%	1%	
Duepuntozero	n.a.	n.a.	✓				n.a.	12%	
Si Collection	3.8	(0.2)	✓				(6%)	-	
Fbs Next	4.1	2.3	✓	✓	✓	✓	57%	8%	
Finint Revalue	5.7	0.5	✓				9%	-	
AXIS S.p.A.	2.1	0.1	✓				4%	-	
Bayview Italia 106 S.p.A.	n.a.	n.a.	✓				n.a.	2%	
Zenith Global Spa	n.a.	n.a.	✓		✓	✓	n.a.	-	
Spirbridge	5.1	0.5	✓	✓			11%	64%	
Banca Finint – Divisione Securitisation Services	19.1	9.0			✓	✓	47%	-	
BCMGlobal	2.7	n.a.	✓			✓	n.a.	-	
Officine CST	11.4	7.1	✓	✓			62%	68%	
PARR Credit	n.a.	n.a.	✓				n.a.	0%	
Aquileia Capital Services	6.8	(4.1)	✓	✓			(59%)	8%	
GMA S.r.l.	n.a.	n.a.	✓	✓	✓	✓	n.a.	2%	
Certa Credita	3.2	0.9	✓	✓	✓	✓	29%	n.a.	
Wibeats	n.a.	n.a.	✓				n.a.	-	
ARC Real Estate	1.2	(0.1)	✓	✓			(7%)	100%	

Source: PwC analysis on data provided by Servicers as of 30/06/2024; data have been directly provided by Servicers and have not been verified by PwC. Servicers present highly heterogeneous organizational, industrial and operating structures. Comparing the information presented above requires a correct analysis and understanding of the competitive landscape and servicers' business model.

Note: Double counting may arise when adding NPL AuM as some servicers outsource part of their portfolios to others due to capacity and/ or specialization issues.

Table 9: Breakdown of servicers' Total Special Servicing Bad Loans AuM1 (data at 30/06/2024) – Ranking by Total Special Servicing AuM

Company	Total AuM ¹ (€bn)	Total Bad Loans AuM ¹ (€bn)	Average Ticket (€k)	Servicing					
				Secured	Unsecured	Owned	Banks	Investors	Others
doValue	67.5	65.3	206	33%	67%	0%	2%	97%	-
Intrum	37.6	35.7	56	33%	67%	n.a.	n.a.	n.a.	n.a.
Cerved Credit Management	35.2	33.6	58	44%	56%	-	29%	71%	-
AMCO	33.5	23.5	202	47%	53%	52%	-	-	48%
Prelios Credit Servicing	27.3 ²	18.1	223	60%	40%	-	0%	100%	-
Gardant	21.3	18.2	50	57%	43%	2%	27%	71%	-
IFIS Npl	20.5	20.4	12	5%	95%	-	-	100%	-
iQera Italia	16.0	14.8	6	50%	50%	1%	43%	47%	10%
MB Credit Solutions	13.6	7.1	6	12%	88%	0%	54%	44%	2%
Europa Factor	12.9	12.9	1	-	100%	23%	58%	5%	13%
Crif	12.8	4.1	13	52%	48%	5%	63%	9%	24%
Fire	12.4	8.6	6	26%	74%	1%	73%	22%	4%
Hoist Italia	11.3	11.1	12	11%	89%	30%	8%	62%	0%
Guber	10.8	10.5	100	29%	71%	35%	8%	57%	0%
Centotrenta Servicing	10.0	8.2	8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
AZ Info&collection	9.8	9.0	8	17%	83%	17%	34%	38%	11%
Credit Factor	8.8	8.8	3	-	100%	100%	-	-	-
Advancing Trade	8.3	5.4	3	-	100%	17%	16%	6%	61%
ARECNeprix S.r.l.	6.6	4.2	1,017	42%	58%	-	-	100%	-
Link Financial	5.7	5.7	19	73%	27%	n.a.	n.a.	n.a.	n.a.
Covisian Credit Management	5.1	1.8	7	17%	83%	-	62%	34%	4%
Phoenix Asset Management	4.6	4.6	227	65%	35%	11%	-	89%	-
J-Invest	4.0	4.0	501	-	100%	3%	-	97%	-
Blue Factor	3.7	3.7	10	1%	99%	38%	-	62%	-
Fides	3.1	0.4	5	7%	93%	1%	87%	8%	4%
Duepuntozero	2.8	2.8	328	21%	79%	12%	-	88%	-
Si Collection	2.5	2.5	3	3%	97%	-	64%	31%	6%
Fbs Next	2.2	1.9	73	29%	71%	8%	1%	91%	-
Finint Revalue	2.1	1.6	41	41%	59%	-	-	100%	-
AXIS S.p.A.	1.8	1.8	126	73%	27%	-	76%	24%	-
Bayview Italia 106 S.p.A.	1.6	1.4	78	90%	10%	2%	-	98%	-
Zenith Global Spa	1.2	1.0	179	75%	25%	-	-	-	100%
Spinbridge	1.0	1.0	1	-	100%	64%	-	36%	-
Banca Finint – Divisione Securitisation Services	0.9	0.7	3,432	89%	11%	-	46%	54%	-
BCMGlobal	0.8	0.7	3	64%	36%	-	13%	78%	8%
Officine CST	0.8	0.3	33	-	100%	68%	-	17%	15%
PARR Credit	0.7	0.1	3	13%	87%	0%	60%	22%	17%
Aquileia Capital Services	0.5	0.5	916	91%	9%	8%	70%	12%	11%
GMA S.r.l.	0.5	0.5	918	43%	57%	2%	-	98%	-
Certa Credita	0.3	0.2	1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Wibeats	0.3	0.3	510	100%	0%	-	99%	1%	-
ARC Real Estate	0.0	0.0	95	72%	28%	100%	-	-	-

Source: PwC analysis on data provided by Servicers as of 30/06/2024; data have been directly provided by Servicers and have not been verified by PwC. Servicers present highly heterogeneous organizational, industrial and operating structures. Comparing the information presented above requires a correct analysis and understanding of the competitive landscape and servicers' business model.

1. Includes both owned and third parties' portfolios.

2. Includes €9.0bn of Unlikely to Pay captured from "market rumors"; information not directly provided by Prelios Credit Servicing.

Note: Double counting may arise when adding NPL AuM as some servicers outsource part of their portfolios to others due to capacity and/ or specialization issues.



Pisa, Toscana

Table 10: Geographical NPL breakdown (data at 30/06/2024) – Ranking by Total Special Servicing AuM

Company	Total AuM ¹ (€bn)	Total Bad Loans AuM ¹ (€bn)	Special + Master Servicing		
			North ²	Centre ³	South - Islands ⁴
doValue	67.5	65.3	41%	27%	32%
Intrum	37.6	35.7	n.a.	n.a.	n.a.
Cerved Credit Management	35.2	33.6	32%	47%	20%
AMCO	33.5	23.5	51%	29%	21%
Prelios Credit Servicing	27.3 ⁵	18.1	50%	20%	30%
Gardant	21.3	18.2	55%	23%	22%
IFIS Npl	20.5	20.4	37%	24%	38%
iQera Italia	16.0	14.8	35%	37%	28%
MB Credit Solutions	13.6	7.1	34%	32%	34%
Europa Factor	12.9	12.9	31%	30%	39%
Crif	12.8	4.1	33%	33%	34%
Fire	12.4	8.6	35%	23%	42%
Hoist Italia	11.3	11.1	38%	21%	42%
Guber	10.8	10.5	52%	27%	21%
Centotrenta Servicing	10.0	8.2	50%	24%	26%
AZ Info&collection	9.8	9.0	33%	19%	48%
Credit Factor	8.8	8.8	29%	32%	39%
Advancing Trade	8.3	5.4	35%	11%	55%
ARECNeprix S.r.l.	6.6	4.2	37%	49%	15%
Link Financial	5.7	5.7	30%	33%	37%
Covisian Credit Management	5.1	1.8	33%	27%	40%
Phoenix Asset Management	4.6	4.6	51%	32%	18%
J-Invest	4.0	4.0	n.a.	n.a.	n.a.
Blue Factor	3.7	3.7	30%	23%	47%
Fides	3.1	0.4	28%	19%	53%
Duepuntozero	2.8	2.8	17%	22%	60%
Si Collection	2.5	2.5	25%	43%	32%
Fbs Next	2.2	1.9	44%	25%	31%
Finint Revalue	2.1	1.6	50%	20%	30%
AXIS S.p.A.	1.8	1.8	48%	26%	26%
Bayview Italia 106 S.p.A.	1.6	1.4	44%	28%	28%
Zenith Global Spa	1.2	1.0	53%	26%	22%
Spinbridge	1.0	1.0	32%	31%	37%
Banca Finint – Divisione Securitisation Services	0.9	0.7	44%	34%	22%
BCMGlobal	0.8	0.7	28%	48%	24%
Officine CST	0.8	0.3	14%	24%	62%
PARR Credit	0.7	0.1	35%	32%	33%
Aquileia Capital Services	0.5	0.5	84%	12%	4%
GMA S.r.l.	0.5	0.5	41%	33%	26%
Certa Credita	0.3	0.2	27%	23%	50%
Wibeats	0.3	0.3	68%	12%	20%
ARC Real Estate	0.0	0.0	50%	50%	-

Source: PwC analysis on data provided by Servicers as of 30/06/2024; data have been directly provided by Servicers and have not been verified by PwC. Servicers present highly heterogeneous organizational, industrial and operating structures. Comparing the information presented above requires a correct analysis and understanding of the competitive landscape and servicers' business model.

1. Includes both owned and third parties' portfolios.

2. Includes Piemonte, Valle d'Aosta, Lombardia, Veneto, Trentino Aldo Adige, Friuli Venezia Giulia, Liguria, Emilia Romagna.

3. Includes Toscana, Umbria, Marche, Lazio.

4. Includes Abruzzo, Molise, Campania, Puglia, Basilicata, Calabria, Sicilia, Sardegna.

5. Includes €9.0bn of Unlikely to Pay captured from "market rumors"; information not directly provided by Prelios Credit Servicing.

Note: Double counting may arise when adding NPL AuM as some servicers outsource part of their portfolios to others due to capacity and/ or specialization issues.

Table 11: Geographical NPL breakdown (data at 30/06/2024) – Ranking by Total Special Servicing AuM

Company	Special + Master Servicing					
	Secured			Unsecured		
	Judicial	Extrajudicial	Loan Sale	Judicial	Extrajudicial	Loan Sale
doValue	18%	77%	5%	9%	90%	1%
Intrum	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cerved Credit Management	28%	70%	2%	22%	78%	0%
AMCO	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Prelios Credit Servicing	58%	32%	9%	51%	37%	11%
Gardant	13%	60%	27%	20%	74%	6%
IFIS Npl	33%	54%	13%	19%	76%	5%
iQera Italia	68%	32%	-	38%	62%	-
MB Credit Solutions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Europa Factor	-	-	-	-	100%	-
Crif	48%	52%	-	13%	87%	-
Fire	33%	67%	-	51%	49%	-
Hoist Italia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Guber	47%	38%	15%	51%	37%	13%
Centotrenta Servicing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
AZ Info&collection	35%	65%	-	26%	74%	-
Credit Factor	-	-	-	-	77%	23%
Advancing Trade	-	-	-	12%	88%	-
ARECNeprix S.r.l.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Link Financial	87%	13%	-	8%	92%	-
Covisian Credit Management	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Phoenix Asset Management	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
J-Invest	-	-	-	50%	8%	42%
Blue Factor	-	-	-	54%	46%	-
Fides	-	100%	-	1%	99%	-
Duepuntozero	10%	5%	85%	15%	10%	75%
Si Collection	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Fbs Next	1%	98%	1%	1%	54%	45%
Finint Revalue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
AXIS S.p.A.	15%	81%	4%	43%	55%	2%
Bayview Italia 106 S.p.A.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Zenith Global Spa	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Spinbridge	-	-	-	17%	83%	-
Banca Finint – Divisione Securitisation Services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
BCMGlobal	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Officine CST	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
PARR Credit	-	100%	-	0%	100%	-
Aquileia Capital Services	9%	71%	20%	21%	31%	49%
GMA S.r.l.	68%	32%	-	97%	-	3%
Certa Credita	-	-	-	-	100%	-
Wibeats	-	100%	-	-	-	-
ARC Real Estate	80%	20%	-	10%	90%	-

Source: PwC analysis on data provided by Servicers as of 30/06/2024; data have been directly provided by Servicers and have not been verified by PwC. Servicers present highly heterogeneous organizational, industrial and operating structures. Comparing the information presented above requires a correct analysis and understanding of the competitive landscape and servicers' business model.

Regulatory framework update

Key Message

Thanks to the national transposition of the Directive 2021/2167, the regulatory framework of NPL secondary market is becoming clearer. A new category of supervised entities was created, specifically for the management

of bad loans on behalf of non-supervised credit purchasers. Such credit servicer are authorized and supervised by the Bank of Italy, which is now about to release the final version of its provisions.

Moreover, European institutions are going to enhance the securitization framework, through a targeted consultation and through an ECB proposal aimed at simplifying the processes, enabling banks to expedite regulatory approvals for significant risk transfer.



Rimini, Emilia-Romagna

Secondary Market Directive

In December 2021, the Secondary Market Directive ("SMD") was approved, with the primary goal of enhancing the transfer of non-performing loans (NPLs) across the European Union.

After an initial delay, the transposition of the directive into the Italian legal framework is now progressing well.

The Italian government has updated national regulations, confirming the initial approach proposed in January 2024 and presented in the last NPL report.

In addition, Bank of Italy has undertaken public consultations. The final versions of supervisory provisions are expected by the end of January 2025, at the latest.

Regulatory Timeline

December 2021 Entry into force Directive (EU) 2021/2167 (SMD)
January 2024 Consultation on the TUB1 modifications proposal
July 2024 Bank of Italy consultations on the implementation of supervisory provisions (up to September 2024)
August 2024 Entry into force of the amendments to the "TUB" (D.lgs. n.116 del 30/07/2024)
January 2025 Deadline for the adoption of Bank of Italy provisions
April 2025 Deadline for the submission of the application in order to be registered as servicer of bad loans
July 2025 End of the transitional period

Details on Bank of Italy updated of its regulatory disposition

Following the amendments to the TUB¹ that came into force in August 2024, the Bank of Italy has undertaken a comprehensive review of the regulatory acts within its purview. This has included the development of new provisions specifically aimed at Credit Servicers.

Bad Loans Credit Servicer

Introduction of a new category and therefore new provisions for credit servicers of bad loans regarding multiple topics (authorization, shareholders, permitted activities, organizational structure etc.).

Focus next page

Ownership structures

Extension to credit servicer of the regulation of qualified shareholding already in force for banks and financial intermediaries.

Extrajudicial resolution of operations and services disputes

Inclusion of Bad Loans Credit Servicer within the Banking Financial Arbiter framework.

Central Credit Register ("Centrale Risch")

Purchase of bad loans must be communicated to the Central Credit Register by servicers (unless already done in assessments prior to the transfer).

Transparency of banking and financial operations and services

Methods to inform regarding contractual changes, credit transfers and forbearance measures and specific information regarding distressed loans.

1. Testo Unico Bancario (D.L. 01/09/1993, n. 385)

Bank of Italy provisions for Bad Loans Credit Servicer

Regarding the new provisions specifically directed at Credit Servicers, the Bank of Italy has taken action on several aspects.

This intervention reflects a comprehensive approach to address the complexities and risks that characterize the market.

Authorization

- Credit Servicers need to be authorized in order to manage bad loans on behalf of not supervised credit purchasers and they must be enrolled in a dedicated register.
- Credit Servicers (and financial intermediaries) can ask for the permission to operate in other EU states (“passporting”).

Shareholders & Corporate representatives

- Extended to credit services the current regulation applicable to banks and supervised financial intermediaries in terms of qualified shareholdings.

Permitted activities

- Servicing activity of bad loans (e.g. renegotiation of terms by following the buyer's instructions; management of complaints; informing the debtor about changes in rates, fees, and due payments).
- Out-of-court recovery activities concerning other types of loans (not only bad loans).
- Management of bad loans acquired by themselves, provided that this activity is conducted subordinately to the collection of credits on behalf of third parties.
- Additional ancillary activities such as management of connected properties, data processing, advisory, etc.

Organization and controls

- Credit services are required to establish an adequate organizational structure, with focus on:
 - HR procedures;
 - internal data and communications;
 - internal controls;
 - suitable administrative, accounting and information security systems;
 - proper outsourcing contracts .

Supervision and sanctions

- Bad Loan Credit Servicers are subject to the informative and sanctioning powers of the Bank of Italy.
- Servicer could receive inspection from the Bank of Italy.

Main impacts expected from the national transposition of SMD

The Italian Non-Performing Loans market includes of a wide range of participants who are likely to feel different impacts due to the upcoming

implementation of the Secondary Market Directive into the national framework.

Player	Activity on bad loans	Brief description	Expected impact
Banks	Buy	<ul style="list-style-type: none"> Obligation to inform the assigned debtor. 	
	Sell	<ul style="list-style-type: none"> Obligation to provide information necessary for the DD to potential buyers and periodic reporting to Bank of Italy regarding disposed loans. 	
106 TUB	Buy	<ul style="list-style-type: none"> Obligation to inform the assigned debtor. 	
	Sell	<ul style="list-style-type: none"> Obligation to provide information necessary for the DD to potential buyers and periodic reporting to Bank of Italy regarding disposed loans. 	
	Servicing (in other countries)	<ul style="list-style-type: none"> Possibility to operates in other EU countries thought the passporting mechanism. 	
115 TULPS	Buy	<ul style="list-style-type: none"> Liberalization of purchasing activities (i.e., removal of the equity capital constraint). Appointment of an authorized third-party manager or a supervised third-party entity responsible for servicing and complying with the various obligations required (e.g. notification to the transferred debtor). 	
	Servicing (mandates from non-supervised entities)	<ul style="list-style-type: none"> Request for authorization / registration in the register of managers and subsequent compliance with the requirements imposed by Bank of Italy (e.g. organizational, reporting, etc.). 	



Lucca, Toscana

EU Securitization framework targeted consultation

As well known, securitizations have a significant role on NPL market as well has on the overall economy.

The European Commission launched in October 2024 a targeted consultation regarding the EU securitization framework which seeks stakeholders' feedback on a broad range of

issues (operational cost of issuers and investors, differentiate STS securitisation from opaquer and more complex ones, standardization, tackling regulatory inconsistencies, etc.).

The consultation closed on 4th December 2024 and the Commission is now analyzing feedbacks provided

by different stakeholders (issuers, investors, sponsors, servicers, arrangers, third-party verifiers, and all other established actors active throughout the securitisation market; data repositories and rating agencies, industry associations, competent authorities, and research institutions).

Topics under discussion

- Due-diligence**
Assessment of costs incurred by stakeholders for due-diligence purposes and valuation of the opportunity to differentiate due-diligence requirements with respect to risk or type of securitisations.
- Transparency**
Assessment of costs incurred by stakeholders for transparency requirements, valuation of potential improvements to facilitate sharing of information, potential review of the definition of "public" securitization.
- Supervision**
Valuation of the benefits in case of reduction of differences between different jurisdictions and supervisory approaches.
- STS standards**
Assessment of options to review the STS framework in order to make it an effective tool to support securitization market without burdensome requirements to comply with.
- Securitisation platform**
Analysis of potential benefits in case of establishment of a pan-European securitisation platform and collection of ideas regarding other initiatives that could further increase the level of standardisation for EU securitisations.
- Prudential and liquidity risk treatment**
Collection of feedbacks on possible changes in the prudential treatment that would positively affect volumes and appeal of securitizations (for banks, insurers and pension funds).
- Significant Risk Transfer (SRT)**
Assessment of the opportunity to replace the mechanical tests with a single comprehensive test which aims to make the SRT framework less complex and more flexible.
 - **Latest news on SRT:**
ECB is proposing to speed up the approval process for SRT, to help banks manage their capital. The new proposal would let banks submit request of permission for SRTs two weeks ahead of the deal, instead of a minimum of three months, currently. The ECB also intends to reduce the informational burden on banks via a simplified process.



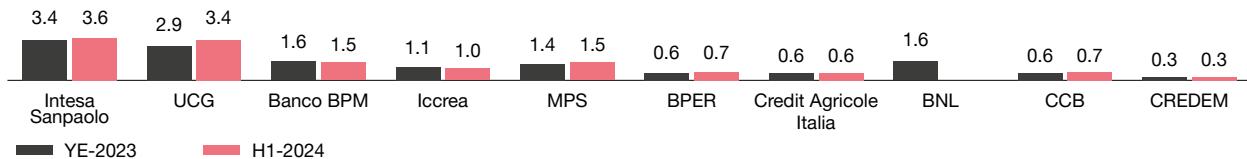
Cagliari, Sardegna

Appendix: Top 10 Italian Banks

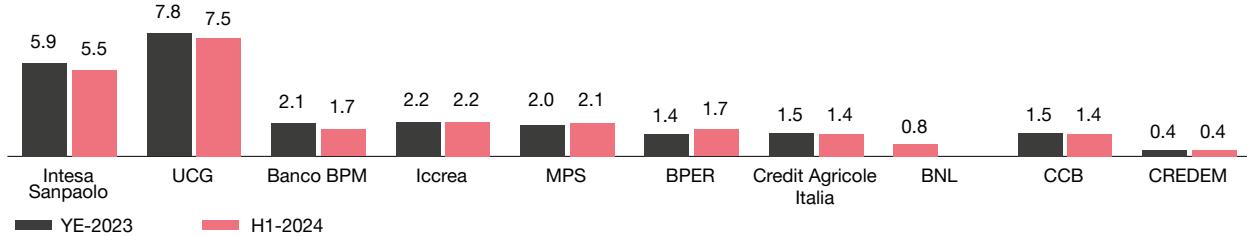
Gross NPE (€bn)



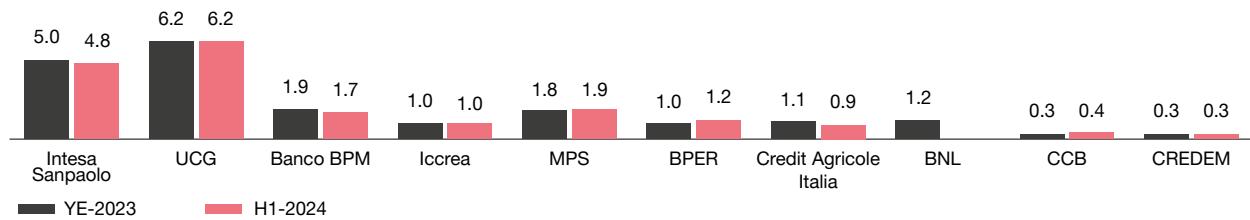
Gross Bad Loans (€bn)



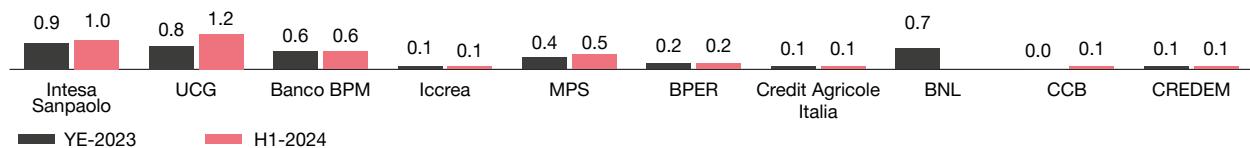
Gross Unlikely to Pay (€bn)



Net NPE (€bn)



Net Bad Loans (€bn)



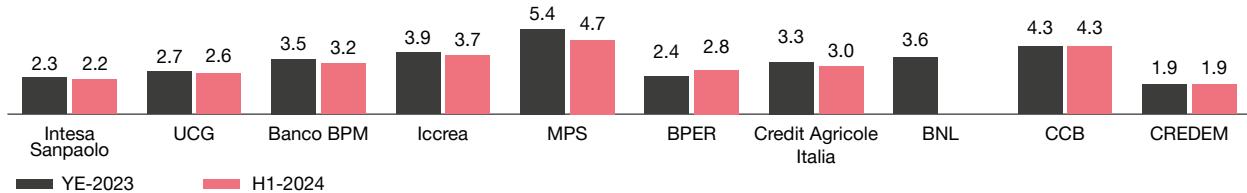
Net Unlikely to Pay (€bn)



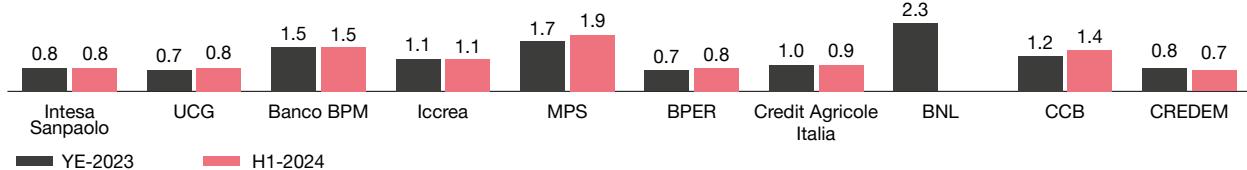
...

Appendix: Top 10 Italian Banks

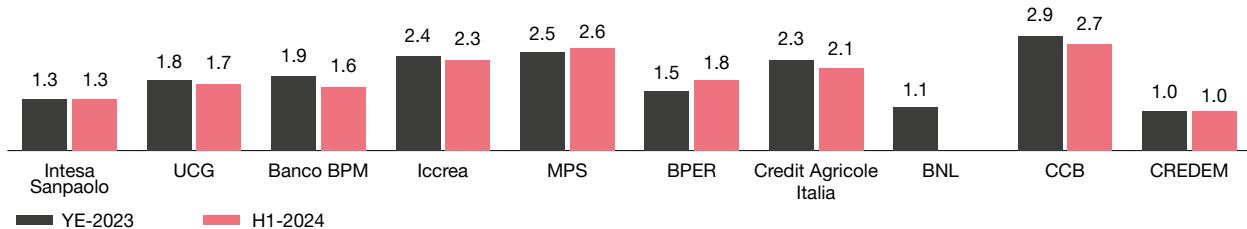
Gross NPE ratio (%)



Gross Bad Loans ratio (%)



Gross Unlikely to Pay ratio (%)



Net NPE ratio (%)



Net Bad Loans ratio (%)



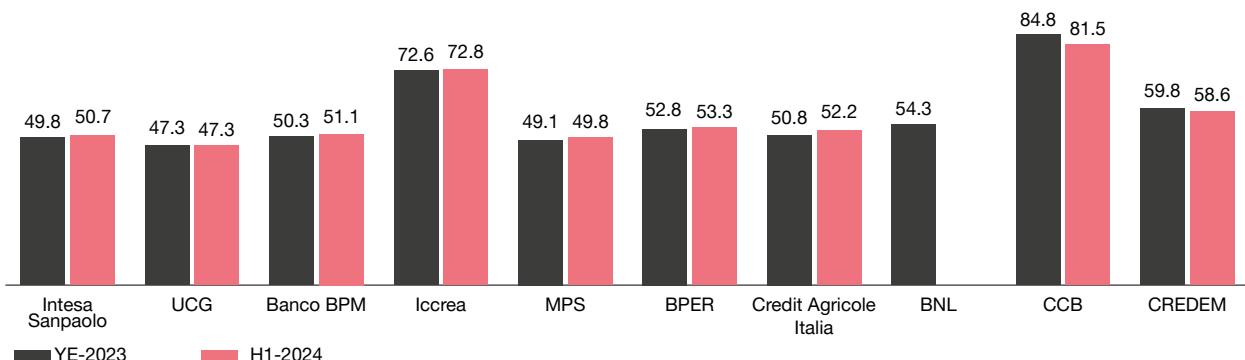
Net Unlikely to Pay ratio (%)



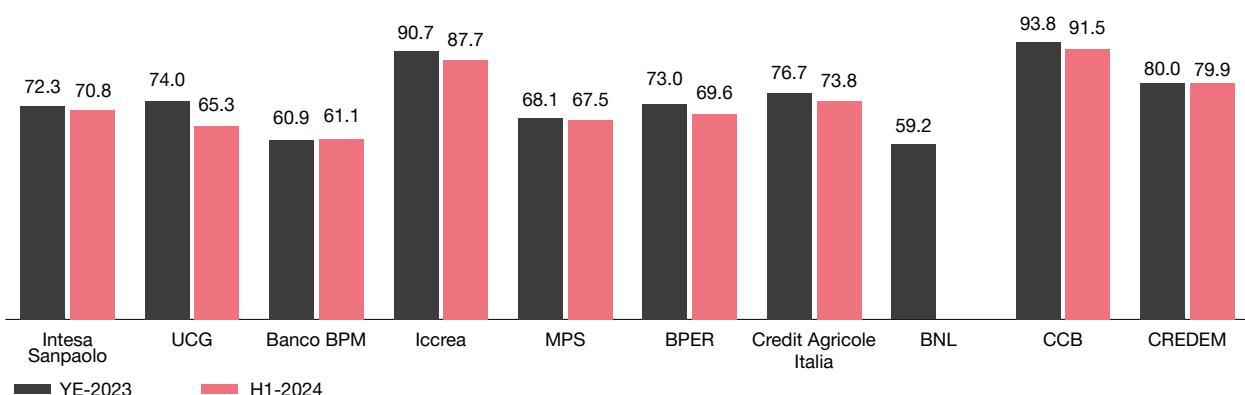
...

Appendix: Top 10 Italian Banks

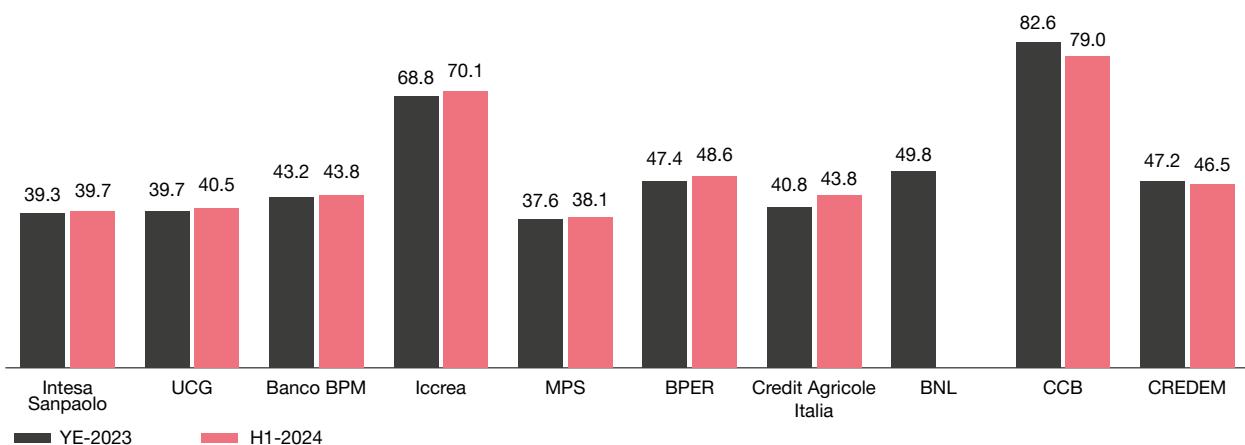
NPE Coverage ratio (%)



Bad Loans Coverage ratio (%)



Unlikely to Pay Coverage ratio (%)





Portofino, Liguria

Contacts List

Pier Paolo Masenza

Partner

Financial Services Strategy & Value Creation Leader
pierpaolo.masenza@pwc.com

Antonio Martino

Partner

Real Estate Advisory Leader
antonio.martino@pwc.com

Salvatore Lombardo

Partner

Restructuring
salvatore.lombardo@pwc.com

Marco Vozzi

Partner

TLS - Deals Tax
marco.vozzi@pwc.com

Ettore Bono

Director

Deals FS - NPL & UtP
ettore.bono@pwc.com

Pasquale Vettraino

Director

Strategy & Value Creation Financial Services
pasquale.vettraino@pwc.com

Fedele Pascuzzi

Partner

Crisis Leader
fedele.pascuzzi@pwc.com

Matteo D'Alessio

Partner

Deals FS
matteo.dalessio@pwc.com

Francesco Cataldi

Partner

Strategy&
francesco.cataldi@pwc.com

Gabriele Guggiola

Partner

Regulatory Strategy Leader
gabriele.guggiola@pwc.com

Roberto Percoco

Director

TLS - Structured Finance & Portfolio Transaction
roberto.percoco@pwc.com



Aosta, Valle d'Aosta

Portfolio Advisory Group

Austria

Jens Roennberg
jens.roennberg@at.pwc.com
Bernhard Engel
bernhard.engel@at.pwc.com

Bulgaria

Bojidar Neytchev
bojidar.neytchev@bg.pwc.com

Croatia

Sinisa Dusic
sinisa.dusic@hr.pwc.com

Cyprus

Stelios Constantinou
stelios.constantinou@cy.pwc.com

Czech Republic and Slovakia

Petr Smutny
petr.smutny@pwc.com

Denmark

Bent Jørgensen
bent.jorgensen@pwc.com

France

Hervé Demoy
herve.demoy@pwc.com

Germany

Christopher Sur
christopher.sur@pwc.com
Thomas Veith
thomas.veith@pwc.com
Jörg Jünger
joerg.juenger@pwc.com

Greece

Thanassis Panopoulos
thanassis.panopoulos@gr.pwc.com

Hungary

Csaba Polacsek
csaba.polacsek@pwc.com

Ireland

David Tynan
david.tynan@ie.pwc.com

Italy

Pier Paolo Masenza
pierpaolo.masenza@pwc.com
Fedele Pascuzzi
fedele.pascuzzi@pwc.com

The Netherlands

Peter Wolterman
peter.wolterman@pwc.com
Wilbert van den Heuvel
wilbert.van.den.heuvel@pwc.com
Jessica Lombardo
jessica.lombardo@pwc.com

Norway

Lars Johansson
lars.x.johansson@pwc.com

Poland

Pawel Dzurak
pawel.dzurak@pwc.com

Portugal

Antonio Rodrigues
antonio.rodrigues@pwc.com

Serbia

Marko Fabris
marko.fabris@rs.pwc.com

Spain

Jaime Bergaz
jaime.bergaz@pwc.com
Pablo Martinez-Pina
pablo.martinez-pina@pwc.com
Richard Garey
richard.garey@pwc.com
richard.garey@es.pwc.com

Sweden

Per Storbacka
per.storbacka@pwc.com

Turkey

Serkan Tamur
serkan.tamur@tr.pwc.com
Kadir Köse
kadir.kose@tr.pwc.com

Ukraine

Oleg Tymkiv
oleg.tymkiv@ua.pwc.com

United Kingdom

Robert Boulding
robert.boulding@pwc.com
Panos Miziros
panagiotis.miziros@pwc.com
Chiara Lombardi
chiara.p.lombardi@pwc.com

North America

Mitchell Roschelle
mitchell.m.roschelle@pwc.com

Asia Pacific

Ted Osborn
t.osborn@hk.pwc.com
James Dilley
james.ha.dilley@hk.pwc.com
Hoang Dao Thi Thien
dao.thi.thien.huong@vn.pwc.com
Lee Chui Sum
chui.sum.lee@my.pwc.com
Michael Fung
michael.fung@au.pwc.com
Masaya Kato
masaya.kato@pwc.com

Latin America

Carolina Pimenta
carolina.pimenta@pwc.com

Middle East

Matthew Wilde
matthew.wilde@ae.pwc.com



Bolzano, Trentino-Alto Adige



[pwc.com/it/npl](https://www.pwc.com/it/npl)

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PwC does not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

© 2024 PricewaterhouseCoopers Business Services Srl. All rights reserved. PwC refers to PricewaterhouseCoopers Business Services Srl and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details. This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors.