



**Desio OBG S.r.l.**

**ANNUAL REPORT**

**2022**

This document is a courtesy translation into English, for the convenience of international readers, of the "Bilancio al 31/12/2022 di Desio OBG S.r.l.". In case of any discrepancies or doubts between the English and the Italian versions of the Report, the Italian version prevails.

## DIRECTORS' REPORT ON OPERATIONS

### 1. Activity carried out

The Company was incorporated on 27 February 2017 pursuant to Law No. 130 of 30 April 1999, which regulated the implementation of securitisation transactions in Italy.

The exclusive corporate purpose of the company is as follows:

the purchase for consideration from banks, within the framework of one or more issuance transactions (meaning both individual issuance transactions and issuance programmes) of covered bank bonds realised pursuant to Article 7-bis of Law No. 130 of 30 April 1999, its subsequent amendments and additions and related implementing provisions, of

- (i) land and mortgage loans, also identifiable en bloc;
- (ii) receivables due from or guaranteed by public administrations and securities issued or guaranteed under the same terms, also identifiable en bloc;
- (iii) securities issued as part of securitisation transactions involving loans of the same type;
- (iv) additional eligible assets or supplementary eligible assets that are permitted under the aforementioned law; through the assumption of loans granted or guaranteed also by the transferring banks, as well as the provision of security for bonds issued by the same banks or by other banks.

Pursuant to its Articles of Association and the provisions of the aforementioned law, the Company will carry out the aforementioned activities in accordance with the terms, methods and conditions set forth in the regulations applicable to covered bank bond issues pursuant to Article 7-bis of Law 130/99.

In accordance with the aforementioned provisions of law and pursuant to Art. 1180 of the Italian Civil Code, the receivables and securities acquired by the Company and the sums paid by the relevant debtors are intended to satisfy the rights of the holders of the covered bank bonds referred to in paragraph 1 of Art.7-bis of Law 130/99 and issued in the context of issuance transactions in which the Company participates and for the benefit of which the Company has provided a guarantee, of the counterparties to derivative contracts to hedge the risks inherent in the loans and securities purchased and other ancillary contracts, as well as to the payment of other transaction costs, as a matter of priority with respect to the repayment of loans granted or guaranteed also by the transferring banks pursuant to paragraph 1 of Art.7-bis of Law 130/99.

Receivables and securities acquired by the Company under each transaction or issuance programme constitute segregated assets to all intents and purposes from those of the Company and from those relating to the other transactions or issuance programmes, on which actions by creditors other than the holders of the covered bank bonds issued and additional creditors referred to in the preceding sentence are not allowed.

To the extent permitted by the provisions of Law 130/99, the Company may also carry out the ancillary transactions to be stipulated for the provision of guarantees and for the successful completion of covered bond issuance transactions in which it participates or which are, in any case, instrumental to the achievement of its corporate purpose. In addition, to the extent permitted by the aforementioned law, and in the manner and within the limits set forth therein, the Company may carry out transactions for the reinvestment in other financial assets of the funds deriving from the management of the loans and securities acquired pursuant to these Articles of Association and not immediately used for the satisfaction of the rights of the holders of the covered bank bonds and for the payment of the costs of the transaction.

In the context of covered bank bond issuance transactions in which it participates, in compliance with the provisions of Law 130/99, the Company may engage third parties both to collect the receivables purchased and to provide cash and payment services, nonetheless conducive to the management of the same receivables purchased, and also perform any other activity permitted by Art. 7-bis of Law 130/1999.

The company may carry out its activities both in Italy and abroad.

Based on Legislative Decree No. 141 of August 2010, as amended by Legislative Decree No. 218 of December 2010, "the provisions set forth for financial intermediaries under Title V of Legislative Decree No. 385 of 1 September 1993 apply to the transferees referred to in Art.7-bis, within the limits established by the Ministry of Economy and Finance by means of the regulation issued, after consultation with the Bank of Italy, pursuant to Art. 17, paragraph 3, of Law No. 400 of 23 August 1988".

Pursuant to the supervisory regulations, the issuance of Covered Bank Bonds is an instrument reserved only for those banking entities that are *"highly capitalised in view of the specific characteristics of the Covered Bonds market and the need to protect creditors other than the OBG holders, whose capital guarantee is mitigated as a result of the sale of high quality banking assets"*.

As part of this object, the Company has been participating, since the 2017 financial year, in a Banco di Desio e della Brianza Group covered bank bond issuance programme, through (i) the purchase without recourse pursuant to Articles 4 and 7-bis of Law 130/99, on 5 July 2017, by the Company of a portfolio of performing residential mortgage loans identifiable "en bloc", deriving from mortgage contracts entered into with individuals as part of their business activities originated by Banco di Desio e della Brianza S.p.A. and by Banca Popolare di Spoleto S.p.A. and (ii) the simultaneous obtainment of a subordinated loan from the same assigning

banks and the signing, among others, of the contract through which the assets acquired are placed as irrevocable collateral for bank bonds.

The separate financial statements as at 31 December 2022 show a break-even result following the charge-back of the net operating costs to segregated assets for the year under review.

## **2. Performance of the reference market in 2022**

The 2022 financial year was conditioned by a general framework characterised by geo-political tensions arising from the Russian-Ukrainian conflict, with inevitable effects on growth and inflation triggered by the increase in the cost of raw materials, particularly energy.

The outbreak of the conflict in Ukraine abruptly extinguished the hopes of a return to normality after the Covid-19 health emergency, which had become apparent at the end of 2021 thanks to the lower number of hospitalisations, the relaxation of restrictions and the gradual adaptation to the latter by the population, instilling hope for a new phase of living with the virus and, therefore, a gradual elimination of risks to the economy.

The hostilities required major humanitarian support and triggered an energy crisis in Europe, which also contributed, to an appreciable extent, to an increase in international food and global commodity prices, which rose to their highest levels in a decade. This exacerbated those inflationary pressures, already heightened by the negative impact of the pandemic on global supply chains.

The resulting downward revision of growth estimates primarily affected commodity-importing developing countries, which are more fragile in the face of rising energy and food prices. But unevenness persisted even among advanced economies.

The Eurozone economy, which is heavily dependent on Russian gas supplies, bore the brunt of the shock from the Russian-Ukrainian conflict.

The expansion of EU sanctions against Russia has further aggravated supply constraints and negatively affected energy prices. Given the even more significant increase in producer prices, there is a concern that the current trend in consumer prices is unlikely to subside so quickly, casting shadow over the prospects for consumption. The general rise in interest rates as a result of the central banks' measures to combat inflation caused equally significant upheaval on the bond markets.

This conflict and the sanctions imposed by the international community on the government, companies and economy of Russia, as well as the countermeasures taken by the latter, have led to a situation of significant uncertainty at macroeconomic level, on exchange rates, energy and commodity costs, the cost of debt, inflationary expectations and the cost of borrowing.

The economic performance in Italy in 2022 was naturally affected by the difficult environment described above. After the considerable growth recorded in the first few quarters of the year, while still benefiting from

the use of EU Next Generation funds, growth slowed down, particularly in the last quarter of the year, also reflecting the marked change in the monetary policy stance and the sharp rise in interest rates as a result of the measures taken by central banks to combat inflation. The dampening of the recovery of value added of services also contributed to this, which returned to pre-pandemic values as early as the summer months, as well as the decline in industrial production. Household spending slowed down, despite measures to support disposable income in a context of high inflation.

### **3. Significant events during the year**

With reference to separate equity, we note that on 5 May 2022, with economic effect from the same date, Banco di Desio e della Brianza S.p.A. sold a new portfolio for a total consideration of Euro 375,138,044.32, and on 18 May 2022 provided the Company with a new Subordinated Loan for a principal amount equal to the purchase price of the new portfolio.

### **4. Information on the Company's Situation, Performance and Results of Operations**

With reference to the company's assets, it is believed that, given the activity carried out by the Company, there is no additional information to that shown in the Notes to the Financial Statements.

In particular, as far as performance indicators are concerned, they are not deemed significant with reference to the company's assets, while in relation to the performance of the segregated assets, please refer to Appendix 1 of the Notes to the Financial Statements.

### **5. Significant events after the end of the financial year**

There were no significant events to report after the end of the financial year.

### **6. Business outlook**

Management will be aimed at the smooth continuation of the ongoing operation.

### **7. Going concern**

In preparing the Financial Statements, an assessment was conducted on satisfaction of the prerequisites relating to the Company's ability to operate as a going concern over a time horizon of at least twelve months after the reporting date. In performing this assessment, account was taken of all available information and of the specific activity carried out by the Company whose exclusive purpose, in accordance with Law No. 130 of 30 April 1999, is to carry out one or more securitisation transactions.

Accordingly, these Financial Statements have been prepared on a going concern basis, as there are no events or conditions that might cast doubt on the Company's ability to continue as a going concern.

## **8. Other information**

### **A) Own shares/quotas**

The Company does not hold any of its own shares or those of its parent company, either directly or through trust companies.

### **B) Research and development activities**

Given the special nature of the Company, no specific research and development activities were carried out.

### **C) Transactions with related parties**

With reference to the company's assets, there were no transactions with related parties.

With reference to the covered bond transaction, please refer to Paragraph L.2 of Annex 1 of the Notes to the Financial Statements where the full list of parties involved is reported.

### **D) Management and Coordination Activities**

The Company is subject to management and coordination by Banco di Desio e della Brianza S.p.A. pursuant to Art. 2497-bis of the Italian Civil Code.

### **E) Information on risks and related hedging policies**

The information below refers to the company's operations; as regards segregated assets, please refer to paragraph L.2 of Annex 1 to the Notes to the Financial Statements.

#### **Liquidity risk**

The Company believes that it has sufficient liquid assets to meet its financial commitments.

#### **Interest rate risk**

The Company has no financial assets and liabilities that expose it to significant interest rate risks.

#### **Exchange rate risk**

The Company is only active domestically and is consequently not exposed to exchange rate risks.

#### **Credit risk**

The Company mainly has receivables from segregated assets due to the charge-back of management costs. Given the projected collections on receivables in segregated assets and the priority with which these collections are allocated to the payment of these receivables, there is no risk as to their recoverability.

### **F) Tax Treatment of Segregated Assets**

Pursuant to Circular 8/E of 6 February 2003, any economic results deriving from the management of the segregated assets during the course of the performance of the covered bond transactions do not fall within the Company's available funds and, consequently, their taxability for the Company is excluded. This treatment

confirms the provisions of the Bank of Italy Order of 29 March 2000, according to which the Company's income statement is not affected by income and expenses related to the management of the covered bond transaction.

It is only at the end of the covered bond transaction that any financial assets of which the Company has become a beneficiary after all creditors of the segregated assets have been satisfied are subject to taxation by the Company.

**G) Branch offices**

The Company has no branch offices.

**H) Employees**

The Company has no employees.

Conegliano, 7 February 2023

**Desio OBG S.r.l.**  
*The Chair of the Board of Directors*  
Carlo Maria Rebay

**ANNEX NO. 1****INFORMATION ON SEPARATE ASSETS****Section 1 - SPECIFIC REFERENCES ON THE ACTIVITIES CARRIED OUT****D. GUARANTEES AND COMMITMENTS**

As of the reporting date, the Company had not issued guarantees in favour of third parties and no commitments were outstanding, other than those provided for and expressly regulated by the contractual agreements relating to the issue of covered bank bonds and pertaining to the related 'segregated assets'.

**L. COVERED BANK BONDS**

In the absence of specific detailed tables required by the Bank of Italy Provision of 15 December 2015, as amended by the Provision of 9 December 2016, it was deemed appropriate to set out the information provided in this section following the information structure explicitly required for Part L "Covered Bank Bonds".

Below are details of the initial portfolio and the portfolio subsequently purchased, as well as the provisions obtained for their purchase in the form of subordinated loans obtained from the transferring bank.

**Amount of receivables purchased**

<b>Date of purchase</b>	<b>Nominal value</b>	<b>Write-down provision</b>	<b>Change in amortised cost</b>	<b>Transfer price</b>
05 July 2017	833,394,536	(723,512)	(1,348,884)	831,309,426
07 November 2018	413,702,051	(455,049)	387,028	413,634,030
06 June 2019	344,458,371	(464,549)	(798,764)	343,195,058
07 May 2020	372,656,537	(324,568)	(762,794)	371,569,175
06 May 2021	219,014,601	(1,298,428)	(188,513)	217,527,660
05 May 2022	377,314,694	(1,131,015)	(1,045,635)	375,138,044
<b>Total Receivables Purchased</b>				<b>2,552,373,393</b>



***Details of receivables purchased:***

Date of transfer: 05 July 2017

Banco Desio:

- |    |  |                     |
|----|--|---------------------|
| 1. | Nominal value of the receivables in the first portfolio at the valuation date: | Euro 584,087,987.45 |
| 2. | Transfer price of the first portfolio:   | Euro 582,522,028.94 |

Banca Popolare di Spoleto\*:

- |    |  |                     |
|----|--|---------------------|
| 3. | Nominal value of the receivables in the first portfolio at the valuation date: | Euro 249,306,548.33 |
| 4. | Transfer price of the first portfolio:   | Euro 248,787,397.10 |

Date of transfer: 07 November 2018

Banco Desio:

- |    |   |                     |
|----|---|---------------------|
| 5. | Nominal value of the receivables in the second portfolio at the valuation date: | Euro 165,453,330.36 |
| 6. | Transfer price of the second portfolio:   | Euro 165,070,907.58 |

Banca Popolare di Spoleto\*:

- |    |   |                     |
|----|---|---------------------|
| 7. | Nominal value of the receivables in the second portfolio at the valuation date: | Euro 248,248,720.47 |
| 8. | Transfer price of the second portfolio:   | Euro 248,563,122.49 |

\*merged into Banco Desio with effect from 1 July 2019

Date of transfer: 06 June 2019

Banco Desio:

- |  |                     |
|--|---------------------|
| <b>9.</b> Nominal value of receivables in the third portfolio at the valuation date: | Euro 196,018,656.41 |
| <b>10.</b> Transfer price of the third portfolio:                                    | Euro 195,304,356.86 |

Banca Popolare di Spoleto\*:

- |   |                     |
|---|---------------------|
| <b>11.</b> Nominal value of receivables in the third portfolio at the valuation date: | Euro 148,439,714.84 |
| <b>12.</b> Transfer price of the third portfolio:                                     | Euro 147,890,701.58 |

Date of transfer: 07 May 2020

Banco Desio:

- |  |                     |
|--|---------------------|
| <b>13.</b> Nominal value of receivables in the fourth portfolio at the valuation date: | Euro 372,656,537.00 |
| <b>14.</b> Transfer price of the fourth portfolio:                                     | Euro 371,569,174.58 |

Date of transfer: 06 May 2021

Banco Desio:

- |  |                     |
|--|---------------------|
| <b>15.</b> Nominal value of receivables in the fourth portfolio at the valuation date: | Euro 219,014,601.00 |
| <b>16.</b> Transfer price of the fourth portfolio:                                     | Euro 217,527,659.48 |

Date of transfer: 06 May 2022

Banco Desio:

- |  |                     |
|--|---------------------|
| <b>17.</b> Nominal value of receivables in the fourth portfolio at the valuation date: | Euro 377,314,694.45 |
| <b>18.</b> Transfer price of the fourth portfolio:                                     | Euro 375,138,044.32 |

---

DESIO OBG S.R.L.

The subordinated loans disbursed by Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A. concurrently with the dates of purchase of the loans for an amount equal to the transfer price are subject to interest to be paid on each payment date, equal to the sum of

1. an amount (the "Base Interest") calculated by multiplying the amount of each subordinated loan disbursed by the applicable rate and the days corresponding to the relevant accrual period
2. an amount (the "Premium") equal to the difference between the available funds in the guarantor's interest account, arising from the collected receivables assigned by each of the two Transferors, and all other amounts (allocated pro rata pursuant to the contractual documentation to each of the two Subordinated Lenders) whose payment is due, as a matter of priority, pursuant to the priority order of payments.

\*merged into Banco Desio with effect from 1 July 2019

Financing may be repaid on each payment date in accordance with the applicable priority order of payments and within the limits of available capital funds provided that such payment does not result in a breach of the tests contained in the contract.

The following table summarises the key figures relating to the first issue of Covered Bank Bonds finalised by Banco Desio in the context of the Programme:

Serie s	Tranche	Amount	ISIN	Common Code	Issue date	Maturity date	Rate type	Rate	Coupon
1	1	500,000,000	IT0005277451	167862977	12.09.2017	12.09.2024	Fixed	0.875%	Annual

This first issue was increased on 31 October 2017, again from the initial portfolio, as shown in the table below:

Serie s	Tranche	Amount	ISIN	Common Code	Issue date	Maturity date	Rate type	Rate	Coupon
1	2	75,000,000	IT0005277451	167862977	31.10.2017	12.09.2024	Fixed	0.875%	Annual

On 24 July 2019, a second issue of Covered Bank Bonds took place, the details of which are summarised below:

Serie s	Tranche	Amount	ISIN	Common Code	Issue date	Maturity date	Rate type	Rate	Coupon
2	1	500,000,000	IT0005380446	203326343	24.07.2019	24.07.2026	Fixed	0.375%	Annual

On 20 January 2021, a second issue of Covered Bank Bonds took place, the details of which are summarised below:

Serie s	Tranche	Amount	ISIN	Common Code	Issue date	Maturity date	Rate type	Rate	Coupon
3	1	100,000,000	IT0005433682	229177818	20/01/2021	20/01/2032	Fixed	0.000%	Annual

## INFORMATION ON THE SUMMARY STATEMENT

As set out in Part A.1 Section 1 and Section 2 para. Operations carried out, the structure and form of the summary statement are in line with the Instructions issued by the Bank of Italy in its Order of 15 December 2015.

It should be noted that, pending official pronouncements on the merits, these criteria are not affected by the valuation changes made by Legislative Decree 139/15, but are consistent with the valuation criteria applied in previous years. In fact, they appear to be the most suitable to reflect the specific financial nature of the Company and to allow the reconciliation of these financial statements with the other financial information that the Company is required to produce.

The items associated with the assigned receivables correspond to the values deduced from the accounts and the information system of the Servicer, Banco di Desio e della Brianza S.p.A..

Amounts are expressed in Euro units.

### A. Assets

#### A.1 Receivables

Receivables have been recorded at their transfer value and are recognised in the course of the transaction net of collections during the period. At the closing date their value is adjusted downwards, if necessary, to adjust it to the presumed realisable value as directly communicated by the Servicer of the transaction. They include accrued interest income deemed recoverable.

### B. Use of liquid assets

#### B.3 Liquidity

Current account balances with credit institutions are shown in the financial statements at their nominal value corresponding to their presumed realisable value and include interest accrued at the date of these

financial statements.

#### **B.4 Investments and cash equivalents**

The item Investments and cash equivalents includes collections on receivables that have already occurred at the reporting date, but have not yet been credited to the Company's current accounts.

#### **B.5 Accrued income and prepaid expenses**

Accrued income on swaps was calculated on an accrual basis, applying the principle of correlation of costs and revenues per annum.

#### **B.6 Other Receivables**

Other receivables comprise the advance payment made to 'ordinary management' to enable it to pay corporate operating expenses.

#### **D. Financing received**

The amount is recorded at nominal value.

#### **E. OTHER liabilities**

Payables are recorded at nominal value.

Accrued expenses have been calculated on an accrual basis, applying the principle of correlation of costs and revenues per annum.

#### **Interest, commissions, income and charges**

Costs and revenues related to segregated assets, interest, fees, income and expenses arising from the covered bank bond transaction are accounted for on an accrual basis.

#### **Derivative Contracts**

The spread on the interest rate swap contract, entered into for the purpose of hedging the risk of interest rate fluctuations, is recognised as an expense or income on an accrual basis, applied to the flows exchanged between the SWAP counterparties in the reporting period.

#### **Mechanism for Closing Segregated Assets**

From the Summary Statement, Table 1, it can be seen that the financial year ended with a break-even position, through the full allocation of the positive margin accrued during the year in the form of additional remuneration on the subordinated loan.

This shows that the total assets coincide with the total liabilities of the segregated account.

**RECONCILIATION TABLE 1**

TOTAL ASSETS	1,730,874,762
TOTAL LIABILITIES	1,730,874,762
<b>CAPITAL DIFFERENCE</b>	<b>0</b>
PREVIOUS YEARS' RESULTS	0
<b>RESULT OF THE OPERATION FOR THE CURRENT FINANCIAL YEAR</b>	<b>0</b>

**TABLE L.1**

<b>TABLE L.1</b>		<b>31/12/2022</b>	<b>31/12/2021</b>
<b>A.</b>	<b>Assets</b>	<b>1,665,922,463</b>	<b>1,486,395,162</b>
A.1	Receivables	1,665,922,463	1,486,395,162
<b>B.</b>	<b>Uses of liquid assets from credit management</b>	<b>64,952,298</b>	<b>109,296,290</b>
B.3	Liquidity	63,776,827	108,218,490
B.4	Receivables for collections to be received	(61,366)	(47,181)
B.5	Accrued income and prepaid expenses	1,133,333	1,111,607
B.6	Other receivables	42,138	13,374
<b>D.</b>	<b>Financing received</b>	<b>1,722,927,411</b>	<b>1,594,673,686</b>
<b>E.</b>	<b>Other liabilities</b>	<b>7,947,351</b>	<b>1,064,947</b>
E.1	Suppliers for services rendered to the securitised management	11,945	9,506
E.2	Accrued expenses and deferred income	692,470	282,145
E.3	Payables to the Originator	7,242,936	773,296
<b>G.</b>	<b>Fees and commissions charged to the operation</b>	<b>1,142,391</b>	<b>1,160,655</b>
G.1	For Servicing	1,001,065	1,004,096
G.2	For other services	141,326	156,559
<b>H.</b>	<b>Other expenses</b>	<b>30,143,507</b>	<b>27,326,785</b>
H.1	Value adjustment to receivables	19,146	(3,748,971)
H.2	Interest expenses	30,107,069	31,064,284
H.4	Other expenses	17,292	11,472
<b>I.</b>	<b>Interest generated by assets</b>	<b>28,062,851</b>	<b>25,380,538</b>
<b>L.</b>	<b>Other revenues</b>	<b>3,223,047</b>	<b>3,106,901</b>
L.1	Interest Income	98,023	0
L.2	Write-backs on loans	1,988,690	0
L.3	Asset Swap Spread	1,091,207	3,077,913
L.4	Other revenues	45,127	28,988

Please refer to the following pages for comments on the notes in the table above.

## BREAKDOWN OF THE MAIN ITEMS IN THE TABLE ON THE PREVIOUS PAGE

<b>TABLE F.1 - COMPOSITION OF ITEMS</b>		<b>31/12/2022</b>	<b>31/12/2021</b>
<b>A.1</b>	<b>Receivables</b>	<b>1,665,922,463</b>	<b>1,486,395,162</b>
	a. Receivables falling due - principal amount	1,674,201,219	1,495,106,170
	b. Receivables for future charges	139,810	139,810
	c. Value adjustment of receivables at amortised cost	(3,757,562)	(2,711,927)
	d. Receivables from customers for interest on arrears	1,111	880
	e. Receivables for accrued expenses	7,545	5,743
	f. Overdue loan instalments - interest	56,421	36,333
	g. Overdue loan instalments - principal	120,474	134,827
	i. Accrued interest income on loans	1,988,269	1,375,824
	h. Suspended interest instalments	886,203	886,203
	j. Provision for write-down of receivables acquired	(5,341,008)	(6,261,862)
	k. Provision for write-down of receivables - analytical	(2,380,018)	(2,316,839)
<b>B.3</b>	<b>Liquidity</b>	<b>63,776,827</b>	<b>108,218,490</b>
	a. Collection account	58,734,636	106,165,457
	c. Payments account	1,083,888	29,828
	d. Liquidity reserve account	3,958,303	2,023,206
<b>B.4</b>	<b>Investments and cash equivalents</b>	<b>(61,366)</b>	<b>(47,181)</b>
	a. Receivables for collections to be received	(61,366)	(47,181)
<b>B.5</b>	<b>Accruals and Deferrals</b>	<b>1,133,333</b>	<b>1,111,607</b>
	a. Accrued income on swaps	1,133,333	1,111,607
<b>B.6</b>	<b>Other Receivables</b>	<b>42,138</b>	<b>13,374</b>
	a. Advances on ordinary operating expenses	20,197	13,374
	b. Tax authorities / withholding taxes Interest income	21,941	0
<b>D.</b>	<b>Financing received</b>	<b>1,722,927,411</b>	<b>1,594,673,686</b>
	a. Debts for subordinated loan	1,554,018	1,438,337
	b. Financing received	1,721,373,393	1,593,235,349
<b>E.1</b>	<b>Service Providers</b>	<b>11,945</b>	<b>9,506</b>
	a. Suppliers	7,065	7,066
	b. Suppliers -invoices to be received	4,880	2,440
<b>E.2</b>	<b>Accrued expenses and deferred income</b>	<b>692,470</b>	<b>282,145</b>
	a. Accrued expenses	14,593	14,400
	b. Accrued expenses for servicing fees	263,063	234,812
	b. Accrued expenses on swaps	414,814	32,933
<b>E.3</b>	<b>Payables to the Originator</b>	<b>7,181,570</b>	<b>773,296</b>
	b. Payables for servicing fees	0	0
	c. Advance Payments	1,705	1,705
	d. Payable due to assignor for additional remuneration	7,179,865	724,410
<b>G.1</b>	<b>For Servicing</b>	<b>1,001,065</b>	<b>1,004,096</b>
	a. Servicing	1,001,065	1,004,096
<b>G.2</b>	<b>Fees for other services</b>	<b>141,326</b>	<b>156,559</b>
	G.2a Corporate Expenses	83,726	88,335
	G.2b Ongoing Expenses	57,600	68,224
<b>H.1</b>	<b>Value adjustment to receivables</b>	<b>(19,146)</b>	<b>(3,748,971)</b>
	a. Generic write-down of receivables	0	(4,517,701)
	b. Analytical write-down of receivables	0	768,729
	c. Losses on receivables	18,967	0
	d. Contingent liabilities on interest on arrears	179	0

DESIO OBG S.R.L.

<b>H.2</b>	<b>Interest expenses</b>	<b>30,107,069</b>	<b>31,064,284</b>
	a. Interest expenses on subordinated loan	8,654,130	8,156,458
	b. Additional remuneration	21,452,938	22,907,825
<b>H.4</b>	<b>Other expenses</b>	<b>17,292</b>	<b>11,472</b>
	a. Bank charges and fees	16	0
	b. Operating costs	0	79
	c. Legal - notary fees	976	6635
	d. Translation costs	4,758	4,758
	e. Consultancy	697	0
	f. Publication Costs	6,323	0
	g. Contingent liabilities	4,522	0
<b>I.</b>	<b>Interest generated by assets</b>	<b>28,062,851</b>	<b>25,380,538</b>
	a. Interest income on arrears	17,891	16,054
	b. Interest income on loans	27,933,886	25,359,113
	c. Ancillary income on instalments	111,073	5,371
<b>L.1</b>	<b>Interest Income</b>	<b>98,023</b>	<b>0</b>
	a. Interest income - Collection Account	78,384	0
	b. Interest Income - Payment Account	12,352	0
	c. Interest income - Reserve Account	7,287	0
<b>L.2</b>	<b>Write-backs on loans</b>	<b>1,988,690</b>	<b>0</b>
	a. Write-backs on loans	1,988,690	0
<b>L.3</b>	<b>Asset Swap Spread</b>	<b>1,091,207</b>	<b>3,077,913</b>
	b. Swap charges/income	1,091,207	3,077,913
<b>L.4</b>	<b>Other revenues</b>	<b>45,127</b>	<b>28,988</b>
	a. Contingent assets	1,088	5,220
	b. Penalties on early repayments	44,039	23,768



## QUALITATIVE INFORMATION

### L.2 DESCRIPTION OF THE TRANSACTION AND ITS PROGRESS

#### Date of transaction

The transaction was finalised through the signing of the contract of assignment of receivables on 5 July 2017.

This agreement governs the assignment of the initial portfolio of loans and the subsequent assignments that will form part of a single programme for the issuance of covered bank bonds issued by Banco di Desio e della Brianza S.p.A., in the context of which the Company acts as Guarantor by granting to the holders of the covered bank bonds a first demand, irrevocable, unconditional and autonomous guarantee. The acquisition of the receivables by Guarantor was financed through Subordinated Loans.

1 <sup>1</sup> Date of the Initial Assignment (legal effectiveness):	<u>05 July 2017</u>
2 <sup>1</sup> Date of economic effectiveness of the Initial Transfer:	<u>05 July 2017</u>
2 <sup>2</sup> Date of valuation of the Initial Portfolio:	<u>05 July 2017</u>
2 <sup>3</sup> Funding disbursement date:	<u>17 July 2017</u>
2 <sup>4</sup> Date of issue by Banco di Desio e della Brianza S.p.A. of the first series of covered bank bonds	<u>12 September 2017</u>
2 <sup>5</sup> Date of signing the guarantee on the covered bank bonds	<u>19 July 2017</u>

#### Transferors

2 <sup>1</sup> Business/Company Name:	<u>BANCO DI DESIO E DELLA BRIANZA S.P.A.</u>
2 <sup>2</sup> Legal form:	<u>Joint-stock company</u>
2 <sup>3</sup> Registered Office:	<u>Via Rovagnati, 1 Desio (MB)</u>
2 <sup>4</sup> Tax code and entry in the Register of Companies:	<u>01181770155</u>
2 <sup>5</sup> Enrolment in the Register of Banks:	<u>3440</u>
3 <sup>1</sup> Business/Company Name:	<u>BANCA POPOLARE DI SPOLETO S.P.A.*</u>
3 <sup>2</sup> Legal form:	<u>Joint-stock company</u>
3 <sup>3</sup> Registered Office:	<u>Piazza Pianciani, 5, Spoleto (PG)</u>

\*merged into Banco Desio with effect from 1 July 2019

3. Tax code and entry in the Register of Companies:	01959720549
3. Enrolment in the Register of Banks:	5134.2

### Assigned Receivables

The Transferors each assigned without recourse, pursuant to and in accordance with the combined provisions of Articles 1 and 4 of Law No. 130 of 30 April 1999, a portfolio of receivables, identifiable en bloc, deriving from loans secured by mortgages on residential properties:

3. Nominal value of loans sold by Banco di Desio e della Brianza S.p.A. at the valuation date:	584,087,987.45
3. Transfer Price of Receivables assigned by Banco di Desio e della Brianza S.p.A. (including accrued interest):	582,522,028.94
3. Nominal value of receivables assigned by Banca Popolare di Spoleto S.p.A. at the valuation date:	249,306,548.33
3. Transfer price of receivables assigned by Banca Popolare di Spoleto S.p.A. (including accrued interest):	248,787,397.10

3. Type of asset

The portfolio consists of loans secured by mortgages on residential properties

4. Nature of the receivables acquired:

The characteristics of the acquired receivables were published in detail in Official Gazette Part II No. 84 of 18/07/2017, for the purpose, also, of notifying the debtors of the assignment.

4. Quality of purchased receivables:

At the time of the transfer, the loans were classified as performing according to the criteria applied by the Transferors in compliance with the regulations issued

	by the Bank of Italy.
4' Transfer price of receivables assigned by Banco di Desio e della Brianza S.p.A. (including accrued interest):	165,070,907.58
4' Transfer price of receivables assigned by Banca Popolare di Spoleto S.p.A. (including accrued interest):	248,563,122.49
4' Type of asset	The portfolio consists of loans secured by mortgages on residential properties
4' Nature of the receivables acquired:	The characteristics of the acquired receivables were published in detail in Official Gazette Part II No. 131 of 11/10/2018, for the purpose, also, of notifying the debtors of the assignment.
4' Quality of purchased receivables:	At the time of the transfer, the loans were classified as performing according to the criteria applied by the Transferors in compliance with the regulations issued by the Bank of Italy.
4' Transfer price of receivables assigned by Banco di Desio e della Brianza S.p.A. (including accrued interest):	195,304,356.86
4' Transfer price of receivables assigned by Banca Popolare di Spoleto S.p.A. (including accrued interest):	147,890,701.58
4' Type of asset	The portfolio consists of loans secured by mortgages on residential properties
5' Nature of the receivables acquired:	The characteristics of the acquired receivables were published in detail in Official Gazette Part II No.

- 69 of 13/06/2019, for the purpose, also, of notifying the debtors of the assignment.
- At the time of the transfer, the loans were classified as performing according to the criteria applied by the Transferors in compliance with the regulations issued by the Bank of Italy.
- 5. Quality of purchased receivables:**
- 52. Transfer price of receivables assigned by Banco di Desio e della Brianza S.p.A. (including accrued interest):** 371,569,174.58
- 53. Type of asset** The portfolio consists of loans secured by mortgages on residential properties
- 54. Nature of the receivables acquired:** The characteristics of the acquired receivables were published in detail in Official Gazette Part II No. 57 of 14/05/2020, for the purpose, also, of notifying the debtors of the assignment.
- 55. Quality of purchased receivables:** At the time of the transfer, the loans were classified as performing according to the criteria applied by the Transferors in compliance with the regulations issued by the Bank of Italy.

- 56.** Transfer price of receivables assigned by Banco di Desio e della Brianza S.p.A. (including accrued interest): 217,527,659.48
- 57.** Type of asset The portfolio consists of loans secured by mortgages on residential properties
- 58.** Nature of the receivables acquired: The characteristics of the acquired receivables were published in detail in Official Gazette Part II No. 57 of 15/05/2021, for the purpose, also, of notifying the debtors of the assignment.
- 59.** Quality of purchased receivables: At the time of the transfer, the loans were classified as performing according to the criteria applied by the Transferors in compliance with the regulations issued by the Bank of Italy.
- 60.** Transfer price of receivables assigned by Banco di Desio e della Brianza S.p.A. (including accrued interest): 375,138,044.32
- 61.** Type of asset The portfolio consists of loans secured by mortgages on residential properties
- 62.** Nature of the receivables acquired: The characteristics of the acquired receivables were published in detail in Official Gazette Part II No. 55 of 12/05/2022, for the purpose, also, of notifying the debtors of the assignment.

**63. Quality of purchased receivables:**

At the time of the transfer, the loans were classified as performing according to the criteria applied by the Transferors in compliance with the regulations issued by the Bank of Italy.

**1) Operating performance**

The operation is running regularly and no irregularities were found with respect to the contractual documentation.

**2) Information on credit performance**

The actual receipts realised in 2022 totalled Euro 226.59 million, higher than the expected receipts of Euro 124.23 million.

The deviation is due to the fact that the collection forecasts do not take into account any early repayments. Compliance with the ratios set out below will be monitored on a quarterly basis by the transaction's Asset Monitor, which prepares a quarterly Report at the request of the OBG issuer which analyses the following parameters:

- Nominal Value Test: the total nominal value of the assets forming part of the segregated assets must be at least equal to the nominal value of the outstanding Covered Bonds;
- Net Present Value Test: the net present value of the assets forming part of the segregated assets, net of all transaction costs borne by the Guarantor, including the expected costs and charges of any financial risk hedging derivative contracts entered into in connection with the transaction, must be at least equal to the net present value of the outstanding Covered Bonds;
- Interest Coverage Test: the interest and other income generated by the assets forming part of the segregated assets, net of the Guarantor's costs, must be sufficient to cover the interest and costs payable by the issuing bank on the outstanding Covered Bonds, taking into account any financial risk hedging derivatives entered into in connection with the transaction;
- Asset Coverage Test: dynamically verifies that the assets forming part of the segregated assets, weighted differently according to type and quality, are able to guarantee the minimum level of over-collateralisation required by the rating agencies.

At the closing date of the financial year, the tests, as described above, had always been passed.

### 3) Other information on significant events

With reference to segregated assets it should be noted that, on 5 May 2022, with economic effect from the same date, Banco di Desio e della Brianza S.p.A. sold a new portfolio for a total consideration of Euro 375,138,044.32, and on 18 May 2022 provided the Company a new Subordinated Loan for a principal amount equal to the purchase price of the new portfolio.

No further significant events occurred after the end of the financial year.

#### L.3 INDICATION OF ACTORS INVOLVED

Issuer of OBG	Banco di Desio e della Brianza S.p.A.
OBG Guarantor	Desio OBG S.r.l.
Transferors	Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A.
Subordinated Lenders	Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A.
Servicer	Banco di Desio e della Brianza S.p.A.
Sub-Servicer	Banca Popolare di Spoleto S.p.A.
Corporate Servicer	Securitisation Services S.p.A. (now Banca Finint)
Guarantor Calculation Agent	Securitisation Services S.p.A. (now Banca Finint)
Account Bank	Crédit Agricole Corporate and Investment Bank, Milan Branch
Guarantor Paying Agent	Crédit Agricole Corporate and Investment Bank, Milan Branch
Representative of the Secured Bank Bondholders	Securitisation Services S.p.A. (now Banca Finint)
Back-Up Servicer Facilitator	Securitisation Services S.p.A. (now Banca Finint)
Liability Swap Provider	BNP Paribas
Asset Monitor	BDO Italia S.p.A.
Quotaholder	Stichting Morricone
Stitching Corporate Services Provider	Wilmington Trust SP Services (London) Limited
Cash Manager	Banco di Desio e della Brianza S.p.A.
Test Calculation Agent	Banco di Desio e della Brianza S.p.A.
Issuer Paying Agent	Banco di Desio e della Brianza S.p.A.
Luxembourg Listing Agent	BNP Paribas Securities Services, Luxembourg branch.

It should be noted that, by deed dated 26 October 2020, file. no. 54597 folder no. 30824, drawn up by Notary Public Alberto Sartorio, registered with the Treviso-Belluno Register of Companies on 28 October 2020, the merger by incorporation into Banca Finanziaria Internazionale S.p.A. of, inter alia, Securitisation Services S.p.A. was finalised..

### **Obligations of the Transferor**

At the date of the transfer, the Company, as guarantor, and Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A., as Transferors, entered into two separate guarantee and indemnity agreements pursuant to which each Transferor made certain representations and warranties in favour of the Guarantor with respect to the assigned receivables portfolio and agreed to indemnify the Guarantor with respect to certain costs, expenses and liabilities that the latter had to incur in connection with the purchase and ownership of the portfolio.

For an explanation of any other obligations of the Transferor and the other persons involved in the transaction in various capacities, see Section L.5 Ancillary Financial Transactions.

### **Contractual relations established between the parties involved**

The Guarantor has entrusted the management of the collections on the portfolios purchased to Banco di Desio e della Brianza S.p.A., in its capacity as Servicer, which, pursuant to Law No. 130/99, is entrusted with the task of monitoring the transaction to ensure that it is carried out in accordance with the law and the prospectus.

Receivables are collected on the Desio Collection Account and the Spoleto Collection Account, in the name of the Guarantor, initially opened at (BNP Paribas Securities Services) and since July at the new Account Bank Crèdit Agricole Corporate and Investment Bank.

On the basis of the reports provided by the Servicer relating to the performance of the transaction and, more specifically, to credit collections and other items that contribute to the formation of the funds available to the Guarantor, Securitisation Services, as Guarantor Calculation Agent, allocates such funds at each payment date by way of fees and expenses to the various parties delegated to perform specific functions in respect of the segregated assets and by way of remuneration of the subordinated loans. Paragraph L.4) below provides a more complete examination of the funds available to the Supervisor and the order of priority it is required to observe in making payments to counterparties.

The management of administrative and accounting services was entrusted to Securitisation Services, as Guarantor Corporate Servicer.

The role of Representative of Covered Bondholders was assigned to Securitisation Services.



**L.4 ISSUE CHARACTERISTICS**

For information purposes, the following information is provided on the bonds issued by Banco di Desio e della Brianza S.p.A., for which the vehicle acts as Guarantor.

Series	1
ISIN Code	IT0005277451
Common Code	167862977
Company name	Euro 100,000
Issue date	12 September 2017
Maturity date	12 September 2024
Extended expiry date	12 September 2025
Currency	Euro
Amount at Issue	Euro 575,000,000
Amount as at 31/12/2022	Euro 575,000,000
Rate type	Fixed
Coupon	0.875 %
Applicable law	Italian

Series	2
ISIN Code	IT0005380446
Common Code	203326343
Company name	Euro 100,000
Issue date	24 July 2019
Maturity date	24 July 2026
Extended expiry date	24 July 2027
Currency	Euro
Amount at issue	Euro 500,000,000
Amount as at 31/12/2022	Euro 500,000,000
Rate type	Fixed
Coupon	0.375 %
Applicable law	Italian

Series	3
ISIN Code	IT0005433682
Common Code	229177818
Company name	Euro 100,000
Issue date	20 January 2021
Maturity date	20 January 2031
Extended expiry date	20 January 2032
Currency	Euro
Amount at issue	Euro 100,000,000
Amount as at 31/12/2022	Euro 100,000,000
Rate type	Fixed

---

DESIO OBG S.R.L.

Coupon	0.00 %
Applicable law	Italian

### **Allocation of flows from the loan portfolio**

The allocation of cash flows from the purchased receivables portfolio follows the order set forth in the "Intercreditor Agreement" or "Agreement among the Issuer's Creditors".

The Guarantor's available interest funds are allocated in the following order of priority.

Relative order of priority concerning the application of interest funds available:

1. payment of corporate expenses and reinstatement of Retention Amount;
2. payment of fees to the Bondholders' Representative;
3. commission payments to the Company's Agents - payment to the Liability Swap Provider;
4. payment of the Reserve Fund Amount;
5. allocation to available principal funds of an amount equal to the principal funds allocated to available interest funds on the previous payment dates and not yet repaid;
6. payment to the Subordinated Lenders of the base interest accrued on each loan;
7. payment to the Liability Swap Provider of further amounts due;
8. payment to the Subordinated Lenders of the premium accrued on each loan.

Order of priority regarding the application of available capital funds:

9. transfer of an amount equal to the shortfall, if any, occurring on the current payment date, in the event that the funds available in the interest line are insufficient for: the payment of corporate expenses, the reinstatement of the Retention Amount, the payment of fees to the Covered Bonds Representative and the Company's other Agents, the payment to the Liability Swap Provider and the payment of the Reserve Fund Amount, subject to the applicable order of priority in interest;
10. payment of the price of new portfolios of loans or other assets;
11. any principal payments due to the Liability Swap Provider;
12. repayment, if requested by the Lenders and provided that this does not result in a breach of the Tests conducted by the Asset Monitor and the Test Calculation Agent, of the Subordinated Loans;
13. provision in the Collection Account of unused funds under the highest priority items.

## **L.5 ANCILLARY FINANCIAL TRANSACTIONS**

### **Interest rate risk hedging**

Desio OBG S.r.l. entered into a first contract on 19 July 2017 and a second Interest Rate Swap contract on 22 July 2019 to hedge the interest rate risk arising from the mismatch between the interest income flows on the Portfolio and the interest expense flows on the series of covered bank bonds issued by Banco di Desio e della Brianza S.p.A. under the programme that, in a Post Issuer Default scenario, would have to be paid by the Guarantor. It should be noted that as of the first date of payment of the guarantor, a cash reserve was established, equal to the sum of:

- the Company's expenses payable on the next payment date;
- senior agents' commissions payable on the next payment date;
- for each of the covered bank bonds not covered by the Liability Swap, the coupons maturing in the following quarter;
- for each of the covered bonds fully covered by the Liability Swap, the maximum between the amount of the swap to be paid by the vehicle on the next payment date and the coupon accruing in the following quarter;
- for each covered bank bond partially covered by the Liability Swap, the maximum between the amount of the swap payable by the vehicle on the next payment date and the coupon maturing in the following quarter for the part covered by the Liability Swap and the coupon maturing in the following quarter for the part not covered by the Liability Swap.

This reserve therefore guarantees, even in the event of issuer default, in addition to the payment of the guarantor's senior expenses, the payment of coupons on the covered bank bonds issued for the following quarter.

## **L.6 OPERATING POWERS OF THE TRANSFEREE COMPANY**

Desio OBG S.r.l. as transferee and guarantor, has operational powers limited by the articles of association. In particular, Article 3 states that:

"The exclusive object of the Company is the purchase for consideration from banks, within the framework of one or more issuance transactions (meaning both individual issuance transactions and issuance programmes) of covered bank bonds realised pursuant to Article 7-bis of Law No. 130 of 30 April 1999, and any subsequent amendments and additions and related implementing provisions, of

- (i) land and mortgage loans, also identifiable en bloc;
- (ii) receivables due from or guaranteed by public administrations, also identifiable en bloc;
- (iii) securities issued as part of securitisation transactions involving loans of the same type;
- (iv) additional eligible assets or supplementary eligible assets that are permitted under the aforementioned law;

---

DESIO OBG S.R.L.

through the assumption of loans granted or guaranteed also by the transferring banks, as well as the provision of security for bonds issued by the same banks or by other banks.

The Company will carry out the above activities in accordance with the terms, methods and conditions set forth in the regulations applicable to the issuance of covered bonds pursuant to Article 7-bis of Law No. 130 of 30 April 1999 and any subsequent amendments and additions and related implementing provisions.

In accordance with the aforementioned provisions of law, the receivables and securities acquired by the Company and the sums paid by the relevant debtors are intended to satisfy the rights, also pursuant to Article 1180 of the Italian Civil Code, of the holders of the covered bank bonds referred to in Article 7-bis, paragraph 1 of Law no. 130 of 30 April 1999 and issued in the context of the issuance transactions in which the Company participates, for the benefit of which the Company has provided a guarantee, of the counterparties to derivative contracts hedging the risks inherent in the receivables and securities purchased and other ancillary contracts, as well as to the payment of other transaction costs, in priority to the repayment of loans granted or guaranteed also by the transferring banks pursuant to paragraph 1 of Article 7-bis of Law No. 130 of 30 April 1999.

Receivables and securities acquired by the Company under each transaction or issuance programme constitute segregated assets to all intents and purposes from those of the Company and from those relating to the other transactions or issuance programmes, on which actions by creditors other than the holders of the covered bank bonds issued and additional creditors referred to in the preceding sentence are not allowed.

To the extent permitted by the provisions of Law no. 130 of 30 April 1999 and related implementing provisions, the Company may also carry out the ancillary transactions to be stipulated for the provision of guarantees and for the successful completion of covered bond issuance transactions in which it participates, as well as, where permitted by Law 130/99 and related implementing provisions, and in the manner and within the limits set forth therein to carry out transactions to reinvest in other financial assets the funds resulting from the management of loans and securities acquired pursuant to these Articles of Association and not immediately used to satisfy the rights of the holders of covered bank bonds (issued in the context of such issuance transactions) and to pay the costs of the transaction.

In the context of covered bank bond issuance transactions in which it participates, in compliance with the provisions of Law 130/99 and its implementing provisions, the Company may engage third parties to collect the purchased receivables and to provide cash and payment services and also perform any other activity permitted by Article 7-bis of Law 130/1999 and its implementing provisions."

All major operational activities related to the management of the operation were outsourced (see point L.3).

## QUANTITATIVE INFORMATION

### L.7 CREDIT FLOW DATA

Description	At 31/12/2022	From the start date to 31 December 2021
<b>Balance of receivables at the beginning of the financial year</b>	<b>1,486,395,162</b>	<b>0</b>
<b>Increases:</b>		
Purchase of loan portfolio from Banco Desio and Banca Popolare Spoleto	375,138,044	2,181,284,779
Other Increases, of which:		
Interest income accrued on loans	27,933,886	104,684,992
Interest income on arrears	17,891	96,742
Early termination penalties	0	121,550
Reversals of impairment losses	1,988,690	4,726,007
Ancillary income on instalments	111,073	(293,836)
Other	(3,614)	649
<b>Decreases:</b>		
Customer collections	(224,671,098)	(773,657,147)
Other decreases, of which:		
Write-down of receivables	0	(11,500,551)
Losses on receivables	(18,967)	0
Adjustment to amortised cost	0	(2,523,414)
Repurchases	(968,606)	(16,544,609)
<b>Balance of receivables at the end of the Year</b>	<b>1,665,922,463</b>	<b>1,486,395,162</b>

It should be noted that during the financial year just ended, the Transferor, pursuant to Article 11 of the Transfer Agreement, exercised the repurchase option per individual Receivable.

Receipts in portfolio flows differ from receipts in cash flows in that they consider receipts pertaining to December, but transferred to the Company's current accounts by the Servicer during the first months of 2023, while they do not consider receipts received in January 2022 in the current accounts in the amount of Euro 1,026,830 but pertaining to the previous year.

**L.8 EVOLUTION OF OVERDUE RECEIVABLES**

Description	At 31/12/2022	At 31/12/2021
<b>Balance of overdue receivables at the beginning of the year</b>	<b>171,160</b>	<b>266,009</b>
Purchase of receivables	2,837	7,002
Amounts due during the financial year	145,517,618	127,346,561
Collections on overdue receivables	(145,318,813)	(127,005,448)
Renegotiated instalments	(195,906)	(442,964)
<b>Balance of overdue receivables at year-end</b>	<b>176,895</b>	<b>171,160</b>

The collection and recovery of past due receivables is entrusted to Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A. under the "Servicing Agreement" and "Sub Servicing".

During the course of the transaction, the Servicer and the Sub-Servicer continue to monitor the receivables and take recovery actions in accordance with the terms of the "Servicing Agreement" and "Sub-Servicing".

**L.9 CASH FLOWS**

Inflows	At 31/12/2022	At 31/12/2021
1. Balance of current accounts at the beginning of the Year	108,218,490	90,138,262
2. Subordinated financing received	0	0
3. Receivables transferred by the Servicer and credited to the	225,697,928	228,392,370
4. Positive spread arising from swap contracts	3,061,050	3,061,228
5. Interest income accrued on current accounts	98,023	0
<b>Total Inflows during the Year</b>	<b>228,857,001</b>	<b>321,591,860</b>

Outflows	At 31/12/2022	At 31/12/2021
1. Reinstatement of Retention Amount	59,541	51,309
2. Interest and commissions charged on current accounts	16	0
3. Payment of interest on loan	8,538,450	8,126,282
4. Payment of commissions to counterparties	1,071,545	1,123,559
5. Negative spread arising from swap contracts	1,609,689	0
6. Payment of additional remuneration	14,997,483	20,072,219
7. Partial loan repayment	247,000,000	184,000,000
8. Withholdings on interest income accrued on current accounts	21,941	0
<b>Total Outflows during the Year</b>	<b>273,298,664</b>	<b>213,373,370</b>

The imbalance between inflows and outflows of Euro 63,776,827 represents the balance of current accounts as at 31 December 2022 (item B.3 of table L.1).

It should be noted that some of the financial movements shown in the tables above occurred by offsetting asset and liability flows: in particular, the payment of the portfolio transfer price was offset by the disbursement of the related loan.

The actual receipts realised in 2022 totalled Euro 224.67 million, higher than the expected receipts of Euro 134.13 million.

The deviation is due to the fact that the collection forecasts do not take into account any early repayments and the purchase of the new portfolio.

Based on the financial plans provided by the Servicer, it is expected that receipts from receivables will amount to approximately Euro 150.88 million in the course of 2023 (this figure does not include any repurchases or early repayments).

#### **L.10 STATUS OF GUARANTEES AND LIQUIDITY FACILITIES**

No guarantees or liquidity facilities were in place as at 31 December 2022.

#### **L.11 BREAKDOWN OF RECEIVABLES BY RESIDUAL LIFE**

<b>Residual Life</b>	<b>Balance of Receivables - FY 2022</b>
01) Up to 3 months	48,588,185
02) from 3 months to 1 year	16,301,015
03) From 1 year to 5 years	142,169,215
04) over 5 years	1,469,316,623
<b>Total receivables at year-end:</b>	<b>1,676,375,039</b>

The table above shows the total outstanding debt as at 31 December 2022, gross of provisions for depreciation and amortised cost adjustments.

**L.12 BREAKDOWN BY TERRITORIAL LOCATION**

<b>Geographical Area</b>	<b>Amount</b>
Italy	1,676,375,039
<b>Total receivables at year-end:</b>	<b>1,676,375,039</b>

The table above shows the total outstanding debt as at 31 December 2022, gross of provisions for depreciation and amortised cost adjustments.

**L.13 RISK CONCENTRATION**

<b>Amount classes (eur)</b>	<b>Balance of Receivables - FY 2022</b>
01) 0 - 25,000	25,355,267
02) 25,001 - 75,000	360,035,175
03) 75,001 - 250,000	1,066,319,616
04) Over 250,000	224,664,980
<b>Total receivables at year-end:</b>	<b>1,676,375,039</b>

The table above shows the concentration of risk. The table above shows the total outstanding debt as at 31 December 2022, gross of provisions for depreciation and amortised cost adjustments.

As at 31 December 2022, there were no loans whose principal due exceeded 2% of the total loans in the portfolio.

Conegliano, 7 February 2023

**Desio OBG S.r.l.**  
*The Chair of the Board of Directors*  
Carlo Maria Rebay



**General information on the company**

## Master data

Company name:	DESIO OBG S.R.L.
Registered office:	VIA VITTORIO ALFIERI, 1 CONEGLIANO TV
Share capital:	10,000.00
Fully paid-up share capital:	yes
CCIAA (Chamber of Commerce, Industry, Craft and Agriculture) code:	TV
VAT number:	04864650264
Tax code:	04864650264
REA (Economic and Administrative Index) number:	404888
Legal form:	LIMITED LIABILITY COMPANY
Prevalent sector of activity (ATECO):	649940
Company in liquidation:	no
Single-member company:	no
Company subject to third-party management and coordination	yes
Name of the company or entity exercising management and coordination activities:	Banco di Desio e della Brianza S.p.A.
Membership of a group:	yes
Name of the parent company:	Banco di Desio e della Brianza S.p.A.
Country of the parent company:	
Cooperative registration number:	

# Financial Statements as at 31 December 2022

## Ordinary Balance Sheet

	31/12/2022	31/12/2021
<b>Assets</b>		
<b>C) Current assets</b>		
II - Receivables	-	-
5-bis) tax credits	4,318	5,452
due within the next financial year	4,318	5,452
<i>Total receivables</i>	4,318	5,452
IV - Cash and cash equivalents	-	-
1) bank and postal deposits	45,120	46,462
<i>Total cash and cash equivalents</i>	45,120	46,462
<i>Total current assets (C)</i>	49,438	51,914
<b>D) Accruals and deferrals</b>	<b>11,771</b>	<b>11,349</b>
<i>Total assets</i>	61,209	63,263
<b>Liabilities</b>		
<b>A) Shareholders' equity</b>	<b>10,000</b>	<b>10,000</b>
I - Share capital	10,000	10,000
Total shareholders' equity	10,000	10,000
<b>D) Payables</b>		
6) advance payments	20,197	13,374
due within the next financial year	20,197	13,374
7) payables to suppliers	16,835	28,029
due within the next financial year	16,835	28,029
12) tax debts	1,335	5,130
due within the next financial year	1,335	5,130
14) Other payables	6,000	-
due within the next financial year	6,000	-
<i>Total payables</i>	44,367	46,533
<b>E) Accruals and deferrals</b>	<b>6,842</b>	<b>6,730</b>
<i>Total liabilities</i>	61,209	63,263

## Ordinary Income Statement

	31/12/2022	31/12/2021
<b>A) Value of production</b>		
5) other revenues and income	-	-
Other	83,726	88,336
<i>Total other income and revenues</i>	83,726	88,336
<i>Total value of production</i>	83,726	88,336
<b>B) Production costs</b>		
7) for services	82,057	83,844
10) depreciation and amortisation	-	-
a) amortisation of intangible fixed assets	-	394
<i>Total depreciation/amortisation and write-downs</i>	-	394
14) sundry operating expenses	492	462
<i>Total production costs</i>	82,549	84,700
<b>Difference between value and cost of production (A - B)</b>	<b>1,177</b>	<b>3,636</b>
<b>C) Financial income and expenses</b>		
16) other financial income	-	-
(d) income other than the above	-	-
Other	158	-
<i>Total income other than the above</i>	158	-
<i>Total other financial income</i>	158	-
<i>Total financial income and expenses (15+16-17+-17-bis)</i>	158	-
<b>Profit before tax (A-B+-C+-D)</b>	<b>1,335</b>	<b>3,636</b>
<b>20 Income taxes for the year: current, deferred and prepaid</b>		
Current taxes	1,335	3,930
taxes relating to previous years	-	(294)
<i>Total income taxes for the year: current, deferred and prepaid</i>	1,335	3,636
<b>21) Profit (loss) for the year</b>	<b>-</b>	<b>-</b>

## Cash flow statement - indirect method

	Amount as at 31/12/2022	Amount as at 31/12/2021
<b>A) Cash flow from operating activities (indirect method)</b>		
Income taxes	1,335	3,636
Interest expense/(income)	(158)	
<i>1) Profit (loss) for the year before income tax, interest, dividends and capital gains/losses on disposal</i>	<i>1,177</i>	<i>3,636</i>
Adjustments for non-monetary items that did not have a balancing entry in net working capital		
Depreciation of fixed assets		394
<i>Total adjustments for non-monetary items that did not have a balancing entry in net working capital</i>		<i>394</i>
<i>2) Cash flow before changes in net working capital</i>	<i>1,177</i>	<i>4,030</i>
Changes in net working capital		
Increase/(Decrease) in trade payables	(11,194)	11,273
Decrease/(Increase) in accrued income and prepaid expenses	(422)	(1,813)
Increase/(Decrease) in accrued expenses and deferred income	112	875
Other decreases/(Other increases) in net working capital	10,162	(4,136)
<i>Total changes in net working capital</i>	<i>(1,342)</i>	<i>6,199</i>
<i>3) Cash flow after changes in net working capital</i>	<i>(165)</i>	<i>10,229</i>
Other adjustments		
Interest received/(paid)	158	
(Income taxes paid)	(1,335)	(3,636)
<i>Total other adjustments</i>	<i>(1,177)</i>	<i>(3,636)</i>
<b>Cash flow from operating activities (A)</b>	<b>(1,342)</b>	<b>6,593</b>
<b>Increase (decrease) in cash and cash equivalents (A ± B ± C)</b>	<b>(1,342)</b>	<b>6,593</b>
Cash and cash equivalents at beginning of year		
Bank and postal deposits	46,462	39,869
Total cash and cash equivalents at beginning of year	46,462	39,869
Cash and cash equivalents at year-end		
Bank and postal deposits	45,120	46,462
Total cash and cash equivalents at year-end	45,120	46,462
Balancing difference		

## Notes to the accounts, initial part

Dear Shareholders, these Notes form an integral part of the Financial Statements as at 31/12/2022.

The Financial Statements comply with the provisions of Articles 2423 et seq. of the Italian Civil Code and the national accounting principles as published by the Italian Accounting Organisation; they therefore clearly and truthfully represent the company's financial position and results of operations for the year.

The Company was incorporated on 27 February 2017 pursuant to Law No. 130 of 30 April 1999, which regulated the implementation of securitisation transactions in Italy.

Legislative Decree No. 141 of 2010, as subsequently amended, requires securitisation special purpose vehicles to be set up in the form of joint stock companies.

Pursuant to its Articles of Association and the provisions of the aforementioned law, the Company's exclusive object is carrying out one or more issuance transactions (meaning both individual issuance transactions and issuance programmes) of covered bank bonds, realised pursuant to Art. 7-bis of Law No. 130 of 30 April 1999, its subsequent amendments and additions and their implementing provisions, of:

- (i) land and mortgage loans, also identifiable en bloc;
- (ii) claims against or guaranteed by public administrations and securities issued or granted in the same terms, also identifiable en bloc;
- (iii) securities issued as part of securitisation transactions involving loans of the same type;
- (iv) additional eligible assets or supplementary eligible assets that are permitted under the aforementioned law;

through the assumption of loans granted or guaranteed also by the originator banks, as well as the provision of security for bonds issued by the banks themselves or by other banks.

The Company has prepared these Financial Statements by confirming the accounting separation of the securitised assets from the corporate assets, in line with the provisions of the previous Bank of Italy Order of 29 October 2021, although the same has lapsed following the repeal by Legislative Decree 136/15, of Legislative Decree 87/92, which it directly originated from, and although such segregation is not regulated by any provision of the Italian Civil Code.

The recourse to the provisions of the Italian Civil Code for the representation of corporate management derives from the exclusion of securitisation special purpose vehicles pursuant to Law 130/99 from the entities qualifying as non-banking financial intermediaries, following the completion of the Title V Reform, effected by Legislative Decree 141/2010 and subsequent corrective decrees, whose effects have been translated into accounting terms by the above-mentioned Legislative Decree 136/15.

While awaiting the issue of a new source of legislation to replace the previous one governing the financial statements of securitisation vehicle companies, the Company has made the choices described above because they are more in line with current regulatory provisions and, at the same time, suitable for the purpose of providing information on the Company's financial position, results of operations and cash flows, which is useful for users of the financial statements to make economic decisions and which is, at the same time, relevant, reliable, comparable and understandable with regard to both corporate management and separate assets.

These choices are also based on respect for the general principle of continuity in the representation of operating events, benefitting an understanding of the Financial Statements.

During the financial year 2022, the fragile recovery from the international emergency due to the Coronavirus epidemic was heavily impacted by the conflict in Ukraine which, since the end of February, has generated heavy repercussions on the national and international economic system and business operations.

The world economy shows signs of weakness according to available indicators. Activity in the advanced countries - still affected by the repercussions of the war in Ukraine and high inflation - slowed down. The slowdown in global demand contributed to lower energy prices while remaining at historically high values.

The rise in official rates in the US and the UK continues, albeit at a slower pace.

In the euro area, activity slowed down, while consumer inflation remained high, although it has been declining since November; the core component continued to strengthen also due to the gradual passing on of past energy price increases.

The ECB raised its key interest rates again and announced measures to reduce the Eurosystem's balance sheet.

In Italy, activity weakened in the last quarter. Both the dampening of the recovery of value added in services, which had already returned to pre-pandemic values in the summer months, and the decline in industrial production contributed to this. Household spending is said to have slowed down, despite measures to support disposable income in a high inflation scenario. Employment grew slightly, while wage dynamics remained subdued. Inflation remains high, still driven mainly by energy. Bank lending to the non-financial private sector slowed down in the latter part of the year, suffering from the weakening of both corporate demand for investment purposes and household demand for house purchases.

Preliminary information for 2022 points to a significant reduction in the deficit and debt to GDP ratio.

The general picture continues to be conditioned by geo-political tensions stemming from the Russian-Ukrainian conflict, with inevitable effects on growth prospects and inflation expectations triggered by the rising cost of raw materials, especially energy.

If energy supplies from Russia stopped, GDP would fall and inflation would rise again.

### **Corporate Management**

The contents of the Balance Sheet and the Income Statement, which are limited to the representation of corporate management, are therefore those required by Articles 2424 and 2425 of the Italian Civil Code, while the Cash Flow Statement has been prepared in accordance with Art. 2425-ter.

The Notes to the Financial Statements, prepared in accordance with Art. 2427 of the Italian Civil Code, contain all the information needed to provide a correct interpretation of the Financial Statements and, in particular, contain a specific Annex containing information on Securitised Operations.

### **Securitised Operations**

In light of the above, the Company has prepared these Financial Statements confirming the accounting separation of securitised assets from corporate assets in line with the provisions of the previous Bank of Italy Order of 29 March 2000.

Accordingly, the financial assets acquired, securities issued and other transactions undertaken as part of the securitisation transaction(s) are presented in accordance with the procedures set forth in the relevant regulations issued by the Bank of Italy in a specific Schedule(s) and described in the specific Annex(es) to the Notes to the Financial Statements and do not form part of the Financial Statements.

This Annex is to be considered an integral part of this Financial Statements.

This approach is also in line with the provisions of Law No. 130 of 30 April 1999, according to which 'the receivables relating to each transaction constitute separate assets, to all intents and purposes, from those of the company and those relating to other transactions'.

More specifically, the following provisions continue to be observed with respect to the securitisation transaction(s):

- a) the accounting information relating to each securitisation transaction is disclosed separately in an appropriate Annex to the Notes to the Financial Statements;
- b) the Annex contains the qualitative and quantitative data necessary for a clear and complete representation of each transaction. More specifically, they contain a minimum amount of information specified below: (i) information on the amount of the purchased receivables (nominal value and transfer value); (ii) information on the amount of the securities issued, distinguishing by class of securities with the relative degree of subordination; (iii) accounting information; (iv) qualitative information; and (v) quantitative information relating to the securitisation transaction(s).

This is without prejudice to the provision on the basis of which all information must be provided, even if not expressly requested, in order to provide a complete picture of the situation, while information that, by its nature or excessive content, diminishes the clarity and immediacy of the document's disclosure must be omitted.

It should be noted that the issue of the accounting treatment of financial assets and/or groups of financial assets and financial liabilities arising in the context of securitisation transactions is still being analysed in depth by the bodies responsible for interpreting the established accounting standards.

It should be noted, moreover, that on 4 September 2015, Legislative Decree 139/2015 was published, effective for financial statements for financial years commencing on or after 1 January 2016, pursuant to which important changes were introduced to the valuation criteria for certain items in the financial statements of companies required to follow the accounting rules dictated by the Italian Civil Code and the Italian accounting standards.

These changes include, in particular, the valuation at amortised cost of receivables and liabilities arising during 2016 as well as the fair value valuation of derivatives outstanding at the date of first application of the decree.

It should be noted that pending express regulatory clarification on the applicability of these changes to the segregated assets of the securitisation vehicle companies, the Company has decided to maintain unchanged, in accordance with the principle of continuity, the valuation criteria pertaining to the items in the prospectus, which are illustrated in more detail in the Appendix to the Notes to the Financial Statements, in the section "Information on the Summary Prospectus", to which reference should be made.

### **Drafting of the Financial Statements**

The information contained in this document is presented in the order in which the relevant items are shown in the Balance Sheet and Income Statement.

With reference to what is indicated in the introductory part of these Notes to the Financial Statements, it is hereby certified that, pursuant to Article 2423, paragraph 3 of the Italian Civil Code, if the information required by specific provisions of law is not sufficient to give a true and fair view of the company's situation, the supplementary information deemed necessary is provided.

There have been no exceptional cases that have necessitated recourse to derogations under Art. 2423, paragraphs 4 and 5 and Art. 2423-bis paragraph 2 of the Italian Civil Code.

The Financial Statements, as well as these Notes to the Financial Statements, have been drawn up in euro units.

### **Principles for the Preparation of Financial Statements**

The items in the financial statements were valued in accordance with the principle of prudence and on a going concern basis. Pursuant to art. 2423-bis, paragraph 1, point 1-bis of the Italian Civil Code, the recognition and presentation of items is carried out by taking into account the substance of the transaction or contract.

In the preparation of the annual financial statements, expenses and income have been recognised on an accrual basis regardless of when they occur. Account was also taken of risks and losses pertaining to the financial year, even if they became known after the end of the year.

### **Structure and Content of the Financial Statements**

The Balance Sheet, Income Statement, Cash Flow Statement and accounting information contained in these Notes are consistent with the accounting records, from which they have been directly derived.

In the presentation of the balance sheet and income statement no grouping of items preceded by Arabic numerals has been made, as optionally required by Art. 2423-ter of the Italian Civil Code

Pursuant to Art. 2424 of the Italian Civil Code, we confirm that there are no assets or liabilities that fall under more than one heading in the financial statements.

### **Measurement criteria**

The sections relating to the individual items indicate the criteria applied pursuant to Art. 2427, paragraph 1 no. 1 of the Italian Civil Code, in compliance with the provisions of Art. 2426 of the Italian Civil Code, with particular reference to those items in the financial statements for which the legislator allows different valuation and adjustment criteria or for which no specific criteria are provided for.

### **Currency valuation**

The Company held no receivables or payables in foreign currencies at the balance sheet date.

### **Repurchase agreements**

Pursuant to Art. 2427, no. 6-ter, the Company certifies that during the financial year it did not enter into any repurchase agreements.

## Explanatory Notes, assets

The values entered on the assets side of the balance sheet were valued in accordance with Art. 2426 of the Italian Civil Code and in accordance with national accounting principles. The sections on the individual items indicate the criteria applied specifically.

### Fixed assets

#### Intangible fixed assets

They consist solely of start-up and expansion costs.

Start-up and expansion costs have been capitalised as assets in the balance sheet because they have long-term utility; these costs are systematically amortised over a period not exceeding five years.

### Current assets

Current assets are valued in accordance with the provisions of numbers 8 to 11-bis of Art. 2426 of the Italian Civil Code. The criteria used are indicated in the paragraphs of the respective items in the financial statements.

#### Receivables recorded as current assets

Receivables recorded as current assets were recognised in the financial statements according to the amortised cost criterion, as defined in Art. 2426, paragraph 2 of the Italian Civil Code, taking into account the time factor and presumed realisable value, in accordance with Art. 2426, paragraph 1, no. 8 of the Italian Civil Code.

The adjustment to the presumed realisable value was made, where necessary, by allocating a provision for bad debts.

For receivables for which the application of the amortised cost method and/or discounting has been determined to be irrelevant for the purpose of giving a true and fair view of the company's balance sheet and income statement situation, the recognition at estimated realisable value has been maintained. This is the case, for example, in the presence of receivables with a maturity of less than 12 months or, with reference to the amortised cost criterion, where transaction costs, commissions and any other differences between initial value and maturity value are insignificant or, again, in the case of discounting, where the interest rate inferable from the contractual conditions is not significantly different from the market interest rate.

#### Changes and maturity of receivables recorded under current assets

The following table provides information on changes in receivables recognised as current assets as well as, where significant, information on their maturity dates.

	Value at start of year	Changes in the year	Year-end value	Portion due within the financial year
Tax receivables	5,452	(1,134)	4,318	4,318
<b>Total</b>	<b>5,452</b>	<b>(1,134)</b>	<b>4,318</b>	<b>4,318</b>

Tax receivables refer to:

IRES (corporate income tax) and IRAP (regional business tax) advances paid during the year and deductible from the provision for taxes for the year.

The allocation of deferred tax assets calculated by applying the IRES rate of 24% to the cost of the audit activity related to these financial statements for the portion of the service not yet completed.

Withholding taxes on interest income accrued on ordinary management.



## Cash and cash equivalents

Cash and cash equivalents are valued at nominal value.

	Value at start of year	Changes in the year	Year-end value
bank and postal deposits	46,462	(1,342)	45,120
<i>Total</i>	<i>46,462</i>	<i>(1,342)</i>	<i>45,120</i>

The amount consists of the temporary credit balance of current accounts held by the company management with a credit institution; these are sight receivables.

## Accrued income and prepaid expenses

Accruals and deferrals have been calculated on an accrual basis by allocating revenues and/or costs common to two financial years.

The following table shows the breakdown of these items as they appear in the financial statements.

Description	Details	Current year amount
<i>ACCRUALS AND DEFERRALS</i>		
	ACCRUED INCOME	6,842
	PREPAID EXPENSES	4,929
	<b>Total</b>	<b>11,771</b>

"Accrued income" includes the accrual of the "corporate servicer fee", the fee that corporate management collects periodically from the securitisation's segregated assets for the vehicle's administrative and corporate management services accruing as at 31/12/2022, pursuant to the Administrative Services Agreement

Prepaid expenses refer to the costs of stichting management.

## Notes to the accounts, liabilities and shareholders' equity

The items under shareholders' equity and liabilities in the balance sheet have been recorded in accordance with national accounting standards; the sections on the individual items indicate the criteria applied specifically.

### Shareholders' Equity

The items are stated in the financial statements at their carrying amount in accordance with the guidelines in accounting standard OIC 28.

#### Changes in shareholders' equity items

With reference to the year under review, the following tables show the changes in the individual items of shareholders' equity, as well as details of the other reserves, if present in the financial statements.

	Value at start of year	Year-end value
Capital	10,000	10,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>

### Availability and use of shareholders' equity

The following schedules analytically indicate the items of shareholders' equity, specifying their origin, possibility of utilisation and distributability, as well as their utilisation in the previous three financial years.

Description	Amount	Origin/Nature	Possibility of use
Capital	10,000	Capital	
<b>Total</b>	<b>10,000</b>		
Non-distributable quota			
Residual distributable share			
<b>Key: A: for capital increase; B: to cover losses; C: for distribution to shareholders; D: for other statutory restrictions; E: other</b>			

	Capital	Total
<b>Opening balance as at 01/01/2020</b>	<b>10,000</b>	<b>10,000</b>
<i>Allocation of the result for the year:</i>		
- Allocation of dividends		
- Other uses		
<i>Other changes:</i>		
- Loss coverage		
- Capital transactions		
- Distribution to shareholders		
- Other changes		
Result for the financial year 2020		
<b>Closing balance as at 31/12/2020</b>	<b>10,000</b>	<b>10,000</b>
<b>Opening balance as at 01/01/2021</b>	<b>10,000</b>	<b>10,000</b>
<i>Allocation of the result for the year:</i>		
- Allocation of dividends		
- Other uses		
<i>Other changes:</i>		
- Loss coverage		
- Capital transactions		
- Distribution to shareholders		
- Other changes		
Result for the financial year 2021		
<b>Closing balance as at 31/12/2021</b>	<b>10,000</b>	<b>10,000</b>
<b>Opening balance as at 01/01/2022</b>	<b>10,000</b>	<b>10,000</b>
<i>Allocation of the result for the year:</i>		

	Capital	Total
- Allocation of dividends		
- Other uses		
<i>Other changes:</i>		
- Loss coverage		
- Capital transactions		
- Distribution to shareholders		
- Other changes		
Result for the financial year 2022		
<b>Closing balance as at 31/12/2022</b>	<b>10,000</b>	<b>10,000</b>

## Payables

Payables have been recognised in the financial statements according to the amortised cost criterion, as defined in Art. 2426, paragraph 2 of the Italian Civil Code, taking into account the time factor, in accordance with Art. 2426, paragraph 1, no. 8 of the Italian Civil Code. For payables for which the application of the amortised cost method and/or discounting has been determined to be irrelevant, for the purpose of giving a true and fair view of the company's assets and liabilities and economic situation, the nominal value has been maintained. This is the case, for example, in the presence of payables with a maturity of less than 12 months or, with reference to the amortised cost criterion, where transaction costs, commissions and any other differences between initial value and maturity value are insignificant or, again, in the case of discounting, where the interest rate inferable from the contractual conditions is not significantly different from the market interest rate.

### Changes and maturity of payables

The following table sets out information on changes in payables and any information on their maturity.

	Value at start of year	Changes in the year	Year-end value	Portion due within the financial year
Advances	13,374	6,823	20,197	20,197
Payables to suppliers	28,029	(11,194)	16,835	16,835
Tax debts	5,130	(3,795)	1,335	1,335
Other payables	-	6,000	6,000	6,000
<b>Total</b>	<b>46,533</b>	<b>(2,166)</b>	<b>44,367</b>	<b>44,367</b>

“Payables to suppliers” refer to invoices for services relating to (i) received and not yet paid at year end and (ii) not yet received at the financial statement date.

The item "Advances" relates to advances received by corporate management from the securitised management for the payment of its operating expenses.

“Taxes payable” refer to IRES provisions calculated by applying the rate of 24%, while for IRAP provisions the rate applied is 3.90% and withholding taxes to be paid.

## Accrued expenses and deferred income

Accruals and deferrals have been calculated on an accrual basis by allocating costs and/or revenues common to two financial years.

The following table shows the breakdown of these items as they appear in the financial statements.

Description	Details	Current year amount
<i>ACCRUALS AND DEFERRALS</i>		
	ACCRUED EXPENSES	6,842
	<b>Total</b>	<b>6,842</b>

Accrued expenses originate from the cost for the administrative/company management of the securitisation vehicle calculated by contract on an annual basis, maturing on 31/12/2022, for which the supplier will issue an invoice in the next financial year.

## Notes to the accounts, income statement

The income statement shows the economic result for the year.

It provides a representation of operations by summarising the positive and negative income components that contributed to the economic result. The positive and negative components of income, recorded in the financial statements in accordance with Art. 2425-bis of the Italian Civil Code, are distinguished according to whether they belong to the various types of management: ordinary, accessory and financial.

Core business identifies the income components generated by transactions that occur on an ongoing basis and in the sector relevant to the performance of operations, which identify and qualify the special and distinctive part of the economic activity performed by the company.

Given the very nature of the Company, which is set up specifically to carry out securitisation transactions, core operations are dedicated to the subsistence of the Company realised by incurring the costs of its existence and the application of the contractual provision that allows for the recharging of the same to the securitised assets.

Financial activities consist of transactions that generate income and expenses of a financial nature.

On a residual basis, ancillary activities consist of transactions that generate income components that are part of ordinary activities but are not part of ordinary business and financial activities. The company does not carry out any ancillary activities.

### Value of production

Revenues are entered in the balance sheet on an accrual basis, net of returns, rebates, discounts and premiums, as well as taxes directly related thereto.

They mainly refer to the form of recovery that corporate management is entitled to accrue against the segregated assets as a result of incurring its costs of existence.

### Production costs

Costs and charges are allocated on an accrual basis and according to their nature, net of returns, allowances, discounts and premiums, in accordance with the principle of correlation with revenues, and recorded in the respective items in accordance with the provisions of accounting standard OIC 12. In the case of the purchase of services, the related costs are recognised when the service is received, while in the case of continuous services, the related costs are recognised for the accrued portion.

## **Amount and nature of individual income/cost items of exceptional magnitude or incidence**

There are no exceptional items of income or expense.

## **Income taxes for the year: current, deferred and prepaid**

### **Deferred tax liabilities and deferred tax assets**

No provision has been made in the income statement for deferred tax assets and liabilities, as there are no temporary differences between the tax charge in the financial statements and the theoretical tax charge.

## **Notes to the accounts, cash flow statement**

The Company has prepared the cash flow statement, which represents the summary document that links the changes that occurred during the year in the company's assets with the changes in the financial situation; it highlights the values relative to the financial resources that the company needed during the year as well as the relative uses.

With regard to the method used, it should be noted that, in accordance with the provisions of OIC 10, the company has adopted the indirect method whereby the cash flow is reconstructed by adjusting the result for the year for non-monetary components.

## **Notes to the accounts, other information**

The other information required by the Italian Civil Code is set out below.

### **Employment data**

The Company had no employees during this financial year.

### **Remuneration, advances and loans granted to directors and auditors and commitments undertaken on their behalf**

The following table sets out the information required by Art. 2427 no. 16 of the Italian Civil Code, specifying that no advances or receivables exist and no commitments have been undertaken on behalf of the administrative body as a result of guarantees of any kind given.

	<b>Directors</b>
Fees	18,398

### **Fees to the statutory auditor or auditing company**

The following table shows the fees payable to the statutory auditor, broken down by type of services rendered.

	Statutory audit of annual accounts	Total fees payable to the statutory auditor or audit firm
Value	15,860	15,860

## Categories of shares issued by the company

This section of the Notes to the Financial Statements is not relevant as the share capital is not represented by shares.

## Securities issued by the company

With reference to corporate management, the Company has not issued any securities or similar securities falling under the provision of Art. 2427 no. 18 of the Italian Civil Code.

ABS securities, in fact, are issued as part of the securitised assets and are illustrated in detail in a separate Annex to the Notes to the Financial Statements, based on the considerations set forth in the Notes to the Financial Statements - Initial Part.

## Details of other financial instruments issued by the company

The Company has not issued any other financial instruments within the meaning of Art. 2346, paragraph 6 of the Italian Civil Code.

## Off-balance sheet commitments, guarantees and contingent liabilities

There are no off-balance sheet commitments, guarantees or contingent liabilities.

## Information on assets dedicated to specific business activities and special purpose loans

The specific purpose of the Company is the realisation of securitisation transactions, which, as shown in the Notes to the Financial Statements, initial part, are represented in accordance with the procedures set forth in the provisions specifically issued by the Bank of Italy in the Annex to these Notes to the Financial Statements, to which reference is made and which are listed here:

Annex 1

It should be noted that the Annex is to be considered an integral part of this Financial Statements.

## Information on transactions with related parties

With reference to corporate management, for the purposes of current regulations, no transactions with related parties were carried out during the year.

With reference to the securitisation transaction, please refer to Paragraph B.2 of the Annex to the Notes to the Financial Statements where the full list of parties involved is reported.

## Information on off-balance sheet agreements

No off-balance sheet agreements were entered into during the financial year.

## Information on significant events occurring after the end of the financial year

With reference to point 22-quater of Art. 2427 of the Italian Civil Code, there are no significant events relating to the company's operations after the end of the financial year that have had a significant impact on its assets, financial and economic performance.

## Disclosure of Derivative Financial Instruments Pursuant to Article 2427-bis of the Italian Civil Code

It is hereby certified that no derivative financial instruments were entered into in connection with the company's operations.

## Summary of the financial statements of the company exercising management and coordination activities

It should be noted that the company belongs to the group and is subject to the VAT management by BANCO DESIO and coordination by the company Banco di Desio e della Brianza S.p.A.

The following tables summarise the key figures of the latest approved financial statements of the above-mentioned company exercising management and coordination

### Summary balance sheet of the company exercising management and coordination activities

#### Attivo

Voci dell'attivo	31.12.2021
10. Cassa e disponibilità liquide	84.412
20. Attività finanziarie valutate al <i>fair value</i> con impatto a conto economico	85.544
a) <i>Attività finanziarie detenute per la negoziazione</i>	11.034
c) <i>Altre attività finanziarie obbligatoriamente valutate al fair value</i>	74.510
30. Attività finanziarie valutate al <i>fair value</i> con impatto sulla redditività complessiva	593.360
40. Attività finanziarie valutate al costo ammortizzato	16.330.175
a) <i>Crediti verso banche</i>	2.445.253
b) <i>Crediti verso clientela</i>	13.884.922
60. Adeguamento di valore delle attività finanziarie oggetto di copertura generica (+/-)	502
90. Attività materiali	218.420
100. Attività immateriali	19.119
di cui:	
- avviamento	15.322
110. Attività fiscali	170.080
a) <i>correnti</i>	14.587
b) <i>anticipate</i>	155.493
120. Attività non correnti e gruppi di attività in via di dismissione	13.080
130. Altre attività	290.089
<b>Totale dell'attivo</b>	<b>17.804.781</b>

## Passivo

<b>Voci del passivo e del patrimonio netto</b>		<b>31.12.2021</b>
10.	Passività finanziarie valutate al costo ammortizzato	16.316.377
	<i>a) Debiti verso banche</i>	3.815.695
	<i>b) Debiti verso clientela</i>	10.978.417
	<i>c) Titoli in circolazione</i>	1.522.265
20.	Passività finanziarie di negoziazione	5.901
40.	Derivati di copertura	365
60.	Passività fiscali	3.972
	<i>a) correnti</i>	2.011
	<i>b) differite</i>	1.961
80.	Altre passività	320.685
90.	Trattamento di fine rapporto del personale	21.960
100.	Fondi per rischi e oneri	46.776
	<i>a) impegni e garanzie rilasciate</i>	4.058
	<i>c) altri fondi per rischi e oneri</i>	42.718
120.	Riserve da valutazione	15.762
150.	Riserve	931.240
160.	Sovraprezzi di emissione	16.145
170.	Capitale	70.693
190.	Patrimonio di pertinenza di terzi (+/-)	4
200.	Utile (Perdita) d'esercizio (+/-)	54.901
<b>Totale del passivo e del patrimonio netto</b>		<b>17.804.781</b>



## Summary income statement of the company exercising management and coordination activities

**Conto economico Consolidato**

	<b>31.12.2021</b>
<b>Voci</b>	
10. Interessi attivi e proventi assimilati	294.440
<i>di cui: interessi attivi calcolati con il metodo dell'interesse effettivo</i>	223.249
20. Interessi passivi e oneri assimilati	(40.706)
<b>30. Margine di interesse</b>	<b>253.734</b>
40. Commissioni attive	216.100
50. Commissioni passive	(18.970)
<b>60. Commissioni nette</b>	<b>197.130</b>
70. Dividendi e proventi simili	690
80. Risultato netto dell'attività di negoziazione	4.287
90. Risultato netto dell'attività di copertura	-
100. Utili (perdite) da cessione o riacquisto di:	(7.226)
<i>a) attività finanziarie valutate al costo ammortizzato</i>	(11.314)
<i>b) attività finanziarie valutate al fair value con impatto sulla redditività complessiva</i>	4.397
<i>c) passività finanziarie</i>	(309)
110. Risultato netto delle altre attività e passività finanziarie valutate al fair value con impatto a conto economico	731
<i>b) altre attività finanziarie obbligatoriamente valutate al fair value</i>	731
<b>120. Margine di intermediazione</b>	<b>449.346</b>
130. Rettifiche/Riprese di valore nette per rischio di credito relativo a:	(86.487)
<i>a) attività finanziarie valutate al costo ammortizzato</i>	(86.496)
<i>b) attività finanziarie valutate al fair value con impatto sulla redditività complessiva</i>	9
140. Utili/perdite da modifiche contrattuali senza cancellazioni	(71)
<b>150. Risultato netto della gestione finanziaria</b>	<b>362.788</b>
<b>180. Risultato netto della gestione finanziaria e assicurativa</b>	<b>362.788</b>
190. Spese amministrative:	(298.658)
<i>a) spese per il personale</i>	(174.449)
<i>b) altre spese amministrative</i>	(124.209)
200. Accantonamenti netti ai fondi per rischi e oneri	(1.694)
<i>a) impegni per garanzie rilasciate</i>	889
<i>b) altri accantonamenti netti</i>	(2.583)
210. Rettifiche/Riprese di valore nette su attività materiali	(16.266)
220. Rettifiche/Riprese di valore nette su attività immateriali	(1.745)
230. Altri oneri/proventi di gestione	24.778
<b>240. Costi operativi</b>	<b>(293.585)</b>
260. Risultato netto della valutazione al fair value delle attività materiali e immateriali	(123)
<b>290. Utile (Perdita) della operatività corrente al lordo delle imposte</b>	<b>69.080</b>
300. Imposte sul reddito dell'esercizio dell'operatività corrente	(14.179)
<b>310. Utile (Perdita) della operatività corrente al netto delle imposte</b>	<b>54.901</b>
<b>330. Utile (Perdita) d'esercizio</b>	<b>54.901</b>
<b>350. Utile (Perdita) d'esercizio di pertinenza della capogruppo</b>	<b>54.901</b>
	<b>31.12.2021</b>
Utile base per azione (euro)	0,41
Utile diluito per azione (euro)	0,41

**Proposed allocation of profits or coverage of losses**

Dear Shareholders,

the financial statements closed with a break-even position, so there is no allocation of profit to be made.

## Notes to the accounts, final part

Dear Shareholders, We confirm that these Financial Statements, consisting of the Balance Sheet, Income Statement, Cash Flow Statement and Notes to the Financial Statements, give a true and fair view of the company's financial position and results of operations for the year and correspond to the accounting records. We therefore invite you to approve the draft financial statements as at 31/12/2022 together with the proposed allocation of the year's result, as prepared by the administrative body.

The financial statements are true and real and correspond to the accounting records

CONEGLIANO, 7 February 2023

**DESIO OBG S.R.L.**

*Single-member company*

*Carlo Maria Rebay, Chair*



KPMG S.p.A.  
Revisione e organizzazione contabile  
Via Rosa Zalivani, 2  
31100 TREVISO TV  
Telefono +39 0422 576711  
Email [it-fmauditaly@kpmg.it](mailto:it-fmauditaly@kpmg.it)  
PEC [kpmgspa@pec.kpmg.it](mailto:kpmgspa@pec.kpmg.it)

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

## Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010

To the quotaholders of  
Desio OBG S.r.l.

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Desio OBG S.r.l. (the "company"), which comprise the balance sheet as at 31 December 2022, the profit and loss account and cash flow statement for the year then ended and notes thereto.

In our opinion, the financial statements give a true and fair view of the financial position of Desio OBG S.r.l. as at 31 December 2022 and of its financial performance and cash flows for the year then ended in accordance with the Italian regulations governing their preparation.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

We draw attention to the "Initial part" section the notes to the financial statements, where the directors state that the company's sole business object is the acquisition of loans and securities which it funds through third party financing as part of transactions to issue covered bonds in accordance with Law no. 130 of 30 April 1999. As described by the directors, the company has disclosed the acquired financial assets and other transactions carried out as part of the above-mentioned transactions in the notes to the financial statements in accordance with the provisions of Law no. 130 of 30 April 1999, under which the loans and securities relating to each transaction constitute segregated assets from those of the company and those relating to other transactions for all intents and purposes. Our opinion is not qualified in this respect.



Desio OBG S.r.l.  
Independent auditors' report  
31 December 2022

### *Other matters - Management and coordination*

As required by the law, the company disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own financial statements. Our opinion on the financial statements of Desio OBG S.r.l. does not extend to such data.

### *Responsibilities of the company's directors for the financial statements*

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian regulations governing their preparation and, in accordance with the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;



Deslo OBG S.r.l.  
Independent auditors' report  
31 December 2022

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on other legal and regulatory requirements

### *Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10*

The company's directors are responsible for the preparation of a directors' report at 31 December 2022 and for the consistency of such report with the related financial statements and its compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report with the company's financial statements at 31 December 2022 and its compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report is consistent with the company's financial statements at 31 December 2022 and has been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Treviso, 11 April 2023

KPMG S.p.A.

(signed on the original)

Alessandro Nespoli  
Director of Audit